

The Trademark of Social Responsibility, an Instrument to Implement a Socially Responsible Attitude to Small and Medium Companies in Romania

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Abstract: - The resolution of the European Union Council related to the social responsibility of the commercial companies 2003/C 39/02 stipulates the fact that the promotion strategies of the social responsibility of the commercial companies must be based on focusing attention on the specific requirements and features of the small and medium commercial companies. A mark of the social responsibility can be beneficial, first of all, to the small and medium commercial companies, stimulating them to adopt a socially responsible attitude. A socially responsible attitude brings a series of benefits: in the field of implementing and observing the law; in the field of implementing the business ethics; in developing business in a transparent manner; in seriously taking into account the interests and rights of the stakeholders.

Key-Words: - Trademark of social responsibility, Socially responsible attitude, Companies, Communitarian law, Corporate social responsibility, Marketing.

1 Introduction in corporate social responsibility

The Romanian explanatory dictionary (DEX) [2] defines responsibility as a conscious attitude, a sense of liability for the social obligations; or a task, liability which somebody takes.

Other authors [1] support that the definition given to the social responsibility by the European Commission and underline the fact that the social responsibility is that behavior through which companies decide, without them being imposed to, to integrate several ecologic or social objectives among their preoccupations, thus creating a new type of relation or partnerships with several groups of interests within the company.

It is also considered that the social responsibility can also be regarded as a fundamental ethical principle which expresses towards “whom” and for “what” a commercial company is responsible, in the light of the ethical system accepted and promoted by it. In this vision, the social responsibility implies: the compliance with the laws, with the contractual provisions – starting from the premise that the contract is the law of the parties which obliges them to comply with it –, honesty, but also the consideration of desiderates of several groups

interested in the existence and operation of a commercial company. [12]

In order for the commercial companies to adopt the requirements of the corporate social responsibility, it is considered [3] that these possess the necessary means in order to comply with human rights and that they want to participate in the social progress.

It can be stated that the social responsibility of the commercial companies is a moral liability regarding the interaction of their activity with: clients/consumers, own employees and community in their whole. The interests of the community imply, besides other social aspects, the protection of the environment.

At present, the social responsibility of the commercial companies must be regarded from a complex perspective. We consider that the social responsibility of the commercial companies is what the community expects from a commercial company ecologically, economically, legally, ethically and philanthropically. [6]

In our opinion, the social responsibility includes all these types of responsibilities: ecological responsibility, economic responsibility, legal responsibility and philanthropic responsibility.

2 The corporate social responsibility attitude in Romania included into an Ethic Code. Issues about transparency of CSR

The marketing research on “attitudes and opinions of the Brasov citizens regarding the promotion of the social responsibility by the commercial companies performing a commercial activity in Romania” considered the persons aged over 18, of both sexes, residing in Brasov. [8] The final size of the sample has included 398 persons; its random error is ± 4.91%.

To the question whether all commercial companies should prepare a code of ethical behavior, 83.8% of the questioned Brasov citizens consider that all commercial companies should prepare a code of ethical behavior. [4]

Taking into account the fact that the size of the sample has probabilistically been established, and bearing in mind the fact that the level of the admissible error is ± 5%, we consider that the results of the research are significant for the entire adult population of the Braşov municipality. We believe that these could also be extrapolated to other municipalities of a similar size and population structure.

It is important to underline the fact that the reasons mentioned above must be correlated with the „wish to assert the transparency of the performed activity” (46.9% of the total responses), i.e. ethical and responsible managerial decisions.

It can be noticed that the transparency of the activity performed by the commercial companies is on one of the first positions in the opinion of the Brasov citizens, Romania, among the requirements which must be included in an ethical code. The 3rd position grants to this requirement inherent to a socially responsible attitude a certain degree of compulsoriness for the Romanian commercial companies but also for the member states of the European Union.

To a larger scale, this requirement of a socially responsible attitude – the transparency of their activity – must be observed by the Romanian commercial companies, even if it is not included in an ethical code by those commercial companies.

The transparency of the activity performed by the Romanian commercial companies is required – by consumers and employees – both for the large commercial companies, and for the small and medium commercial companies.

We shall further on compare these results to the results provided by the qualitative research “Stating the social responsibility from the perspective of the Brasov managers”. [8]

Table no. 1

		Responses		
		N	Percent	Percent of Cases
<i>Reasons for complying with an ethical code</i>	The wish to respect the consumers' rights	255	28.5%	82.5%
	The wish to respect the employees' rights	227	25.4%	73.5%
	The wish to assert the transparency of the performed activity	145	16.2%	46.9%
	Offers the possibility to adopt innovative solutions for certain complex social issues	100	11.2%	32.4%
	Offers the possibility to adopt innovative solutions for protecting the environment	164	18.3%	53.1%
	Another reason	3	0.3%	1.0%
	Total	894	100.0%	289.3%

Source: Mureşan L.: *Ethics and social responsibility in marketing. PhD Thesis, Transilvania University of Brasov, 2010.*

Table no. 2

		Responses		
		N	Percent	Percent of Cases
<i>Reasons for complying with an ethical code</i>	The wish to respect the consumers' rights	11	26.2%	100%
	The wish to respect the employees' rights	11	26.2%	100%
	The wish to assert the transparency of the performed activity	8	19,0%	72,7%
	Offers the possibility to adopt innovative solutions for certain complex social issues	5	11,9%	45,5%
	Offers the possibility to adopt innovative solutions for protecting the environment	6	14,3%	54,5%
	Another reason	1	2,4%	9,1%
	Total	42	100,0%	381,8%

Source: Mureşan L.: *Ethics and social responsibility in marketing. PhD Thesis, Transilvania University of Brasov, 2010.*

Similarly, as in the case of the Brasov citizens, the interviewed Brasov managers placed the transparency of the activity performed by the commercial companies on one of the first positions, i.e. the third position. The choice of this CSR requirement as being important to be included in an ethical code shows its value also for the interviewed managers from Brasov, Romania.

Extending the result of the performed qualitative analysis, we consider that this requirement of a socially responsible attitude – the transparency of their activity – is acknowledged in order to be observed by the managers of the commercial companies from Romania, even if it is not included in an ethical code.

It can be noticed that the transparency of the activity performed by the commercial companies from Romania is acknowledged by the managers of the commercial companies, either large, or small and medium commercial companies.

3 Communitarian juridical regulation of corporate social responsibility

Strictly in the field of corporate social responsibility, two normative acts have been adopted at community level:

3.1 Council Resolution on the Green Card with a view to the corporate social responsibility 2002/C 86/03

The Council Resolution regarding the Green Card with a view to the social responsibility [13] wishes to constructively contribute to the implementation of the Lisbon strategy to encourage the discussions regarding corporate social responsibility at national, European, and international level.

Social responsibility can contribute not only to the encouragement of a high level of social cohesion, environment protection and respect for the fundamental rights, but also to the improvement of competitiveness in all business categories and activity fields.

Although the social responsibility is an issue arising during business development, all stakeholders can play a decisive part in encouraging the adoption of the socially responsible practices in business development.

Being compatible and consistent with the European Community and international rules, the corporate social responsibility must be understood as an addition of the rules and legislation regarding

the social rules and environmental norms, which it can however not substitute. [7]

3.2 Council Resolution on corporate social responsibility 2003/C 39/02 (of 6 February 2003)

This community normative act supports the interest of the European Commission in focusing its strategy towards the directions to be enumerated below. [14]

It is important to increase knowledge regarding the positive impact of the social responsibility of the commercial companies in the European and world business and community, especially in the developing countries. The focus shall be on the development of the expertise and good practice exchange in the field of social responsibility of the commercial companies; promotion of the development of the managerial skills in the social responsibility of the commercial companies; facilitation of the convergence and transparency of the policies and instruments of the social responsibility of the commercial companies, as well as the integration of the social responsibility of the commercial companies in the community policies.

This community document intends to have the EU member states promote the social responsibility of the commercial companies at national level, in parallel with the development of a strategy at community level, especially by making the commercial companies aware of the benefits, and by highlighting the potential results of a constructive cooperation between governments, business and other sectors of the community.

It is intended to have the EU member states continue the promotion of the dialogue with social partners and the civil dialogue; promotion of transparency of the practices and instruments of social responsibility used by the commercial companies, information and expertise exchange regarding the social responsibility policies of the commercial companies.

The EU member states are directed towards achieving the integration of the social responsibility of the commercial companies in the national policies but also the integration of the social responsibility of the commercial companies in their management.

On the other hand, the Resolution of the European Union Council 2003/C 39/02 stipulates the fact that the promotion strategies of the social responsibility of the commercial companies must be based on focusing attention on the specific requirements and features **of the small and medium commercial companies**. [5]

The justification of this legal community stipulation is found in the financial power of the

large commercial companies which have thus the possibility to invest in expensive philanthropic actions.

As compared to these, the small and medium commercial companies do not have the financial possibility to develop expensive philanthropic actions, but for a socially responsible attitude, the philanthropic component is not essential.

The small and medium commercial companies must be stimulated by the European Union member states, which Romania is part of, to adopt a socially responsible attitude. These commercial companies must comply with several categories of responsibilities, components of CSR.

For this category of commercial companies, it is important to use the human and time resources for several philanthropic actions. These philanthropic actions can have an echo inside the commercial company, but also outside it. For instance, under the circumstances of the current economic crisis, a mid-size commercial company, instead of releasing a few employees from service, who can no longer be involved in the commercial activity, can decide to keep them by involving them in other activities up to the moment until they would still be needed in the production activity. These employees can attend certain minimal training courses, and can be used as care-takers for the children of the other employees of the commercial company. The commercial company puts at the disposal of the re-orientated employees a room which is not used in the production activity, and thus it would determine a serious economy for the parents-employees who would save the money allocated monthly to the kindergarten taxes.

Thus, the employees who, because of the lack of orders, can no longer temporarily be used in production, and are materially helped by the other parents-employees, are kept.

This is only an example by means of which, by implementing socially responsible actions based on the imagination of the managers of the small and medium commercial companies, this category of stakeholders – own employees – can be helped without an expensive material investment.

4 The trademark of social responsibility, an instrument to implement corporate social responsibility in Romania, an European Union member state

The great trademarks are not born overnight. They constantly need a mixture of strategy, finances, legal counseling, and marketing-communication in order to maximize their values. At the same time, they need a

certain understanding from the owners who must be updated on the new trends which are the object of the respective trademark, and maintain certain freshness.

The trademark plays three fundamental roles in the buying decision: helps to process the information, provides security with buying, and offers satisfaction in using the product, or service, respectively.

The trademarks of the future will have to make a difference not only through the quality of the products and a desirable image, but also by symbolizing the commercial company behind the brand. According to Wally Ollins, consultant in the corporate identity field: “the following major stage in the evolution of brands is the social responsibility. It will be a smart choice to be able to say: there is no difference between our products and prices and those of the competition, but we behave nicely (to the environment and society)”. [11]

We can notice a change in the behavior of the consumers, at a global level and in Romania. They no longer want to buy products recklessly. They have the possibility to choose. They choose those trademarks with solid values such as: trust, safety, authenticity, quality. The consumers want to bring meaning to their life, and trademarks can contribute to this desire by promising and offering the increase of the quality of the consumer’s life.

For the Romanian commercial companies it is known that it is a long way from attracting the consumer to keeping him because the consistency is maintained by trust, and trust is the essence of the powerful successful trademarks, especially in the context of the global tendency to make clients loyal.

In order to keep a trademark alive during its course, in order to keep it vital, one must do something new, something unexpected: to surprise the consumer, to add a new dimension to the trademark, to reenergize it. A successful trademark invents and reinvents an entire category. A successful trademark is an unfinished story to tell. One always has something to say.

The social responsibility, of course correctly applied to the strategies developed by a commercial company, can give that much needed element of novelty to a successful trademark. All the advantages of the corporate social responsibility can give value to the trademark of the products of the socially responsible commercial companies. Thus, the functions of the trademark of certain products can be doubled by a socially responsible attitude, correctly and consistently promoted by certain commercial companies. [9]

In promoting and acknowledging the corporate social responsibility in Romania, an economic and legal instrument can also be used: the social responsibility trademark. In this way, the provisions

of the Council Resolution 2003/C 39/02 intending to have the EU member states promote the social responsibility of the commercial companies at national level has also been applied in Romania, in parallel with the development of a strategy at community level, especially by making the commercial companies aware of the benefits. This instrument can also be used in promoting the transparency of the social responsibility practices integrated by the Romanian commercial companies.

The assimilation of the social responsibility of a trademark would lead to the differentiation of those products or services created, marketed or provided while complying with the requirements of the social responsibility, and would stimulate the commercial companies into adopting this type of commercial behavior; and this because the social responsibility trademark would easily and rapidly direct the consumers towards the products and services offered by the socially responsible companies. [10]

As for the compliance with the legal provisions stipulated by the Resolution of the European Union Council 2003/C 39/02 providing the focusing of attention on the specific requirements and features **of the small and medium commercial companies**, the mark of the social responsibility can play an extremely important part.

The competitive advantage offered by the mark of the social responsibility can be very important for the commercial companies from Romania, excessively burdened with fiscal taxes, under the circumstances of the current economic crisis.

The small and medium commercial companies must be stimulated by the European Union member states, which Romania is part of, to adopt a socially responsible attitude. A law adopted in Romania through which such a mark for the products and services of the small and medium commercial companies is promoted, accompanied by certain fiscal exemptions in the case of a socially responsible attitude, can be a viable solution.

We consider that a mark of the social responsibility can be beneficial, first of all, to the small and medium commercial companies, in order to stimulate them to adopt a socially responsible attitude.

5 Conclusions

We consider that a mark of the social responsibility can be beneficial, first of all, to the small and medium commercial companies, in order to stimulate them to adopt a socially responsible attitude.

Thus, the community recommendations for the member states of the European Union are complied with.

A socially responsible attitude brings a series of benefits:

- In the field of implementing and complying with the law;
- In the field of applying the business ethics;
- In developing business in a transparent manner;
- In seriously taking into account the interests and rights of the stakeholders (employees, consumers, etc.).

The compliance with the legal responsibility, component of the corporate social responsibility, is very important. As for the implementation and compliance with the law, a socially responsible attitude implies the observance, on their own initiative, from the small and medium commercial companies, of the legislation in force, irrespective of the control exerted by the public organisms in this respect.

The compliance with the ethical responsibility, component of the corporate social responsibility, implies the compliance with the moral rights of the stakeholders of the small and medium commercial companies. The supplementation of the legal rights with the moral rights of the employees, consumers, etc. can help create a secure climate for stakeholders, facilitating the development of business.

The transparency of the commercial activity performed by the small and medium commercial companies is beneficial to all the categories of stakeholders; we could state that it could become a modern method of business development. The annual reports related to the socially responsible activity, which several commercial companies in the world and also in Romania expose annually to the public, are a proof that the transparency of the commercial activity performed by the commercial companies is a normal attitude.

Extending the results of the performed marketing results, we consider that this requirement of a socially responsible attitude is requested by the Brasov stakeholders, but it is also acknowledged in order to be observed by the managers of the commercial companies from Brasov, Romania, even if it is not included in an ethical code.

Also, the transparency of the activity performed by the commercial companies in Romania is required by the stakeholders from Braşov, but it is also acknowledged by the managers of the commercial companies, either large, or small and medium companies.

The competitive advantage offered by the mark of the social responsibility for the small and medium commercial companies in Romania can determine

them to adopt a socially responsible attitude, an attitude which can offer, as previously shown, a series of benefits for the community.

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