

ETHICAL INSTRUMENTS FOR THE DEVELOPMENT OF THE SOCIAL RESPONSIBILITY OF THE BUSINESS OPERATORS IN ROMANIA

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Abstract: *Starting from the provisions of standard ISO26000 regarding social responsibility together with results of a quantitative research performed in 2015, it can be concluded that the public institutions are outside the range of a normal behaviour regarding their relation to the several categories of stakeholders, including the legal entities, i.e. the business operators. A normal behaviour is a socially responsible behaviour.*

Key words: *social responsibility, public institutions, economic operators, quantitative research.*

1. Introduction

In order to defend their rights, even since the Middle Ages, traders have organized themselves in corporations – named *universitas*. In time, they have acquired administrative, juridical and even legislative autonomy. The corporation included the traders and craftsmen in the same branch and was led by a consul, elected from them, assisted by counselors. (Cărpenaru, 2007, pp. 3-5)

One can speak about the incipient stage of the economic operator's social responsibility concept at the beginning of the 19th century, when the first commercial enterprises appeared. Some of the owners and their managers have taken upon themselves, within the community, a more extended role than the business men role, participating in the creation or development of the nation they were part of by contributing to building houses, schools, libraries, museums and universities.

The end of the 1950s was marked by an increase of the power of the consumers to influence the behavior of the economic operators. (Oprea, 2005, pp. 49-52)

In this context, starting with the 1950s, a popular and efficient proposal has appeared at the international level: for the economic operators to voluntarily take responsibility for several social aspects.

Other authors (Frederick, 2006, pp. 6, 138) consider that the social responsibility of the economic operator has initially been only an idea for the economic operator to be considered responsible to the society, for their decisions and actions. It is considered that the social responsibility was not born however at the beginning of the 1950s, as stated in

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the specialized literature. We join (Poţincu, 2012, pp. 85-87) other authors in stating that the history of mankind is too complex for us to be able to draw a clear line regarding this social change; it cannot be precisely stated that the social responsibility was born at a certain moment or time. We can consider that what happened in mid 20th century was an acknowledgement of the idea that the economic operator owes something to the community beyond achieving the profit.

In the 1970s, the preoccupations related to the natural environment and development of pressure groups, each focused on a certain theme, represented another major influence factor on the economic operators. In the 1970s and 1980s, the reputation of the economic operator, their relations with the community in which they conducted their commercial activities have become more and more important. Since the 1980s, the pressures meant to raise the environmental standards and improvement of labour conditions have forced the economic operators to better synchronize the social investments with their business strategies.

In the 1990s, at the same time with the extension of the globalization process, the social responsibility developed. The economic operators became “citizens” of the community in which they conducted their commercial activities, taking certain responsibilities, such as: water supply, power distribution, telecommunications and fuel provision. The business environments started to be more and more involved in providing important services. Thus, it has become an obligation of these economic operators to pursue much more than profit on a short term.

The economic operators have become more and more exposed to the public analysis, as the television and internet have evolved. The shareholders of the economic operators, social groups and environmental protection organizations acquired enhanced power, amplifying their expectations from the economic operators. The consumers have become more and more conscious of their rights and power to influence the behavior of the economic operators.

However, the economic operators have been pressured to make a socially responsible change even from within, against the background of a generation transfer, within which the young managers become more and more aware of the need to align the personal and economic operator’s needs with the values adopted by the community.

These constant pressures, both from inside and outside the economic operators, have contributed to the evolution and integration of the social responsibility into the business strategies of the economic operators. The social responsibility of the economic operators has started to correlate profit with the law, ecology, ethics, and philanthropy.

For many years, the objectives of the social development have been the philanthropy activities which have however been considered as separate from the objectives of the business activity, not as being fundamental for the latter. To do something correctly and to do the right things have been perceived as different separate purposes. However, this has changed. Several economic operators have learned that innovation and the competitive advantage could have their roots in the implementation of the social ensemble and the natural environment protection in the business strategies as far back as the beginning of their commercial activity. This process can help the development of future ideas, markets and employees. (Kotler, Lee, 2005, p. 1)

The social responsibility of the economic operators is not only a tendency manifested in the rich countries but it has at present become a global phenomenon.

The multinational economic operators have come to the conclusion that it is simpler to apply one global standard which includes social responsibilities than set different standards for different countries. These economic operators are initiators of the socially responsible actions in Romania as well.

One can notice at present an implementation of the requirements of the social responsibilities also in the business strategies of certain Romanian economic operators.

2. The social responsibility in the view of ISO26000

The International Standardization Organization (ISO) has decided to develop the international standards by providing a Social Responsibility Guide. This Guide is published under the name of ISO 26000:February 2011. It does not include obligations and thus it is not a standard certification. (ISO26000, 2011)

Also, Art. 1 of the ISO26000 Standard provides "this international standard is not a management system standard."

The International Standardization Organization has selected the Swedish Standardization Institute and the Brazilian Technical Standards Association to lead the research group which has prepared ISO 26000 CSR.

ISO 26000 CSR is a synthesis of the several opinions available in the social responsibility field. They have searched for adequate means of promoting respect and responsibility based on documents acknowledged as reference without excluding creativity and development.

By editing ISO 26000, the following objectives are pursued:

- the encouragement of the moral commitment to observe the requirements of the social responsibility;
- the synthesization of the concepts, definitions and evaluation methods of the social responsibility in one single document.

Standard ISO 26000 is applied to all the organisations in the public and private sectors (including the economic operators) from the developed and developing countries. This standard intends to add value by developing an international consensus regarding the social responsibility, and supply all the required indications in order to implement the theoretical information. (see Consultanță-certificare.ro)

The need of the public and private organisations to have a socially responsible behavior has become a generalized requirement of the community, in which these organisations perform their activity. (Poțincu, 2012, pp. 256-257)

At present, the social responsibility of economic operators must be regarded from a complex perspective. We share the idea (Mureșan, 2010, pp. 68-78) that the social responsibility of the economic operator is what the community expects from an economic operator ecologically, economically, legally, ethically and philanthropically. The social responsibility includes all these types of responsibilities: ecological responsibility, economic responsibility, legal responsibility and philanthropic responsibility.

The definition of the social responsibility concept, previously presented can be found in the definition given to this concept in ISO26000 standard. The difference consists in highlighting certain aspects that are structured for various types of responsibilities within the definition previously presented. Thus, Art. 2 of ISO26000 standard provides, at point 2.18 "social responsibility [is] the responsibility of an organization towards the impact of its decisions and activities upon the society and environment, displayed by ethical and

transparent behaviour, contributing to sustainable development, including to society health and wellbeing; takes into account stakeholders' expectations; observes legislation in force and agrees with international norms for behaviour and is integrated in organization assembly and applied in their relations.”

There are two interesting aspects related to social responsibility found both in specialised literature and in practice.

First aspect refers to reporting social responsibility as being a characteristic only for private business operators. This aspect is reflected in using the term "corporate social responsibility" instead of "social responsibility". In this way, it is assumed that social responsibility cannot be integrated in the activity of public institutions.

The second aspect refers to assimilation philanthropic responsibilities – component of social responsibility – with the entire concept of social responsibility. Namely, if one private business operator performs philanthropic activity, this means that they are socially responsible, even if they break the law – legal responsibility – if they infringe moral rights of own employees or clients – ethical responsibility – or if they do not protect natural environment – ecological responsibility.

Art. 3 of the ISO26000 standard provides that philanthropy "should not be used as a substitute for integrating social responsibility in the organization”

In this later context, the fact that public institutions cannot perform and do not perform philanthropic activities, due to the social character of the activity performed by public institutions show that public institutions are not and cannot be socially responsible.

Both aspects are infirmed by the provisions of ISO26000 standard as well, being possible for social responsibility to be developed both by private business operators and by public institutions. In this way, right in the introduction of the ISO26000 standard it is provided that "this international standard is intended to be useful for all types of small or large organizations in private, public and non-profit sectors and operates both in developed countries and in developing countries.” Also, in the introduction part it is provided that "admitting that organizations are at different levels of understanding and integrating social responsibility, this international standard is intended to be used both by those who start undertaking social responsibility, and by those who are more experienced in applying it.”

Furthermore, in Art. 3 of ISO26000 standard it is provided "the point of view according to which social responsibility is applicable to all organizations, occurred when different types of organizations and not only the ones belonging to business world admitted that they also have responsibility as regards contribution to sustainable development.”

In this way, the first step towards a socially responsible attitude from public institutions is interaction with ecological responsibility.

These aspects can be observed in European Union member states, including Romania. (Poţincu, 2015)

3. Implications of the Behaviour of the Public Institutions in the Development of the Social Responsibility of the Private Economic Operators

In 2015 was conducted (Poţincu, 2015) a quantitative marketing research – within the postdoctoral research named "Use of marketing instruments in order to identify methods for implementing and developing socially responsible management in public institutions”

– regarding the promotion of the social responsibility by the Romanian public institutions. The quantitative research having the theme “Opinions of citizens in Brașov city on social responsibility in the activity of public institutions” took into consideration people over 18 years old, of both genders, dwelling in Brașov. The final size of the pattern was 393 people, to which an aleatory error of $\pm 4,94\%$ corresponds.

Taking into account the fact that the size of this research has been established according to a simple random probabilistic method, considering a level of admitted error of $\pm 5\%$, and a trust level of 95%, the results of the surveys can be considered representative for the entire adult population of Brașov municipality, and also these could apply to other Romanian municipalities with a similar population size. (Poțincu, 2008; Poțincu, 2009)

We shall further analyse the opinion of the Brașov citizens who have been questioned regarding the regulation legislation of the activities performed by the public institutions and its relation to the development of the social responsibility aspects within those public institutions.

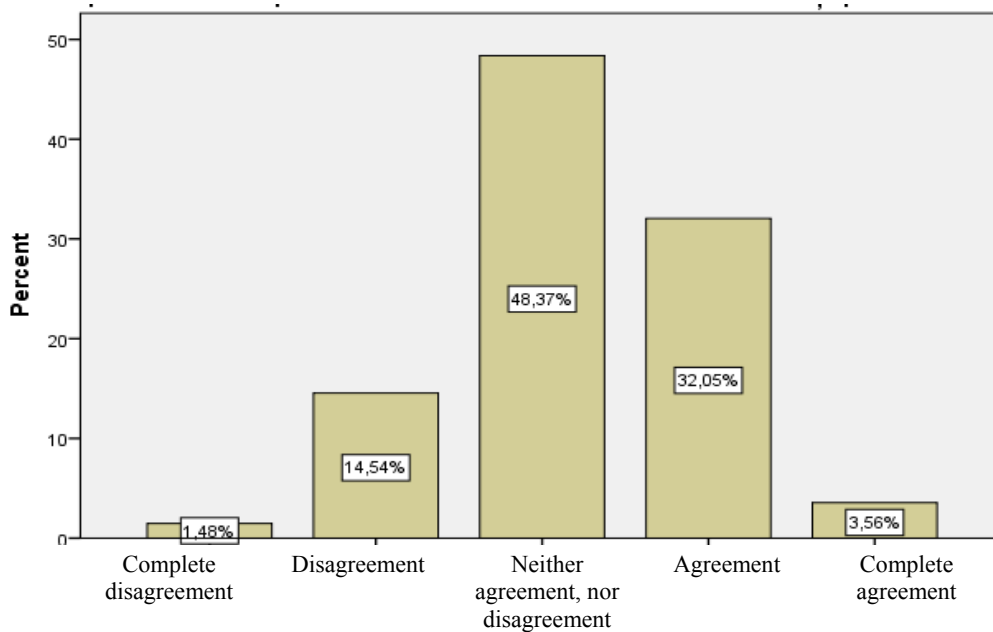


Fig. 1. *Regulation legislation of the activities performed by the public institutions and its relation to the development of the social responsibility aspects within those public institutions*

Source: Poțincu (2015) “Use of marketing instruments in order to identify methods for implementing and developing socially responsible management in public institutions”, Postdoctoral Research, Transilvania University of Brașov, Department of Management and Economic Informatics.

To the question “does the regulation legislation of the public institutions restrict the development of the social responsibility aspects within those public institutions”, 35.61% of the questioned Brașov citizens opine that the legislation which is the juridical framework regulating the activity of the public institutions in Romania does not support the implementation or development of a socially responsible behaviour.

Only 16.02% – less than half of the percentage of those advocating the contrary – of the questioned Braşov citizens state that the legislation regulating the activity of the public institutions in Romania can determine the development of a socially responsible behaviour.

Thus, of the questioned citizens, who have expressed their opinion one way or another, most of them consider that the public institutions – which are the executive power in Romania – are outside the range of a normal behaviour regarding their relation to the several categories of shareholders, including the natural entities (citizens) and the juridical entities (business operators). In this respect, we consider that for the public institutions which are part of the executive power in Romania – performing a mainly social activity – a normal behaviour is a socially responsible behaviour, i.e. that behaviour which includes the complete compliance with the first four components of the social responsibility: the ethical responsibility, the ecological responsibility, the economic responsibility and the juridical responsibility.

We exclude the philanthropic responsibility due to the missing need for obtaining a profit in order to survive on the market, provided that funding these public institutions is made by means of allocating funds from the state budget. Thus, there cannot be expectations from the public institutions regarding the financial involvement in the activities required by the community in which the public institutions perform their activity.

Of course, the economic responsibility, the economic lucrativeness of the public institutions in Romania is not to be neglected, as it can be translated by important savings made by the state budget and eventually by a higher living standard for the citizens.

We also support the idea (Poţincu, 2015) that a socially responsible management in the case of the public institutions can be an example regarding the adoption of a socially responsible behaviour for the private business operators in Romania, an European Union member state.

4. Conclusions

Standard ISO26000 regarding social responsibility provides the fact that the social responsibility requirements can be applied both to the private business operators, and to the public institutions.

This provision of standard ISO26000, analysed together with the results of the quantitative research performed in 2015, can lead to the conclusion that the public institutions – which are the executive power in Romania – are outside the range of a normal behaviour regarding their relation to the several categories of shareholders, including the natural entities (citizens) and the juridical entities (business operators).

The public institutions which are part of the executive power in Romania – performing a mainly social activity – a normal behaviour is a socially responsible behaviour (the complete compliance with the first four components of the social responsibility: the ethical responsibility, the ecological responsibility, the economic responsibility and the juridical responsibility).

Moreover, a socially responsible management in the case of the public institutions can be an example regarding the adoption of a socially responsible behaviour for the private business operators in Romania.

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