

The Influence of Executives' Individual Values on CSR, Case Study Among SME's in Bihor County

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Topic

- 1. The difference between SME`s and large companie`s in sense of responsibility**
2. qualitative research among SMEs in Bihor county, Romania
3. In-depth interviews about CSR activities regarding to the attitudes of the manager or owner
4. conclusions

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- Large and small companies differ in their nature from their beginnings, that is why they have different contents and nature and different CSR activities as well.
- the following generalizations are important:
- unlike at large companies, SME's lack the CSR written guidelines,
- personal motivation is more important than public relations or the marketing approach;
- the owner itself focuses on the implementation of CSR activities or deals,
- in SME's the owner and manager are the same person,
- while at the large companies the two posts are separated, in fact, a lot of researches show that at a large corporation if a manager gets too much power, this can have a negative impact upon the company's CSR activities,
- if the company is rooted within the local community this fact will greatly influence the company's social behavior making it responsible and honest.
- are more committed towards their employees and their families,
- the relationship is closer with local authorities, management problems are unique, which do not appear in case of the large companies, so they are influenced by other CSR practices

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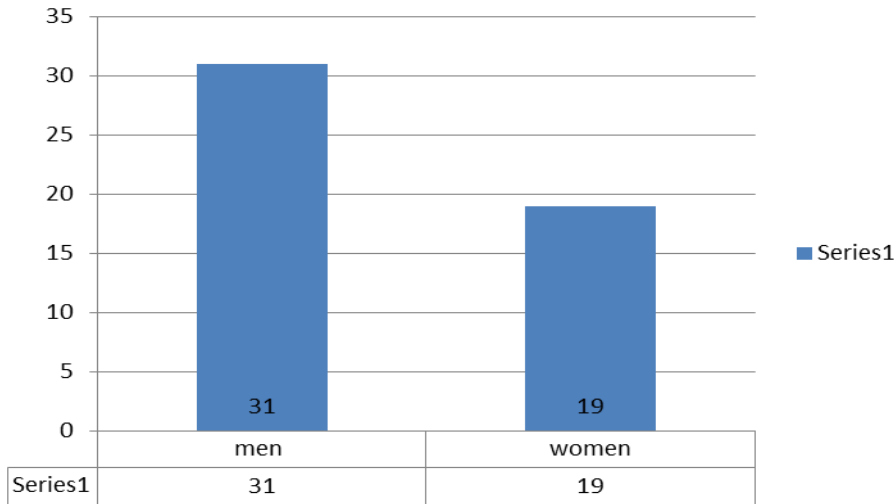
- SME's also have access to information at a much more limited way compared with larger companies.
- in most cases, they have no adequate capacity to collect data and analyze them in the theme of sustainable development
- One of the difficulties with which SMEs face is that the tools, guidelines and standards for most are designed for the large companies in order to fill their needs.
- For SME's these standards and guidelines are missing despite their willingness to use them.
- Other academics believe that SME's and large enterprises also differ that large companies are more likely to opt for CSR in order to promote themselves with or as part of PR practice and the development of SMEs, which are more likely to be free of these interests.

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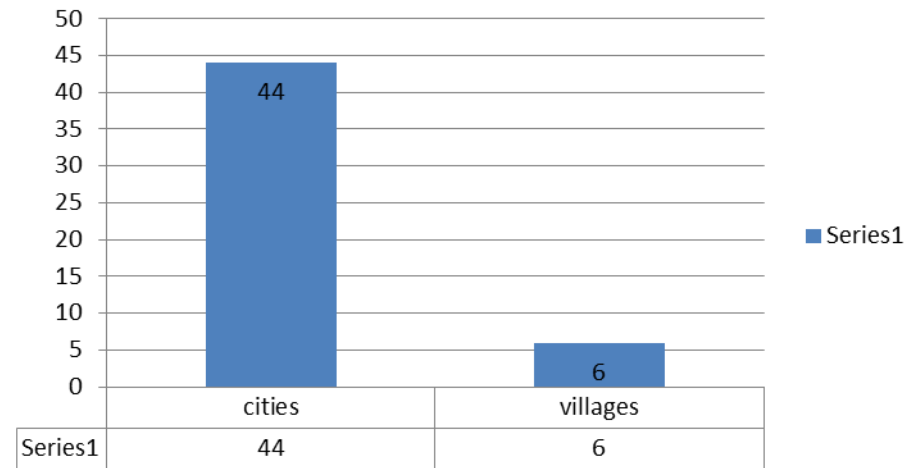
- In order to produce a qualitative research of this issue, and in order to be able to test the results the research has been conducted among SMEs in Bihor county using primary research qualitative tools.
- This qualitative research will help to understand the thinking patterns in this field, because this paper is looking for answers.
- This method was chosen, because it was the best to support the respondent's thinking method, their opinion forming process, and to support the knowledge of their attitudes.
- I created a survey, in order to assess the operational responsibility of SME's in the Romanian county of Bihar, and to know and describe these attitudes. In order to achieve the best answers a certain criteria was followed. I chose that the entrepreneurs, managers must be with SMEs in operation (with less than 250 employees, less than 50 million euros in turnover, and less than 43 million total assets of EUR) in Bihar county.
- Since we can not estimate the number of the forced companies and of those who are not operating we do not know the total number of SMEs, therefore I created a list of 500 companies and from this finally a list of 50 companies were chosen being the final list of my research.
- In the questionnaire, respondents had to indicate their answers using a 5 point Likert scale.
- The Likert scale has 5 response categories, where in addition to the allegations of the filling the "absolutely disagree "(1), and between" strongly agree "(5) have to mark your answers.

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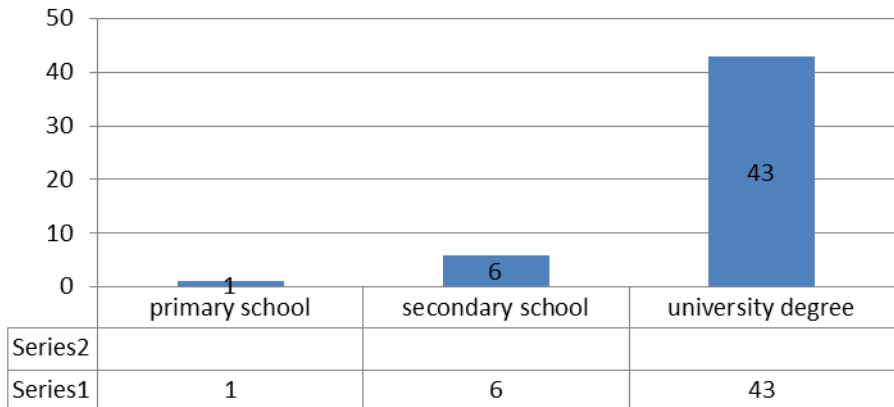
Characteristics of the respondents



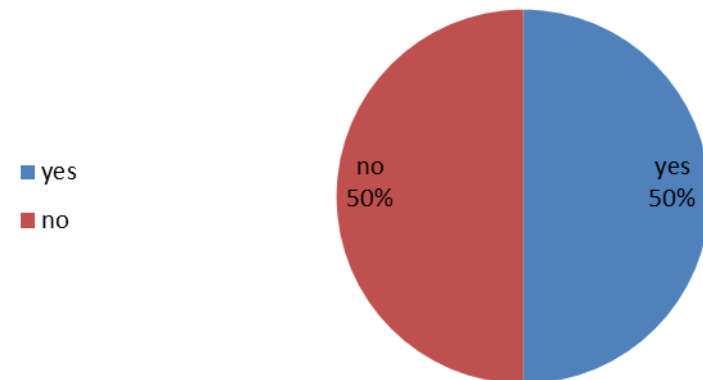
Residence of the respondents



Educational achievement of the respondents

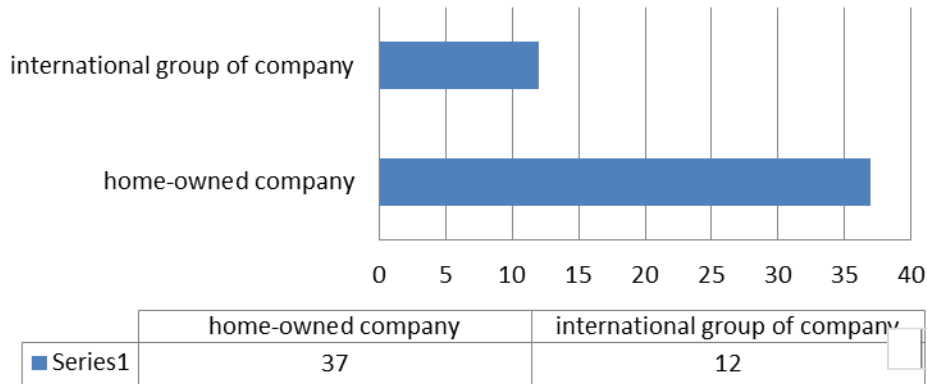


International work experience

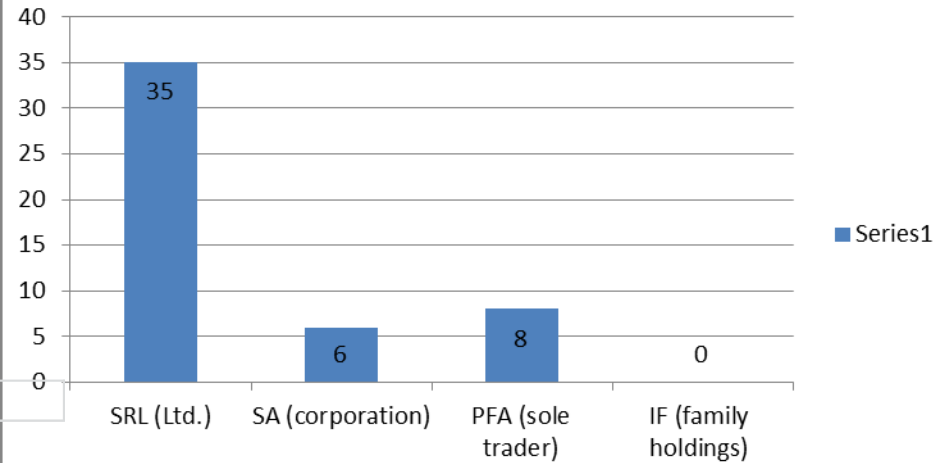


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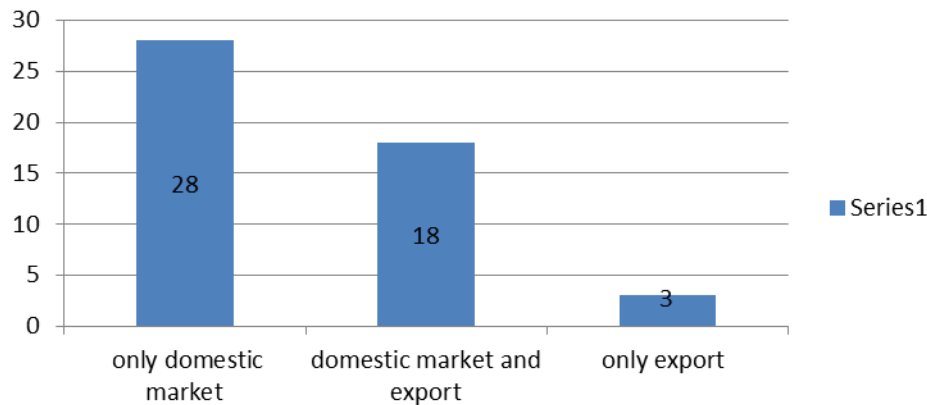
Companies data 1



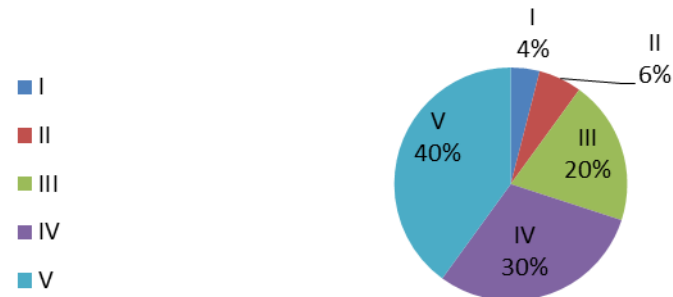
Companies data 2



Companies data 3- selling products and services on

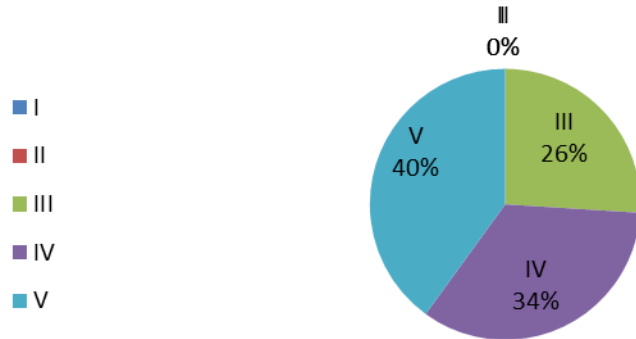


Take into account the stakeholders in their decision making (local residents customers, consumers, suppliers, authorities)

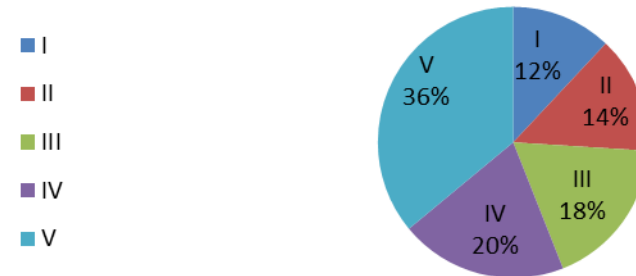


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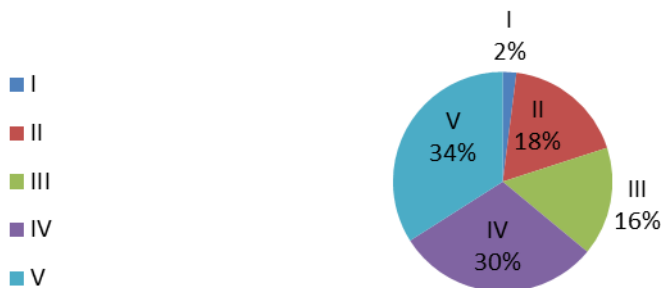
Importance of the communication with the stakeholders in order to inform them



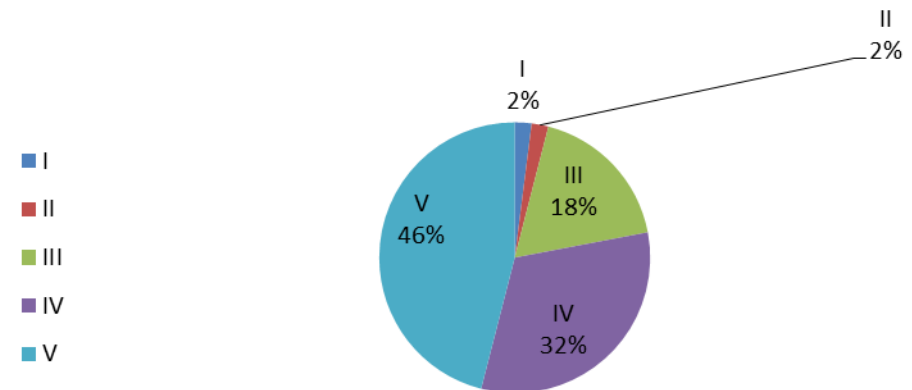
Maintain the balance between work and family life



Providing equal opportunity and chances in the fields of application and promotion

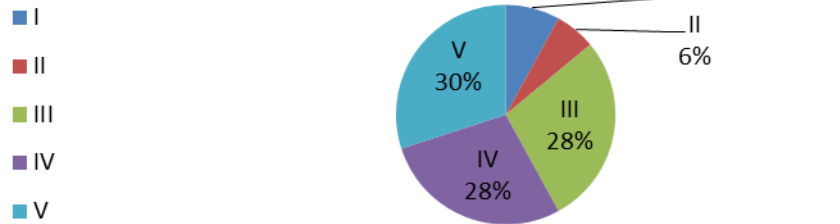


Pay attention to control pollution, to reduce the adverse natural events

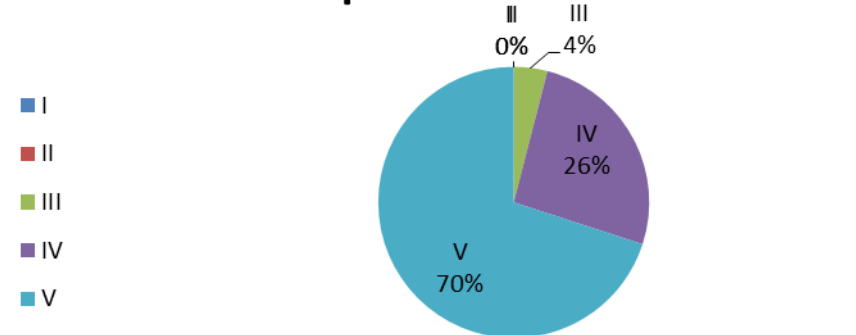


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They pay attention to the physical and psychological safety of their employees



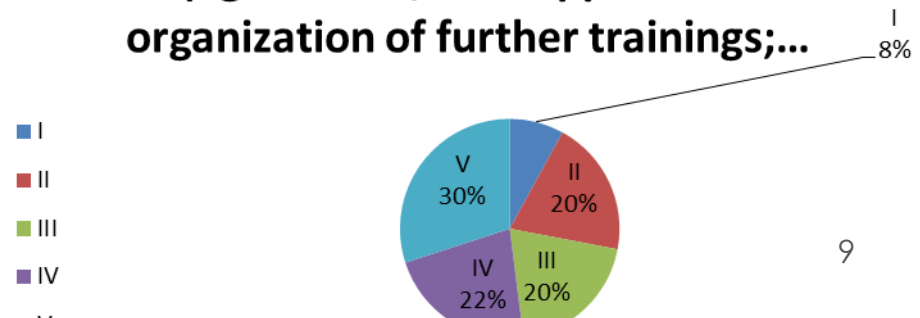
Company's internal policies regarding to the fair and honest view between contracted partners and consumers



Ensure fully the right conditions for employees (as dining facilities, comfortable furniture and up-to-date implements)

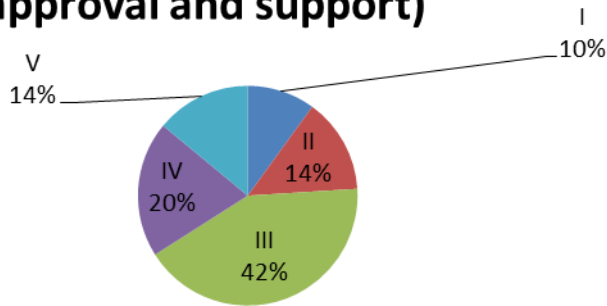


Respondents meet or rather fulfill the set career plans within the company (eg. Studies, the support and organization of further trainings;...



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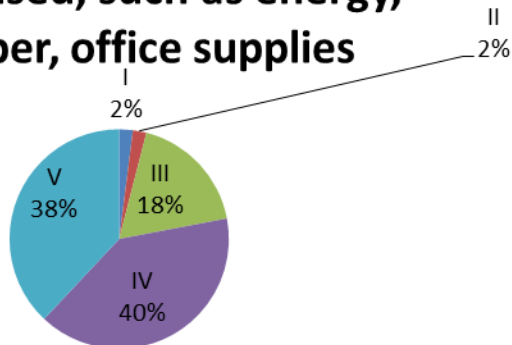
They encourage the employees to participate in local community activities (through corporate approval and support)



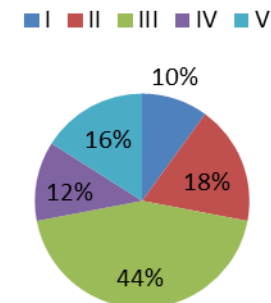
Companies are using motivational tools for long-term success and the achievement of employee loyalty



How the company treats sparingly the company's raw materials, equipment used, such as energy, water, paper, office supplies

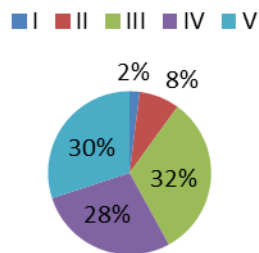


Whether the companies have enough money and talent to launch social programs

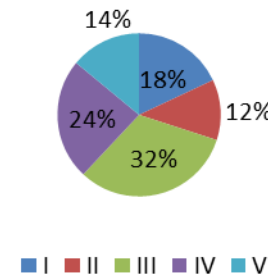


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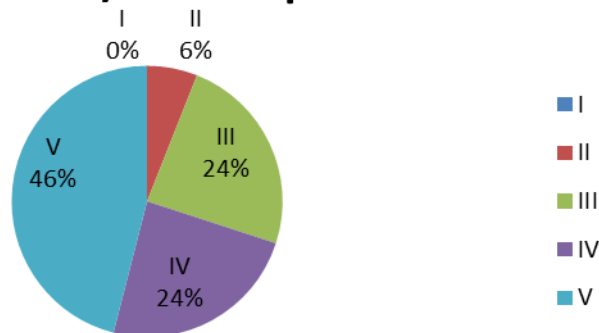
The social programs would indicate in right colors the company in various media, to improve their business image.



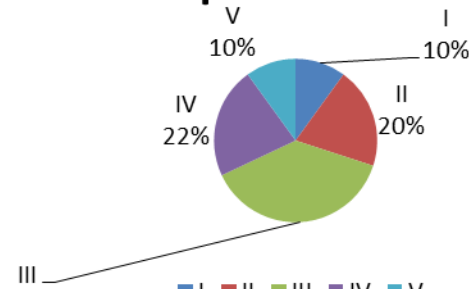
The society can only expect the support of the social problems if it is clearly equal to the company's core interest



The company is responsible for reducing the environmental impact by production / service processes

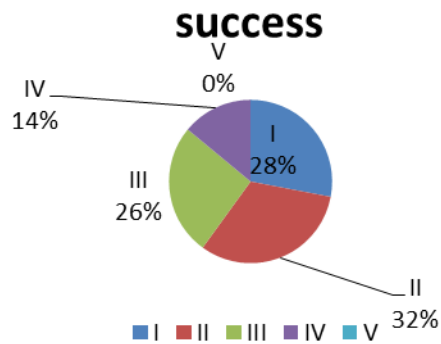


Corporate leaders have or not the lack of proper insight, ability and patience to solve these social problems

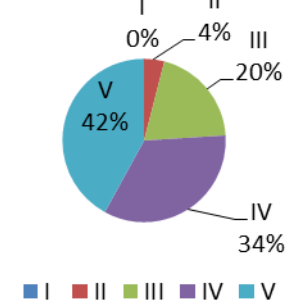


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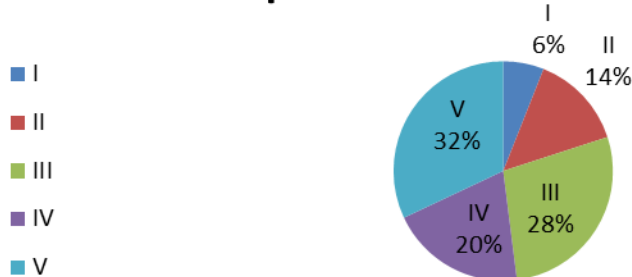
Treating the social problems and support local communities will or not increase the costs or hinder business



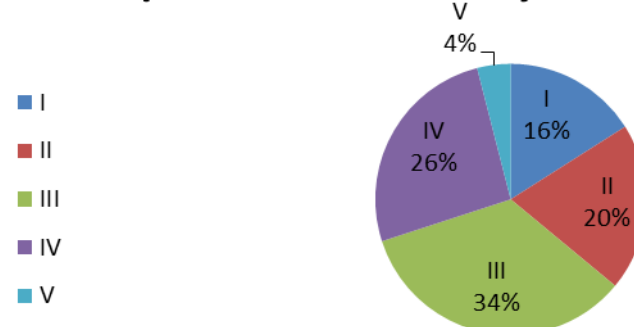
If society expects the company to assist in solving social problems, the governments should provide tax incentives who are active in these...



The governments should enforce laws, not expecting it to go to the companies behind them and solve the problems of the society

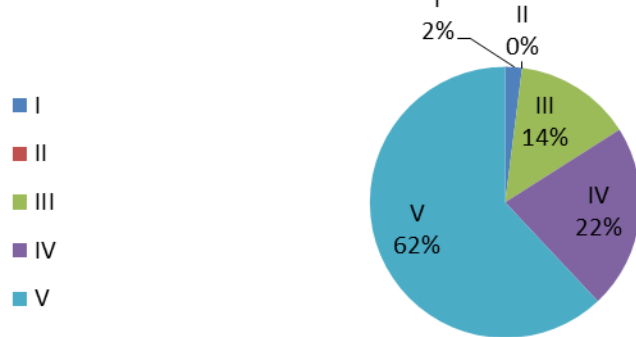


Whether companies should resolve the environmental and social problems caused by them (only!)

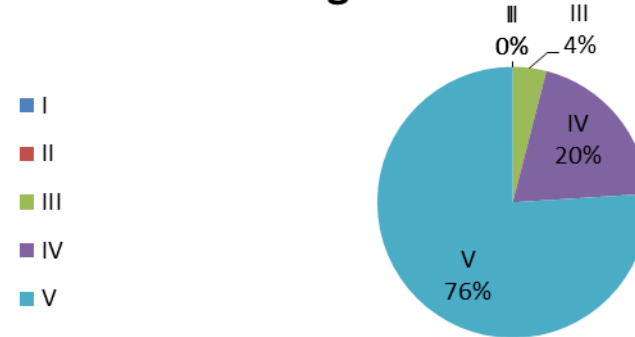


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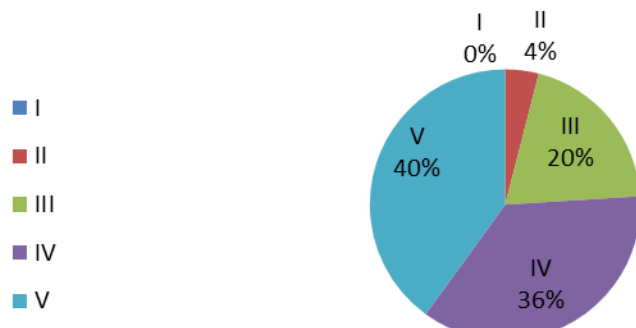
Employees prefer to work at a company that takes account of social, environmental and ethical standards



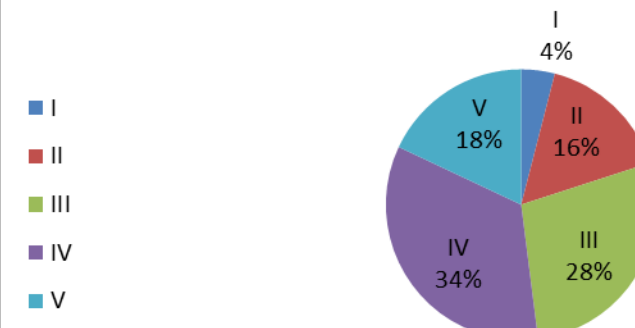
A responsible company regularly pays its employees and assures good working conditions for them



Many companies use social responsibility as a marketing tool to communicate well

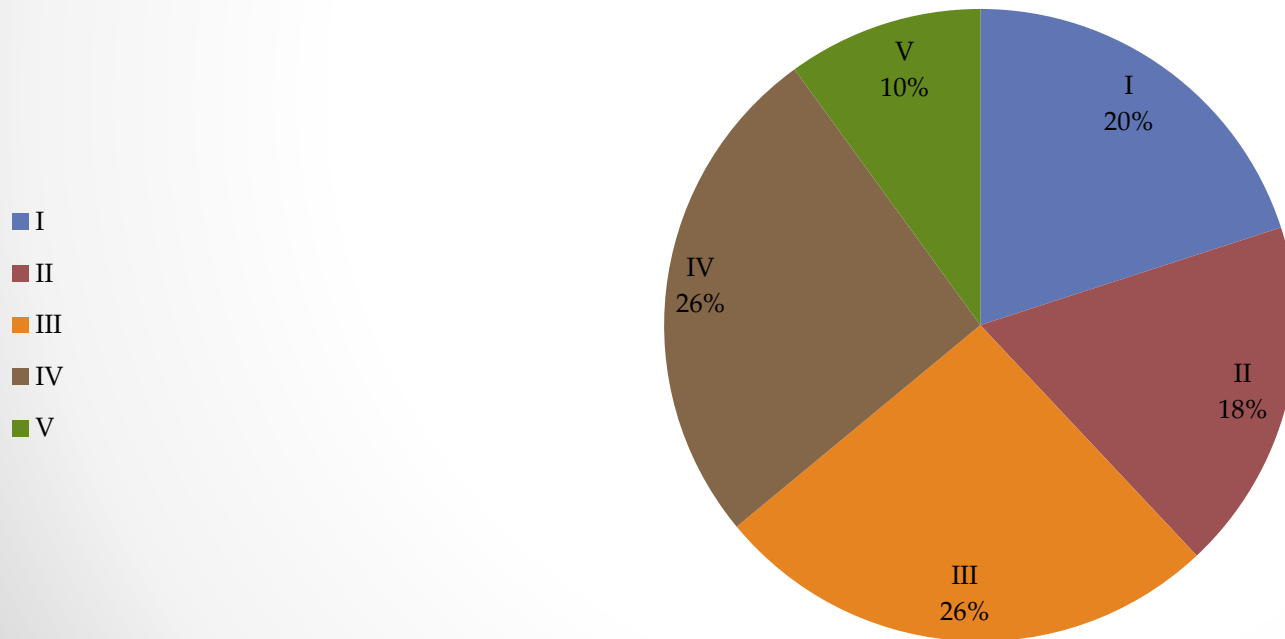


The company's corporate social responsibility - will be justified if consumers will react with purchasing



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**If the competitors will be conducted or supported social programs,
by reason of preserving the competitive advantage they have to do
so.**



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- A series of in-depth interviews were made on the occasion of a guided free talk, which sought to uncover the attitudes of the leaders.
- We interviewed 7 companies. Among the companies surveyed, the oldest was established in 1950, and the youngest in 2014; dealing in three three fields: **four manufacturing company, two commercial** ones and one **agricultural company** were involved in the research
- we tried to distribute the answers to external and internal stakeholders.
- From the seven companies, it was one who is more outward towards CSR activities, there was one who was in and out that can hold up strong, and to the others companies, employees are the most important so as the internal stakeholders.

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2. We asked whether they think the SMEs or large companies activate more in the field of CSR?

- **half** thought (three) that large companies have more activities, but they also said that it is often only PR or marketing ownership is not in the true sense of the word.
- The **other three** respondents felt that SMEs have a major responsibility, as a real responsibility should be considered.
- There was only **one** respondent who saw that CSR is not a function of companies size, according to him, this is more a matter of organizational culture: "I can see that there are bad habits in Romania,... I think that a generation change will be required, for these reflexes to disappear. The generation who is now employed is not socialized to be socially responsible.

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3. **Other question on what motivates the company's leaders to engage in CSR activities?**

- most of the actions are made only because of the standards or due to the expectations, often for profit, share, income that motivate people
- but it can be said that there is a moral, human background of the matter also

4. **Many leaders stick to principles such as fairness, reliability, expertise, looking for approval.**

In this context, a company's management member also said: "In any case, it would be useful [alternative economics knowledge], for some people it could be receptive to catch them. In addition, they must set an example. In most cases, the interested responsibility. Too little time has passed since the regime change."

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5. The respondent also gave a great appreciation for foreign experience.

- All entrepreneurs interviewed with one voice considered it important to learn from the "western culture", which is already a common practice in learning responsibility, volunteering, because there are greater social expectations than here in Romania.

6. The leaders shares their own opinions, what it means for them the CSR:

- "You have to grow up morally and financially for taking social responsibility. The values, moral values are relative, not the same everywhere. Depends of culture and development and of liberalism"
- "Why do companies do it? It is PR, marketing and a combination of pressure. It is a question of mentality, the question of vision and what we experienced through life. "

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- "Pack Theory - A company must have a lot of things, you can not be just good or just bad. The whole activity should be considered to create a CSR that is healthy for society as a whole."
- "The CSR: resource and quality – we have to be each other's resources and not only outsider."
- " First of all it depends on the decision maker. It can be a big responsibility tendency when there is no tool or no affinity for it. "

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Conclusions

The criteria why SME-s are not comparable with large companies:

- the same person is the owner and the manager in most of the cases
- a high social and local embeddedness
- fewer exports, usually they provide or manufacture for the domestic market
- important relationships in most cases we can talk about non-formal and friendly relations
- a lot of family and micro companies, in which case we can not speak of a formal relationship system
- commitment toward to their town or, their schools, their churches, financial resources are compared to support them and do not report the profit tax discounts
- the humanistic, empathetic traits- indicators are not missing because companies are too small, in order to not recognize them, on the other hand, in most cases, the relationship with the stakeholders is a personal one or even friendships are developed.

Thank you for your attention

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