

THE ROLE OF PUBLIC RELATIONS IN SOCIAL RESPONSIBILITY OF ROMANIAN ENTERPRISES

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The Excellence study has shown that public relations is an unique management function that helps an organisation interact with social and political components of its environment. These components make up the institutional environment of an organisation, which consist of publics that affect the ability of the organisation to accomplish its goals and that expect organisations to help them accomplish their own goals. Organisations solve problems for society, but they also create problems for society. The value of public relations, therefore, can be determined by measuring the quality of relationships it establishes with the strategic components of its institutional environment.

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1. Introduction

"Social responsibility doesn't signify either charity acts, either PR exercises. But an intelligent investment which brings benefits both to the company and to the entire community." New social and economical transformations which mark the global framework obey the organizations to adopt a new attitude concerning the manner of implying in a business, the approach of markets, customers and community in general.

Actually, the image of an organization, its corporate identity, has a fundamental importance. An organization must manifest transparency and correctitude in comparison with its public; to manufacture a quality product is not enough. Much more, the organization must prove a real sense of social responsibility. To support this idea, a president of a great consumer goods manufacturer from Germany said: *"We have more and more sensitive customers, which become more critical when social or ethical problems appears. We are witnesses to the appearance of a new type of consumer, with very high expectations."*

Therefore, the organizations are provoked to reply through performances that reflect society's values, interests and expectations. Social responsibility becomes a vital part of viable development strategy on long term of any organization.

Thus, the implication in the community becomes imperative for any organization that wants to assure not only the commercial success, but also the society respect. This aspect is practically sustained by the results of an opinion survey realized in 2004 by the company Burson-Marsteller in three of the most important European markets: Great Britain, Germany and France. The questions from this questionnaire were addressed to opinion leaders, investors, law-makers and mass-media representatives¹.

- 66% from the investigated opinion leaders strongly agreed that the implication of the organizations in the community will matter enormously for the future;
- 64% from the investigated opinion leaders strongly agreed that a company's

¹ Source: survey realized by Burson-Marsteller concerning CSR, 2004

reputation will influence the decisions like law-makers, decision factors, journalists and investors;

- 42% from the investigated opinion leaders strongly agreed that the corporate social responsibility (CSR) will influence company share prices in the future.

As well, another research studies realized at international level by companies like Future Foundation or Environics International examined the evolution of customers' expectations and the strong relationship between trust and customers' loyalty. The survey Burson-Marsteller completed these studies investigating people's attitude which influence directly the social attitude of an organization and punishes or rewards its performances. The conclusion of the study revealed that the social responsibility of organizations doesn't represent just something temporary, in vogue, but it must be seen as a regular element of the business environment.

2. The public relations and social responsibility concept

The social responsibility of an organization can be classically translated like being "*a partnership on long term with the community, having the goal to support the resolution of its social problems.*" What can it be found under this "partnership"? The answer to this question is known in the speciality literature as the concept "3 R":

- Recognition,
- Reputation,
- Gratitude

We can affirm that the effects of the implication of a company in community would be:

- Improvement of relationships with the community (customers, providers, authorities);
- Influence of target public, opinion leaders, press, etc.
- Organization positioning on a superior level in society;
- More favourable image / more visibility for the organization;
- Consumers loyalty concerning all that organization signifies and offers;
- Employees motivation;

- Significant contribution to building process of business excellence.

Another definition was exposed within the Global Congress for Durable Development and it reveals the fact that the social responsibility of an organization is "*company's engagement to contribute to durable economical development, participating with employees, their families, local community and overall society to the improvement of life quality.*"

At the global level, the aspect of social responsibility has already become part of business, it is permanently present on companies' agenda and the keyword is: *investment in image*. Thus, great companies invest in this type of programs an important part of their turnover. The budgets allocated by the organizations to the development of partnerships with the community achieve frequently high levels. These amounts represents, in managers' visions, a long term investment, with significant results for the business they manage.

We must mention the fact that the model developed by European Foundation for Quality Management for the measurement of quality performances also includes the corporate social responsibility, element which has a rate of 6% from all the factors that generate business excellence, while financial results represent 15%, and company's strategies and policies a rate of 8%.

As well, a study undertaken by International Survey of Corporate Responsibility Report in 2005 on a sample of 1.600 representative companies at global level emphasizes that the reasons for which the organizations implement activities like social responsibility are various, both economical (74%) and ethical (53%). In the top we can find employees motivation desire, preoccupations for management and risk reduction or innovation stimulation. After the authors' conclusions, "*companies are still searching their way of building the social implication strategy, which is different from an organization to another.*"

According to the organization "Business in the Community", more than half of first 250

world companies constitute reports concerning the ethical and social performance. European Commission adopted a directive in this way, which require that the companies from E.U. must draw up declarations concerning the activities of social responsibility, like part of the annual activity report.

Inside European Union, the interest for the creation of a legislative framework that urges the companies to integrate in their strategy the social responsibility development is still from 2000. In 2001, European Commission published Green Book – *“Promotion of a European framework for the companies’ social responsibility”* – that has the goal to launch the debate on the concept of social responsibility and to define the means for the elaboration of the framework which promotes this concept. Other actions were launched between 2005 and 2006 in view to sign the idea that European organizations have a major contribution to the accomplishment of durable development strategy at the European level.

Thus, social responsibility became an ethical way of behaviour that touches different aspects: the business itself, the relationship with the employees, customers, shareholders, providers, environment and local communities.

European Commission also specifies that in 2006 its role is to bring more visibility to social responsibility policy, for recognition of the efforts made by several organizations in this direction and to encourage them to continue this approach.

Although the social actions of an organization are voluntary, the European legislation imposes certain rules and standards, which are measured by extra-financial rating agencies. In view to be well quoted, organizations are heard both by managerial performances perspective and business behaviour and by social programs for employees and community.

A favourable attitude was introduced to the level of several European countries that try to regulate the problem of social responsibility. Thus, in Great Britain and France there is

from 2002 a Ministry of Social Responsibility and France adopted a law that obliges the companies listed to Stock Exchange to draw up an activity report concerning the social responsibility. Companies are asked to evaluate the impact that their activities have on the environment and society and, developing a dialog with all parts implied, they can find solutions to participate to the development of society².

The concept of Social Responsibility is new and more and more obvious, necessary for Romanian business society. The promoters of this concept were the multinational companies, which practically realized a transfer of their organizational cultures on local level, and the followed strategies are those developed by the multinational companies at global level, sometimes adapted to local distinctive trait. Nevertheless they reveal an essential fact, the lack of creativity, because just some types of standard corporate programs are developed in Romania, respectively: donations, social assistance programs for disadvantageous categories of population, sponsorships, aids accorded to charity foundations, funds for scientific projects or research, educational programs, programs for environment security.

Likewise, a weakness for the Romanian market may be considered the fact that social responsibility programs don’t find an answer, their popularization among public opinion isn’t very important yet. In conditions in which the publication of social responsibility reports would become compulsory in Romania, this aspect should have as effect the implication of enterprises in view to focalize their efforts in this direction. The elaboration of this kind of reports mustn’t be regarded as like a modality of promotion for organizations that develop social responsibility programs, but like a way of communication with shareholders, employees, customers, business partners and local communities, as a proof that global thinking is found in local practice.

Thus, it will be a challenge for all parts implied: organizations will have to outline their own strategies, in accordance with the activity domain and community’s needs;

² Report European Commission, vol.6,an.2006

public sector and civil society will have to build and promote their projects on long term and mass-media will have an informational and educational role.

As almost every important concept, it is submitted to a need of accelerated assimilation, and in the beginning, it was positioned more like something fashionable, as a result of needs' awareness. In this context, respectively an economical and social framework that is enough instable and immature, social responsibility was more valued in Romania more for its commercial valences, than for the ethical one. In a market more and more competitive, companies discovered quickly the potential of this dimension in the process of image building and reputation reinforcement, as a premise for the commercial success on medium and long term.

Practically, in Romanian society we need ethics in businesses, social implication, quality services, and an increased preoccupation for environment and employees. In the same time, coherence must be created between social programs, attitude towards business, customers, partners and employees. But if all these aspects are treated discontinuously, we couldn't talk about favourable attitude towards social responsibility.

Sophocles said that "every benefactor thinks less at himself." In the case of Romanian organizations, this concept reveals the development background of community relationships, the main development goal of corporate social programs being the advertising in mass media. Unfortunately, the engagement towards community is, many times, on short term and doesn't have a real basis.

Generally, we can't establish a real dimension of social responsibility as a warrant for business success, but we must be aware at the same time that it isn't only a maximization instrument of value by image building, but it is directly linked to social and

environmental performances of the community.

The integration of the organization in the environment it operates, the improvements of relationships with its target public provide value, competition power and create differentiation elements towards concurrence.

Any organization must be conscious that such approach can bring benefits, both by the creation of a competitive advantage and by the promotion of a favourable image and strong relationship with all partners, aspects that argue the introduction of social responsibility in the development strategy of any company.

3. Conclusions

When public relations helps the organisations develop relationships with publics deemed strategic for it, the organisation saves big money by reducing the costs of litigation, regulation, legislation, or pressure campaigns – the result from bad relationships with public – especially activist group. Determining the return on communication's investment in this joint process turned out to be nearly impossible. However, partnering can be spectacularly successful; both in concrete and immediate financial terms and in the more nebulous and long-term sense of what our participants called reputation. Thus public relations adds value because it helps the organisation deal with pressing social issues – but only if the top communicator is empowered to play a role in strategic decision making.

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