

Social Responsibility and the Management of a Company

Manuela Panaitescu¹

Abstract: The purpose of the paper is to identify and compare the different attitudes of managers towards the concept of social responsibility. The first social responsibility actions were carried out in Romania by multinational companies that have implemented verified strategies in other countries. The model of these companies begins to be taken up in the Romanian business environment as well. The reserved and even reluctant attitude of managers towards CSR is determined by lack of vision and education in the field of social responsibility.

Keywords: corporate social responsibility; management; manager

In Romania, the corporate social responsibility is far from being understood as a management practice. It is an activity for which the public relations department is responsible, which in fact should be the management's concerns. It is a cosmeticizing tool (donations, sponsorships, tree plantings, etc.) and not of planning a long-term development. There are few real CSR programs in Romania, programs that have goals, budgets, evaluation methods, performance indicators.

Corporate social responsibility implies managing businesses in a way that exceeds ethical, legal, commercial and public expectations from society. In the vision of companies at the forefront of promoting socially responsible policies and practices, they are more than a collection of discrete practices or initiatives motivated by marketing or public relations reasons.

The way corporate social responsibility is perceived influences the dialogue between the private sector and civil society, impacting all stakeholders involved in the legitimacy, obligations and standards of corporate social responsibility. Often the

¹ Senior Lecturer, PhD, Danubius University of Galati, Faculty of Economic Sciences, Romania, Address: 3 Galati Blvd, Galati 800654, Romania, Tel.: +40372 361 102, fax: +40372 361 290, Corresponding author: manuelapanaitescu@univ-danubius.ro.

term of social responsibility is confused with corporate philanthropy or with simple law enforcement.

Corporate Social Responsibility promotes the vision of business sector responsibility towards a multitude of stakeholders besides its own shareholders and investors. Areas such as environmental protection, employee welfare, the community and civil society in general become issues of concern for companies.

The concept of corporate social responsibility underlines the notion that economic actors can no longer only act as mere economic entities detached from society in a broad sense. Some of the reasons that have led the business sector to come closer to the concept of social responsibility relate to:

a) reducing the role of governments

Governments use the leverage of regulatory laws to achieve environmental objectives or social objectives in the business sector. Reducing government resources, coupled with mistrust in regulatory capacity, has led to the exploration of voluntary initiatives.

b) the need for transparency

There is a strong demand from different stakeholders, including customers, suppliers, employees, communities, investors, for greater transparency from companies.

c) increased consumer interest

The various polls pointed out that there is a strong link between the ethical conduct of companies and the decision to buy from consumers. According to a survey, more than one in five consumers base their decision to buy or not a product on the perception they have on the company's social performance.

d) investors' influence

Investors change how they value a company's performance by making decisions based on criteria that include ethical considerations. Socially responsible investments refer to the decision to invest based on social, environmental and personal considerations.

e) the role of the labor market

Increasingly, employees look beyond the wage package and benefits and seek employers whose philosophy and practices are in line with their own principles.

f) relations with suppliers

As stakeholders pay more attention to the business environment, companies also take action to ensure that partners with whom they enter into business relationships also have a socially responsible behavior. Some have introduced codes of conduct for their own suppliers to ensure that their own reputation will not suffer.

The adoption by the business sector of responsible social behavior can bring important benefits.

a) For companies, addressing social and environmental issues can bring benefits as the reputational risks grow and competitiveness and sustainable development are key elements of a company's strategy:

- financing financial performance, attracting and retaining high quality business investors and partners;
- improve brand image and reputation;
- increasing business opportunities, sales and consumer loyalty;
- increased ability to attract and retain qualified staff
- access to financing;

b) Benefits for the community:

- charity contributions;
- integration of companies in community education,
- the quality and safety of the products.

c) Environmental benefits:

- increasing the recycling rate of materials;
- greater use of renewable resources;
- integration of environmental management tools in business plans.

The Social Responsibility Reference Standard

In 2014, Social Accountability International (SAI) published the fourth edition of SA8000 International Standard: 2014 Social Responsibility. The newly published standard replaces the previous versions of 2001, 2004 and 2008.

The standard is based on the principles of the international labor standards laid down in the ILO conventions, the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child. The fundamental goal of the SA8000 is to improve working conditions around the world. This intention has directed organizations to improve and demonstrate Corporate Social Responsibility (CSR) in terms of core human rights at work.

The advantages of certifying the social responsibility management system are as follows:

- commitment to socially responsible business ethics;
- protecting the brand of the company;
- increased reputation as a socially responsible corporate citizen;
- consumer confidence and a positive perception from investors;
- an improved morale of employees;
- a correct, safe and fair working environment;
- improved working conditions;
- managing commercial risks by avoiding negative incidents and subsequent public exposure;
- transparency in activity by independently verified compliance;
- differentiation from global competitors.

Managers' Attitudes towards the Concept of Social Responsibility

“The concept of CSR is at the beginning in Romania and therefore perhaps not very well understood. It is often confused with punctual actions, donations, etc., distinct from what they should represent - large-scale, responsible programs, with planned goals, and perhaps lack of credibility, and transparency and credibility are interdependent.” (Alina Bratu, PR Manager, Tuborg).

“We can discuss the motivation of companies involved in CSR, whether it is a strategic approach or an ad hoc involvement, motivated by a short-term (e.g. image) gain. Every company needs to evaluate its CSR strategy cut corporate CSR programs must be based on clear eligibility, sustainability, evaluation criteria. If CSR programs

address the community but do not meet its needs, they have no future.” (Paula Apreutasei, Business Strategy Manager, Microsoft).

“The lack of a tradition in Romanian CSR may lead to a mistrust of companies’ investments in such programs. In addition, there is a whole range of companies that build CSR programs just because they cannot advertise otherwise, because of legislative restrictions.” (Florentin Scarlat, Corporate Affairs Manager, Ozone Laboratories).

Only a small number of companies set specific targets and report their achievement for social and environmental goals. This indicates that the attention paid to the social and environmental aspects of CSR is still quite poor. The most important challenges for improving CSR are strong competitive pressure, insufficient government support and / or non-governmental organizations, and high costs of implementing CSR. The analysis shows that the use of instruments is positively related to the size of the enterprise and the type of ownership and that it is negatively linked to the lack of resources and the support for CSR provided by investors and consumers.

Conclusions

In conclusion, we note the statement by the Vice-President of the European Commission, Antonio Tajani, Commissioner for Industry and Entrepreneurship, who said: “The remarkable works of winning partnerships highlight the best corporate social responsibility practices in Europe, show that a strategic approach to CSR is more and more important for the competitiveness of SMEs and large companies, also encourages more social and environmental responsibility towards the corporate sector at a time when the crisis has affected consumer confidence and business confidence levels.”

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