

Corporate social responsibility and sustainable development. A Schaeffler Romania case study

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Abstract: *The aim of this paper is to analyse corporate social responsibility and sustainable development at Schaeffler Romania, in the light of the educational programmes the company has designed and developed over the years. Thus, by using various tools of strategic analysis, the beneficiaries' degree of satisfaction was examined, rated in an online survey. The research targeted students and young graduates from various universities in the country, who had been directly involved in one or more educational programmes at Schaeffler Romania, in the last three years.*

Key-words: *corporate social responsibility, sustainable development, educational programmes, beneficiaries*

1. Introduction

Nowadays, we live in a society that increasingly requires its own sustainability models – economic and social. This context has had a direct influence on how companies define their objectives and conduct their business. Thus, apart from the former classical profit-oriented objectives, organisations around the world are obliged to adopt a series of ‘smart’ goals which are meant to answer environment protection and social-related issues (Doz, 2010). Given the occurrence of these changes in the modern world, two new concepts have developed over the years and gained the upper hand in wording long-term business strategies: Corporate Social Responsibility (CSR) and Sustainable Development (SD).

Sustainability business targets have rapidly become increasingly relevant for companies, but also for their stakeholders. A strategic approach to CSR is undoubtedly important to a company’s competitiveness (Dey, 2012). It can bring benefits in terms of risk management, cost savings, access to capital, customer relationships, human resource management, and innovation capacity (Mohr, 1996). It also encourages more social and environmental responsibility from the corporate sector, at a time when the crisis has damaged consumer confidence and the levels of trust in business. CSR helps pave the way for partnerships between businesses and

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the civil society that are based on common goals and shared actions to deliver impact-driven outcomes (www.financierworldwide.com).

2. Schaeffler Romania - Strategic approach to sustainability

Schaeffler Romania is part of the Schaeffler Group (www.schaeffler.ro), a global integrated automotive and industrial supplier with more than 85,000 employees worldwide in over 50 countries. One of the 170 group's locations, Schaeffler Romania was founded in 2002 in Braşov, Cristian, and currently has more than 4000 employees. It produces high-end components for the automotive industry, as well as large-scaled bearings for different industrial applications (www.financierworldwide.com). Quality and continuous investments in innovation are two leading factors that explain the long-term success of the company. Moreover, Schaeffler Romania has its own research & development centre, offering viable solutions worldwide.

For Schaeffler Romania, sustainability is not only concerned with the attention given to communities and the environment, clients and suppliers, but also with the wellbeing of its employees and, subsequently, their families. The company is involved in multiple projects and social programmes, the main directions being represented by education, culture, projects for German communities, helping people in difficult situations, excellence and environmental protection.

Education for Schaeffler Romania is, generally speaking, the most resounding impulse in what concerns the continuous improvement of living conditions, of health and society welfare, and therefore, the company regards these investments for young and future generations as probably the most valuable gift provided. Taking this into consideration, over the years Schaeffler has developed a complex portfolio of educational programmes, designed for pupils, students and young graduates.

3. Methodology

The main purpose of this paper is to study the overall degree of satisfaction for different categories of beneficiaries who were involved in educational programmes developed and conducted by Schaeffler Romania over the last three years. In order to obtain pertinent results, well-known analysis instruments were used: the SWOT matrix and the statistical sample survey.

The focus of the research was limited to students and young graduates who participated in one of the following programmes at Schaeffler Romania: Internship, Trainee, Practical Research Papers and Excellence Scholarships. The questionnaire comprises 19 questions, systematically arranged by mixing simple questions and complex ones. The survey was conducted by using the online platform Google Forms, and a link was sent to the emails of the targeted population. From a sample of

100 eligible individuals with a deviation of $\Delta \omega = \pm 6\%$, 65 final valid responses were registered. The final results were afterwards interpreted by means of the SPSS programme.

4. Results

KPMG International has released the study *Unlocking the values of social investment*, in which social investments made by large companies were evaluated. According to this study, the social domains in which companies have heavily invested are: Education (49%), Health (48%) and Humanitarian Help (47%). Lately, companies in Romania have started to realise that they hold a huge responsibility towards the beneficiaries of the educational system (www.kpmg.com). The business environment can certainly improve the academic field by offering jobs, experience, sharing good practices and even by improving school curricula. Locally, more than 10 multinational companies and local businesses invest in this particular area annually. It is gratifying that the number of educational programmes and partnerships with academic institutions increase year by year.

Ever since its foundation, Schaeffler Romania has increasingly invested in the social academic field, its proactive role being underlined by the current complex portfolio of educational programmes they develop among competitors.

The first analysis, the SWOT matrix, consisted in exploring the relationship between the environmental influences/ changes of the academic field, in general, and the strategic capabilities of Schaeffler Romania in terms of their actual offers.

	Environmental Changes (OPPORTUNITIES, Threats)				
	<i>Developing partnerships with national and foreign academic institutions</i>	<i>Online application for all programmes</i>	<i>Guiding talented individuals towards remunerated programmes within the company</i>	+	-
STRENGTHS					
✓ Programmes' notoriety	+ 5	+ 5	- 2	+ 10	- 2
✓ Students' interest	+ 3	+ 5	- 1	+ 8	- 1
✓ Qualified programme coordinators	+ 1	0	0	+ 1	0
✓ Legal compliance	+ 2	0	0	+ 2	0
WEAKNESSES					
* Programmes' degree of complexity	- 3	+ 3	- 1	+ 3	- 4
* Financial investments	+ 1	- 2	0	+ 1	- 2
* Small team	- 4	+ 2	+ 2	+ 2	- 4
* Manual interlocking	- 3	+ 4	0	+ 4	- 3

	Environmental Changes (OPPORTUNITIES, Threats)				
	<i>Developing partnerships with national and foreign academic institutions</i>	<i>Online application for all programmes</i>	<i>Guiding talented individuals towards remunerated programmes within the company</i>	+	-
ENVIRONMENTAL IMPACT SCORES	+ 12 - 10	+ 19 - 2	+ 2 - 4		

Table 1. SWOT Analysis – Educational Programmes at Schaeffler Romania

The results indicate that all programmes analysed (*Internship, Trainee, Practical Papers and Excellence Scholarships*) bring added value to the company by engaging hundreds of students yearly, offering them first-hand work experience and the chance to be part of Schaeffler's culture.

More than 85% of the beneficiaries wish to remain within the company. The findings are that Schaeffler should profit after its programmes' notoriety among local and international institutions and should develop/ expand its current partnerships in order to gain the upper hand at meeting talented individuals. Although the programmes are internally well organized and the legal compliance procedures are throughout fully respected, Schaeffler Romania should follow the current social and economic trend by advertising their offers online on social media or by simply adding an online application page on their website for all students interested. This update could solve issues such as tiring and error-prone manual registration of applicants or even the need for an extended team. It will also be beneficial for students, since it will help them comply faster with the implementation of a more accelerated process. This way, feedback could also be provided in a more transparent way. Environmental changes (Era of Social Media and online content) influence both the performance of the afore-mentioned programmes, as well as the actions of the beneficiaries.

The second analysis shows that, out of a total of 65 respondents, 95.4% have been interns, 16.9% have obtained one of the Excellence Scholarships offered by the company, 9.2% have conducted their bachelor's degree and/or practical research papers at Schaeffler, while 4.6% have been part of the Trainee programme for young graduates of technical studies. According to the statistical data gathered from the survey, more than half of them have participated in only one programme developed and conducted by Schaeffler Romania.

From their perspectives, 64.6% of respondents consider that the main advantages they obtained during the programmes were connected to acquiring specific and practical knowledge for their domain of study, immediately followed by benefits such as easier orientation in their future career and the possibility of finding work at Schaeffler Romania. When asked which programmes are more sustainable for the student's communities, more than 60% think that the Internship programme is the one that meets expectations and brings benefits for both parties. The next most

sustainable programme chosen by students was the Trainee programme, which offers the possibility to study and specialize for one year in Germany.

Generally speaking, students have reported to be content on how programmes have been organized. The hypothesis has been validated by the following results gathered from the beneficiaries' responses: internship (55.4%), trainee (38.5%), scholarship (26.2%) and practical paper (9.4%).

A large part of the students who have applied for Schaeffler educational programmes have been motivated by the possibility of getting hired within the company in the near future. The hypothesis has been validated by the following results gathered from the beneficiaries' responses: 38.5% of respondents have chosen the statement above, while 24.6% have chosen the domain of activity and the company's reputation on the market.

4.1. Findings on testing the statistical hypothesis

- ✓ H0: At most, 70% of respondents recommend the internship programmes for entry-level students, as they deliver the most pertinent contact with future employers.
- ✗ H1: Over 70% of respondents recommend the internship programmes for entry-level students, as they deliver the most pertinent contact with future employers.

H0: $\Pi=70\%$

H1: $\Pi\neq70\%$

	Test Value = 0.7					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Recc. Internship	1,554	63	,126	,083	-0,2	,19

Table 2. One sample test – export SPSS

We can assume that there is a relationship between the variables *age* and *subsequent employment in the company*. The measurement of the correlation between the variables *age* and *subsequent employment in the company* is as follows:

- ✓ H0: Averages are equal and there are no significant differences between them.
- ✗ H1: Averages are not equal and there are significant differences between them.

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
age * q2job	17	26.2%	48	73.8%	65	100.0%

Table 3. Case processing summary – export SPSS

			q2job		Total
			yes	no	
Age	under 20 years old	Count	0	0	0
		% of Total	.0%	.0%	.0%
	21–25 years old	Count	16	47	63
		% within age	50.0%	50.0%	100.0%
		% within q2 job	25.3%	74.6%	96.9%
	over 25 years old	Count	2	0	2
		% within age	100.0%	.0%	100.0%
		% within q2 job	0.3%	.0%	0.3%
	Total		Count	18	47

Table 4. *Cross tabulation – export SPSS*

6. Conclusions

Schaeffler Romania is involved in various projects and social programmes, the main directions of involvement being focused on education, culture, excellence and protection of the environment. As a truthfully sustainable company, Schaeffler increasingly invests in and diligently cares about the quality of education for young and future generations. Thus, the findings in this paper can only be positive in what concerns the programmes developed over the years for their beneficiaries.

7. References

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