

Ethics in Social Auditing and Role of CSOs for Inclusive Development

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ABSTRACT

India has got sufficient resources to cater the needs of its people but not their greed. The unethical business oriented development has brought the development of selected people by pushing majority of the population to marginalization, with deepened poverty and vulnerabilities. Continuation of such processes has affected the health and wealth of the people and environment with poor participation, accessibility, affordability, accountability, transparency, sustainability and quality of life. In spite of having sufficient resources matching to the needs of the people, still the Nation is facing barriers to move from developing to developed countries which is alarming the stakeholders to search for people oriented solutions. There exist several villages without water but not without wine which reflects the concern and commitment of the delivery system. The search for need based solutions ends at Social Auditing which improves the participation, accountability and transparency in utilizing the resources with improved availability, accessibility and affordability. Social Auditing of selected Civil Society Originations has improved the service delivery channel with the model of designing, implementation, monitoring and evolution both internal as well as external environment. As companies are well linked with Government, Private, Corporate and Funding Agencies, the process has resulted for significant impact with change in the management of the resources with innovation. The tool is simple, participative, flexible and should be made mandatory to all the departments and service providers with better participation.

Key Words: Social Auditing, Development, Participation, Inclusion, Accountability, Transparency.

Statement of the Problem: Lack of participation, responsibility, accountability

and transparency in service delivery systems results for poor utilization of resources / services which further moves towards marginalization and isolation of larger population with crises even for human critical needs.

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Introduction: Our Nation has initiated the programme to Eradicate Poverty (Garibi Hatoa) and lot of resources were spent on this mission. In spite of that it is true that vast majority of the people are still struggling to fulfil their critical needs covering Food, Clothing and Shelter (Roti, Kapda aur Makaan) and recently Water has been added. Based on the recent survey, it is revealed that around 10% of the people are holding the wealth equivalent to that of other 90% of the population. It means the gap between the Rich and Poor is getting widened with alarming signals. On the other side, the process of Liberalization, Privatization and Globalization (LPG), though got some development, is mostly confined to selected groups and geographical areas. This further deepens the poverty and development, as poverty and development are the cause and consequence of each other. On the whole, it is the feeling that development is not need based and certainly not for the majority of the people. The advancement in technologies has added its share for development on one side and challenges and vulnerabilities on other side. The expected business for the people (B2P) has moved towards the business to business (B2B), the mission of ‘Garibi Hatoa’ to ‘Garibhonko Hatoa’.

The vulnerabilities or challenges or hazards or disasters are so much alarming that their management has taken upper hand over the development itself. At the end, the availability, accessibility and affordability (3As) for Water, Food, Shelter, Health,

Education, Livelihoods and other basic needs have been deprived for majority of the population affecting their health along with the environment.

Under these circumstances, several basic questions arise which include: Who is working?... Who is getting the benefit?... Are the products safer to use?...Where the resources are going?...Is it for the people?.... Is it for the business of the investors?... Is the mechanism need based?...Is it the lack of concern and commitment of the makers and implementers?...Is it that the producers of basic raw materials do not have the right to fix the rate?...Is it that there is no direct connection between the producers and consumers?...Who is responsible and accountable?...How long we need to wait to get better days?...What we can do?...and many more which are mostly unanswered.

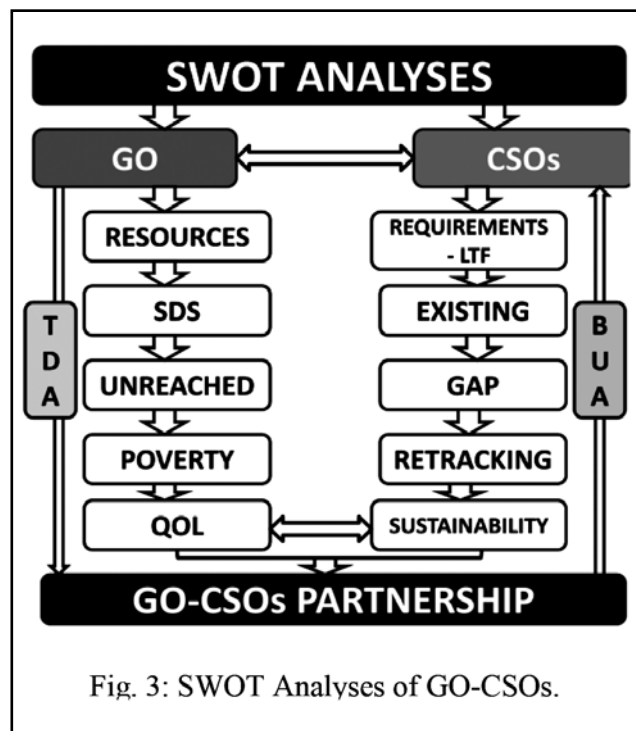


Fig. 1: Resources Vs Reality – Challenges.

The whole process of taking resources to the people has several barriers like: unmatched development, poor service delivery systems (SDSs), moving towards the business to business (B2B), poor reach both quantitatively and qualitatively, poor participation, responsibility, accountability & transparency (PRAT), resulted challenges, vulnerabilities & marginalization including hazards and disasters, poor health, wealth of the people and environment which finally ended with poor sustainability & quality of life (QOL), which has been shown in Fig. 1. Under these unhealthy and unpleasant environments, the need of the hour is to look for better solutions for the people by the people itself. In this direction the first

step is to consider these challenges (Fig. 1) as opportunities for aiming for need based solution with better sustainability and quality. The possible ways of transforming the challenges (Fig. 1) into opportunities have been shown in Fig. 2 which finally aims for the health and wealth of the people and environment with improved sustainability and quality of life (QOL).

The second step in this direction is to do the SWOT (Strengths, Weaknesses Opportunities and Threats) Analyses of the given situation of Resources – Mechanism of GO & CSOs Partnership viz People. The frame of SWOT Analyses with the GO-CSOs Partnership is shown in Fig. 3. The SWOT of Government includes - availability, accessibility and affordability of resources; mode of service delivery systems (SDSs); extent of reach both



qualitatively and qualitatively; impact on poverty & quality of life (QOL) and further consequences on the health and wealth of the people and environment.

This mechanism of reaching the targeted groups is by way of top down approach (TDA) where the participation of the beneficiaries are mostly confined as receivers. On the other hand, Civil Society Organizations (CSOs) work with difference, following bottom up approach (BUA) where majority of the planning is done by the people for the people. The analyses of CSOs include – requirements in terms of legal, technical & financial areas; existing resources; gap between the requirement and availability; and ways to retrack with better sustainability. At the end it is expected that need based partnership between the GO-CSOs helps to reach the people with matching services, supports and other needy resources. The third step in this direction is to understand the concept and need of Social Auditing, details of which are furnished below.

Concept and Need of Social Auditing: The concept of Social Auditing is not new to our country and widely used by our ancients in different ways. The Social Auditing is defined as ‘process of reviewing official records and determining whether state reported expenditures reflect actual money spent on the ground’. In view of challenges (Fig. 1) specifically in terms of poor participation, responsibility, accountability and transparency (PRAT)

that has resulted for unethical and unhealthy practices including corruption, violence, crime, hazards & disasters which finally affects the health and wealth of the people & environment, the tool of Social Auditing gained priority with a professional frame. The Foundation of Social Audit is based on specific socio-cultural, administrative, legal and democratic setting of the given working environment. The pillars of Social Audit includes polyvocal, multidirections, participatory, comprehensive, comparative, regular, verification and disclosure which follow the universal values like equity,

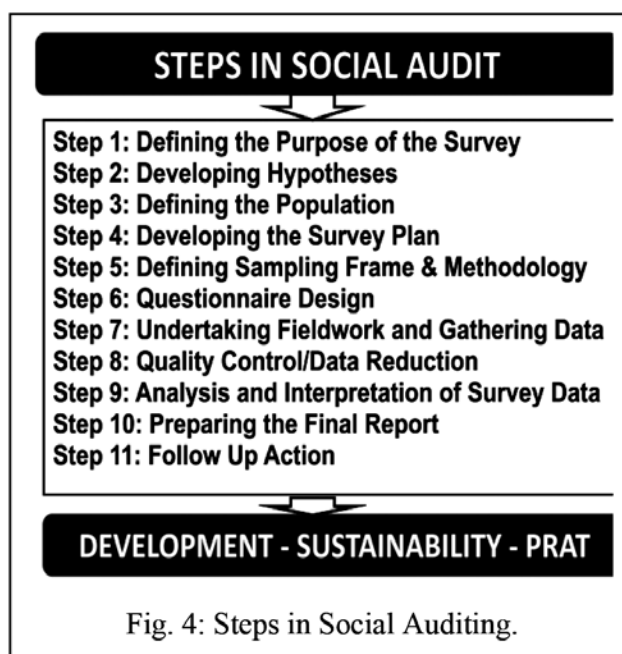


Fig. 4: Steps in Social Auditing.

social responsibility, trust, accountability, transparency, inclusive, caring and people’s well being. The steps involved in Social Audit Survey (after CGG) are shown in Fig. 4.

The steps involved in Social Audit Survey are eleven which starts from defining

the purpose to preparing an action plan that finally leads for sustainable development with improved participation, responsibility, accountability and transparency (PRAT), so that the resources planned will reach the targeted groups at the right time through right ways. The whole process depends upon the selection of auditing team which are normally drawn from the programme stakeholders with the priority on receivers and community.

At the beginning, a set of CSOs from the States of Andhra Pradesh and Telangana have been selected for conducting the Social Auditing and more details will be furnished in due course of the paper.

Methodology: The processes followed in making the Social Auditing of the selected CSOs working both in urban and rural areas are shown in Fig. 5. The steps followed on the left side are mainly for tracking the CSOs with evidence based

systems and documents. After making the SWOT Analyses, the gaps have been filled in the areas of legal, technical and financial issues and later developed strategies / interventions based on the concept of Design, Implementation, Monitoring and Evaluation (DIME). This is expected to keep CSOs well equipped to move forward.

On the right side, it is the part of implementation including monitoring and evaluation with effective participation of the programme stakeholders at all levels. This process is very particular about the persons with disabilities (PWDs) and other special needs living in varied environments having additional challenges or barriers compared to that of the normal people. This ends up with creating friendly and barrier free environment (BFE) which improves their independent living with better quality of life (QOL) as part of an inclusive community development. Combination of these tools with the optimization of top down approaches and bottom up approaches on life cycle basis covering design, implementation, monitoring and evaluation (DIME) connects the people with resources and other services. The impact of social auditing of selected CSOs is shown in Fig. 6 and is discussed under results.

The social auditing of CSOs has got direct influence on the systems of Government, Private, Corporate and Funding Agencies. In this study, the process of social auditing has helped CSOs to tap the resources from the Government,



Fig. 5: Social Auditing in CSOs.



Private, Corporate, Funding Agencies both National & International and other sources with better transparency and thus reaching the unreached both quantitatively and qualitatively. It is a good beginning with the CSOs and the process is going on to improve the situation of social auditing using the acts and policies effectively including the right to information (RTI). Availability and accessibility of information certainly improves the participation, accountability and transparency and it is possible by replacing or minimizing the process of asking for the information which is unpleasant for both givers and receivers, by providing the same through proactive declaration (as per the clause of RTI).

The whole process of Social Auditing has resulted for significant impact (Fig. 6) in the lives of the programme stakeholders and more details are discussed and furnished below.

Results: As indicated earlier, the processes of Social Auditing at the selected CSOs has created significant impact among the programme stakeholders which is briefly furnished below:

1. Better clarity has been created about availability of resources in terms of Schemes, Projects, Benefits and Funds,
2. Later, facilitated for the enrolment to some of the Government Schemes / Benefits which include its utilization and monitoring,
3. The systems at all levels have improved the participation of the programme stakeholders with better responsibility, accountability and transparency,
4. It has further improved the reach of the targeted groups both quantitatively and qualitatively with better access and utilization of the resources,
5. The SWOT analyses reflects the realities of the resources Vs utilization at the planners, implementers and grassroot level.
6. The combination of top down approach (TDA) and bottom up approach (BUA) has improved the systems and interventions with effective participation, monitoring and evaluation,
7. The improved systems and interventions have strengthened the development of the beneficiaries with better sustainability and quality,

8. The marginalized and isolated targeted groups have become part of an inclusive community with improved quality of life (QOL),
 9. The final product ended with better health and wealth of the people, society and environment, with better values and ethics,
 10. The whole process of Social Auditing is having the facility of updating, by going to the stage of knowing and developing the required resources,
 11. The CSOs are well linked with the various departments like: Government, Private, Corporate and Funding Agencies as they mobilize need based resources from them,
 12. The impact of social auditing of CSOs do have influences on Government, Private, Corporate and Funding Agencies (GPCF),
 13. It has improved the ethics, values and systems with better reach, and
 14. The whole process of Social Auditing has been accepted by the Stakeholders as it has improved the participation, responsibility, accountability and transparency (PRAT) with better availability, accessibility and affordability (3As) of resources for catering the needs of the people.
1. India has got sufficient resources to cater the needs of the people.
 - 2) The real problem lies in the implementation or delivery systems which are having several barriers for the people to reach.
 - 3) The unethical or unhealthy practices with mad rush for business oriented development has widened the gap between the rich and poor which further deepens the poverty with several vulnerabilities which are complex and dynamic.
 - 4) It appears that the mission of *garibi hatoa* has moved towards *garibonko hatoa* by spending lot of resources, time and energy.
 - 5) The Government mostly depends upon the top down approach whereas CSOs work with bottom up approach and the combination of these approaches with GO-CSOs partnership is desirable to achieve the development with improved sustainability and quality of life.
 - 6) Unethical or unhealthy or unpleasant practices have resulted for poor participation, responsibility, accountability and transparency with poor availability, accessibility and affordability to majority of the people.
 - 7) Need of the hour is to look for better way of implementing the schemes through effective service delivery systems with better utilization of

Conclusions: The study made on the need of Social Auditing has resulted for several interesting conclusions which include:

resources combining with effective monitoring and evaluation.

- 8) Social Auditing is the tool which improves the reach to the people with effective utilization of resources, both quantitatively and qualitatively.
- 9) Social auditing of CSOs influences its sources like: Government, Private, Corporate and Funding Agencies with better access, accountability and transparency.
- 10) The steps to be followed under Social Auditing are simple and it only needs commitment and concern to the targeted groups as a process.
- 11) Social Auditing added with Right to Information (RTI) ignites the minds of the stakeholders for effective utilization of resources on the basis of design, implementation, monitoring and evaluation (DIME).
- 12) The process of making Social Auditing with the selected CSOs has resulted for improved systems with better efficacy to reach the targeted groups both quantitatively and qualitatively that are inclusive and sustainable with improved quality of life.
- 13) The Social Auditing tool is simple, participative, flexible and improves accountability, responsibility and transparency (ART).

Recommendations: In view of the challenges and need to get better solutions,

the study made recommendations which include:

1. To create better awareness among the Professionals of Technical, Administrative and Financial Departments and other Stakeholders by way of workshops, seminars and publications.
2. To make the tool as mandatory for all the departments & service providers who are directly linked up with the people at first phase and others in second phase at all the stages covering the model of Designing, Implementation, Monitoring and Evaluation.
3. To strengthen the provisions of RTI for better display of information with accessibility and friendly environment.
4. To make this as essential part of Annual Reports, Audit Reports and other documents of the organizations and keep accessible for all.
5. To encourage students for project and research works with effective transformation from Government, Private, Corporate, Funding Agencies, and CSOs on one side and People on the other side.

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“Those who wish to sincerely serve society must be spiritually pure, and only those who are spiritually pure must sincerely serve society.”

-Dr. APJ Abdul Kalam.