International Journal of Business and Management Invention
ISSN (Online): 2319 – 8028, ISSN (Print): 2319 – 801X
www.ijbmi.org || Volume 5 Issue 11 || November. 2016 || PP—120-129

"Ensuring Competitive Advantage and Sustainability: an Overview of Obligations of Various Stakeholders"

Dr. A.Lakshmana Rao
Dept. of Human Resource Management, College of Management and Economic Studies,University of Petroleum and Energy Studies,Dehradun, India.

ABSTRACT: *Corporate Governance is a buzz word in the field of economic administration, regulatory framework and behavioral sciences. The subject of corporate governance has its relevance and significance to varied stakeholders in different ways. In fact, Corporate Governance is a form of obligation, which a corporate body has towards shareholders, employees, customers, Government, Public and towards the Society. Organizations, which are known for good governance by fulfilling all these obligations with a proper blend, are the lead players for the others to follow for securing better and effective competitive advantage. Keeping in mind these varied obligations, Organizations and corporate bodies regularly updating their policies and practices especially for continued competitive advantage but the process of updating is not so easy, they have to find it in a pro-active manner to withstand in the market.*

The present research paper with this in view aimed at understanding the framework of corporate governance and its role in securing better and effective competitive advantage from the ambit of various stakeholders with a broader consideration from the angle and obligation of Sustainability and Corporate Social Responsibility. Further, the study remarked the changing nature obligations for existence of corporate bodies under dynamic environment. The research paper also differentiated the gap between theory and practice in adoption of sustainability practices. Finally, the research paper ends with some suggestions and ways for better and good governance for organizational sustainability.

Keywords: *Competitive Advantage, Corporate Governance, Obligations, Stakeholders, Sustainability and Corporate Social Responsibility*

I. INTRODUCTION

Organizations are managed since their inception with a mechanism. The mechanism to run this show is Corporate Governance. Though the term may not be called in today's parlance, knowingly or unknowingly the corporate entities used the word Corporate Governance since time immemorial. Corporate Governance is a term related to management of corporate bodies. Corporate bodies are managed through a mechanism or system of governance. The system or mechanism consists of board of directors, shareholders, employees and other stakeholders. The relative effectiveness or ineffectiveness of management of corporate bodies is generally rests with these functionaries.

Simply speaking governing the corporate in terms of administration or management is corporate governance. The concept or framework of corporate governance got it prominence because of growing corporate scandals, misconducts, shareholder activism, Govt. control, changing role of law, ethics, and corporate social responsibilities and not but the least changing employee expectations.Organizations are not operate in a vacuum, they are dynamic and the dynamic of nature or environment plays a vital role on it, be it in the form of internal or external environment. Corporate Governance is surrounded by a host of factors. An organization in order to gain competitive advantage or drive should consider all the factors. Some of the factors, which have prominence with respect to corporate governance (See Figure 1) are as follows:

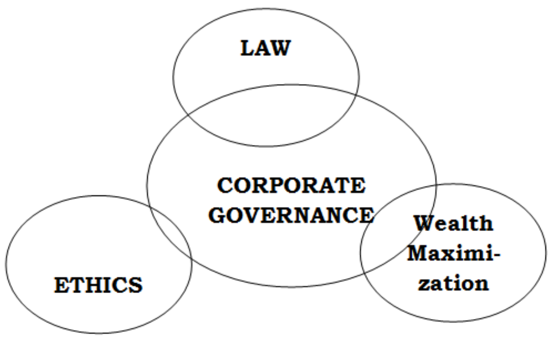

Figure 1: The Nature of Corporate Governance

The above figure portrays the watch dog nature on the part of corporate governance, as it is aptly true that the chief aim of any organization is maximizing its wealth. The organization which lacks an eye on its governance will certainly minimize its wealth in due course of time. An organization with a frame of work corporate governance consisting of law, ethics and maximizing its wealth will definitely find a better place in terms of market growth and share by leading to a better competitive advantage as evidenced in certain research works.In order to understand better the nature of corporate governance, it is worthwhile to have a broader look on the connected elements of corporate governance.

1.1. Law:

Simply speaking Law Prescribes a general code of conducts to all its constituents with an obligation to follow and enforces justice with the help of certain rules and regulations prescribed by the State.The major duty of law is enforcement of justice in terms of equity, fairness and good concise. In the case of business, it is quite common by the unscrupulous managements to deceive the innocent investors, creditors, suppliers of funds, Govt., Society and employees. Law in those cases acts as a weapon to protect their legitimate claims.

1.2. Ethics:

The word 'ethics' owes its origin to Greek word 'ethos' which means a set of moral principles. Ethics governs the conduct of individuals and the group to which they belong. They are generally referred to as dos and don'ts prescribed for any individual or an organization. The business ethics in a business organization usually focus on how the goals of the business are achieved by following the ethical principles.

Ethics call for moral obligations on the part of various parties; accordingly organizations have lot of moral obligations towards various parties. Some of the moral obligations are as follows:

1. Obligations towards share holders
2. Obligations towards creditors
3. Obligations towards suppliers or vendors
4. Obligations towards customers
5. Obligations towards employees
6. Obligations towards Govt.
7. Obligations towards Society or Environment

It is an established fact that professional ethics are integral part of business ethics. The frame work of corporate governance is meant for both professional as well as business ethics. The deviation of ethical values now-a-days are viewed seriously by business organizations and not looked upon any longer, as costs imposed on the industry or a check on efficiency and profit maximization, but are regarded as imperatives for sustainable corporate growth and competitive advantage. A highly developed sense of ethics enables corporate governance to build a trusting, long term relationship with consumers.

1.3. Wealth Maximization:

Wealth Maximization basically refers to maximizing the wealth of the shareholders in terms of organization. If the organization maximizes its wealth, it results in organizational development and growth. The major problem involved with this concept is weather organizations can maximize its wealth ignoring ethics?Though the wealth maximization concept does not contain any of the obligations, yet an organization which maximizes its wealth with ethical and societal obligations in true spirit can be considered as the real follower of wealth maximization concept in practice.

To be precise, Corporate Governance in exclusion of these terms is useless. The current research paper in its analysis takes all these aspects in appropriately.

1.4. What is Good Corporate Governance?

The words "governance" and "good governance" are being used increasingly in governance literature. Bad governance is being recognized now as one of the root causes of corrupt practices in our society. Institutional investors and international financial institutions provide their aid and loans on the condition that reforms that ensure good governance are put in place by recipients. Good corporates are not born, but are made by the combined efforts of all stakeholders, board of directors, Government and the society at large (Fernando, 2009).

1.5. Theories of Corporate Governance:

The corporate governance practices can be well understood with the help of theories of corporate governance. There are two prominent theories of corporate governance. They are

1. Agency theory
2. Stake holder theory

According to Agency theory as corporate are invisible units they have to be managed with help of agents, who on behalf of a principal (corporate) manage e extended partnerships. The principal (business) delegates to the agent to carry all or majority of the powers, on their behalf to manage the affairs of the business. The relationship of agent and principal is observed in managing the affairs of such corporate bodies.

The Stakeholder theory is a very old theory. According to it Corporate Governance is a synthesis of economics, behavioural sciences, ethics and various stakeholders to business. Accordingly it considers various stakeholders such as shareholders primarily, employees, customers, dealers, Government and the Society at large. In fact, this theory stemmed out of the drawbacks of agency theory, yet this theory also consists of limitations.

Problem Statement

How to EnsureCompetitive Advantage and Sustainability by focusing on various obligations of stakeholders?

II. RESEARCH OBJECTIVE

The prime objective of the current research is to determine the adoption of the societal, investor and employee obligations for enhanced sustainability of firms.

1.6. Research Methodology

The current research paper as mainly conceptual, it has carried with the help of the majorly secondary sources of data, consisting of sustainability reports, annual reports, text books, reference material, journal articles, and both published and unpublished resources. The data so arrived is organized, analyzed and tabulated for better understanding of the theme and in that process it arrived with some unsolved questions for taking over the study towards a future concrete research by substantiating with help of primary data in the form of observation and interviews in select organizations for reliability.

1.7. Review of Literature:

The present study is made due to the growing necessity of good corporate governance, growing social responsibility obligation, ethics and human intervention. The implications of ignorance of these elements to the maximum extent will lead to either losing of competitive advantage or its dilution. Accordingly, the study considered various themes and other early research in the field.Donaldson, L. and Davis, J.H. (1919) advocated various theories of Corporate Governance. According to them the development of Corporate Governance is a global occurrence and, as such, is a complex area including legal, cultural, ownership, and other structural differences and accordingly some theories may be more appropriate and relevant to some countries than others, or more relevant at different times depending on what stage an individual country, or group of countries, is at or may have.In an Article published by Ruth Aguilera & George YIP in Financial Times May 2007 on "Global strategy faces local constraints" argued that there are five major players who affect the company's decisions about global strategy. They are employees, board of directors, top management, Government etc., excluding other stakeholders such as customers, suppliers and competitors.

Fernando A.C. (2009) given a detailed description of Corporate Governance Principles, policies and Practices in theoretical and with case study orientation.Vijaya Murthy (20004) undertook an analytical study of the corporate social disclosure practices of the top 16 software firms in India by analysing their annual reports using content analysis to examine the attributes reported relating to human resource, community development activities, products and services activities and environmental activities. It was revealed that the human resources category was the most frequently reported followed by community development activities and the environmental activities was the least reported. Most of the information was qualitative. Some firms had separate sections for each category while many others disclosed their social practices in the introductory pages of the annual report.Jackson, I. A. and Nelson, J. (2004) in their books provide a comprehensive description of the global trends, competitive pressures, and changing expectations of society that are reshaping the rules for running a profitable and principled business. It also offers companies a framework for mastering the new rules of the game by realigning their business practices in ways that restore trust. Information is presented on the crisis of trust, the crisis of inequality, and the crisis of sustainability. The book presents the following seven principles that serve as a framework:

(1) Harness innovation for public good.
(2) Put people at the center.
(3) Spread economic opportunity.
(4) Engage in new alliances.
(5) Be performance driven in everything.
(6) Practice superior governance.
(7) Pursue purpose beyond profit.

The above seven principles act as a guide for deriving good corporate performance and key to the problems of stakeholders.

Ho and Taylor (2007) given statistics and findings on 50 largest US and Japanese companies based on GRI (The Global Reporting Initiative) reporting Guidelines stated that the extent of reporting is higher for firms with larger size, lower profitability, lower liquidity and for firms with membership in the manufacturing Industry.

Dutta (2011) discussed the necessity of considering the three parameter People, Planet and Profit to have a more comprehensive mechanism that integrates the traditional financial information along with non-financial information, which can help firm in enhancing economic value addition, besides putting it on a firm financial footing.

Hubbard (2009) proposed Sustainable Balanced Score Card **(SBSC)** conceptual framework coupled with a single measure organizational sustainability performance Index to integrate the measure of SBSC to overcome TBL reporting.

In an article by **JJ Irani et al.** (2005) it is viewed that being ethical does not mean one cannot also be profitable. It is most important to make profits and to generate wealth because only then can one have the resources to do good for the community. The differentiator between good and bad business practices is what happens to the wealth after it has been generated.

Tyleca et al. (2002) noticed that firms standardized their environmental measurement systems respond to community demands for more transparency.

According to **Vanek, (1975)**, the idea of employee's participation emerged as an intellectual reaction to the evils of modern capitalism. The concept is deemed to provide a competitive edge in the world market place.

Chiplin B. And Coyne J (1977) studied that in any society, the distribution of property rights affects the allocation and use of resources in specific and predictable ways. However, in democratic societies, ownership should not confer an unchallengeable right to exercise authority over other human beings. The advocates of employees' participation in business enterprises have propounded that ownership of property should both give rights as well as vest social responsibility.

3.3: Corporate Governance and Competitive Advantage

Competitive Advantage refers to the advantage enjoyed by an organization that perform some aspect of its work better than competitors or in one way competitors cannot duplicate. According to Michael Porter, the pioneer in the field of competitive advantage has argued that they are five forces that affect the potential profitability of an industry. They are industry rivalry, customers' bargaining power, suppliers, availability of substitutes and barriers to entry. These forces provide the basis for the development of an analytical tool called the value chain, which provides insights into how firms assess their capabilities to compete and make decisions regarding their competitive strategies. With respect to gaining competitive advantage is concerned, investors are the backbone of any corporate body and they are primarily interested in transparency, accountability and fair dealings, this can be possible only with good corporate governance mechanism that exists in corporate bodies. Therefore, in one way the starting point of competitive advantage is good Corporate Governance only.

3.4 HR strategies for sustainable competitive advantage:

The key player in gaining competitive advantage is employees. In fact, organizations in today's scenario visualizing their employees as their core assets and further they are viewing at the time of hiring itself people from investment perspective. In order to realize their goals as enshrined in organization's vision and mission statements, organizations regularly formulate and update their Human Resource Management Strategies. HR strategies are essentially plans and programme to address and solve fundamental strategic issues related to human resources management. HR strategy focuses on the alignment of organization's corporate as well business unit plans.

Human Resources are vital to secure competitive advantage. However, securing competitive advantage is not an easier affair. Organizations have to concentrate on people dimensions. They have to raise a fundamental question: "What kinds of people will be needed to lead the organization in the years to come to have a sustainable competitive advantage?The establishment of an identified set of corporate values that has people's development at its epicenter is vital to the sustained development of an organization that depends fundamentally on the ideas, commitment, and motivating its human resources.Increased profit and revenue no longer remain the key motivators of corporate success. The level of employee motivation, customer engagement, product innovation, and customer service are the other vital factors that play a crucial role in a firm's success.

The competitiveness and ultimate success of a corporation is the result of teamwork that embodies contributions from a large network of resource providers including investors, employees, creditors, consumers and suppliers. The contributions of stakeholders constitute a valuable source of building profitable companies. A stakeholder can be in the form of investor, employee, creditor, supplier or any other person who has interest in a

company. Companies in order to be competitive they have to formulate new strategies, which concentrates on stakeholder participation and it may include: employee representation on corporate boards, employee stock ownership plans, profit sharing mechanisms or governance processes that consider stakeholder viewpoints in certain key-decisions e.g. creditors involvement in insolvency proceedings. Consideration of workers as stakeholders in the industrial enterprises is not something new. The idea had its roots in the industrial revolution. As an ideology, employees' participation stems from the belief that a company exercises social and economic function in the structure of a democratic society and evokes in the worker a desire to participate in its affairs.
The concept of worker as a stakeholder contributes to the humanization and democratization of work places. The worker's status as a stakeholder is beneficial to all the parties concerned. The real nature of benefit to each party may however be different. The workers represent human face of an organization. It is they who translate polices laid down by the Board/Management. They are the backbone of an organization, responsible for putting flesh and blood into the organization and are rightfully considered an important stakeholder in the corporation. The table given below provides an overview of various objectives of the stakeholders of a corporate body. (See Table 1):

Table1: Showing interests and objectives of various stakeholders

Parties	Primary objectives	Secondary objectives
Employees	Good standard of living	Individual Goals like leading life in a happy and comfortable manner with good job satisfaction
Employer	Improvement in performance	Enhancement of efficiency and maintenance of internal cooperative solutions
State	Social integration	Economic efficiency
General Public	Reduction in living cost and improvement of standard of living	Extended democracy, lower industrial conflicts

An organization requires capital and labour to create wealth. Earlier, it was viewed that the most important aspect for an organization to be successful was capital; as long as they had capital, the organization was able to be successful. But today, the need has extended beyond capital and includes labour. The conventional model was the "shareholder capitalism" where the sole emphasis is on strengthening the rights of, and the protection for, financial investors. Today, it is widely recognized that human capital is the major source of competitive advantage and corporate leaders in developed countries increasingly understand that people and the knowledge they create are often the most valuable assets in a corporation. This is is viewed as knowledge capital, which is considered as an invaluable asset of an organization. In fact when a company acquires another company they value human capital more than the plant and machinery. There are a variety of ways by which the interest of employees can be represented in an organization. The growing representation proves that employees' participation does create wealth. In fact, the need is to realize that shareholders' long –run interests are probably well-served by including employees in the formation of building of any company.

2. Corporate Obligations to Society, Investors, and Employees

The corporate bodies' obligations towards various stakeholders are in fact manifold. However, so far no concrete research data is available from this end and accordingly in the present study an effort was made to understand the importance of obligations of corporate bodies and their spirit in fulfilling various obligations towards its customers. In order to understand the scenario a sample of 10 units consisting of 10 manufacturing concerns altogether from Paper, Energy (Thermal – Production) andPharmaceutical companies in India were considered (The names of the units were not given due to confidentiality). (See Table 2)

Table 2: Showing Corporate Obligations to Society, Investors, and Employees

S.No.	Obligations	Fulfilled for a total of 10 Units	Not-Fulfilled for a total of 10 Units	No data Found for a total of 10 Units	Total Obligations for a total of 10 Units
	Obligations towards Society - A				
1.	Legal Compliances	8	1	1	10
2.	Corporate Citizenship Behaviour	3	-	7	10
3.	Ethical Behaviour	2	-	8	10
4.	CSR	10	-	-	10
5.	Environment-friendly	1	9	-	10
6.	Health and Safety Working Conditions	3	6	1	10
7.	Trusteeship	4	-	6	10
8.	Accountability	3	2	5	10
9.	Timely responsiveness	-	9	1	10
10.	Political non-alignment	1	9	-	10
	Sub Total	**35**	**36**	**28**	**100**

	Obligations towards Investors - B				
11.	Towards shareholders	8	2	-	10
12.	Measures to promote shareholder participation	2	6	2	10
13.	Transparency	-	10	-	10
14.	Financial Reporting and Records	10	-	-	10
	Sub-Total	**20**	**18**	**2**	**40**
	Obligation to Employees - C				
15.	Fair employment practices	2	8	-	10
16.	Whistle-blowing Encouragement	-	10	-	10
17.	Human-treatment	5	5	-	10
18.	Participation	2	7	1	10
19.	Empowerment	3	6	1	10
20.	Equity and Collaborative Environment	1	7	2	10
	Sub-Total	**13**	**43**	**4**	**60**
	Total Obligations: (A+B+C)	**68**	**98**	**34**	**200**

Source: Author

The analysis was carried with the help of observation, interviews and through a questionnaire to select executives working in CSR,HR& Finance Departments was carried in these units.The observation was carried under three-broad heads:

1. Obligations towards Society
2. Obligations towards Investors
3. Obligations towards Employees

The collected data revealed the following facts for a total of 20 question criteria for 10 units:
Overall base for all the 10 Units:
I. Obligations towards Society (A):
10 Units @ 10 Obligations = 100 Obligations
II. Obligations towards Investors (B):
10 Units @ 4 Obligations = 40 Obligations
III. Obligations towards Employees:
10 Units @ 6 Obligations = 60 Obligations
Sum of all Obligations for a total of 10 units = A+B+C = 100+60+40 = 200

Analysis of the Data:

a. A total of 68 obligations altogether in these 10 units were followed towards society, investors and employees
b. A total of 98 obligations altogether in these 10 units were not followed towards society, investors and employees
c. For a total of 34 obligations no data either found or followed in these 10 units.
d. With respect to obligations towards society is concerned a total of 35 obligations were fulfilled against a total of 36 obligations not fulfilled and no data found for 28 obligations. The total of not fulfilled and no data found is quite alarming as it is as high as 64.
e. A more or less even numbered obligation were found in terms of fulfilling, not fulfilling and data not found in these select 10 units towards investors in comparison to 20 fulfilled against a total of 18 not fulfilled and 2 no data found. Quite interestingly even with respect to obligations towards investors the distribution of score more or less was even in terms of obligations fulfilled and not-fulfilled 20 against to 18
f. As many as 43 obligations towards employees were not-fulfilled for a total of 10 units against a very low score of 13 obligations, which were fulfilled. It means the concerns towards employees to the maximum extent were ignored.
g. Overall the obligations not fulfilled along with no data found came to as high as 132 in comparison to obligations fulfilled of 68 only. If it is expressed in percentiles nearly 50% of obligations towards Society, Investors and employees were not considered.

2.1. Outcome of the analysis:

Even though getting competitive advantage is the major focus for majority of the undertakings, but the organizational mission in carrying out of this objective seems may not be possible in the long run due to the following reasons:

1. The scope or importance assigned to societal obligations is inadequate and pawing the same to loose market from the society perspective, if the society perceives the existence of these units is detrimental to the vicinity

2. The major factor for organizational existence is investors, as long as investors obligations were fulfilled as evidenced in earlier researches will lead to better market share and a happy investor further augment and continue the association with the corporate for long-term continuity as a stable stakeholder in the concern
3. Employees are backbone of any concern, they have to be given importance and recognized as vital points for success of any organization, in contrast if the employees are given less recognition and the obligations towards employees if ignored can lead in the long run losing of talent and it can havea quite bearing on its long-term plan of gaining competitive advantage. In fact, it is the employees, who will march towards the objective of becoming a competitive organization, if they are satisfied.
4. The results showing that still organizations have lenient view towards society, it is an alarming sign for the growth of sustainability concept.
5. The results indicate that business is run majorly for the well-being of investors rather than society and employees.

III. SUSTAINABILITY

Organizations major thrust in any time zone is to meet their own needs without jeopardizing the society and natural environment. The magnitude of concentration towards society and environment is increasing day by day. Organizations, which intend to become good corporate citizen, are incorporating in their long term plans, strategies for dealing with societal needs, natural environment and corresponding business imperatives. Organizations are finding it difficult to concentrate on these three aspects. In order to balance these aspects in an optimal way, a framework they thought of to bring. One such framework is Triple bottom line. TBL is in fact a step towards increasing organization vis-a-vis environmental sustainability.

The concept of sustainability urged nations to find alternative means of economic expansion without destroying the environmental resources or sacrificing the wellbeing of future generations. Sustainability, since then become a buzzword in corporate mainstream agenda. With respect to TBL, which is a part of sustainability reporting was mooted by **John Elkington**, who first coined the term and propagated it across the world in order to educate the people about the three way reporting framework for People, Planet and Profit, that goes beyond the boundaries of traditional reporting practices. According to him, TBL focus on:

a. Economic Sustainability
b. Environmental Sustainability
c. Social Sustainability

In fact, sustainability requires looking holistically at the various elements of business operation that determines business success. These elements include business profitability, and protecting the environment for future generations through environmental performance. Triple bottom line is basically an accounting framework, which incorporates three dimensions of performance. They are:

1. Social
2. Environmental, and
3. Financial

These three dimensions are commonly called as People, Planet and Profit as portrayed in the Figure 2.

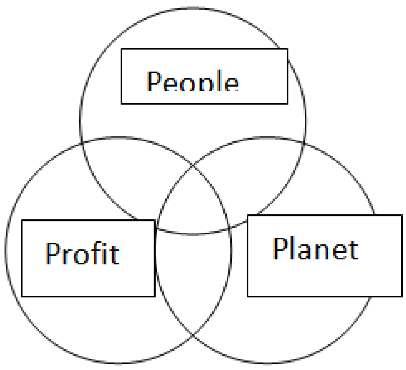

Figure 2: Framework of TBL

2.2. Modus Operandi for Environmental Sustainability in India:

Environmental Sustainability is one of the key requirements for business continuance. De-gradation of environment dilutes the very existence of human. Therefore, virtual Governments should plan for environmental protection. One such exercise is implementation of strict Corporate Social Responsibility rules. The concept of CSR is widely acknowledged in most of the developed economies. However, in the case of developing and under developed economies Governmental intervention is highly required. For example in the case of India, the

Government of India adopted in The Companies Act, 2013 the concept of "Corporate Social Responsibility" (CSR). As per Sec. 135 of the Companies Act, 2013 companies with a net worth of Rs.500 crore or more; a turnover of Rs 1,000 crore or more; and a net profit of Rs 5 crore or more during any financial year are compulsorily required to follow CSR provisions in India and needs to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR.

2.3. Advantages of Sustainability to business:

1. By undertaking initiatives, which reduce waste, water and energy consumption it can reduce operating costs
2. Develop competitive advantage by formulating and promoting sustainable practices as a Point of difference.
3. It aims at attracting and retaining valuable staff by adopting policies that meet with employee values and concerns by creating an environment of team of knowledge sharing, best practice, and innovative ideas.
4. It encourage investors interested in companies with long-term sustainability plans to minimize operating risks for the future
5. It increases long-term profitability by maximizing business potential and by putting plans in place that will create savings for the future
6. It assists in knowing that actions are actually making a difference to protect and enhance natural resources for future generation

3. Is it Sustainability a Preach or Practice in Organizations?

Sustainability in order to be seen in organization, the organization concerned should exhibit certain modalities about its concern over sustainability. There some yardsticks, which can measure organizations real spirit on sustainability, focus. Some of the yardsticks are tabulated (See Table 3) as follows:

Table 3: Sustainability Practices in Organizations

S.No.	Sustainability Practices/Yardsticks	% of share out of 100
1.	Recycling	
2.	Community Investment	
3.	Energy Conservation	
4.	Community Educational Programmes	
5.	Waste Reduction	
6.	Fair Trade Practices	
7.	Pollution Reduction	
8.	Alternative Energy Use	
9.	Any other Specific Measure	

(Source: Author)

Virtual organizations should be able to demarcate the % of contribution towards sustainability. Organizations have to answer, whether these practices at all are adopted or not? It not adopted, they can certainly come under Preach type. If they practice, they have to express these parameters in quantitative dimension.The above quantification is essential for the very survival of that industry only. If it ignores these measures sooner or later it will lose its competitive advantage.

4. Limitations of the Study and Scope for Future Research

The research has certain limitations like by not taking into account size of the units and annul turnover, the current research is more or less is confidential in nature and the respondents are not interested to share each and every aspect in spite of assurance of non-revealing of results and another limitation is non-adoption of standard metric to determine the validity of results as it is purely a conceptual research.

5. Suggestions for good corporate governance

The current research felt a need to streamline corporate governance and accordingly it came out with the following recommendations:

1. The investors' confidence is the most important criterion as long as they have confidence in financial and capital market, the economy of India progress and this call for a great amount of transparency, which is possible only with the help of a good corporate governance system.
2. Transparency can be promoted through good corporate procedures, disclosure and accountability.
3. Recognize employees, manager and board members who are ethical and percolate good governance in the organizations. It is through people good governance can be achieved and not through regulations. People have to be appraised on value systems in all decision making activities.
4. Employee should know much early in advance the consequences of non-compliance, so that the principle enunciated by Henry Fayol (esprit de corps) can be made it possible really.

5. With respect to whistle blower policy, the organizations have to make it compulsory to follow on their own initiative, though the apex bodies are silent on this policy being it is non-mandatory in nature. Organizations have to make attempts to promote ethical behaviours in their culture. In order to avoid a situation like this nature, they can choose value systems that govern the values of both employees and employer. Organizations should check before making any claims about its possibility for implementation.
6. The practice of ethical testing must be employed without any bias to all employees and the results must be properly analysed to know the drawbacks. This sort of system acts as a check and identifies its importance.
7. There is a need for Indian companies to adopt compulsory "Ethics Training". There is a need that "ethics not only to be taught but also it has to implemented" in its true spirit.
8. Before adjudicating any award to corporates, the concerned bodies declaring award must take thorough scrutiny in all aspects. Otherwise, not only the sanctity of the award but also the concerned organization's reputation will be seriously defamed.

IV. SCOPE FOR FUTURE RESEARCH

Corporate governance has received much attention in recent years, partly due to the financial crisis throughout the world. A review of the literature on corporate governance issues confirms that, corporate social responsibility is one of the major determinants of organizational existence in future. Therefore, concrete research in providing exact amount or figure to be contributed by each and every corporate body has to be earmarked through concrete research.

TBL reporting has given lot of scope of for future research, a concrete research to be carried on with the help of general financial reporting.

Corporate Governance could not exist without human intervention as long as there is ethical and prudent behavior on the part of employees it cannot be a hard nut to crack, therefore concrete research on employee governance is more required.

The future research should be directed towards determining the ideal share between people, planet and profit for any organization.

V. CONCLUSION

Corporate Governance framework though gained its importance but in terms of fulfilling obligations, especially societal and employee point of view it has to march towards new horizons because organizations are still more or less investor oriented and investors to the maximum extent may oppose practices and policies towards the well-being of the society as well as towards employees, if the trend is changed, there could be definitely a good corporate governance the corporate world can see. Therefore, securing good corporate governance is quite challenging.

Further, the adoption of proper sustainability requires increased participation of employees and top level management in the organization. This can be well achieved through a good TBL (Triple Bottom Line) reporting. In one way though the organizations should have the perspective of wealth creation, it should not be at the expense of the benefits and wages due to the employees.

To sum up even though the adoption and implementation of good corporate governance initiatives and Triple Bottom Line reporting is complex, it is the organizations and their will that allows the organizations to apply these concepts and frameworks in a manner suiting to their requirements of all the stakeholders. In fact, good corporate governance cannot be brought through papers it is the will of all stakeholders, who can only bring good corporate governance.

REFERENCES

[1] Andrew Savitz (2006), *The Triple Bottom Line* (San Francisco: Jossey-Bass, 2006Asha Bhandarkar, Journal Article: Making People Work Millennials and the Workplace: Challenges for building the Organization of the future, Indian Management, October, 2012, Vol 51, Issue 10 p. 58

[2] Charles R.Greer (2012), Strategic Human Resource Management, Pearson pp. 141-170ChatterjiMadhumita (2011), "Corporate Social Responsibility", Oxford Higher Education, Oxford University Press, pp.1-57

[3] Chiplin B. And Coyne J (1977), Can Workers Manage? Part I: Property Rights, Industrial Democracy and the Bullock Report, The Institute of Economic Affairs, pp. 22-32

[4] David Lepak and Mary Gowan(2009), Human Resource Management Managing Employees for the Competitive Advantage, Pearson, pp. 25-50

[5] Dev Chatterjee (2013), "What you need to know about the new Company Law and CSR" Business Standard August 09, 2013.

[6] Donaldson, L. and Davis, J.H.(1919), 'Stewardship Theory or Agency Theory: CEO Governance and Shareholder Returns', Australian Journal of Management, Vol.16 (1)

[7] Dutta Sumanta (2011) Triple Bottom Line Reporting: An Innovative Accounting Initiative International Journal on Business, Strategy and Management, Vol.1, No.1, June, 2011, pp. 1-13

[8] Fernando, AC (2009), "Corporate Governance: Principles, Policies and Practices", Pearson, pp.3 – 68Frank Vancley (2004) "The TBL Impact Assessment: How do EIA, SIA, SEA AND EMS Relate to Each Other? Journal of Environmental Assessment and Policy, Vol 6, Issue 3. http://www.worldscientific.com/doi/abs/10.1142/S1464333204001729Gary Dessler and Biju Varkkey (2011) "Human Resource Management" Pearson, pp. 84-113.

[9] Hubbard, Graham. (2009). "Measuring Organizational Performance. Beyond the Triple Bottom line" Bus, strategy & the Environment, 19,177-191
[10] Irani JJ, Raha Subir, Prabhu Suresh (2005): "Corporate Governance: Three Views" Viklpa, Volume 30. No. 4 October – December, 2005
[11] Jackson. I.A.,& Nelson. J (2004), Profits with principles: Seven strategies for delivering value with values. New York, NY: Doubleday
[12] John Elkington, "Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development," *California Management Review* 36, no. 2 (1994): pp. 90–100.
[13] Jyothi,P and Venkatesh, D.N. (2011) "Human Resource Management" Oxford University Press, pp.19-30Li-Chin Jennifer Ho and Martin E. Taylor (2007) "An Empirical Analysis of TBL reporting and its determinants: Evidence from US and Japan", Journal International Financial Management and Accounting, Vol.18, No.2 pp. 123-150
[14] Miles, Raymond E., and Charles C.Snow, "Designating Strategic Human Resources Systems," Organizational Dynamics 13, no. 1(1984) pp. 36-52
[15] Murthy, V. and Abeysekera, I., Corporate social reporting practices of top Indian software firms, Austrialasian Accounting Business and Finance Journal 2 (1) 2008
[16] Nancy Fell, "Triple Bottom Line Approach Growing in Nonprofit Sector,"*Causeplanet*, January 21, 2007, and Peter Senge, et al., *The Necessary Revolution* (New York: Doubleday, 2008).
[17] Porter, Michael E. Competitive Advantage Creating and Sustaining Superior Performance, New York: The Free Press, 1985
[18] Rao, VSP (2009), Human Resource Management, Excell BooksRuth Aguilera &Geroge YIP "Global strategy faces local constraints" Article published in Financial Times 27 May 2005
[19] Stephen R. J. Sheppard and Michael Meitner, "Using Multi-Criteria Analysis and Visualization for Sustainable Forest Management Planning with Stakeholder Groups," *Forest Ecology and Management* 207 (2005): 171–187. Another example can be found in Katrina Brown et al., "Trade-Off Analysis for Marine Protected Area Management," *Ecological Economics* 37, no. 3 (June 2001): pp. 417–434.
[20] Sustainable Cleveland 2019, "Action and Resources Guide: Building an Economic Engine to Empower a Green City on a Blue Lake,"October, 2010 www.gcbl.org/system/files/SC2019+Executive+Summary+%289SEP10%29.pdf.
[21] Tyleca D., CarLens J, Bechhout F, Hertin J. Wehrmeyer W, Wagner M, (2002): "Corporate Environmental Performance Evaluation: evidence from the MEPI project, Business Strategy and the Environment II: pp. 1-13
[22] Vanek J (ed) 1975, Self-Management: Economic Liberalization of Man, Penguin, pp.16-17.

Annexure – I
Questionnaire:

[1] Whether your organization complied with all laws and regulatory mechanism concerned towards society?
[2] How is the corporate citizenship behavior exhibited in your organization?
[3] Do your organization followed ethical behavior?
[4] Whether your organization complied with CSR provisions?
[5] Whether the policies of your organization are environmental friendly?
[6] Are you providing Proper Health, Safety and Working Conditions towards the society?
[7] Whether your organization is a reliable from public point of view?
[8] How far your organization is accountable towards various aspects concerning society?
[9] Are you providing Timely response in case of any queries from public?
[10] Whether your organization providing initiatives for promoting share-holders participation?
[11] Whether your organization following the Financial Reporting System?
[12] Are your employees are satisfied with your HR policies?
[13] Do you have innovative HR policies?
[14] Are you allowing employee to participate in management?
[15] Are youfeeling that the organization is the right one to work?