International Center for
Promotion of Enterprises
ICPE

Integration of Human Values in Stakeholder Engagement for CSR – Illustrations from Indian Public Enterprises

Pranav Umesh
Sri Sathya Sai Institute of Higher Learning, Bangalore, India
upranav@sssihl.edu.in
M. S. Sai Vinod
Sri Sathya Sai Institute of Higher Learning, Bangalore, India
mssaivinod@sssihl.edu.in
N. Sivakumar (Corresponding author)
Sri Sathya Sai Institute of Higher Learning, Bangalore, India
nsivakumar@sssihl.edu.in

Abstract

Several public sector undertakings in India and across the world have taken up corporate social responsibility (CSR) initiatives in education to promote social welfare. The effectiveness of these initiatives depends on the level of stakeholder engagement in them. Integration of human values ensures that stakeholder engagement becomes holistic leading to co-created value for the benefit of all involved. This paper discusses a holistic values-based framework of stakeholder engagement inspired by the philosophy of Bhagawan Sri Sathya Sai Baba. Illustrations from the CSR initiatives of public sector undertakings in India have been provided to stress the benefits of integration of human values in stakeholder engagement.

KEYWORDS: Stakeholder engagement; CSR; Human values; Bhagawan Sri Sathya Sai Baba; Public enterprise

Introduction

Education is important for progress both at the level of the individual and society. This dual role makes education highly potent and beneficial. At the level of the individual, education becomes a vehicle of knowledge and success. It not only gives a platform to succeed but also strengthens social conduct, character and self-respect (Bhardwaj, 2016). Arthur et al. (2012) pointed that regardless of country, education is rated highly as a critical factor for successful entrepreneurship. At the level of society, education plays an economic and social role. The importance of education in economic progress is well documented. Individual and national incomes are impacted by education. Employment is related to education (Kaser,1966;

Carnevale & Fasules, 2017). Education is important for social cohesion. Without critical scrutiny developed by education, social disparities, which hinder social cohesion, can take root. Janks (2014) in this regard stated that social orders that create disparities based on arbitrary social categories, such as gender, race, class, ethnicity, and religion creating privilege for some at the expense of others, do not just happen. They are produced collectively and individually by society's actions and failures to act. An education that can develop a critical approach is needed to interrogate these practices in order to change them. Ultimately, education helps in the blossoming of human values which ensure that the society has responsible citizens (Bhardwaj, 2016).

While the importance of education is undisputed, the responsibility of providing quality education has been a matter of debate. A large number of scholars have stressed that it is the government's duty to provide quality education. It has been termed as a constitutional responsibility (Birch, 1975) to be provided by the government at all levels as an important function of the state (Zhanlan, 2010). However, in several countries, government agencies have not been successful in delivering quality education. Research studies in Africa (Philip, 2017) and Asia (Alam, 2015) have pointed out the inability of the government in improving the quality of education. In order to alleviate this challenge, there has been a call for social participants to engage in education (Bull, 2009). This includes individual families, larger communities and business entities. Corporations have played a role in education both from a business (Okulicz-Kozaryn & Lapitskaya, 2018), and societal objective (Tilak, 2010). In India, corporate social responsibility (CSR) has been an important medium through which business has participated in the cause of improving the quality of education (Thirumuru & Thirukkovela, 2015). Public sector corporations in India have actively contributed towards improving the quality of education in India through their CSR interventions (GAIL, 2019; Thacker, 2021).

Public sector undertakings have played an important role in the economic and social development of nations across the world. Studies have reported the contribution of the public sector to competitiveness in Italy (Patrizii & Resce, 2015), intellectual capital in Malaysia (Busenan, *et al.* 2018), labour markets in Germany (Senftleben-König, 2014), tourism in Croatia (Nikšić, & Perić, 2006), and gender equality in Europe (Vaughan-Whitehead, 2013). Public sector undertakings have contributed to India's growth story too. The public sector undertakings of the central/union government of India had a market capitalisation of 190 billion USD, with a total net profit of 19 billion USD and a total investment of 290 billion USD in 2019 (CAG, 2020). They have also contributed to social development through their CSR activities (GAIL, 2019; Powergrid, 2021; Thacker, 2021).

One of the important challenges related to CSR implementation is stakeholder engagement. Stakeholder engagement can be defined as 'practices that an organization undertakes to involve stakeholders in organizational activities in a positive way' (Greenwood, 2007). Stakeholder engagement is any process that involves stakeholders in some form of collaborative effort directed towards a decision, which might involve future planning and/or behaviour change (Gardner et al. 2009). It refers to trust-based collaborations between individual and social institutions to achieve common objectives (Rhodes et al. 2014). The extent of this collaboration

can vary from brief and simple information exchange to more extensive and long-term relationships with stakeholders. Austin and Seitanidi, (2012) pointed that collaboration with stakeholders could provide greater overall value particularly in the area of sustainability and CSR. This is because firms do not have all the knowledge and expertise required to address complex CSR challenges. They must engage with stakeholders in the spirit of partnership and co-opetition to be effective in their CSR initiatives (Biondi et al., 2002). By engaging with stakeholders, organizations can achieve their CSR objectives and ensure that their decisions and activities are socially acceptable (Green & Hunton-Clarke, 2003). However, (O'Sullivan et al. 2020) pointed out that stakeholder engagement is often undertaken in an ad-hoc and ineffective manner.

Several frameworks have been developed to study stakeholder engagement in order to augment CSR performance (Rhodes et al., 2014; Blok et al., 2015; Haddaway et al., 2017; O'Sullivan et al., 2020). Firms need appropriate capabilities for stakeholder engagement that draw on the knowledge, understanding and behaviour of employees of the firm, working through structures and processes that cross traditional organisational boundaries (Rhodes et al., 2014). Apart from regular capabilities of communication and collaboration, firms also need new capabilities that arise from tacit knowledge and human values to effective stakeholder engagement (Sharma and Vredenburg, 1998; Sivakumar, 2017). This paper attempts to discuss aholistic humanvalues-based approach to stakeholder engagement in CSR. The paper is inspired by the philosophy of a world spiritual teacher and leader – Bhagawan Sri Sathya Sai Baba. The paper also uses public sector CSR interventions in education in India, to highlight the role of values in the stakeholder engagement process.

Public sector and CSR

The public sector has played an important role in the economic and social development of nations across the world. Showcasing the power of the public sector, Patrizii & Resce (2015) analysed the productivity of public sector corporations in Italy and found that productivity was very differentiated across services, layers of government and area. On the whole, the public sector did enhance the competitiveness in the Italian economy. Commenting on the importance of intellectual capital in the public sector in Malaysia, Busenan et al., (2018) stated that the public sector cannot remain isolated from a knowledge-based economy and need to contribute their might to intellectual capital through their knowledge management practices. Vaughan-Whitehead (2013) stated that the contribution of the public sector to gender equality in employment in the UK is multidimensional and the UK's has a tradition of using the public sector to set gender equality standards in pay and employment practices.

In India, public sector contributions are well documented. The public sector provided the much-required thrust to the Indian economy and was instrumental in setting up a strong and diversified industrial base in the country (Jain et al., 2014).). In the social sector, public enterprises have played an active role in rural development, education, environmental sustainability, health care and community welfare (GAIL, 2019; Powergrid, 2021; Thacker, 2021).

41

One of the major instruments of social involvement by the public sector in India has been through its CSR practices. Mansi et al. (2017) found that most of the vision statements of public sector undertakings are stated in terms of their social responsibility. Using a case study of public sector CSR, Rao & Balakrishnan (2010) showed that these undertakings enhance the quality of life through the provision of subsidized housing, water, electricity, sanitation, recreational facilities, solid waste management and free medical care. Additionally, the public sector has added to social infrastructure through the construction of schools, libraries, health centres, irrigation canals, check dams, and assisting in the desilting of water tanks. Social responsibility reporting also has been active among public sector enterprises (Kansal et al., 2018).

Sangle (2010) showed that effectively engaging stakeholder groups is a critical success factor in public sector CSR in India. Yet, despite the impressive performance of the public sector in CSR in India, one major concern has been ineffective stakeholder engagements (O'Sullivan et al., 2020). Ray (2013), in this regard, pointed out that for CSR to be more effective public sector stakeholder engagements needed to be streamlined. Importantly, managers at all levels needed a better understanding of CSR and stakeholder engagement.

CSR in education

After CSR was made mandatory in India, education has received a major portion of the funds spent on CSR activities (Sengupta, 2017). Interestingly, a common observation among various studies on CSR in education pointed that firms are comfortable at providing monetary or infrastructure-related support for education (Hossain et al., 2020; Ansu-Mensah et al., 2021). Preference for these activities normally stems from the ease of implementation of these interventions which are mostly short term or one-time investments. However, Bala (2018), remarked that mere provision of infrastructure alone does not have an impact on learning outcomes. Studies have highlighted that deeper and systemic issues related to education like curriculum development, gender inequality, capacity building and school culture improvement are low on the radar of CSR (Benty & Supriyanto, 2017; Prakash & Chandra, 2020).

A major reason for such skewed CSR focus can be attributed to poor stakeholder engagement. In education-related CSR interventions conscious association of stakeholders is critical (Hossain et al., 2020). Prakash & Chandra (2020) highlighted that corporates should take stakeholders into confidence and involve them in all stages of the CSR interventions to have a greater impact on education.

Importance of stakeholder engagement in CSR

Stakeholder engagement is crucial to CSR. Bowen et al. (2010) described stakeholder engagement as a subset of the CSR activities of a firm. According to Onkila (2011), stakeholder engagement in CSR essentially involves addressing stakeholder relationships through creating a framework for stakeholder participation in the CSR process. Stakeholder engagement can be

viewed from a traditional and modern perspective. The traditional perspective of stakeholder participation was considered more transactional essentially involving communication (Donaldson and Preston, 1995). However, the current perspective is more holistic. Andrews et al., (2019) emphasised that stakeholder engagement was a process involving recognition, consultation, collaboration, discourse and interaction with stakeholders, which went beyond just dialogue and communication.

Stakeholder engagement provides a lot of benefits for CSR. It leads to greater public acceptance of the CSR activities leading to a higher likelihood of the interventions' success (Haddaway et al., 2017) and gaining social legitimacy (Watson et.al., 2018). Converting stakeholders needs into CSR policies and practices leads to a stakeholder-oriented concept of CSR implementation (Lamberg et al., 2003). According to Luu (2019), co-created CSR activities will help stakeholders feel good about the organisation and develop feelings of loyalty. Engaging with stakeholders through CSR may also provide hands-on training that can be particularly effective in building capacity across various communities (Blok et al., 2015).

Values perspectives in stakeholder engagement in CSR

In the traditional transaction-based perspective which mainly involved communication, Ansong (2017) contended that stakeholder engagement could be viewed as a morally neutral activity. Due to this stakeholder engagement could either be done legitimately or immorally. However, as the current views on stakeholder engagement in CSR are seen in terms of building stakeholder relationships, integration of human values becomes relevant and important. Adongo et al. (2019) in this context viewed stakeholder engagement as a commonly beneficial and acollaborative arrangement taking the form of a 'moral partnership of equals'. Values such as agreement, power-sharing, collaboration, transparency and participation play a crucial role in reinforcing trust and infusing confidence in the CSR process (Boadi et al, 2018). Osei-Kojo & Andrews (2020), while studying CSR interventions identified that, due to lack of human values in the engagement process, the commitment of stakeholders lacked genuineness. If the engagement has to be meaningful and achievable, stakeholders should be given an opportunity to express their opinion without being influenced by any group (Roloff, 2008). Watson et al., (2018) explained the importance of values integration in the stakeholder engagement process using the concept of 'value framing'. Value framing helps organizations manage the differences in the ways of seeing the world that exist among stakeholder groups. Instead of seeing these differences as unassailable conflicts or as opposing positions that have to be negotiated to a compromise, managers can empathize with the alternative value frames of their stakeholders, and harness these differences by using them to reframe the issues involved, combine competencies in new ways, and co-create innovative solutions. Human values thus play an important role in stakeholder engagement in CSR. Yet it has not received sufficient scholarly attention.

Taking inspiration from the philosophy of Bhagawan Sri Sathya Sai Baba, this paper attempts to highlight the important role played by human values in the stakeholder engagement process.

The paper also illustrates public sector CSR initiatives in education in India to show the importance of values integration in stakeholder engagement.

Constituents of stakeholder engagement in CSR

A review of stakeholder engagement literature depicts that engagement involves several constituents (adapted from Tomlinson & Parker, 2021) as depicted in Table 1

Table 1: Constituents of stakeholder engagement in CSR

Engagement phase	Engagement concept	Engagement activity	Reference
Phase 1 – Engagement purpose and roles	Vision	Understanding the purpose of engagement	Tomlinson & Parker (2021)
		Appreciating the purpose of engagement	Haddaway et al. (2017)
	Players	Identifying the stakeholders	O'Sullivan et al. (2020)
		Prioritising the stakeholders	Lane & Devin (2018)
		Creating interest in stakeholders	Gardner et al. (2009)
Phase 2 – Engagement enablers	Communication	Enabling Consultation and Dialogue	Watson et al. (2018)
		Facilitating information flows	Blok et al. (2015)
		Sharing knowledge	Rhodes et al. (2014)
	Collaboration	Developing partnerships	Bigas et al. (2007)
		Managing expectations	Gardner et al. (2009)
Phase 3 – Engagement barriers	Hindrance	Managing power imbalances	Blok et al. (2015); Haddaway et al. (2017)
		Managing conflicts	Blok et al. (2015)
		Managing Stakeholder bias	Haddaway et al. (2017)
Phase 4 – Engagement results	Outcomes	Accepting and legitimising the outcomes	Gardner et al. (2009)
		Reporting the outcomes	Ojasoo (2016)
		Evaluating the outcomes	Tomlinson & Parker (2021)
Phase 5 – Engagement benefits	Impact	Co-creating value	Rhodes et al. (2014); Watson et al. (2018)

Application of the Baba's human values philosophy in stakeholder engagement

Bhagavan Sri Sathya Sai Baba (referred to as Baba henceforth), who is venerated by millions as a foremost spiritual leader, has expounded a philosophy based on human values (for more information about Baba, the interested reader is referred to www.srisathyasai.org.in). The major human values as explicated by Baba include truth, right action, peace, love and non-violence (Baba, 1999-2010, vol. 19). The human values philosophy of Baba is quintessentially 'Sanathana Dharma' (eternal human values) which are not restricted to any time, place or culture. Using intercultural theory, Reave (2005) showed that human values like respect, compassion, and appreciation go beyond the limitations of culture.

The philosophy propounded by Baba has found its applications in several projects and institutions which promote social welfare. These projects encompass a wide variety of areas like medical care, education, and social care. The uniqueness of these projects is that the benefits of all these projects are offered to all stakeholders without any discrimination and free of cost. This has resulted in the creation of a values-based institute of higher learning (Sri Sathya Sai Institute of Higher Learning), a super-speciality hospital and a water supply project, which helps a population of more than a million (Chaden, 2004). The institute of higher learning has the vision of imparting value-based education creating citizens who have the zeal to promote social welfare (Arweck & Nesbitt, 2007). It is interesting to note that alumni of Sri Sathya Sai Institute of Higher Learning have joined several public-sector institutions and they actively follow Baba's teachings in their workplace (Aitken, 2004). Using Baba's philosophy of human values, it is possible to understand the implications of the values in each phase of stakeholder engagement.

Values implications in engagement vision and roles

Stakeholder engagement starts with elucidating the purpose of engagement. Benty & Supriyanto (2017) reported how lack of clarity of vision among stakeholders led to failures of CSR interventions. Van Bommel (2011) highlighted the importance of shared vision in the stakeholder integration process. Having a shared purpose ensures that stakeholders understand their goals and manage their expectations accordingly. The human value most important at this phase is truth and integrity which is embedded in clarity of vision. Baba (1999-2010, vol. 42) in this regard stated the importance of having a clear and strong vision for superior social performance-

> lesser strength (of vision) can only think in terms of subsidiary roles. To see the truth as truth, and the untruth as untruth, both clarity of vision and courage of vision are needed.

ONGC, an Indian public sector enterprise in the field of oil and gas, states its CSR vision in clear terms as follows: "ONGC shall focus its CSR efforts towards bettering the lives of its surrounding communities by broadly addressing the focus areas of Education, Healthcare, Nutrition and Drinking Water. ONGC shall endeavour to understand the stakeholder expectations through a structured engagement process and communication strategy and shall

leverage this understanding for the betterment of all the stakeholders" (ONGC, 2021). Based on this vision ONGC has supported 970 *Ekal Vidyalayas* (informal schools with a single teacher) in different parts of India with an objective to provide informal education to children who could not avail formal education due to various reasons.

Apart from the clarity of vision, stakeholder engagement is also dependent on the roles played by different stakeholders. For effective CSR practice, it is necessary to identify the stakeholders to engage with and also prioritise them. One of the important issues in stakeholder engagement is identification bias caused by purposive selection (Haddaway *et al.,* 2017). Purposive selection involves the identification and invitation of selected, often well-known stakeholders. This process potentially results in a biased selection of stakeholders. In the education scenario in India, school development and monitoring committees (SDMC) are constituted to improve the quality of schools. Such committees will be effective only when they are aware of their roles, responsibilities and are made active participants in CSR programs. Prakash & Chandra, (2020) lamented that SDMC members as stakeholders were nowhere in the picture while planning or executing CSR programs. Executives involved in CSR projects had not only not identified the correct stakeholders for engagement, but they had also prioritised them wrongly by giving NGO implementing partners higher priority compared to SDMC members.

Bias in stakeholder engagement can be mitigated by using a carefully planned, systematic approach to stakeholder engagement (Haddaway *et al.,* 2017). Using Baba's human values philosophy can help in appropriate stakeholder identification. Baba (1999-2010, vol. 29), in this regard clarifies using the analogy of selecting correct friends-

> *people should look into habits, behaviour, discipline before making alliances with anyone. Today friendship is made with all sorts of people. who will desert at any moment.*

Powergrid Corporation, a public sector undertaking with CSR activities in education is a good example of choosing and prioritising correct stakeholders for engagement. As per Powergrid CSR policy, preference is given to address the needs of the stakeholders, generally located in the neighbourhood of its areas of operation. Due to its nature of business, operating areas of Powergrid include remote and far-flung rural areas spread across the country and thus company's CSR initiatives include the rural population and marginalized communities as stakeholders (Powergrid, 2021).

Values implications in engagement enablers

Once the purpose of engagement is set and the roles are established, it is necessary to take advantage of enablers during the engagement process. The first of the enabling process mechanisms is communication. According to Gould (2012), stakeholder engagement requires information sharing and interaction among stakeholders. This involves information flows in both directions, namely both information from stakeholders into the organization and information out of the organization to the stakeholders. Ali *et al.,* (2002) observed that the tendency to hold on to information rather than share it would inhibit social learning by preventing its transfer to other stakeholders. Withholding of information may hinder or even

prevent stakeholders from developing a knowledge foundation from which new knowledge can be generated. The human values implication in information sharing is understanding and promotion for the welfare of everyone involved. Baba (1999-2010, vol. 14 and 2003) stresses the need for promoting welfare by stating–

Communicate your experience to others, and also your ideas…a person's very basic duty is the welfare of all beings. Promoting it and contributing to it is the right task. Living one's life in discharging this task should be the goal.

National thermal power corporation (NTPC), a public sector enterprise in India has taken much effort to promote information flows in stakeholder engagement and CSR. NTPC has a CSR policy that states that the company is interested in instilling confidence in stakeholders through effective communication (NTPC, 2019). Additionally, an effort is made in the company through workshops, training, news bulletins, brochures, and intranet to create awareness about CSR initiatives, among internal stakeholders. As a part of its CSR activities, the company is running 48 schools managed by premier academic societies in the vicinity of its projects, benefitting close to 40000 students.

Another enabling aspect of stakeholder engagement is collaboration. Lane & Devin (2018) stated that collaboration positively contributes to the enhancement of stakeholder relationships and involves incorporating stakeholder inputs into organizational decision-making. The human values implication in collaboration are unity, cooperation, understanding and empathy Watson *et al.,* (2018) pointed that through collaboration, firms empathize with the alternative value frames of stakeholders and harness these differences to co-create innovative solutions. Baba's values philosophy exhorts in this regard (Baba,1999-2010, vol. 29)-

work for the development of society with mutual cooperation and understanding without giving room to any differences. Develop the qualities of empathy, unity and broad-mindedness.

State Bank of India has exemplified collaboration in its CSR through its SBI Youth for India (SBI YFI), a unique rural development fellowship program funded and managed by the SBI Foundation in partnership with reputed NGOs of the country. The fellowship provides a framework for India's bright young minds to join hands with rural communities, empathize with their struggles and connect with their aspirations. The selected fellows, from some of the top institutes/corporates, work with experienced NGOs on challenging development projects. The initiative provides avenues for the youth to become aware of the ground realities and presents them with an opportunity to contribute through their efforts towards building strong cohesive communities. The fellowship offers them an opportunity to work across many areas of interest namely, health and sanitation, livelihood, education, women empowerment and many more. The 13-month long program allows the fellows to travel the length and breadth of the country and make a difference at a grass-root level. It aims at generating the interest of the educated youth towards the social sector and inculcates a spirit of social entrepreneurship within them (Thacker, 2021).

Values implications in engagement barriers

While enablers assist in the process of stakeholder engagement, barriers hinder the process. This includes power imbalances, conflicts and bias. Blok *et al.,* (2015) highlighted that a critical issue with regard to stakeholder engagement is the existence of power imbalances among stakeholders. Power imbalances are an important reason for conflicts among stakeholders. Stakeholders are unwilling to interact when they have the feeling that they have less or no power compared with other actors involved. Krishna & Bisht (2021) showed that CSR agreements involving education grants are drafted with unequal power dynamics, which manifests in the form of unfavourable conditions. Baba (1999-2010, vol. 21) cautions against the misuse of power –

> *no one should misuse any of the powers they have. It amounts to an affront to the Divine which is the source of all powers.*

The values remedy against power imbalances and stakeholder conflicts is transparency. Bharat Petroleum Corporation Limited (BPCL), a public sector giant in India, states its CSR philosophy as follows: to ensure fairness to the stakeholders through transparency, full disclosures, empowerment of stakeholders and collective decision making. BPCL's flagship project 'Computer Assisted Learning (CAL)' promotes education through digital literacy for students in low-income schools. Since its inception, the project has benefitted more than 100 thousand children. 'Saksham' is another flagship project of BPCL for teacher and school leader training which was started to empower and motivate teachers and principals from schools in partnership with Pratham Infotech Foundation. The project aims to impact not only individual classrooms but the entire school environment. More than 700 teachers and headmasters from 305 schools graduated from this program. Needless to say, BPCL is completely transparent about these programs with the stakeholders (BPCL, 2018).

Values implications in engagement results

Stakeholder engagement must result in CSR outcomes. Outcomes need to be accepted by stakeholders to obtain legitimacy. Later they need to be reported and evaluated. For outcomes to be acceptable they need to be equitable (Gardner *et al.,* 2009). Therefore, the perspective of the human values related to engagement results is love and fairness. Baba (1999-2010, vol. 13) states that

> *when fairness is the basis of any engagement, there will be equitable distribution of benefits, resulting in peace and promotion of love.*

Gas Authority of India (GAIL), a public sector enterprise in India has equity rooted in its culture. This is evident by the responsibility, accountability, consistency, fairness and transparency the company maintains towards its stakeholders (GAIL, 2019). The company's initiative, 'Project Avant', which covers 105 schools, focuses on improving the learning level

in Maths and Science of children in upper primary classes. The results of the project are so fair and equitable that it has triggered reverse migration from private run costly schools to government-run subsidised schools.

Values implications in engagement impact

Ultimately, stakeholder engagement in CSR must have a sustainable impact. Saha *et al.,* (2020) described that despite CSR being mandatory in India, in several instances, the impact of CSR is yet to achieve sustainable development in the country. To create sustainable impact, co-creation of value is essential (Rhodes *et al.,* 2014; Ansu-Mensah *et al.,* 2021). All the human values mentioned in the previous phases including truth, integrity, unity, cooperation, understanding, empathy, transparency and fairness are needed for co-creating value. Baba (1999-2010, vol. 26) explains the truecreative nature of humans derived from their inherent divine characteristics-

divinity and humanity are not different. The same constituents are there in both. In fact, there is only one Supreme Power which manifests itself in multitudes of forms. Humans are embodiments of the three phases of time (past, present and future) and the three powers of creation, preservation and dissolution.

Humans have inherent co-creating abilities due to the values present in them. Promoting human values in stakeholder engagement can logically lead to co-creating value for all involved. Coal India (CIL), a premier public sector undertaking, believes in co-creating value for the nation. has implemented several processes for the co-creation of value (CIL, 2021). Its CSR policy document explicates the process of co-creation:

CIL fulfills the aspiration of the society through well-defined "Community Development Policy" which has resulted into a harmonious relationship between CIL and the peripheral communities. Mines of CIL and its subsidiaries are located in different parts of the country in relatively isolated areas. Introduction of any production activity in such areas changes the traditional lifestyle of the original inhabitants and indigenous communities and also changes the socio-economic profile of the area. Hence, the primary beneficiaries of CSR activities are those staying within the radius of 25 kilometers (16 miles) of the coal mining projects. CIL and subsidiaries ensure that the maximum benefit of their CSR activities goes to the underprivileged sections of the society.

Through its CSR process, CIL thus works towards co-creating of value. Integration of human values will thus enhance the quality of each phase of the stakeholder engagement process.

A values-based holistic framework for stakeholder engagement in CSR

In the previous section illustrations from public sector undertakings in CSR in education were provided regarding stakeholder engagement. Integration of human values can make stakeholder engagement holistic providing benefits to all those involved. Table 2 summarises the holistic value-based framework The integration of human values in stakeholder engagement

leads to holistic CSR benefits. This will lead to enthusiastic participation by all stakeholders and all-around development.

Table 2: A values-based holistic framework for stakeholder engagement in CSR

Engagement phase	Engagement concept	Engagement activity	Human Values integration	Added holistic benefit
Phase 1 – Engagement purpose and roles	Vision	Understanding the purpose Appreciating the purpose of engagement	Truth and integrity	Clarity of CSR vision and better acceptance
	Players	Identifying the stakeholders Prioritising the stakeholders Creating interest in stakeholders	Discipline and character	True and relevant stakeholders who will be loyal to the CSR process
Phase 2 – Engagement enablers	Communication	Enabling Consultation and Dialogue Facilitating information flows Sharing knowledge	Understanding	Promotion of welfare of all involved, peaceful participation
	Collaboration	Developing partnerships Managing expectations	Cooperation, unity and empathy	
Phase 3 – Engagement barriers	Hindrance	Managing power imbalances Managing conflicts Managing Stakeholder bias	Transparency	Avoidance of misuse of power, empowerment and collective decision making
Phase 4 – Engagement results	Outcomes	Accepting and legitimising the outcomes Reporting the outcomes Evaluating the outcomes	Fairness and equity	Equitable distribution of benefits
Phase 5 – Engagement benefits	Impact	Co-creating value	All the human values mentioned	Overall welfare and development

Conclusion

Stakeholder engagement is a vital aspect for the success of CSR. Rather than being transactional, if the engagement is rooted in human values, it becomes holistic. As seen from the illustrations of Indian public sector undertakings, holistic engagement can provide benefits not only to the stakeholders involved but to the larger community and society. Ultimately this can lead to overall welfare as stressed by Baba (1999-2010, vol. 36) -

Samastha Lokah Sukhino Bhavanthu (Let everybody in every place be happy and prosperous).

References:

Adongo, R., Kim, S. S., & Elliot, S. (2019). "Give and take": A social exchange perspective on festival stakeholder relations. *Annals of Tourism Research*, *75*, 42–57.

Aitken, B. (2004). *Sri Sathya Sai Baba: A Life*. New Delhi: Penguin.

Alam, M. S. (2015). Effect of community factors on primary school learners' achievement in rural Bangladesh. *Journal of learning for Development*, *2*(1).

Ali, I. M., Pascoe, C., & Warne, L. (2002). Interactions of organizational culture and collaboration in working and learning. *Journal of Educational Technology & Society*, *5*(2), 60-68.

Andrews, N., Andrews, N., & Yurova (2019). *Gold mining and the discourses of corporate social responsibility in Ghana*. Switzerland: Springer.

Ansong, A. (2017). Corporate social responsibility and firm performance of Ghanaian SMEs: The role of stakeholder engagement. *Cogent Business & Management*, 4(1), 1333704.

Ansu-Mensah, P., Marfo, E. O., Awuah, L. S., & Amoako, K. O. (2021). Corporate social responsibility and stakeholder engagement in Ghana's mining sector: a case study of Newmont Ahafo mines. *International Journal of Corporate Social Responsibility*, *6*(1), 1-22.

Arthur, S. J., Hisrich, R. D., & Cabrera, Á. (2012). The importance of education in the entrepreneurial process: a world view. *Journal of Small Business and Enterprise Development, 19(3),* 500-514.

Arweck, E., & Nesbitt, E. (2007). Spirituality in education: Promoting children's spiritual development through values. *Journal of Contemporary Religion*, *22*(3), 311-326

Austin, J. E., & Seitanidi, M. M. (2012). Collaborative value creation: A review of partnering between nonprofits and businesses: Part I. Value creation spectrum and collaboration stages. *Nonprofit and voluntary sector quarterly*, *41*(5), 726-758.

Baba, B. S. S. S. (1999-2010). *Sri Sathya Sai Speaks* (Vol. 1-42). Puttaparthi, India: Sri Sathya Sai Sadhana Trust, Publications Division.

Baba, B. S. S. S. (2003). *Dhyana Vahini.* Puttaparthi, India: Sri Sathya Sai Sadhana Trust, Publications Division

Bala, M. (2018). CSR Initiatives in Education in India: A Critical Review of Initiatives, Issues and Challenges. In C. Subathra, M. A. Millath, S. Jameela, V. S. Meenakshi, & L. S. Priya (Eds.), *Social Reponsibility* (pp. 89–101). Mayas Publication.

Benty, D. D. D. N., & Supriyanto, A. A. (2017). Implementation of School-Based Management Program in Public Elementary School. *Advances in Economics, Business and Management Research*, *45*, 138–142.

Bhardwaj, A. (2016). Importance of education in human life: A holistic approach. *International Journal of Science and Consciousness*, *2*(2), 23-28.

Bigas, H., Gudbrandsson, G. I., Montanarella, L., & Arnalds (eds). (2007). *Soils, Society & Global Change.* Retrieved from: https://land.is/wp-content/uploads/2018/01/Soils-Society-Global-Change.pdf on Oct 20th, 2021.

Biondi, V., Iraldo, F., & Meredith, S. (2002). Achieving sustainability through environmental innovation: the role of SMEs. *International Journal of Technology Management*, *24*(5-6), 612-626

Birch, I. K. F. (1975). *Constitutional responsibility for education in Australia*. Canberra, Australia: Australian National University Press.

Blok, V., Hoffmans, L., & Wubben, E. F. (2015). Stakeholder engagement for responsible innovation in the private sector: Critical issues and management practices. *Journal on Chain and Network Science*, *15*(2), 147-164.

Boadi, E. A., He, Z., Darko, D. F., & Abrokwah, E. (2018). Unlocking from community stakeholders, corporate social responsibility (CSR) projects for effective company–community relationship. *Labor History*, 59(6), 746–762.

Bowen, F., Newenham-Kahindi, A., & Herremans, I. (2010). When suits meet roots: the antecedents and consequences of community engagement strategy. *Journal of Business Ethics, 95*, 297-318.

BPCL. (2018). *Catalysing sustainable growth.* Retrieved from: https://www.bharatpetroleum.com/images/files/BPCL%20SR%202018-19%20NOV%2015%20Sustainability%20Report%20published.pdf

Bull, A. (2009). *Families and Communities Engagement in Education. Project 2—Notions of partnership* (Vol. 1). [Working Paper]. Retrieved from: https://www.nzcer.org.nz/system/files/face-notions-partnership.pdf on 20th Oct, 2021.

Busenan, E. F. M., Ramli, A., & Bakar, M. S. (2018). Intellectual capital and its importance to the public sector. *Journal of Global Business and Social Entrepreneurship (GBSE)*, *4*(10), 131-138.

CAG. (2020). *Summary of Financial Performance of Central Public Sector Enterprises.* Retrieved from:

https://cag.gov.in/uploads/download_audit_report/2020/Comml_CA_GPFR_Rep_No_7_2 020_Chapt_1-06022338deee3e3.69259761.pdf on Oct 20th, 2021

Carnevale, A. P., & Fasules, M. L. (2017). *Latino education and economic progress: Running faster but still behind*. Retrieved from: https://cew.georgetown.edu/cew-reports/latinosworkforce/ on Oct 20th, 2021.

Chaden, C. L. (2004). *A Compendium of the Teachings of Sri Sathya Sai Baba*. Bangalore, India: Sai Towers Publishing.

CIL. (2021). *CSR policy of Coal India, 2021*. Retrieved from: https://www.coalindia.in/media/documents/CSR_Policy_w.e.f._08.04.2021.pdf on Oct 20th, 2021.

Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review, 20*(1), 65-91.

GAIL. (2019) *.GAIL annual report 2019*, Retrieved from: https://www.gailonline.com/pdf/InvestorsZone/AnnualReports/Annual%20Report%20201 8-19%20.pdf on 20th Oct, 2021

Gardner, J., Dowd, A. M., Mason, C., & Ashworth, P. (2009). A framework for stakeholder engagement on climate adaptation. *Climate Adaptation National Research Flagship* [Working Paper], *3*, 1-31.

Gould, R.W., 2012. Open innovation and stakeholder engagement. *Journal of Technology Management and Innovation*, *7(3)*, 1-11.

Green, A. O., & Hunton-Clarke, L. (2003). A typology of stakeholder participation for company environmental decision-making. *Business strategy and the environment*, *12*(5), 292-299

Greenwood, M. (2007). Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business ethics*, *74*(4), 315-327.

Haddaway, N. R., Kohl, C., da Silva, N. R., Schiemann, J., Spök, A., Stewart, R., ... & Wilhelm, R. (2017). A framework for stakeholder engagement during systematic reviews and maps in environmental management. *Environmental evidence*, *6*(1), 1-14.

Hossain, M. S., Yahya, S. B., & Kiumarsi, S. (2020). CSR pyramid, CSR in education development and stakeholder's satisfaction: evidence from the banking industry in Bangladesh. *International Journal of Management and Enterprise Development*, *19*(1), 1-20.

Jain, P. K., Gupta, S., & Yadav, S. S. (2014). The Impact of Disinvestment and Self-Obligation on Financial Performance of PSEs in India: An Introduction. In *Public Sector Enterprises in India* (pp. 1-5). Springer, New Delhi.

Janks, H. (2014). Critical literacy's ongoing importance for education. *Journal of Adolescent & Adult Literacy*, *57*(5), 349-356.

Kansal, M., Joshi, M., Babu, S., & Sharma, S. (2018). Reporting of corporate social responsibility in central public sector enterprises: a study of post mandatory regime in India. *Journal of Business Ethics*, *151*(3), 813-831.

Kaser, M. C. (1966). Education and economic progress: experience in industrialized market economies. In *The economics of education* (pp. 89-173). Palgrave Macmillan, London.

Krishna, N. & Bisht, G. (2021) *How Can CSR Grant Agreements Be Redesigned to Not Stifle Non-profits?* Retrieved from: https://thebastion.co.in/politics-and/how-can-csr-grant-agreements-be-redesigned-to-not-stifle-non-profits/ on Oct 20th, 2021.

Lamberg, J., Savage, G., & Pajunen, K. (2003) Strategic stakeholder perspective to ESOP negotiations: The case of united airlines, *Management decision, 41(4)*, 383-393

Lane, A. B., & Devin, B. (2018). Operationalizing stakeholder engagement in CSR: A process approach. *Corporate Social Responsibility and Environmental Management*, *25*(3), 267-280.

Luu, T. T. (2019). CSR and customer value co-creation behavior: The moderation mechanisms of servant leadership and relationship marketing orientation. *Journal of Business Ethics*, *155(2)*, 379–398.

Mansi, M., Pandey, R., & Ghauri, E. (2017). CSR focus in the mission and vision statements of public sector enterprises: Evidence from India. *Managerial Auditing Journal, 32(4),* 356-377.

Nikšić, M., & Perić, M. (2006). The public sector contribution to enhance the excellence of tourist destination kvarner (Croatia). Retrieved from: https://www.researchgate.net/profile/marko-peric/publication/337111075_the_public_sector_contribution_to_enhance_the_excellence_of_tourist_destination_kvarner_croatia/links/5dc57c1692851c81803ac71b/the-public-sector-contribution-to-enhance-the-excellence-of-tourist-destination-kvarner-croatia.pdf on 20th Oct, 2021.

NTPC. (2019) *NTPC Policy for CSR & Sustainability.* Retrieved from: http://nvvn.co.in/wp-content/uploads/Revised-CSR-Policy.pdf on Oct 20th, 2021.

O'Sullivan, J., Pollino, C., Taylor, P., Sengupta, A., & Parashar, A. (2020). An Integrative Framework for Stakeholder Engagement Using the Basin Futures Platform. *Water*, *12*(9), 2398.

Ojasoo, M. (2016). CSR reporting, stakeholder engagement and preventing hypocrisy through ethics audit. *Journal of Global Entrepreneurship Research*, *6*(1), 1-14.

Okulicz-Kozaryn, W. P., & Lapitskaya, O. V. (2018). Higher education as a business: should Belarusian Universities change the way of teaching at lectures?. *Экономика и бизнес: теория и практика*, (5-2).

ONGC. (2021). *Major CSR projects.* Retrieved from: https://www.ongcindia.com/wps/wcm/connect/en/csr/major-csrprojects/ on Oct 20th, 2021.

Onkila, T. (2011). Multiple forms of stakeholder interaction in environmental management: business arguments regarding differences in stakeholder relationships. *Business Strategy and the Environment, 20*(6), 379-393.

Osei-Kojo, A., & Andrews, N. (2020). A developmental paradox? The "dark forces" against corporate social responsibility in Ghana's extractive industry. Environment, *Development and Sustainability*, *22(2),* 1051–1071.

Patrizii, V., & Resce, G. (2015). Public sector contribution to competitiveness. *Italian Economic Journal*, *1(3),* 401-443.

Philip, A. J. (2017). The Role of the Corporate Multilateral Agencies in Education: The Case of Literacy Projects in Tanzania. *The Educational Review, USA*, *1*(2), 17-25.

Powergrid. (2021). *Key CSR activities.* Retrieved from: https://www.powergridindia.com/csr/key-csr-activities#:~:text=CSR%20activities%20of%20POWERGRID%20can,vi)%20Drinking%20Water%20%26%20Sanitation on Oct 20th, 2021.

Prakash, C., & Chandra, S. C. S. (2020). School Management's Perception of Corporate Social Responsibility (CSR): An Exploratory Study. *Issues and Ideas in Education*, *8(2)*, 67-76.

Rao, P. B., & Balakrishnan, V. (2010). CSR in a Public Sector Undertaking in India–A Case Study. *International Journal of Management (IJM)*, *1(2)*, 129-140.

Ray, S. (2013). Linking public sector corporate social responsibility with sustainable development: Lessons from India. *RAM. Revista de Administração Mackenzie*, *14*, 112-131.

Reave, L. (2005). Spiritual values and practices related to leadership effectiveness. *The Leadership Quarterly*, *16(5)*, 655-687

Rhodes, J., Bergstrom, B., Lok, P., & Cheng, V.T. (2014). A framework for stakeholder engagement and sustainable development in MNCs. *Journal of Global Responsibility, 5*, 82-103.

Roloff, J. (2008) Learning from Multi-Stakeholder Networks: Issue-Focussed Stakeholder Management. *Journal of Business Ethics, 82*, 233-250

Saha, D., Rinkesh. D, & Janagam, R. (2020). Missing spirit of CSR: Structural causes of the challenge. *Down to earth.* Retrieved from: https://www.downtoearth.org.in/blog/governance/missing-spirit-of-csr-structural-causes-of-the-challenge-74590#:~:text=There%20are%20structural%20issues%20namely,and%20implementation%20of%20CSR%20projects on 20th Oct, 2021.

Sangle, S. (2010). Critical success factors for corporate social responsibility: a public sector perspective. *Corporate Social Responsibility and Environmental Management*, *17(4),* 205-214.

Senftleben-König, C. (2014). Public sector employment and local multipliers. *Berlin Doctoral Program in Economics and Management Science Working Paper Series*, *10*. Retreived from: https://bdpems.de/portal/sites/default/files/WP%202014-07.pdf on 20th Oct, 2021.

Sengupta, M. (2017). Impact of CSR on education sector. In *Corporate Social Responsibility in India* (pp. 33-50). Springer, Cham.

Sharma, S., & Vredenburg, H. (1998). Proactive corporate environmental strategy and the development of competitively valuable organizational capabilities. *Strategic management journal*, *19*(8), 729-753.

Sivakumar, N. (2017). Service Quality and Innovation in the Public Sector: A Human Values-Based Spiritual Framework. *Public Enterprise, 23*(1), 88-101. https://doi.org/10.21571/pehyj.2017.2301.05

Thacker, H. (2021) *State Bank of India CSR Report: Providing Service Beyond Banking.* Retrieved from: https://thecsrjournal.in/state-bank-of-india-sbi-csr-corporate-social-responsibility-report/ on Oct 20th, 2021

Thirumuru, M. P., & Thirukkovela, T. V. K. (2015). *Corporate Social Responsibility in Education- A case study of Hetero Groups.* 1–4. https://doi.org/10.15242/icehmed915011

Tilak, J. B. (2010). Higher education in India: Emerging challenges and evolving strategies. In *The search for new governance of higher education in Asia* (pp. 171-191). Palgrave Macmillan, New York.

Tomlinson, E. & Parker, R. (2021). *Six-Step Stakeholder Engagement Framework.* Retrieved from:
https://training.cochrane.org/sites/training.cochrane.org/files/public/uploads/Six%20Step%20Stakeholder%20Engagement%20Framework.pdf on Oct 20th, 2021

Van Bommel, H. W. (2011). A conceptual framework for analyzing sustainability strategies in industrial supply networks from an innovation perspective. *Journal of Cleaner Production*, *19*(8), 895-904.

Vaughan-Whitehead, D. (Ed.). (2013). *Public sector shock: The impact of policy retrenchment in Europe.* Switzerland: Edward Elgar Publishing.

Watson, R., Wilson, H. N., Smart, P., & Macdonald, E. K. (2018). Harnessing difference: a capability-based framework for stakeholder engagement in environmental innovation. *Journal of Product Innovation Management*, *35*(2), 254-279.

Zhanlan, L. (2010). Improving the Development of Preschool Education is the Responsibility of Governments at All Levels. *Studies in Preschool Education*, *11*.

Authors' Note