Promoting Corporate Social Responsibility Values - A comparative study among companies from European Union-

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Abstract

This paper aims to identify the implementation and the awareness degree of Social Responsibility concept among sixty companies from six European countries: Belgium, Finland, Lithuania, Netherland, Spain and Romania. We studied too the main CSR actions implemented by the researched companies, the most familiar information sources used by the managers regarding CSR and the most efficient ways of improving CSR knowledge.

We also tried to find out how universities are involved or could contribute to an efficient dissemination of CSR principles using lectures, work-shops, debates, seminars among students, business community.

The research is helpful to academic and university community in curricula design and in order to find out the way in which it can contribute to a better information, awareness and involvement of students and managers in the field of social responsibility.

The originality of this paper relies in the fact that we made a comparative study among sixty companies and we tried to identify similarities and differences in the way in which they apply social responsibility principles in their business. We also studied university implication in CSR promotion into researched countries.

Keywords
Corporate Social Responsibility, Values, SMEs, comparative study, training, education;

INTRODUCTION

Since 2000, Corporate Social Responsibility has become one of the most discussed topics of the business field. Enron’s bankruptcy, one of the most important USA companies, brought into public attention some questions related to sustainable development and corporate responsibility.

Corporate Social Responsibility (CSR) is omnipresent. Although its impact fluctuates (we can safely predict that in economic hard times CSR will get less attention than in more prosperous times), most companies in Romania and all over the world are more or less acquainted with several aspects of CSR.[1] [4]
1. GENERAL CONSIDERATIONS ABOUT CSR

Specialists in management, international organizations or governments have formulated different definitions of CSR, including:

- CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.[12]
- CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with stakeholders on a voluntary basis.[11]
- CSR is a commitment to improve community well-being through discretionary business practices and contribution of corporate resources. Essentially, CSR is the deliberate inclusion of public interest into corporate decision-making, and the honoring of a triple bottom line: People, Planet, and Profit.[8]
- Generally, CSR is understood to be the way firms integrate social, environmental, and economic concerns into their values, culture, decision-making, strategy and operations in a transparent and accountable manner and thereby establish better practices within the firm, create wealth, and improve society.[10]

Some organizations focus on economic and CSR objectives, where the environment is included as one element of CSR, along with ethics, transparency, health and safety, corporate governance, human rights, and community investment. Other organizations follow a Triple Bottom Line reporting strategy, which covers three measures of success: economic, environmental, and social responsibility. This theme is prevalent in resource companies, such as mining, forestry and oil, where the environment has been an important focus of advocates, governments, and communities. These organizations often refer to their objectives as sustainable development. [3], [7]

For the business enterprise, sustainable development means adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining, and enhancing the human and natural resources that will be needed in the future. [2]

2. RESEARCH METHODOLOGY

This research aims to identify the implementation and the awareness degree of Social Responsibility concept and values among multinationals and SME-s from six European countries: Belgium, Finland, Lithuania, Netherlands, Spain and Romania. We also tried to find out how universities are involved or could contribute to an efficient dissemination of CSR principles using lectures, workshops, debates, seminars among students, business community.

In order to accomplish these objectives, we made a survey among sixty companies from the aimed countries based on two different questionnaires:

- an awareness questionnaire aiming to explain the concept and the degree of awareness and implementation of CSR;
- the second questionnaire regarding the managers training necessities in this field.

This research allowed us to do a comparative study among the sixty studied companies regarding the following aspects:

- the level of CSR knowledge, awareness and understanding among firms’ managers;
the main CSR actions implemented by the companies for environment protection, human resources development, mutual advantage, ethical and moral principles promotion in business relations, community development, company value system implementation;
• the way in which social responsibility is considered as a responsibility, an obligation, or a necessity related to the company image;
• the most familiar information sources used by the managers regarding CSR;
• the requirements regarding professional training in this field.
We have to mention that this research was done within an international cooperation and have involved six universities from an Erasmus program.

3. RESULTS OF THE RESEARCH

In order to have a general overview regarding the CSR perception among different kind of companies (SME, large, national or multinational companies), the research was made on sixty companies, ten for each participant country, from which three multinational companies and seven SME-s.

According to their turnover and number of employees, the structure of the researched companies is presented into the figure number 1.

![Figure no. 1 Structure of the researched companies](image)

According to the interest for CSR activities the researched companies could be structured as follows:

• **Forty-six companies**, representing 76.66 %, consider that Corporate Social Responsibility is important, contributing to the company image, relation with her own business partners, customers.
• **Nine companies** from all the researched countries do not have an opinion and are totally indifferent to this subject and
• **Only five** firms (SMEs), representing 8.33% consider that CSR is unimportant and that these kind of activities represent a waste of human and financial resources. We have to mention that three of these companies, representing 60% of the total number, are from Romania.

Regarding Romanian researched firms we have to stress that only five companies consider CSR as an important and permanent company’s concern and they associate CSR more with a positive image and a successful activity than with a responsibility for the community. It is worrying the fact that five from ten researched companies are not aware and they are not involved in any kind of CSR activities.
There are big differences between multinationals and SME-s companies. As expected, **the multinational companies** are more involved in CSR activities than national companies. The implication of multinational companies in such kind of activities can be explained by the fact that their management have an international experience in this field and they are developing CSR activities in all the countries they are acting.

**SME-s** consider that CSR is important because they are closer to the community as economical local structures, which means that they should and must have an active implication in the life of their communities. Also they suffer, as they are mostly influenced by the development of the community in which they activate. We have mention that the companies acting in small towns or villages are more interested and involved in CSR and they are implementing these kinds of activities for the community benefits. Two of the seven SME-s are developing activities in small sized settlements, where the relations between the community and the companies are much closed, a real fact that has determined a particular growth of the implications in CSR activities.

**Regarding the knowledge and awareness degree of CSR and Sustainable Development concept**, we can appreciate that there are big differences between Romania and the other researched countries. [5], [6] The analyse of the researched companies reflects that all the firms, excepting three from Romania, know, understand and apply these concept in their strategic management.

**Concerning Romanian researched companies:**
- The majority (7 enterprises of 10 researched) expressed that **these terms** are, at the moment, **part of their management process**, a long term strategy and a presumptive duty that they must have towards the company, but more important to the society, in creating it a better world, although sometimes it requires some substantial financial investments.
- Three of them **have heard about the two terms** used by EU (CSR and Sustainable Development), have a vague idea of what it should mean, but they cannot give a proper definition of these concepts. When they try to explain the terms, **they associate it directly with the strategic objectives** of the company: the continuous development of the company and the continuous increase of the turnover, a better position on the market, etc.

As for the **Romanian SME-s**, only four of them seem to have understood the concept as it is, have tried to implement it and have actually succeeded through their CSR actions and projects. These companies have declared that they spend efforts and resources in order to help the community; they involved themselves in social, ecological projects. They are aware of the fact that this kind of behaviour influence their social image giving them recognition and respect from the part of the community. The other three firms have trouble in understanding the concept, as they associate it with the legal rights and obligations.

On the other hand, three of the researched companies have declared that they develop only actions imposed by the regulations in the field of the employees' rights, customers' needs, and their suppliers and by the environmental conditions.
The most important CSR actions developed by the researched enterprises are: humanitarian actions, sponsorship, conservation and promotion of the community’s values and traditions; actions leading to culture, education, art, sport development; professional training regarding the employees programmes; waste recycling and energy saving programmes; replacement of the old technology with some eco-friendly one programmes and all kind of project that have as a main goal the wellness of the society they live in.

Regarding the question related to the main source of information about CSR, the answer was astonishingly clear:

- Fifty-two firms, representing 87.5%, get their information about CSR from the internet. On the other hand, only 25% of the questioned companies used specialized journals for information about CSR.
- Only twenty-two, 36.66%, companies use the newspaper, business emails, TV and other information sources for studying CSR field. Among these companies only 17 (28.3%) have appreciated that they have information about CSR from different activities, such as lectures, seminars, conferences and workshops organized by universities within different study programs. We can conclude that till now, universities aren’t actively involved in CSR dissemination process having a negative impact among business orientation of their graduates.

As for Romanian studied companies, we can remark that most of them, eight of the ten companies (80%), use television for getting information concerning CSR as well as internet and newspapers, which present mainly good practices and campaigns initiated by other organizations.

Regarding the universities’ role in CSR dissemination, only one company (10% against 28.3% the EU countries average) stated that the knowledge in this field were obtained within different university programs.

![Figure 3: CSR Sources of information](image)

All the questioned companies expressed their interest to improve and develop their knowledge regarding CSR. The interviewed firms appreciated that they would be strongly interested in getting information regarding the following topics: the impact on the environment and CSR competitors strategy (50% of the researched firms), the CSR regulations (40%).

Regarding Romanian companies, as we have already presented in the figure no. 4, are interested in other topics than the EU studied companies, such as: cost savings (50% against only 8.33 UE firms) and customer awareness (40% against 16.66% the European average).
The researched companies would like to improve their knowledge through: trainings, meetings, congress and in-house presentations, and also they have chosen the audit by the external specialist, the Government information and the EU website, as presented in figure number 5.

As for Romanian companies, we can observe that they prefer to obtain CSR information within meetings and in-house presentation unless to receive periodical government information or to access EU website. We have to mention that only one company have expressed its interest to be informed about CSR through government publication, this fact showing a low confidence in governmental information sources and programs.

When questioned about what kind of institutions would be able to play an important role in improving and implementing CSR, some companies mentioned that working together with their CSR partners (customers, government, community, employees) would be a really good option.

75% of the researched companies have also appreciated that universities should play a significant role in the CSR dissemination process and that they should be more involved in organizing seminars, trainings and different debates among business community, students, master degree students. They also stressed the fact that implementing CSR activities means, first of all educating and awareness people about the implications of personal and organizational decision on community, environment, society ethics and moral.
On the second place, 62.5% of the studied companies consider that external training agencies should be more focused in organizing trainings and workshops in the field of CSR. We have to stress the fact that the majority of European companies consider education as the only reliable way of promoting and determining people and companies to assume a responsible behaviour in their private or business life and to be more involved in social, environmental, moral and ethics matters.

4. CONCLUSIONS AND PROPOSALS

Our comparative study among companies from six EU countries, including Romania, allowed us to have the following conclusions:

- **There are considerable differences between EU and Romanian companies** regarding the CSR awareness, information and involvement. In this respect, we can appreciate that companies from Romania, especially SME-s, are less involved in CSR actions and, some of them (30%) have a vague idea about CSR, but they cannot explain correctly the concept.

- **Only 50% of Romanian studied firms (against 76.66% which is the EU average) consider CSR as an important business concern** and are investing time and money in this kind of activities.

- **All the studied firms declared that they would like to improve their knowledge in the field of CSR** and they consider universities and training agencies the most appropriate partner for achieving this goal.

- **Universities from studied countries have a poor implication in CSR promotion** even if business community considers that they could be the most efficient and credible way of CSR dissemination. 75% of the researched companies have appreciated that universities should be more active and more involved in CSR promotion by organizing seminars, trainings, debates with managers and employees.

- **Education is the unique way of promoting, convincing and assuming a responsible behavior.** In this respect, all the members of the education system have to create and implement a common project for promoting CSR values.

- **Universities have to be more involved in CSR promotion** among students and business community. To make the youth more aware of CSR aspects should be a part of standard education. Especially business schools should teach good practices of CSR and social marketing. Innovative and involving ways of teaching should be used to preserve the creativity of the students.
Universities have to design and implement special programs for business community in order to increase the awareness and the involvement degree in CSR activities and to promote CSR among whole community.

We can conclude that, due to their social and scientific position, as trainers for future generations of managers and economic specialists, universities could play a determinant role in the business community accountability process and for the creation a new business environment based on responsibility, ethical and moral values. This fact could be achieved by an active involvement of the universities in the training process of students, master degree students and business community according to CSR values.

References