



## Under the Covid-19 cloud: How will School CSR fare in the 'New- Normal'?

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### Abstract

Covid-19 has affected millions of people across the globe. It has impacted economies, health care system and lifestyle in general. Education is one such area which has been drastically hit by the pandemic. CSR school initiatives were supporting Elementary education in Government schools through NGO partners. This study examines how the Covid-19 situation is affecting the work of CSR partners in the school system. 43 such NGO foundations working in government schools in Karnataka answered an online questionnaire about school about Corporate Social Responsibility (CSR) in the 'new normal'. 82% of the respondents report that their work is considerably affected as existing projects are 'on hold' and new projects are not being cleared. Delays in release of funds by funding partners and lack of certainty about future planning are other concerns. The negative impact on school children's learning, health and development is the most worrying prospect for most organizations. On the positive side, the current situation has taught some valuable lessons and has forced CSR partners to be innovative and resilient.

**Keywords:** Covid-19, Corporate Social Responsibility, CSR, Covid-19 and CSR, School CSR

### 1. Introduction

The beginning of 2020 saw the outbreak of Covid-19 that has spread rapidly across the globe. Covid-19 has changed the economic, social, health and political life of the world like never before. The UNDP brief on Covid-19 published in June 2020 reports the alarming impact of this pandemic as it is not plateauing out as expected. The report (UN, 2020 a) states that the multifaceted crises are reversing hard gains made by countries against the Sustainable Development Goals (SDGs). In the education sector, 166 countries have implemented country-wide school and university closures. More than 1.52 billion children and youth are currently out of school or university, representing 87 per cent of the world enrolled school and university student population. In addition, nearly 60.2 million teachers are no longer in the classroom. UN report on socio-economic impact of Covid-19 states that school closures may have a wide range of adverse impacts on children and young people (UN, 2020,b). Schools provide learning and human interactions that are vital for child development. Another worrying prospect is when schools close, many children lose the meals provided at school and a zone of safety. The World Food Program (WFP) estimates that more than 320 million primary schoolchildren in 120 countries are now missing out on school meals. School interruption also causes gaps in childcare, which puts pressures on work and life balance, especially for women, and parents when asked to facilitate the children's learning at home.

The pandemic is also affecting India's dream of achieving Universal Elementary Education in the country. Indian education system is also hard hit as educational institutions have been closed for more than 3 months now in order to prevent spread of the virus. Government have been supported by companies and corporates under their CSR schemes to improve the quality of primary education. Since the Companies Act of 2013 made CSR mandatory,

Corporates have contributed significantly to developmental activities. India CSR Outlook Report 2017 CSR Analysis of BSE Big 300 companies (FY 2016-17) August-September 2017 300 companies, 3194 projects E- Education projects received almost one-third of total CSR spent. This large chunk of nearly 70% into the education sector is due to the corporates' perception that there is huge potential for change with a skilled knowledgeable society and belief in the education system being the root that needs strengthening (CSR Box, 2018).

Report by EY (2020) shows that all stakeholders in the education system – students, parents, providers and investors- are facing disruption. Learning disruption, lack of familiarity with online learning and homeschooling, lack of experience in teaching online by schools, financial problems, reduced fund flow are going to affect education. In India, CSR fund is being diverted to health sector in order to contain the Covid-19 pandemic. The Ministry of Corporate Affairs (MCA) issued a notification on March 23, 2020 to treat COVID-19 as a notified disaster and included spending of funds towards the virus as an eligible CSR activity by automatically deeming such expenditure to be treated under item (i) and (xii) of Schedule VII of the Companies Act. This will certainly impact the funding pattern of companies.

Now with the changed situations, it is not clear how NGOs will continue their activities in the schools. Since many Government primary schools were being supported by CSR, it would be interesting to know the situation at present. From Mid- 2019 to March 2020, the first author had surveyed 110 Government Primary Schools as a part of his doctoral work. All these schools were being supported by CSR in some way or the other. Since the lockdown and closure of school, it is obvious that the work of NGOs who were associated with Government schools is affected in many ways. Hence, an exploratory study was carried out to

find out how CSR school activities are affected by the changed situation and how CSR partners are coping with the 'new normal'.

## 2. Materials and methods

A questionnaire specifically to elicit information relevant for the present study was prepared. It elicited information about (a) CSR partner, (b) Geographical area of their operation, (c) Number and type of schools in which they work, (d) Kind of CSR educational initiatives, (e) Changes due to covid-19 outbreak, (f) Plans for resuming activities, (g) And most importantly, the most negative impact of the pandemic on their work. A Google form that elicited the above information was designed and sent all the participants. This was mailed to them in June and by July end, 43 filled forms were received.

### 2.1 A brief review of reports in this area of interest

A brief of how Covid-19 has affected the CSR activities and how it affects the educational sector is given to set the context for this paper. One obvious trend that is visible is that economies are suffering due to lockdowns and shutdown of corporates and industries. To understand how the pandemic has affected nonprofits and where they stand now, the Centre for Social Impact and Philanthropy (CSIP) at Ashoka University undertook a rapid response research project, conducting in-depth interviews with 50 leaders of nonprofits in April and May, 2020. (Source: <https://idronline.org/covid-19-has-serious-implications-for-indias-nonprofits/>) The organizations surveyed worked across the country, in different thematic areas. Their staff size ranged from less than 10 to more than 1,000 employees, and their annual operating budgets ranged from INR 10 lakh to INR 250 crore. 76% of nonprofits surveyed had got engaged in relief work and offering rehabilitation to the community. The crisis has had an impact on the work and sustainability of the nonprofits surveyed. They can be broadly categorized into three areas: (1). Financial stress. Because funding such as philanthropy and CSR are now flowing towards Covid-19 relief. (2). Unpreparedness to switch to digital platforms, due to lockdowns, non-profits that had not already introduced digital technology in their operations are finding it difficult to cope. (3). Loss of progress in existing programs. They concluded that this trend may undo many years of their efforts.

It is said that 'corporate altruism in India has found a new purpose' as most companies are now opening their purses to covid-19 related work. A report from Crisil foundation (Source: <https://www.livemint.com/companies/news/india-inc-allocated-over-80-of-annual-csr-budget-for-covid-19-crisil-11591715454335.html>) warns that The coronavirus pandemic is likely to exhaust most of the funds kept aside for corporate social responsibility (CSR) activities by companies this fiscal year. India Inc. has already allocated over 80% of the annual CSR budget to address the pandemic, which could impact spending on other areas this year.

Diverting CSR funds toward Covid-19 relief may have been a necessity, but it also may have unintended adverse long-term impact on NGOs, especially those with CSR funding (Rathi, Karamchandani and Thurard, 2020). (Source: <https://www.fsg.org/blog/impact-covid-19-csr-funding-indian-ngos> ). Interviews were conducted with 22 NGOs

and 18 CSR heads and CEOs. Many NGOs were found to have concerns about CSR funding though they expect to resume their usual work once lockdown is over. For CSR funders, contributing towards Covid-19 relief is important and traditional CSR activities could be reduced by 30-60%. Though they may still continue support to already committed NGOs, new ventures are unlikely. Both funds and NGOs need to rethink about their work and funding .

A report published online on <https://www.firstpost.com/india/amid-a-pandemic-lockdown-and-govt-apathy-ngos-ensure-online-education-addresses-learning-needs-of-disabled-children-8460271.html> reveals that while online education has become the new norm, companies are trying to reinvent themselves. A non-profit working with the visually impaired has ensured that children are provided laptops to those who are in third standard onwards. This is irrespective whether the child is enrolled to a government or private school. In some cases, they have also recharged the internet packs of students so that the online classes can happen without any disruption. Fund shortage seems to be a common factor affecting several NGO's working across sectors. According to <https://economictimes.indiatimes.com/news/company/corporate-trends/covid-19-relief-conundrum-ngos-working-on-other-causes-are-strapped-for-funds/articleshow/76911690.cms> bulk of CSR budget will get diverted to Prime Minister's CARE as it will be deemed as CSR. Since Lockdown came in late March, mulch of cash flow to NGOS has been affected.

Findings from an impact study (<https://avpn.asia/blog/the-impact-of-covid-19-on-csr-funding-for-indian-ngos/>) reveal that NGOs are optimistic of resuming their activities post lockdown. Yet, there are apprehensions about funding, and they have to start thinking about reducing their costs and re-strategize programme delivery. Nagel (2020) cites an international study that shows NGOS are struggling to be creative amidst cash and program restrictions. There is continued demand for life skills education, but digital solution may not be viable with vulnerable students. While being unsure of the future, NGOS continue to work out creative solutions. <https://www.aflatoun.org/covid-19-the-impact-on-educational-non-profit-organisations-around-the-world/>).

### 2.3 Present study

As can be seen from the above reports, it is clear that school-based activities are largely affected. With diversion of funds and closure of schools, NGOs have to find ways of reaching out to students. There is always the worry that progress they had made in elementary education may be set back due to halting of their programs. Quarantine, social distancing and online schooling are all becoming 'new normal'. An exploratory study was conducted to find out the effect of covid-19 on CSR activities in government lower and higher primary schools. This study inquired into how CSR partners are managing the uncertain situation and also their plans about resuming activities.

### 2.4 Sample

For this study, NGOs, foundations working with Government Primary schools were considered. There are many CSR partners who are working in the schools of Karnataka. The first author had carried out research in 100

schools with the help of such organizations. In June 2020, about 100 such organization were contacted through email to find out their willingness to participate in a survey. Around 60 of them gave their consent and were sent a questionnaire. By the end of July, only 43 had finally responded to the survey.

### 3. Results and Discussion

The CSR partners/ CSR partners in this survey were all working in the area of Education. Some are localized and some have projects in many districts of Karnataka. The above information is based on responses given.

Table 1 gives a glimpse of area of operations of the respondents. Three of the respondent's had reach all over India. Most of them concentrated on Bangalore Urban educational district. Schools. Some work only in Lower primary schools, some in upper and some in both.

The type of work they are carrying out in Government Primary schools were listed. Table 2 gives the details. Very often the there are multiple issues that CSR partners deal with and they may not restrict themselves to only one type of support to school . Major thrust area(s) of the CSR PARTNERS is listed.

Four CSR partners had adopted schools they were working with. As a result, they were conducting programmes for overall development of the schools. They took up whatever was needed for school, sometimes rebuilding, repairing, adding class rooms, breakfast program, providing water, educational material, furniture and so on. They addressed material gaps in the school and created a better learning environment for children. 12 CSR partners were providing remedial teaching, classes in spoken English, mathematics and science coaching, basic digital literacy, and supplying educational stationeries. Some of them had preschools in disadvantaged areas to prepare entry of the children to school. 12 CSR partners focused on life skill training, skill building, personality development programs, and provided opportunity for extracurricular activities and experiential learning.

The main focus of six CSR partners was on rebuilding, extending and creating new infrastructure for the school. Some took up building toilets, compound wall, library restoration, etc. Five CSR partners had teacher empowerment as their main agenda. Teacher engagement, class room support, teacher development programs were carried out for improving professional capacity as well as better student outcome. Eight of them focused on IT related activities such as setting up tablet based smart ICT labs in government schools, online classes in Science and Math's, digital education through solar powered TV and content, virtual class room, and online classes for special students.

Sports related activities were carried out by three CSR partners. Sports material, designing playground, and training were offered by some. Other activities carried out were varied and many. Activities such as parent empowerment

programs, Vedic cultural contests, gender sensitization, environmental awareness, value education, painting and arts classes, tree planting etc. were carried out. Apart from other activities, these were added to nurture talent in the children. On the whole, it was clear that Government schools which often suffer from several disadvantages were being supported in many ways by the CSR partners.

Moving on to the impact of Covid-19 outbreak on the CSR partners, several were listed. A summary is given in table 3. More than one impact is expected and possible. The reported impact has been arranged according to frequency of report from high to low.

As can be seen from the table, in most schools, work has been put on hold due to lockdown and closure of schools. In 16 cases, work has come to a complete halt. Those providing breakfast, meal and food supplements to children are worried about the adverse outcome. Efforts have been made to supply food to children by many CSR partners. There has been delay in releasing of funds in many cases. While in nine cases, the funding agency has refused further monetary help due to changes in their CSR priorities and plans, in 21 cases, there are delays due to various administrative and policy matters. Many CSR partners have not been able to draw up their budget and plans for the academic year due to the pandemic. Submission of projects also have been delayed resulting in delay in approval and sanction of such projects.

'What next' is the question that bothers many organizations. There is lack of clarity as to whether their educational work will still continue to be a priority, whether funding agencies will divert or reduce funding, whether there will be new rules and regulations, when schools will reopen and what will be the 'new normal' procedures of operating in schools and so. It is really a time of uncertainty and confusion. Over all, how much are they affected by Covid-19? Table 4 gives an estimate.

Very few CSR partners say they are not affected or slightly affected (18%) . Some do say that the Funding agencies are honouring their commitment and they are able to continue their work. Some have adapted new methods to keep their activities alive. 35 out of 43 ( 82 %) who responded expressed the opinion that their work has been considerably affected. Of the 43, most (39) respondents were aware that contributions to Covid-19 activities is considered as CSR work as a part of PM CARES fund. Only four did not know about it and wanted more information on this subject.

Since lockdown was removed in stages from July end, changes have started taking place in the school CSR programs. Slowly, NGOs are trying to adapt to new circumstances and are becoming creative in their approach. Responses about the current situation as on July 15th, 2020 are given in table 5.

By the time, this paper was being written, it is heartening to note that 19 CSR partners had already resumed their activities. They also added that they are not certain when

they will get back to the previous ‘normal’ way of functioning. But it was satisfying to them that work could be resumed. While most had some date in mind, like October or January 2021, more than 23% were either not sure or were depending on school or government permission to restart. Respondents also gave Their opinion as to what was the most negative impact of the Covid-19 on their work. This can be seen as a summary in table 6.

Since these NGOs work in primary school setting, their major concern is about students. Government schools are not in a very good condition and CSR support is really necessary for the total wellbeing of students. Apart from educational support, co-curricular, health and nutritional support is provided by NGOs. Delay or even withholding of funds is a worrying prospect. This has a domino effect- inability to plan the budget and activities for the future, downsizing staff and operational costs, postponing new work and so on. Problem with shifting to online work and lowering of staff morale was reported by a few. A major worry for the NGOs was that in the absence of physical presence technology enabled solutions were not always viable in the type of schools where they were operating. Illiteracy and poverty of parents, lack of smart phones and internet facilities in remote places, lack of volunteers and attrition of staff are major barriers in shifting quickly to online mode of operation in schools.

The Covid cloud has its silver linings. It is heartening to see that at least three CSR partners reported that there was no negative impact. These had stable and committed funding partners and their resources were not affected. It is interesting the many are using this period as a time for introspection. Some say that though they had to put on hold their aggressive plans, they will be able to resume work with greater vigour once ‘normalcy’ is restored. One respondent commented “ there have been many positive results from Covid which should have been part of this questionnaire. For example, we have seen increased collaboration and innovation, we have tied up for many state level interventions for remote learning, we came up with a multi modal approach of reaching every child through online and offline means”. It is a tribute to the resilience of our CSR partners that they can learn lessons from the hard times and bounce back.

**4. Tables and Figures**

**Table 1:** Geographical area of operation

AREA	N
Bangalore Urban only	23
Bangalore Rural only	5
Bangalore Urban + Rural	9
PAN India	3
Not mentioned	3

**Table 2:** Type of Educational initiatives by the CSR partners.

Educational initiative	N
1. Adoption of the School	04
2. Infrastructure development	06
3. Extra/remedial educational work	12
4. Life skill/ personality development	12
5. Teacher empowerment programs	05
6. IT/ Smart class/ Online	08
7. Sports related	03
8. Other	03

**Table 3:** Major impact of Covid-19 on CSR partners working in schools

Major impact	N
1. Existing projects ‘on hold’	27
2. Delay by funding partner in release of funds	21
3. Lack of clarity about future	20
4. No new projects	19
5. Work completely stopped	16
6. Forced to remove/ reduce staff	14
7. Staff/ volunteer attrition	09
8. Funding partner refusing to release funds	09
9. School management not able / unwilling to cooperate	07
10. Adapting/ modifying work	04
11. Cannot go to project site	01

**Table 4:** Extent to which CSR work is affected by Covid-19

Extent of Impact	N
Nil to 5%	03
About 25%	05
About 50%	18
75% or more	17

**Table 5:** Current status of CSR work in schools

Resumption of activities	N
Already resumed	19
May resume by end of July	03
May resume by October	06
May resume by Jan-2021	04
Not sure	08
Whenever School opens	01
Whenever Government gives permission	01
Not applicable	01

**Table 6:** Negative effects of Covid:

Most negative effect	N
Students have suffered	20
Funds/ resource setback	14
Staff/ volunteers hardship	07
Overhead costs, but no work	06
Uncertainty affects planning	05
Diversion of funds	03
Progress halted	03
No negative impact	03
Other	03

**Conclusions:** As expected Covid-19 has impacted school CSR programs in a big way due to problems with funding, uncertainty affecting future planning and lack of physical presence in school system. Coping with technology enabled methods of service delivery and staff and volunteer attrition are also challenging. However, most NGOs are preparing themselves for reopening of schools and resuming work in the new normal situation.

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