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Partnering with Nonprofits to Serve the Greater Good

TESCO BENGALURU LINKS CORPORATE SOCIAL RESPONSIBILITY WITH GRASSROOTS COMMUNITY CONCERNS *- AND SUCCESS FOLLOWS*

Name of the Organization: Tesco

Location: Bengaluru, India

Website: <http://www.tescobengaluru.com/corporate-social-responsibility/communities>

A Satell Institute CSR Research Report for Business Leaders

SUMMARY

Tesco has taken a lead in convening various stakeholders in the city to engage in CSR activities. This is uniquely collaborative approach, given that a corporate entity has stepped forward to engage stakeholders. It is also interesting because of some of innovative aspects of programming, that they are carrying out. The company has a very strong volunteering program as well as a 'Corporate Social Responsibility Month' that creates various opportunities for Tesco Bengaluru employees to engage with the local communities to do good.

Despite being the subsidiary of a British firm, TESCO is not using the template used by headquarters, but rather deploying their own ideas and initiatives. It has put place a 'grassroots' CSR campaign that addresses the aspirations of the Tesco employees and also the needs of the local communities.

Community volunteering is a 'Big 6' measure at Tesco Bengaluru, which means it is one of six Key-Performance Indicators (KPI) measures which Tesco measures across the organization. The Big 6 are:

- Customers recommend us and come back time and again
- Colleagues recommend us as a great place to work and shop
- We build trusted partnerships
- Grow sales
- Deliver profit
- Improve operating cash flow

This means that the organization includes volunteering measures and tracks this, as a measure of how well it is doing; both as a corporate citizen and also as an employer, which offers its employees opportunities to create meaningful opportunities to engage in the work outside of the office.

BACKGROUND

The focus on CSR is a fairly new phenomenon in India. The law mandating it was introduced only in 2013 and companies have started implementing it from the year 2014-15. As per the CSR Rules in the Companies Act, 2013, every company having a net worth of INR 500 crore or more, or turnover of INR 1000 crore (USD 160 million) or more, or a net profit of INR 5 crore (USD 800,000) or more, during any financial year, shall have to



spend as the CSR amount at least 2 percent of the average net profits of the company made during the three immediately preceding financial years.

Indian companies anticipate that this initiative from the government to drive socially responsible practices will have significant impact across the country and yield positive results for those sectors that need development. At present, there is limited formal information on what other organizations are doing and their interest to partner.

Tesco Bengaluru, the global services arm for Tesco worldwide, offers key business services for Tesco operations globally. Tesco Bengaluru team creates and executes projects in IT, Financial, Commercial and Property, among others.

Tesco has recently entered into an agreement with Trent Limited, part of the Tata Group, one of the largest conglomerates in the country to form a 50/50 Joint Venture in Trent Hypermarket Limited (THL), which runs Star Bazaar retail business, a large retail chain store in India. After initial consultations within the firm and strategic planning, Tesco decided to focus on creating opportunities for young people, health and environment as the focus of their CSR.

VALUE ADDED FOR THE COMPANY

The biggest benefit is a boost in employee morale and greater self-reported 'motivation' to do more for the community. Even though CSR was mandated by the government through recent legislation at the federal level, many companies took it up as a challenge, to incorporate CSR into their existing activities and also to create new ones. The company also wanted to make CSR 'engaging and meaningful, while breaking the myth of it being serious or boring.'

The results so far are clear:

- Tesco's partnerships and CSR activities have resulted in healthy relationships with local organizations like WEPIIA (Whitefield Export Promotion Park Industrial Association), Department of Education, communities and villages that neighbor our office. These relationships are in turn channeled to nurture our community projects and ensure they are sustainable.



- Tesco has created platforms and open channels to collaborate with other companies. With the aim of amplifying the impact the company can have on the society together, these channels are opportunities for collaboration and sharing best practices and ideas. CSR in and of itself provides a healthy, non-competitive platform for businesses and organizations to build upon.
- Tesco Bengaluru was honored with the ‘Best Corporate Social Responsibility Practices Award’ at the 2016 Global CSR Excellence & Leadership Awards organized by the World CSR Congress.

NONPROFIT AND COMMUNITY ENGAGEMENT

The relationship with NGOs is managed through the CSR department at Tesco. Similar to the grant making foundation model, Tesco Bengaluru invites proposals, and then conducts an audit to check on how well they have performed in the past. After a review, these organizations may be granted funds to carry out their work.

The company and the NGOs collaborate at the level of program design and execution. A ‘team-based approach’ is used to plan activities. Examples include a scribing workshop for differently abled children, workshops for young children at BOSCO, a nonprofit organization working with at-risk youth in Bengaluru.

The CSR program is managed internally by a working group of colleagues, which has weekly governance meetings and coordinates with the CSR Core Committee every quarter. The CSR Core Committee signs off on CSR strategy as well as funding proposals and disbursements. The working group operates on an account management model and drives the CSR agenda internally from the ground up.

Tesco Bengaluru has been running operations for the last 12 years. Even before CSR became a legal mandate, the firm has engaged locally with not-for-profits and charitable causes through events such as Joy of Giving Week, fund-raisers, and through payroll giving.

Tesco Bengaluru’s CSR strategy and themes have been derived from those of Tesco Group and adapted to suit our business model and local context.



Partnerships with the community take place (a) in executing projects that they fund which serve a public audience, (b) in volunteering activities which our colleagues undertake with community members – their involvement helping to keep the activity's impact sustainable, and building trust in our efforts.

There are several instances of CSR projects which have executed by working with local organizations, civil society bodies, and community groups. Some examples include:

- A partnership with Rotary Bangalore IT Corridor Charitable Trust to install solar lights in public spaces in the Whitefield area (a tech corridor in Bangalore)
- A partnership with Rotary Bangalore IT Corridor Charitable Trust and Rotary Whitefield to set up e-toilets in public areas in Whitefield and government schools in the outskirts of Bangalore in respectively
- Mobilizing street cleaning and cleanliness drives in local villages, working with residents
- Organizing tree planting drives across Bengaluru city in collaboration with local residents, school children, and other corporates

As a proactive initiative, Tesco Bengaluru also organized **CSR Impact** – a collaborative workshop – together with the Whitefield Export Promotion Parks Industrial Association (WEPPIA) in April, 2015 at its campus to collectively enhance the community outcomes in the area. Over 40 companies, government officials and NGOs participated in the event that debated, discussed and defined priorities for the forum partners.

Tesco Bengaluru presented the top five challenges in Whitefield followed by a discussion on potential collective solutions to these. This event presented opportunities for CSR leaders, government officials and NGOs to arrive at sustainable solutions. The platform provided opportunities for stakeholders to engage with each other, share initiatives that mattered, and create an environment for change.

RESULTS

The metrics used include:

- Scale of impact of each individual project supported, including considerations such as how many rural schoolchildren a mobile science lab can impact / how many



eye surgeries we can fund / how many mid-day school meals can we support

- Sustainability of projects & initiatives supported, such as solar lights in public spaces / tree planting drives

Some of the tangible results include:

- 4000+ trees have been planted in various parts of Bengaluru city
- Vision restoration surgeries completed for 430 disadvantaged patients from rural towns near Bengaluru
- 1000 colleagues/employees have pledged to donate their eyes in a 2-day eye-pledging drive
- As part of 'School Adoption Model,' Tesco has funded infrastructure and other support such as drinking water for four government schools, and have set up computer labs in two of these
- 585 disadvantaged schoolchildren covered in eye check-up camps in adopted government schools
- 44,000 student exposures and training for 120 government school teachers through two Mobile Science Labs
- Kitchen equipment at Akshay Patra's kitchens that churn out nutritious mid-day meals for over 5000 schoolchildren every day (these mid-day meals are often the only nutritious meal in the day for thousands of these children and provide a significant boost to attendance and retention levels as per many studies)
- A residential centre for runaway girl children who have been rescued by BOSCO, 'Vatsalya Bhavan'; this centre supports their rehabilitation, schooling, boarding and lodging.
- A tailoring unit has provided employable skills not only for the girls but also young women from disadvantaged backgrounds.
- Support for BOSCO's bakery unit, which trains young boys in bakery skills as a source of employment
- Funding medical equipment, health care kits, mobility aids & scholarships for Association of People With Disability (APD)
- Installed solar lights in four different public spaces in Whitefield, including a park, a village, and two government schools.
- Set up e-toilets in public areas in Whitefield and government schools in the outskirts of Bangalore.
- Conducted 11 continuous monthly street cleaning drives.
- Contributed to the Prime Minister's National Relief Fund (PMNRF) for disaster relief



THE INNOVATION

The framing of CSR as a ‘fun’ activity was a conscious effort by the firm. Two innovations are significant:

- **CSR Month – Making Volunteering Inclusive and Engaging at Tesco Bengaluru:**

Tesco completed a month-long campaign called ‘CSR Month’ throughout October 2015 which put the spotlight on CSR & volunteering. Over the course of the campaign, colleagues completed almost half of their annual volunteering targets and increased the volunteer base, while scaling impact on the community we are embedded in.

- **Individual Social Responsibility Programme (ISR):** In a unique attempt to back causes that colleagues are passionate about and establish a sense of ownership, Tesco Bengaluru launched the ISR programme. Through this, they invited colleagues to submit proposals which it will support from its CSR funds. These had to be proposals for community projects or NGO projects which the individual colleagues were keen to own and drive and could have demonstrable impact. An independent panel reviewed the proposals and selected the ones which Tesco Bengaluru would fund.

CONCLUSION

What can we learn from this model?

Collaboration is the key to amplify impact on the community and sustain it in the long-term. There is a lesson in customizing CSR programs to local conditions and Tesco seems to be doing a skillful job of that. Incorporating feedback from the grassroots – from NGOs and its own employees – has helped the company to develop new ideas and approaches to CSR. This grassroots approach to listening to the community in the design of CSR has made Tesco a leader in the emerging CSR field in India.

REFERENCES

Tesco website - <https://www.ourtesco.ie/2015/06/03/the-big-6/>

Interview with Anissu Verghese, Head of CSR, Bengaluru. April 5, 2016

