

# SOCIAL RESPONSIBILITY PART OF THE STRATEGY OF THE ORGANIZATIONS

Mădălina Albu<sup>1</sup>

## **Abstract:**

*The social responsibility of organizations can be defined as the concern of managers to decide and implement actions that have the role of creating added value to their business, in synergy with respect for the interests and welfare of society. The integration of social responsibility in the decision-making process at the level of companies and other organizations, is an activity that determines immediate positive effects on those directly involved, on local communities and on society as a whole. Establishing a framework for promoting and applying the concept of social responsibility is an important factor in promoting economic development and the sustainable development of local communities and society in general. The annual preparation of the Responsibility Reports at the level of organizations has the role of providing information about the impact of the companies' activity, as well as about the latest initiatives in areas that include the environment, nutrition and sustainable development. The case study aims to emphasize the opportunity to integrate the concepts of social responsibility in the strategy of organizations.*

**Key words:** social responsibility, sustainable development, company strategy, business, environment

**Classification JEL:** Q01, L1, O10, O13

## **1. Introduction**

The social responsibility of organizations can be defined as the concern of managers to decide and implement actions that have the role of creating added value to their business, in synergy with respect for the interests and welfare of society. The integration of social responsibility in the decision-making process at the level of companies and other organizations, is an activity that determines immediate positive effects on those directly involved, on local communities and on society as a whole.

Companies must take responsibility for their employment and must be heavily involved in regional and local development activities and propose strategies to reduce the negative effect of restructuring on labor markets. Establishing a framework for promoting and applying the concept of social responsibility is an important factor in promoting economic development and the sustainable development of local communities and society in general.

Social responsibility tools are guidelines for organizations interested in evaluating and streamlining performance in terms of sustainability, thus promoting the concept of social responsibility. Through these tools a minimum level of performance can be established, and organizations are helped to build a system through which to measure quality, and to highlight good practices.

## **2. Corporate social responsibility, defining concepts**

The efficient management of a company has the role of obtaining added value from the activity carried out. In recent years, however, at the level of organizations, the idea has been accepted that activities can be directed to other directions than those that have the role of maximizing profit.

Corporate social responsibility is a fairly broad concept, which is why there are so many definitions that have been launched by specialists. The first mentioned definitions were grouped into 2 types: multidimensional definitions and definitions based on the concept of societal marketing (Mohr, 1996).

Corporate Social Responsibility is a concept that refers to the contribution that companies must make to the development of modern society. This can manifest itself in two ways:

---

<sup>1</sup> PhD Associate Professor, Petroleum-Gas University of Ploiești, Faculty of Economic Sciences, malbu@upg-ploiesti.ro

- passive - by avoiding involvement in activities that may have a negative impact on society and the environment
- active - by getting involved in carrying out activities whose main purpose is to achieve and fulfill certain social goals.

The multidimensional definitions of social responsibility include concepts related to human rights, business ethics, environment, organizational culture (figure no. 1).



**Figure no. 1** Defining concepts of social responsibility

Source: Processing after Cristache N., Susanu I.O., 2010

In order to sustain their responsible intentions towards society, organizations must adopt development strategies that include the concept of corporate social responsibility, CSR. In this sense, the direction is to give up activities that, although profitable, could fundamentally affect the lives of members of the communities in which they operate.

More and more organizations are beginning to realize that they have the opportunity to contribute to sustainable development, carrying out their activities so as to generate economic growth while guaranteeing environmental protection and promoting social responsibility, by continuously protecting the interests of consumers.

The identification of the aspects regarding the internal side on which the corporate social responsibility was focused refers to two main aspects:

- adopting responsible procedures regarding the relations that the company has with the employees;
- adoption of good ecological practices.

These concerns have enabled companies to correlate social development with competitiveness and profit growth.

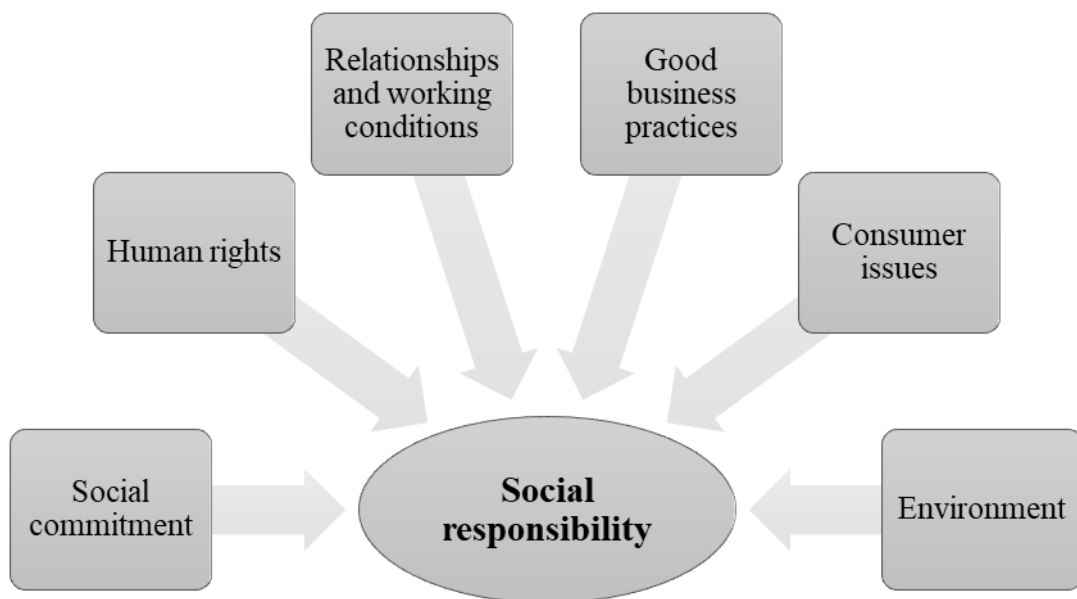
In order to put into practice these socially responsible concerns, companies are constantly considering attracting and retaining those highly qualified employees. In this sense, CSR may include measures aimed at stimulating the lifelong learning process, delegation,

granting decision-making rights to employees, participatory management, creating a sustainable balance between company objectives and employee needs.

Particular importance is given to the ways of recruiting staff. They are based on practices that facilitate the employment of members of ethnic or religious minorities, the elderly, women or the unemployed. The activities carried out by companies in the field of human rights and of employed personnel are based on labor law, and try to go beyond this concept (Iamandi, .2010).

The concept of corporate social responsibility also has an external side to the company. This involves stakeholder groups other than those manifesting themselves within: customers, suppliers, creditors, local and central authorities or non-governmental organizations representing the community and the environment.

The external dimension of CSR is manifested through aspects regarding: the relationship with the local community; links with various business partners; human rights; environmental protection (figure no.2)



**Figure no. 2** External dimension of the social responsibility of organizations

Source: Processing after <https://romaniareponsabila.ro/>

### **3. The model of integrating social responsibility in the company's strategy**

Integrating social responsibility into a company's strategy requires the following steps:

1. Analysis of the current situation of the company
2. Establishing the direction of the company, based on the principles of social responsibility
3. Identifying and analyzing opportunities and threats
4. Integration of social responsibility in the organization and the sphere of influence

The analysis of the current situation of the company takes into account two dimensions of the global environment of the company, namely the internal and external environment. SWOT analysis is a useful tool, used to understand the strategic position of the company.

Based on the SWOT analysis, following the analysis of the company's internal environment, the company's strengths and weaknesses are identified. The analysis of the external environment of the company aims to identify the opportunities, respectively those external trends, economic, political, financial, legislative, demographic, technological, which

can bring benefits to the company, or, which can bring losses to the company and they form threats (Szatmari, Macovei, Horia, 2012).

A model through which the company's social responsibility strategy can be composed includes all the strategic and operational objectives of social responsibility (table no.1).

**Table no 1** Strategic objectives and operational objectives of social responsibility

	STRATEGIC OBJECTIVES	OPERATIONAL OBJECTIVES
<b>Working environment</b>	<i>Forming a stable, competitive and dynamic team in the field of the respective company</i>	<ul style="list-style-type: none"> <li>• Training of employees in services in the field</li> <li>• Strengthen team spirit among staff</li> </ul>
<b>Market</b>	<i>Development of a constant base of local providers for specific services</i>	<ul style="list-style-type: none"> <li>• Supporting local producers for certification of organic products</li> <li>• Entrepreneurial development for young people, for specific leisure services</li> </ul>
<b>Environment</b>	<i>Increasing the portfolio of green label products</i>	<ul style="list-style-type: none"> <li>• Ensuring the selective collection of waste</li> <li>• Permanent a partnership with local suppliers of ecological products</li> <li>• Ensuring the consumption of electricity from alternative sources</li> <li>• Reducing the consumption of electricity required for heating</li> </ul>
<b>Community</b>	<i>It is completed with the strategic objectives of the respective field</i>	<ul style="list-style-type: none"> <li>• It is completed with the operational objectives of the respective field</li> <li>• It is completed with the operational objectives of the respective field</li> </ul>

Source: Processing after Szatmari I., Macovei C., Horia C., 2012

Following the discussions regarding the establishment of the vision, mission, values and strategic objectives of the company, the management team can draft a document with a strategic role.

Establishing the vision, mission, values and strategic objectives of the company, can determine the operationalization of these aspects, depending on the four areas, namely the work environment, the market, the environment and the community.

An important stage in the integration of social responsibility into the company's strategy is based on the fact that, once the company's social responsibility strategy has been established and the action plans have been established, it is particularly important that they be included in the organization's culture. This can be manifested by including all the decisions adopted in the internal system of the company and is based on the communication and manifestation of a unitary conduct of all company representatives.

Stakeholder involvement is also manifested at this stage, the company having the opportunity to use all tools and techniques to inform stakeholders, consult them, involve them, and collaborate with the various groups with which they interact.

#### **4. Illustrative example - Integration of social responsibility in the strategic decisions of McDonald's Romania**

A concrete example of integrating social responsibility into a company's strategic decisions and strategy is provided by McDonald's. The involvement in the community and in the realization of charitable acts of the McDonald's Romania company is manifested through the Ronald McDonald Romania Children's Foundation.

The Ronald McDonald Foundation was established in Romania in 1998. The first social projects supported by the Foundation were manifested by sponsoring difficult surgeries for children with facial malformations.

The company has made changes to involve socially responsible practices in its strategy, both globally and in Romania.

The main actions of social responsibility are manifested in the following aspects:

- improving production processes, efficient waste management;
- withdrawal from the offer of some products that could be considered unhealthy, even if they are not in contradiction with the legislation in the field;
- the introduction in its own offer of menus based on healthy products, with many vegetables and fruits and for which plain water is offered
- the choice of packaging materials that protect the environment and there is the possibility that they can be recycled;
- providing concrete and objective information about products, by presenting on packaging the potential negative effects generated by the consumption of those products;
- developing programs for employees on health care, psychological counseling, facilities for relaxation and sports;
- adopting socially responsible marketing policies;
- publishing the Corporate Responsibility Report worldwide to provide information on the impact of McDonald's business;
- establishing partnerships with other socially involved organizations in order to increase awareness of environmental issues and diversify their solution;
- collaboration with key suppliers to promote environmentally responsible practices in their activities;
- creating a network of suppliers that offers, constantly and profitably, good quality and safe products, in order to ensure the obtaining of ethical, environmental and economic benefits.

The integration of the concepts and practices of social responsibility at the level of McDonald's Romania but also at the global level, is also based on the specifications made by the international standard ISO 26000 which makes recommendations that organizations can follow to promote socially responsible behaviors. The ISO standard of Social Responsibility allows organizations, regardless of their size and objectives, to use a set of tools to define their social responsibility policy, to integrate the principles of social responsibility in their work, to define groups interested in the company's activity and involve them in making decisions that may affect them.

McDonald's main goal is to focus on the cause of the Ronald McDonald Foundation - building the next two Ronald McDonald Houses and supporting as many children as possible who need long-term treatment away from home. McDonald's is also involved annually in various other CSR actions that have a strong impact on the communities in which it operates, such as the children's sporting events it has been supporting for several years.

Charitable and balanced lifestyle support programs are part of McDonald's culture. Carrying out projects that have a real impact on society and that contribute positively to the development of the communities in which they operate. Sustainable business for organizations means not only providing products and services that meet customer expectations, ie without endangering the environment, but also conducting operations in a socially responsible manner.

The annual publication of the Global Corporate Responsibility Report is intended to provide information on the impact of the company's business, as well as on the latest initiatives in areas including the environment, nutrition and sustainable development.

## **5. Conclusion**

The integration of social responsibility in the decision-making process at the level of companies and other organizations, is an activity that determines immediate positive effects on those directly involved, on local communities and on society as a whole. Establishing a framework for promoting and applying the concept of social responsibility is an important factor in promoting economic development and the sustainable development of local communities and society in general.

The first step of integrating social responsibility involves conducting an analysis of the current situation to identify how the company is positioned in its relationship with the internal and external environment.

By being aware of the strengths and weaknesses, the company can establish its projection on its future, the company's vision, how it wants to reach that future mission and can establish the major stages to be completed, respectively strategic objectives, depending of the four areas, namely the work environment, the market, the environment and the community.

The organization must be constantly aware of its impact on the environment and the community, including these issues in its future strategy. Based on the analysis of the business context, the company can generate forecasts and can anticipate a series of opportunities and challenges. The purpose of the organization's analysis is to provide the opportunity to create a synergy of the factors necessary to achieve the mission and strategic objectives and the timely and efficient management of challenges.

The integration of social responsibility in the company's strategy is based on the fact that, once the company's social responsibility strategy has been established and the action plans have been established, it is particularly important that they be included in the organization's culture. This can be manifested by including all the decisions taken in the internal system of the company.

The annual preparation of the Responsibility Reports at the level of organizations has the role of providing information about the impact of the companies' activity, as well as about the latest initiatives in areas that include the environment, nutrition and sustainable development. The example presented had the role of emphasizing the opportunity to integrate the concepts of social responsibility in the strategy of organizations. Charitable and balanced lifestyle support programs are part of McDonald's culture. Carrying out projects that have a real impact on society and that contribute positively to the development of the communities in which they operate.

### **Bibliography**

7. Cristache, N., Susanu, I. O., *Responsabilitatea socială corporatistă*, Galați University Press, 2010
8. Gănescu, M. C., Responsabilitatea socială a întreprinderii ca strategie de creare și consolidare a unor afaceri sustenabile, *Economie teoretică și aplicată*, Volumul XIX, No. 11(576), 2012, pp. 93-109
9. Iamandi, I.E., *Etică și responsabilitate socială și corporativă în companiile multinaționale*, Editura Economică, București, 2010
10. Mohr, Lois A. *Corporate Social Responsibility: Competitive Disadvantage or Advantage?* In Proceedings of the 1996 Marketing and Public Policy Conference, edited by Ronald Paul Hill and Charles Ray Taylor, Chicago, 1996
11. Simionescu, L. N., Gherghina, Ș. C., Corporate social responsibility and corporate performance: empirical evidence from a panel of the Bucharest Stock Exchange listed companies, *Management & Marketing. Challenges for the Knowledge Society*, Vol. 9 No. 4 Winter, 2014, pp. 439-458
12. Szatmari I., Macovei C., Horia C., *Implementarea responsabilității sociale. Ghid de instrumente și tehnici*, București, 2012
13. EU Strategy on Corporate Social Responsibility, [Online], la adresa <https://www.switchtogreen.eu/eu-strategy-on-corporate-social-responsibility/>, accesat la data de 12.11.2021
14. România responsabilă, [Online], la adresa <https://romaniaresponsabila.ro/> accesat la data de 04.11.2021
15. CSR România, [Online], la adresa, <http://www.csr-romania.ro/>, accesat la data de 10.11.2021
16. Caritate McDonalds, [Online], la adresa, <https://www.mcdonalds.ro/despre-noi/caritate> accesat la data de 07.11.2021