

**CSR and Competitiveness
European SMEs' Good Practice**

National Report Romania

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This study has been elaborated with reasonable care. The authors and the project coordinator do not, however, accept responsibility for printing errors and/or other imperfections and potential (consequential) damage resulting thereof.

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1 Introduction

About the project

Corporate Social Responsibility (CSR), generally understood as voluntary initiatives going beyond legislative requirements and contractual obligations ("responsible entrepreneurship"), is continuously gaining importance with regard to both, public and private discussion as well as its practical application in European enterprises. However, comparatively little is known about the engagement of Small and Medium-Sized Enterprises (SMEs)¹ in CSR activities as well as on the relationship between respective initiatives and the SMEs' competitiveness.

Against this background, the European Commission launched a call on *Mainstreaming Corporate Social Responsibility*² in 2005 to support the take-up of CSR among SMEs as a means to enhance their competitiveness. One of the projects funded by this programme (also see http://ec.europa.eu/enterprise/csr/ms_sme_projects.htm) refers to the study "CSR and competitiveness – European SMEs good practice". This research is conducted by an international research team³ under the lead of the Austrian Institute for SME Research (KMU FORSCHUNG AUSTRIA) and focuses on analysing the essential linkage between the competitiveness of small and medium-sized enterprises (SMEs) and their CSR activities in seven European countries (Austria, Finland, Germany, Norway, Poland, Romania and Spain).

The document on hand constitutes the national report for Romania, providing an overview on the most important national, regional or local (semi-)public actors as well as their strategies dealing with CSR and the deployment of CSR in Romania SMEs. With regard to the latter, five illustrative case studies of CSR activities at individual company level have been elaborated, pinpointing the possibilities of small and medium-sized enterprises to become involved in CSR as well as the potential effects of such initiatives. Next to being presented in this national report, the respective findings have also been included in a consolidated European report compiling the information gathered at national levels by the local experts into a cross-country analysis.

Corporate Social Responsibility (CSR) is a concept known for many years in western countries and which step by step began to enter in Romania, too.

The concept of **social responsibility** has appeared in Romania after 1990 when many NGOs - associations and foundations were set up. These NGOs had especially a humanitarian role, for helping some disadvantaged categories: children, elder people, and women. These NGOs were mainly set up with the help of international public or private institutions.

Corporate Social Responsibility – a collocation very unfriendly at first sight. But, behind some words which seem somehow difficult to be understood, there is a simple and fundamental reality. It is about the understanding by the companies that business means not only profit. It is about the assuming by companies of a new attitude towards the society; it is about, in one word, of the involvement of the company in the destiny of the community where it lives.

¹ According to the European Commission, Small and Medium-Sized Enterprises (SMEs) are independent business entities with less than 250 employees, an annual turnover of up to € 50 million and/or a balance sheet total of up to € 43 million (see Commission Recommendation 2003/361/EC of 6th May 2003 concerning the definition of micro, small and medium-sized enterprises).

² Specific Call for Proposals. Mainstreaming Corporate Social Responsibility (CSR) Among SMEs, Grant Programme 2005.

³ Next to the Austrian Institute for SME Research the following institutes are involved in the project: Small Business Institute, Turku School of Economics and Business Administration (Finland), Institute für Mittelstandsforschung Bonn (IfM Bonn, Germany), Instituto Vasco de Estudios e Investigación (IKEI, Spain), Agderforskning / Agder Research (ARF, Norway), Academy of Management "Społeczna Wyższa Szkoła Przedsiębiorczości i Zarządzania w Łodzi" (Poland), Chamber of Commerce and Industry of Romania (CCIR, Romania)



Of course that community involvement does not cover all aspects of the CSR concept. It is much more: business behavior, relation with employees, workplace health, and relations with providers and clients. All these things make us to consider the company as a real citizen of the society, having not only rights but also responsibilities.

The concept of **Corporate Social Responsibility CSR** was step by step introduced in the moment when big transnational companies (see Annex 1) entered in Romania, e.g. Coca-Cola, Pepsi-Cola, Philip Morris etc. The majority of these companies joined in the American-Romanian Chamber of Commerce - AmCham – an organization which involved itself actively in the organization of events, actions, seminars for dissemination of concept of CSR, but at the same time in developing some concrete projects in this field.

After 2000, many other business companies, both large and SMEs, started to involve in actions of social responsibility, especially restructuring their technologies for improving environment, adopting social measures for employees, developing good relations with local authorities. At the same time many projects involving public-private partnership began to be developed, some of them approaching problems of social responsibility.

Below it is presented a fragment from an article, mentioned in an article by Arlo Brady – notes from Romania: CR in Central and Eastern Europe, presented on the website <http://www.csr-romania.ro>, regarding some aspects concerning CSR in Romania⁴:

The *Mott MacDonald consultancy agency* recently realized a research regarding the situation of CSR in Romania, and the conclusions are interesting. Some of the results are presented below:

“At Mott MacDonald we recently helped a business to conduct extensive stakeholder consultation in Romania, one of the countries scheduled to join soon the EU.

Romania is a country where labor is almost cheap, and where GDP is growing at a rate of over 8 % per year, faster than almost any other CEE country.

We found that corporate responsibility, far from being ignored or viewed with apathy, is simply expected in some sectors of Romanian business. The standard CSR terminology and language is not universally understood, but fair pricing, health and safety, good working conditions, community involvement and environmental protection are all high on the list of public/consumer concerns. This awareness and interest should not come as a surprise to Western multinationals; these issues are all the more real here.

Despite the historical context in which they live, it would appear that Romanians have no strong objections to foreign, capitalist, profit-making businesses operating in their country. This is primarily because they are aware that it is FDI that is fuelling much of their rapid economic growth. Having said that, they are not willing to accept growth at any expenses, nor are they willing to see the already significant inequity in their country grow further.

As Romanians come to terms with rapid economic growth, there is an opportunity for businesses to stand up to the challenge and help fill the social vacuum left by the demise of Communism. By doing this, businesses can help to guarantee the stability of Romanian society. It is at this juncture that inherent self-interest and responsibility join forces. I do not need to point out that a stable society is an ideal environment in which to conduct business.

Many businesses operating in Romania are taking their responsibilities seriously, but many more are taking the easy route: using PR to artificially alter public perception.

⁴ http://www.csr-romania.ro/index.php?module=web&id_categ=3&page=articole&id_articole=4



Over the last couple of years, the language of CSR has entered the lexicon of Romanian business. This is primarily the result of multinationals pursuing and promoting global projects and programmes. A glance at the annual Romanian CSR award programme gives some idea of the level of interest in the subject matter. The front cover proudly announces that over 5,000 people were involved with the awards in 2005, including 18 ambassadors and the deputy prime minister. There were 150 nominees and 34 winners. The glossy award programme is sponsored by an exclusive group of multinationals including HP, GSK, Orange, JTI, Oracle, Microsoft, Carrefour and Holcim.

CSR in Romania is evolving fast, and as it evolves expectations will rise. Those businesses that are acknowledged as helping to shape, coax, and develop the national agenda will be likely to reap substantial rewards as the economy grows.

Businesses looking to operate (and stay) in a CEE country will need to have a modern and innovative approach to CSR – it will be expected of them. They will also have to examine and adapt their CSR strategy in the context of the region and its historical evolution. This process will invariably involve a period of detailed stakeholder consultation. Citizens of CEE countries have a good appreciation of the mechanisms that underline PR and will not be bamboozled by crude cause-related marketing. To be credible and to build trust, CSR programmes will need to be founded on real concrete actions.

CSR in CEE states, as at home, is highly controversial and hindered by inherent contradictions, but this is where the similarities and unique circumstances call for bespoke solutions.”

www.css.mottmac.com – Ario Brady



2 Overview on the Most Important (Semi-)Public Actors and their Strategies with Regard to CSR in Romania

The Romanian Government receives with interest the problem of social responsibility; the legislation in the field of environment, employment, restructuring of local authorities was permanently improved. There are still many claims coming especially from the civil society but also from the business sector for improving legislation and fiscality in order to support institutions for actions of social responsibility.

In Romania, an important event that approaches CSR is *The Romanian PR Week*. In 2006, the 4th edition included among other sections a day dedicated to the importance of CSR within the business strategy. The debate on CSR was animated by some Romanian NGOs and companies that presented their social involvement strategies. A very interesting presentation was that of professor, researcher at the Cambridge University and consultant of the Freud Communications agency. He referred to the conditions that a good CSR campaign must fulfill and also to the risks that might appear when designing such a campaign. It was also discussed the relation between branding and CSR, between the image of a company and the involvement of the company in the community. A crucial condition for the success of a CSR campaign, in Brady's opinion, is to identify correctly the social and commercial partners on which a company and its activities depend. Thomas Achelis, Forum for international Communications - the main organizer of the event, pointed that not only the large companies can involve in CSR activities but also the SMEs. During the debate also the mistakes that some Romanian companies made when developing CSR campaigns were mentioned.

The majority of ministries, as the Ministry of Labour, Social Solidarity and Family, the Ministry of Economy and Commerce, the Ministry of Agriculture, Forests and Rural Development, the Ministry of Education and Research, the Ministry of Culture and Religious Affairs, the Ministry of Public Health, the Ministry of Environment and Waters Management pay an important attention to the problems of social responsibility. There were set up special departments in order to supervise this topic. There were adopted measures in this respect, new decisions have been agreed and there were promoted legislative initiatives for changing provisions of laws in accordance with the principles of social responsibilities.

The appearance of the CSR concept and of the related practices and issues in Romania has two main causes. First of all, the economic development and the entrance of the multinational companies on the Romanian market have determined a type of pressure to identify new ways of consolidating the corporate image and reputation. These issues determined more and more sophisticated strategies while the consumer educated himself and learnt to make appropriate choices. Second, the withdraw from the market of the big donators and the decrease of the financial resources belonging to international organizations determines another type of pressure, on the part of the non-profit organizations that diversify their strategies with regard to attracting finance from sources like: public and business sector or citizens.

The studies and researches developed in the last years point out that the managers from different companies involve in CSR activities because of various motivations, starting with the fact that they want to do a good thing and ending with their desire to consolidate the role of the company within the community or the need to find the solution to certain problems, with the purpose of obtaining direct or indirect. On the other side, the customers want companies more responsible.

There is an important connection between the environment protection and the social responsibility of the companies. The environment protection represents for a company a subject of the social responsibility projects initiated or developed voluntarily (*responsibility*) or one of the issues (*responsibility*) on which a legal responsibility must be assumed (*accountability*). A very interesting initiative in the environment field was initiated in 2005 by the company Holcim



together with the Concept Foundation, in partnership with the Ministry of Education and Research, which regarded the development of a civic behavior among the students in point of the environment protection.

The Romanian initiatives in the CSR field are rather own initiatives of the companies or NGOs than triggered by the EU. The CSR projects and initiatives were set by the multinational companies especially and international NGOs not only when EU funds were made accessible or in order to meet EU standards, but as own initiatives influenced maybe by the similar campaigns that are being developed abroad for a long time now. On the other hand, it is true that the appearance of the EU funds gave an impulse to developing CSR projects and trough the European projects in the CSR area also the SMEs, not only the multinational companies, obtained information and guidance in point of developing such initiatives (through dissemination campaigns).

The concept of social responsibility is positively received by the majority of social and economic actors, but constant awareness activities are necessary regarding this concept, in order to disseminate the results of different programmes, to continue training programmes in this field; many companies develops social responsibility activities but are not conscious of this.

Many NGOs play a special role for developing projects of social responsibility, many projects with funds coming from EU.

The **Open Society Foundation** - <http://www.osf.ro/ro/index.php> - develops many projects of social responsibility; they developed a special web-site dedicated to this topic. Their **mission, as stated on their website, is to promote patterns for the advancement of a society based on freedom, accountability and respect for diversity.**

Estuar Foundation's mission is to provide social options and alternatives for adults with mental health problems for their reintegration within Romanian community. **Estuar Foundation** was set up in September 1993 by the Penumbra Association from Scotland and Romanian League for Mental health. One of the important projects developed by the Estuar Foundation as partner and coordinated by The International Blue Crescent Relief and Development Foundation (Turkey), was **Bridge for reaching the forgotten smiles. Strengthening the Turkish "Romanian civil society dialogue**, an initiative supported by the European Commission, under the œSmall Projects Programme in Turkey: Strengthening Civil Society Dialogue, Euro-paid/121916/C/G/TR.

The Center for Rural Assistance (CRA) was founded by the Open Society Foundation and is a non-governmental organisation, member of **Soros Open Network Romania**. Their mission is about creating and consolidating the skills for the lasting development of the rural community. The objectives of CRA are: stimulating and encouraging the pro-active attitudes within the rural communities; developing strategic, durable and efficient partnerships; implementing and integrating development models and success solutions; developing specific tools and models for the rural development.

APEL – The Professional Formation – Integration Service is an autonomous programme of the Parada Foundation in Bucharest (NGO). The mission of the organization regards the social reintegration of the disadvantaged children and teenagers, and of other disadvantaged categories, purpose interceded by the initiation in art as an instructive tool.

An important actor in the field of programmes of Corporate Social Responsibility is **the Chamber of Commerce and Industry of Romania CCIR**, especially in the field of economic and business environment.

Such a project was developed in 2002 by **the Chamber of Commerce and Industry of Romania CCIR** and the **United States Agency for International Development - USAID**. The programme started on 1st May and ended on 30 of November 2002. The project introduced the concepts and practices of good corporate citizenship to Romanian businesses. It encouraged



them to actively participate in solving local community issues. Twenty-one Romanian companies from eight counties were trained on CSR and project development.

Nine Romanian companies have implemented community projects in the cities of Bucharest, Craiova, Galati, Puchenii Mari, Constanta, Brasov, Timisoara, Cluj, Iasi and Arad, under the United States Agency for International Development (USAID) and the Romanian Chamber of Commerce's joint **Corporate Social Responsibility (CRS) Programme**. The participating companies helped local communities solve key problems: SOFTWIN and RDS endowed 26 schools and universities with IT programmes, SC TINO SA produced and gave 627 pairs of shoes to the unemployed in Brasov, MOVIPLAST provided 28,000 trash bags to Craiova population for domestic garbage collection, SC MONTAJ CARPATI SA restored the Puchenii Mari school, S.C. Galfinband equipped an IT laboratory within the "Simion Mehedinti Vocational School" in Galati, SC FANTASY MOD SRL trained 20 graduates from local children homes and helped them find jobs, ENERGI-CO equipped a kindergarten in Bucharest with a new heating system, Spicul S.A. Bucharest restored parts of the Odeon Theatre, and ROMEXPO renovated the Pasarea Monastery Retirement Home.

Fred Kirschstein, Director of the USAID/Romania Private Sector Office, said: "The success of our programme demonstrated that Romanian companies understand that they are citizens of the community within which they do business and, therefore, they are concerned with community problems. USAID grants represented only a third of the financial resources in the projects. The companies enthusiastically committed their own funds and employees' time. The firms showed that businesses can make social investment an integral part of their company culture, thus enhancing their profitability and public image as well as making an enormously important contribution to society."

USAID is the U.S. Government agency that provides economic development and humanitarian assistance around the world in support of the foreign policy goals of the United States. Established in 1961, USAID began operations in Romania in 1990.

CCIR has involved itself in organizing and developing of other events, seminars, projects in the field of social responsibility. Some examples in this area are listed below:

- on 29 October 2004 Philip Morris Romania together with CCIR has organized a seminar regarding CSR for companies involved in tobacco industry.
- at the beginning of 2005 CCIR together with the German Society for Technical Cooperation - GTZ in Romania organized a training seminar regarding the implementing of social standards SA8000 in Romanian companies from textile sector
- in 2005 - 2006 CCIR has participated in an international project regarding Social Accountability Watch "Promoting Economic Development through Social Accountability in CEI Countries". The project aimed to promote commercial and industrial relationship between companies located in the Italian province of Forli-Cesena, Romania, Bulgaria and Bosnia-Herzegovina. The aim is to build such relationships on transparency, long-term prospective, and sustainability. Romanian, Bulgarian, and Bosnian companies had to provide evidence of their commitment to respect human and workers' rights by entering the Social Accountability Watch and accept to have their social behavior monitored systematically. Such monitoring is to be carried out by selected representatives of workers, entrepreneurs, consumers, NGO, and institutions by means of the very same Social Accountability Watch. Monitored companies must send observations they must answer to, providing their point of view and commit to improve by setting up solutions and measurable goals. Romanian, Bulgarian, and Bosnian companies that take part in the project are to be presented to the companies located in the Italian province of Forli-Cesena that carry out (or plan to carry out) operations or purchase (or plan to purchase) goods and services in the countries involved in the project. Italian companies are made aware of the advantages of making business with companies that commit to transparency and to respect human and workers'



rights (organizational, reputation and economical advantages – more information on business partners' means lower risk, commitment to social responsibility means capability to respond to the market increasing sensitivity to these issues).

An important event in which CCIR has been involved was the European project: **"Raising the awareness of CSR particularly among SMEs"**.

The project, jointly managed by EUROCHAMBRES, UEAPME and Ogilvy, has started in 2004, and continued in 2005, consisting of organizing a pan European awareness raising campaign to raise SMEs' awareness on Corporate Social Responsibility.

The campaign has included 65 one-day events in 29 European countries, as well as a launch and closing event in Brussels, and the development of a web site dedicated to the campaign. The main objectives of this project were:

- raising awareness about the potential of CSR to support sustainable business
- facilitating a better understanding and management of CSR, in particular by SMEs
- facilitating a better knowledge by SMEs of practices, instruments and tools

CCIR was the local partner in the project and participated actively in the following activities:

- Identification of good practices of CSR in SMEs (on the basis of questionnaires) and send them to EUROCHAMBRES in order to be published in a brochure and made known all over Europe. There have been identified two successful case studies: the companies "Galfinband S.A" and "Fantasy Mod SRL".
- Translation English Romanian of a set of materials regarding CSR and sent back to EUROCHAMBRES - all materials in Romanian have been published on the international web site of the project
- Organizing of a Conference on 4 November 2004 in Bucharest (as part of the European campaign) at the International Conference Center of CCIR with the title: "Responsible entrepreneurship".

The Conference was attended by representatives of SMEs, NGOs, academic system, trade unions, and representatives of employers. The conference was followed by two workshops: "Social responsibility and Environment" and "Social responsibility and Community".

All three manifestations represented a good opportunity for participants to better understand the concept of CSR and also the fact that corporate social responsibility is a rather complex notion developed for large companies, which is perhaps not the most appropriate term for communicating with and engaging SMEs.

Another actor in this field is **CSR Romania**. **CSR Romania** is a common initiative of the foundation *Forum for International Communications* and of the *Center for Sustainability and Excellence (CSE)*. Their mission is to support the companies, the organizations and the governmental institutions in their effort to bring a lasting contribution in the world. CSR Romania was involved in the dissemination of many CSR initiatives and events:

- The gala "People for the people", which rewards the social involvement of: companies, NGOs and individual donators who developed programmes and campaigns in order to attract funds and involved in projects within the community through sponsorships, contributions, volunteer work or donations.



- The international Conference Eco6, focused on the most recent issues with regard to CSR within the corporations and also on socially responsible investment. The purpose of this event was to improve the understanding of CSR and SRI concepts and to disseminate them. The participants had the chance to present and discuss their initiatives and achievements in the responsible investments area.
- In May 2006, CSR Romania organized the event Design & Implement an Effective CSR Strategy & Report. Information about this event is available at the web address: http://www.csr-romania.ro/index.php?module=web&page=eveniment&id_categ=4&id_eveniment=16.

Both partners are involved in international partnerships which provide to CSR Romania high quality expertise in the field of Corporate Social Responsibility. Among these partnerships there can be nominated:

- CERP – European Confederation of Public Relations
- DPRG – German Society of Public Relations
- EAPR – European Academy of Public Relations
- EBEN – European Network of Ethics in Business
- EFQM – European Foundation for Quality Management
- European Commission
- GRI – Global Initiative for Reporting
- IPRA – International Association for Public Relations
- UNDP – United Nations Development Programme

CSR Romania developed a special site dedicated to CSR <http://www.csr-romania.ro> and delivers to members a monthly electronic newsletter.

One of the most known companies involved in CSR – **JTI Romania**, has also developed a special site for this topic: <http://www.responsabilitatesociala.ro> and also an electronic newsletter. The site includes a CSR guide, articles, different interesting materials, study cases and a forum for debates.

One of the most important actors for organizing actions of CSR, research etc. is **The American Chamber of Commerce in Romania - AmCham**.

AmCham Romania CSR Programme

The AmCham has taken this initiative to stimulate good CSR and encourage all companies to apply socially responsible principles in Romania. It also encourages the Romanian Government to improve legislation, so that companies are rewarded for reaching out to their communities.

The 2003 and 2004 award ceremonies celebrated multinational companies, Romanian small and mid-sized businesses, non-governmental organizations, and individuals who devoted time, money, or both to solving problems within their communities.

Just a few of the 110 worthy projects were awarded prizes each year, but all of them showed a strong citizenship involvement.

Clearly, the concept of Corporate Social Responsibility is valued in Romania. It simply needs to be encouraged.



The first National Integrate Conference about CSR

On 4-6 April 2006 **Saga Business&Community**⁵ organized the *first National Integrate Conference about CSR*. The Conference called "Investing in Future" intended to be a platform of dialogue between the members of business community, civil society, governmental institutions and mass-media regarding the strategic tools used by CSR in order to improve the activity of the companies and the business environment. During the event there have been debated the following topics: the CSR impact over the business – global and local perspectives, America and Europe – different understandings and practices, private initiatives and governmental policies on anti-corruption, business and environment, what could you loose if you do not invest in CSR?

On 1 March 2006, the **College New Europe** has organized the round-table: "Corporate culture – the mature exam of Romanian capitalism". On this occasion the participants approached topics as:

- What is the role of private companies in the life of communities?
- How companies contribute, beyond of investment and profit, to setting up of a new identity of Romania, through social and cultural projects?
- Is there an European model of social and corporate involvement and can it be applied also in Romania?

⁵ Saga Business&Community – company specialized social and environmental services. Saga Business & Community is the first agency to offer on the Romanian market tailored communication services on social and environmental issues. Saga Business&Community put at the disposal of its clients a fully integrated strategy, providing an international approach tailored to the specifics of the local market.



3 CSR in Romania SMEs

3.1 Deployment of CSR Activities in SMEs

In Romania, in conditions in which the state budget and existing foundations can not support the funds necessary for solving social and environmental problems, the involvement of multinational companies in this topic became real and efficient in the last years, following the adoption of strategy of corporative programmes, especially in the field of education and health.

In fact, for assuming social responsibility, a company takes into consideration the principle that can obtain profit only if it is involved in actions of welfare of the society where it lives.

Here it must be underlined the educative potential of such actions. A company which include permanently in its business strategy sponsor activities and voluntary programmes, not only obtains profit, but also becomes an example of corporate ethics for other companies, for its employees and for the community. In this way the company can change the attitude of the members of the community towards the specific social and environmental problems, can underline the spirit of civic involvement.

While many years CSR represented a non-important topic, recently it became something usual in business, more and more companies, especially large ones, but also from the SMEs sector appointing a manager or even designating a department responsible with this task.

Social responsibility approaches, mainly, actions of improving the quality of life at the level of community and presupposes integrity, strong values and a balance between the long and short term management.

It is agreed that in the last years CSR in Romania is represented by more and more initiatives. New corporative foundations have been set up, new corporative programmes have been developed, specific marketing campaigns, donor programmes and even social campaigns supported by companies.

More and more seminars, conferences, debates on the topic of CSR have been organized.

Many SMEs in Romania already implement CSR practices but without being familiar with the official CSR concept or without disseminating these initiatives and activities.

Social responsibility – the future major step in the evolution of brands

In the conditions in which the competition becomes stronger and stronger, the classical characteristics to create differences between brands are no more enough. The companies are evaluated in a bigger measure – beyond their economic results, quality of management and policy of communication – in function of their contribution to the social life of community they belong to.

CSR plays an essential role, both in creation of corporate credibility, and also in the management of company identity. Activities of social responsibilities, properly communicated, can act as a real campaign of image. The label CSR Made could become a real selling tool. The future brands will mean not only quality, but also a good image considering relations with community, environment etc.

Recently, **AmCham** realized a research regarding CSR in Romania. Some of the results are presented below:



In the business sector, transparent, objective, giving mechanisms are rather rare. State-owned enterprises most frequently have transparent mechanisms, which is most likely due to their size and bureaucracy.

Although statistically foreign companies do not seem to be model donors, most progressive corporate philanthropy is linked to multinational companies or their subsidiaries, but due to their limited numbers they are not properly reflected in the survey.

Still, there are good examples of small indigenous companies who are trying to get organized in this respect and identify reliable partners in the non profit sector. Applications received for the People for People Gala show a significant numbers of good practices and examples among Romanian small and mid-sized companies.

Beneficiary organizations could make better use of reporting and other means to ensure transparency and accountability and therefore, increase donor satisfaction.

When analyzing the data for this study, the starting point was an ideal model, defining organized giving strategy, based on:

- Transparency of decision-making process
- Planning (objectives, timeframe, budget, impact)
- Clearly defined supported cause (focused)
- Link with employee or client well being
- Pro-active approach
- Giving is part of PR strategy
- Asking for accountability from those supported

Decision Making Process

Few of the Romanian businesses (around 5 %) developed a transparent and clear system of decision making when involving the company in giving actions/programmes. Most of the times a business decision to involve in giving activities proved to be ad-hoc, emotional and based on impulse.

For the purpose of this study, it was assumed that in order to be transparent, decisions on funding should be made by a group, whether of shareholders, management or staff.

State owed companies have the highest proportion of transparent decision – making processes (34 %) followed by foreign companies.

In terms of turnovers, big companies are most transparent, but still the percentage of big corporate donors with transparent systems is low (17 %).

Community Links

The data shows that the community links of the Romanian companies are fairly weak and that proximity of the organizations is not high on the list of motivational factors. (This issue seemed to be more visible during interviews conducted for the qualitative research.)

Accountability from the Beneficiaries

Around 1/3 of the business donors receive reports describing what happened with the funds and another 1/3 of them would like to receive these reports even if this is not happening yet.



Planning

Only 5 % of the companies have a fixed annual budget of donations and 25 % try to have regular system for giving to charity.

As it was expected, multinationals created in Romania giving systems (corporate foundations, payroll giving and corporate volunteerism programmes, cause related marketing) based on international experiences and global culture – they inherit a tradition and models from their partners abroad or their head offices.

Still, there are good examples of small indigenous companies that are trying to get organized in this respect and identify reliable partners in the non profit sector.

Giving Motivations for Business Sector

The biggest proportion of the companies make their donations based on emotional reasons like charity and helping others (39 %), humanitarian reasons (17 %), helping kids (10 %) and helping poor.

Only 2 % of the businesses mentioned publicity as the main motivation, this being the only rational reason. If the low weight of rational giving is related to the fields supported by donors, it becomes apparent that areas like environmental protection, human rights or civic education, where donations are based on rational motivation, are lagging.

A lot of awareness campaigns are still necessary, as CSR is a new domain for the Romanian SMEs. Once the Romanian SMEs will have a clear understanding of what CSR is and how it can add value to their business they we will integrate practices and activities in this field.

Another conclusion is that Romanian companies rarely use their charitable activities for image building purposes. Two combined reasons can be identified: one is that NGOs are not perceived as potential vehicles for sending a message and the second one is that many companies lack the skills and financial possibilities to integrate philanthropic activities in their PR strategies.

Other motives are “I was requested” (8 %) and religious reasons (4 %) which we consider to be normative reasons for giving.

The most mentioned reasons for not donating are “company can not afford” (35 %) and the “firm wasn’t asked to donate” (26 %). Both motivations show that there exists a potential for rapid growth among members of the business community either by simply asking or sending a message saying that small amounts are meaningful.

Trust was identified as another important motivational factor.

Data on motivation leads us to the conclusion that there is a potential to rapidly increase the number of corporate donors in Romania by understanding that small amounts can make a difference, by developing proper giving strategies and being pro-active in identifying reliable, non-profit partners.

CSR in Romania -- Overview

The field of corporate social responsibility has grown exponentially in the last decade. All over the world, more and more companies are achieving commercial success in ways that honour ethical values and respect people, communities, and the natural environment.

Companies have stepped in to fill holes in the social fabric that government either would not or could not fill. For companies affiliated with the AmCham, being a good member of the



community is a natural way of doing business. Making the community where they operate a better place is fundamental to their success.

In post-communist societies, Corporate Social Responsibility programmes play an additional role: they demonstrate the nature and values of the free market and contribute to citizens' trust in a friendly business environment.

3.2 Fostering and Hindering Factors for SMEs to Engage in CSR activities

Things begin to move step by step in Romania, too. Some specialists consider that CSR in this moment represents a global phenomenon, not only a trend in rich countries. Even if in Romania there is not a Ministry of Social Responsibility as in other countries, the social responsibility of the companies begins to be seen more and more through numerous initiatives.

In some years our people will start to take decision to buy not only because of quality and price, but also based on the social involvement of the provider companies. There is not enough information at this moment about the real thinking of Romanians about social responsibilities of companies.

Even awards campaigns appeared during the last years. It is considered that, despite of these achievements, the sector of research regarding CSR was not so much developed. Probably a serious research will show that in Romania the responsible companies will be much more taken into consideration.

Some obstacles of CSR in Romania identified in the research made by AmCham:

In order to create a sustainable environment for Corporate Social Responsibility in Romania, we need appropriate fiscal incentives, clear legal provisions, and simple implementation procedures.

Obstacles posed by current Romanian legislation:

1 % Law (application norms)

The Sponsorship Law (needs to be amended to reflect the provisions from the Fiscal Code)

The new Fiscal Code has introduced several incentives for charitable giving. AmCham launches an invitation to government, companies and NGOs to discuss and identify legislative changes that would facilitate greater contributions to allow NGOs to address some of the current problems of the Romanian society today.

Some positive aspects regarding the development of CSR among SMEs:

- *Importance given by governmental bodies and agencies in order to support CSR for SMEs: change of laws, new legal provisions in this respect, creating special departments for this topic*
- *Financing programmes supported by Government or civil society in order to implement CSR for SMEs*
- *EU funded programmes for awareness and support the implementation of CSR by the SME sector*
- *More and more articles in newspapers, special dedicated web-sites, more and more events, seminars, conferences, in order to make known the concept of CSR and real advantages for companies*



- *All involved parts: companies, clients, suppliers, local authorities, mass media, began to understand the importance of CSR and step by step to choose companies and the products and services of companies which introduced CSR strategies in their activities*

Some aspects with a negative impact on the development of CSR among SMEs

- Many SMEs complain about a lack of funds for introducing CSR strategies in their normal activity; many times they are awaiting such actions from large companies
- Lack of enough knowledge about real meaning of CSR actions, especially for SMEs, about the advantages of adopting a real strategy in this field
- Not enough specialists in CSR; the majority of SMEs have a small number of employees, and the owners of these companies consider that they can not afford to have an employee especially for this activity
- Adopting a CSR strategy gives not an immediate positive result and a profit; many owners of SMEs appreciate that they do not have enough time to wait for profit in years; they want an immediate profit
- In big towns, compared to small localities, there are much more resources, knowledge, sources of information in order to support the implementation of CSR among SMEs
- Many SMEs, due to business conditions, often change their field of activities, in this respect it is somehow difficult to implement some CSR strategies
- Even if in the last years there were adopted new laws, many SMEs still complain about lack of proper legislation, about not enough support from government for adopting CSR

3.3 Impact of SMEs' CSR activities

The advantages realized for companies are represented, first by: recognition, reputation. Going deeply in details it can be concluded that the effects of the involvement of a company in community could be:

- Improving relations with community (clients, suppliers, authorities)
- Influencing the target group, of opinion leader, press etc.
- Setting the company on a superior position in the society
- A better image / more visibility for the company
- Making clients faithful for the company and its products
- Motivation of the employees
- Significant contribution for realizing the excellence in business

Corporate Social Responsibility (CSR), sometimes called responsible business practice or corporate responsibility, has no single definition but essentially covers how a business can make a positive contribution to your local area. In other words, if business wants to start making a difference to the local area and community, it should incorporate CSR practices and initiatives.

No matter the size of the organization or the level of the involvement with CSR, every contribution is important and provides a number of benefits to both, the community and the business. Contributing to and supporting CSR does not have to be costly or time consuming and more and more small businesses active in their local communities are seeing significant benefits from their involvement such as:



- Reduced costs
- Increased business leads
- Increased reputation
- Increased staff morale and skill development
- Improved relationships with the local community, partners and clients
- Innovation in processes, products and services
- Managing the risks the company faces

Doing CSR represents a win-win situation: the business wins through new markets opportunities and customers. Your business wins through a stronger and healthier community.

3.4 Good Practice Company Case Studies

3.4.1 SC GALFINBAND Galati SA

General information on the company

The company Galfinband Galati was established in 1991 in Galati and develops its activities in areas like: design, execution, trade of metallurgical products and installation. The company which reunites a number of 135 employees (out of which 5 represent the management, 86 are operational staff and the rest auxiliary) had a turnover of 6,311,757.05 EURO in 2005.

Motivations to carry out CSR and origin of the specific activity

Galfinband SA has involved in *Corporate Social Responsibility*, being aware that this aspect is very important for: customers' loyalty, for personnel's work environment, for the company's public image.

Characteristics of the CSR practice in the company

One of the CSR activities of Galfinband Galati involves the participation in international financed projects, e.g. "Raising the awareness of CSR especially among SMEs" in 2004, run by The European Commission, together with EUROCHAMBRES, Oglivy and UEAPME. The aim of the project was finding socially responsible SMEs and disseminating their CSR stories. Each partner was to organize a one-day CSR event. One of the two case studies for Romania was Galfinband Galati who also participated and had an intervention in the closing event of the project in Brussels in May 2005. At the conference, *Social Corporate Responsibility* that took place at the Chamber of Commerce and Industry of Romania and Bucharest on November 4th two workshops were organised. One was focused on issues related to the community and the other regarded environment related issues.

Galfinband Galati was also involved in supporting the community in which the company develops its activity by: equipping an IT school laboratory in Galati and offering sponsorships: grants for children with outstanding results in school and sponsorship for Pantelimon Parochial House.

The general strategy of the company implies responsibility towards the environment, the operational security and health field, but also providing a better and safer work environment for the employees.

There is no person to be responsible for this kind of activities within the company, in CSR field for the opportunities created; the decisions are taken by the board of directors.



The company has the experience of several projects developed. During the implementation process of the project they noticed the following: a low reaction of the local authorities, low interest in point of the beneficiaries (e.g. the people who received the donations), problems that occurred after the implementation of the project (equipments missing), no positive reaction were perceived following the activities, mentioned above.

Impact of the CSR activities

When starting a project, in the designing phase, the responsibilities are established as are the methods and resources in point of measuring, monitoring and reporting.

The company considers that there isn't any proper perception and neither is the interest for CSR activities, for the moment.

There is still the perception of "hidden business", the social partners' lack of interest is shown by the time they realise that it is not a business, but an expense with uncertain results/benefits. Sometimes when initiating a CSR activity in order to help the community the companies look for partners: local administration, mass media or other stakeholders in order to support them.

Galfinband plans to disseminate the CSR activities that they develop more in the future and they want to get more information on CSR – the activities that a SME can develop in this area and the benefits.

If more and more SMEs will undertake CSR activities and also disseminate them at a national and international level the particular CSR activities that each and one SME develops will indeed provide a better image in the community, higher awareness among its clients and better financial results.

This project is a wonderful opportunity in point of creating awareness for CSR, provides examples of good practices in the area and pointing out the benefits that an SME can have trough developing CSR activities. The concept isn't unknown to the SMEs and linked only to big companies, but because the SMEs are rather reluctant to communicating about CSR and they do not see themselves as CSR promoters.

Future issues

The company plans to initiate in the future more sponsorship. Also, Galfinband intends to get involved in projects in the CSR area, initiated by national and international organizations, as this kind of activities constitute a good opportunity to disseminate the company's good practices in the CSR area.

The management of Galfinband considers that the problems that need to be solved in order to obtain efficiency when developing CSR activities are: general improvement of the living standard of the people and of the business environment, more information regarding *Corporate Social Responsibility - CSR*, changing the mentalities of the authorities, of the SMEs and of the beneficiaries, attracting the SMEs by improving the legislation, offering grants and facilities for initiating or participating in this type of activities.

3.4.2 SC ELMI PROD FARM SRL

General information on the company

The company SC ELMI PROD FARM SRL was established in 1992 in Bucharest. Its domain of activity is: cosmetics and perfume manufacturing. The company which reunites a number of 84 employees (out of which 9 represent the management, 70 are operational staff and 5 auxiliary) had a turnover of 2,080,000 Euro in 2006.



ELMI PRODFARM' s market share regards the following: skin care production – face moisturisers - 7.4 %, the 4th place in Romania (following Farmec, Nivea and L'Oréal), market share 10.6 % from the total skin care production, the 9th position in Romania for body care production.

Motivations to carry out CSR and origin of the specific activity

ELMI PLANTFARM Limited is a private company, entirely financed by Romanian capital and managed by experienced leaders in cosmetics and medicines/drugs field, research and production. The company is ISO 9001 certified by Lloyd's Register Quality Assurance since 2001, and in process of certification with the control laboratories by RENAR (Romanian Accreditation Association) with ISO 17025 and also for ISO 14000 – environment.

The research and evaluation stages are made in accordance with COLIPA standard (European Community standards); the company uses performed research and control devices⁶. There is a permanent concern within this field because many persons from the company's management, with a decision power, have worked before 1989 in the research field. During the company's research and production activities regarding cosmetics and medicaments/drugs they collaborated with medicine and chemistry research companies, therefore they are in partnership with these companies, working together for different programmes and projects.

Characteristics of the CSR practice in the company

The strategy of the company has been permanently correlated to CSR activities. All the activities developed had as a result the accomplishment of the pre-established objectives in the company's quality manual.

As a result of the company's management politics, not exclusively the owners, ELMIPANT company has been recognized as an important producer in the field of natural cosmetics, proving a very good quality at affordable prices for the Romanian customers.

During 2006, the ELMIPANT Company was engaged in several sponsorship activities, such as:

- sponsorship with ELMIPANT line care products for the "*Humanitarian Solidarity Foundation for Orphans and abandoned children from Romania*";
- sponsorship with ELMIPANT line care products for the "*C&D Music Production Association*";
- sponsorship with ELMIPANT line care products for the "*Policeman International Association - Bucharest*"; the winners of 2005 award;
- sponsorship of the activities from 14 day centers of "*Must Organisation*"; - with ELMIPANT line care products. The sponsorship is meant to supply the centres with every day kinetotherapy, education, socialisation and logopedy activities;
- sponsorship with ELMIPANT line care products for the "Romanian Theatrical Union – UNITER" – Public Utility Institution. The sponsorship is meant to develop UNITER's own cultural activities;
- sponsorship with ELMIPANT line care products for the "Maska" theatre;

⁶ Today the complete European cosmetics industry uses the COLIPA standard for testing the sun protection factor of sun creams. Actually no European recommendation is available for measuring UV-A protection. Reasons for this and the problems occurring during the development of methods are described. A survey outlines the known in-vitro and in-vivo methods for testing the UV-A protection and examples are given, how to utilize the protection performance for publicity means. Concerning UV-A protection 1996 several German producers have adjusted their products to the Australian standard AS/NZS 26.04.1993. Motives for this decision are presented and an outlook is given on the future European COLIPA method for the testing of UV6A protection.



- sponsorship with ELMIPLANT line care products for the “Bucharest Metropolitan Library” – Cultural Programmes department. The sponsorship is meant to support the development of the project: “The librarian and his library”, the 6th edition – project dedicated the librarian from Bucharest public libraries;
- sponsorship with ELMIPLANT line care products for the “*Ion Luca Caragiale Institute of Theatre Arts and Cinematography*” – Bucharest Theatre Faculty”. The sponsorship is meant to supply expenses for “2006 Graduation Festivity”;
- sponsorship with ELMIPLANT line care products for “The Faculty of Economic Science, Insurance, Banking and Stock Exchanges through FINANS Association (The Faculty of Economic Science, Insurance, Banking and Stock Exchanges Association from Bucharest). The sponsorship is meant to support the organisation of the project: “2006 Health Campaign” in collaboration with The Faculty of Science, Insurance, Banking and Stock Exchanges;
- sponsorship with ELMIPLANT line care products for “*Support of physical disabled children Association – Romania*”, a non-profit organisation that develop its activity in social field;

Impact of the CSR activities

As a result of the development of CSR activities the company's turn-over increases every year by at least 15 %.

The company's positive public image increased as the CSR activities and initiatives helped to create awareness for the ELMIPLANT brand and its natural products.

Future issues

The company plans to involve in future projects that will lead to a better capitalization of the natural resources (plant extract acquisition) and their promotion in the EU countries.

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3.4.3 SC TUV KARPAT SRL

General information on the company

The company SC Tuv Karpas SRL was established in 2006 in Bucharest and its domain of activity regards: business and management consulting activities; services mainly carried out for the enterprises; testing and technical analyzing activities; other educational activities e.g. training courses with different topics: quality, environment, OHSAS – occupational health and safety standard etc. The company reunites a number of 4 permanent employees (out of which 2 represent the management, 1 - operational staff and 1 - auxiliary) and over 30 co-workers/collaborators.

Motivations to carry out CSR and origin of the specific activity

Even if it's activity has a short time record, TUVKARPAT has involved in *Corporate Social Responsibility*; being aware that this aspect is very important for: customers loyalty, for



personnel's work environment, for company's public image, even if the advantages are not seen in the first months.

Characteristics of the CSR practice in the company

The CSR preoccupations of Tuv Karpat regard 4 main activities:

Permanent concern for employees: The personnel is carefully selected to be suitable for the job position, permanent concern for working environment, for office equipment (modern computers). There is also a permanent concern regarding working schedule (flexible hours) and personnel safety, therefore, a permanent dialogue between the employees and the employer for a permanent professional training; in this way, TUV KARPAT wants to strengthen the relations between the company and the employees and its awareness on the Romanian market and to raise the efficiency of the activities. TUV KARPAT trains the employees the moment that they are hired regarding occupational health and safety (OHSAS)⁷ The employees are continuously trained on the specific characteristics of the activity: internal and external training courses on quality management, environment, OHSAS.

Permanent concern for the customers: the customers' feed back is a permanent concern of the company, the communication with the customers in order to find out their preoccupations and satisfaction regarding the services offered. They are adapting their services in accordance with the self imposed quality standard.

The concern towards the collaborators: TUV KARPAT works with more than 30 collaborators. The issues that are taken into consideration are: their training needs, improving their training skills, their loyalty towards the company. The activity with the collaborators is developed on the basis of a collaboration contract in which there are envisaged the rights and the obligations of TUV as a beneficiary and also the one of the collaborators as services providers. The collaborators are trained to respect the standards and the procedures, a high standard of quality in point of TUV customers.

Permanent concern for the environment: the company is ISO 14001 certified in the environmental field, therefore, TUVKARPAT organizes training courses within this field with the general concern that the environment belongs to all of us, has no border and it's our duty to keep it clean.

Impact of the CSR activities

The aspect mentioned above regarding the permanent concern for the employees has as a result more efficient activities, the reducing of the "lead" time, improving constantly the relation between employees.

Permanent concern for the customers: represents a special way of promoting company's view, a better relation (connection) between the company and its customers.

Permanent concern for the environment: organizing courses and certifications of quality activities, as there is an ascending requirement for this kind of services. The company organizes courses on the subjects mentioned above in collaboration with some other organisations.

⁷ OHSAS helps in a variety of respects It helps: minimize risk to employees/etc; improve an existing OH&S management system; demonstrate diligence; gain assurance; etc. The benefits can be substantial. The OHSAS specification is applicable to any organization that wishes to: establish an OH&S management system to eliminate or minimize risk to employees and other interested parties who may be exposed to OH&S risks associated with its activities; assure itself of its conformance with its stated OH&S policy; demonstrate such conformance to others ; implement, maintain and continually improve an OH&S management system ; make a self-determination and declaration of conformance with this OHSAS specification and seek certification/registration of its OH&S management system by an external organization.

Future issues

For the next period of time, the company's goal is to develop permanently the social responsibilities, their dissemination, company's participation to national and international financed projects as well as corporate participation having as activity *Corporate Social Responsibility* or these aspects' dissemination. Therefore, TUVKARPAT will introduce *Corporate Social Responsibility* modules in its future courses and seminars.

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3.4.4 SC ICEMENERG SA**General information on the company**

The company SC Icemenerg SA was established in 1991 in Bucharest in 1960 and its activities regard research in the field of electric energy and district heating. The company which reunites a number of 230 employees (out of which 7 represent the management, 198 are operational staff and 27 auxiliary) has a turnover of: 4.4 mil EURO.

Motivations to carry out CSR and origin of the specific activity

The company believes in the concept: "the business is for its employees, for the company". The human resource is the most precious resource. Therefore, a company should motivate this resource in its own way: motivated, encouraged, appreciated but also amended if necessary. The "employee" is not only an important resource in organizational and operational terms but also plays an important role in the community. *Corporate Social Responsibility (CSR)* activities undertaken by ICEMENERG meant to reach personnel's needs not only as an employee, but also as a "day by day" social life partner.

Characteristics of the CSR practice in the company

About 10 % of the company's turn over is assigned to providing services in point of impact of the energetic services on the environment. E.g.: The restoration of the areas from the proximity of the stations that produce thermal and electric energy and their reintegration in the agro-silvic circuit.

About 5 % of the company's turn over is assigned to providing services in point of the impact of the work conditions on the personnel working within the energetic. E.g.: protecting and maintaining the good health of the employees; participation in various internal and international events; constant concern for the personnel training; socialising initiatives (in the near future, the company plans to crate a recreation centre, a gym hall etc).

Another permanent concern of the company is the welfare of the employees. The company hires young people, especially for the new job positions, new in the field that the company has created by diversifying its activity. Also, the company focuses on identifying the needs of the employees. All the employees are sent to trainings and seminars in different areas of activity in order to improve their skills and to add value to the company.



Impact of the CSR activities

The company's results within CSR politics can be easily observed.

The permanent concern regarding the employees' needs within the company has now positive results. It is too early to talk about CSR influence, but the company's public image had been improved. The company profit is permanently increasing and the working atmosphere is improving, day by day.

By identifying employees' needs, the human resources problems that previously existed in the company stopped. This was due to the fact that some of the employees, quitting their jobs, returned to their initial positions, because, we believe one realised that most of the importance was focused on the employees' need and not on the benefit of the company.

Future issues

For the future the company has planned several activities within CSR field that are listed below.

In 2007, the establishment of a training and education centre in the renewable energy sources field represents for the company a real challenge with positive effects. Through this, the acknowledgement in the aforementioned field of activity will be obviously improved and at local and national level the management of the necessary resources to implement projects in the renewable energy field will be developed.

The indirect effects will appear as a higher social responsibility among the population, related to the energy use and environment protection.

This very year, 2007, the company plans to establish a recreation hall equipped with different fitness installation, inside the institute.

Besides the aforementioned projects, the improvement of the working atmosphere and the satisfactions of all the personnel's needs, as *Abraham Maslow* described in the diagrammed of "*Hierarchy of Human Needs*", represent plans that need everyday revisions and the continuous improvement is our main concern.

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3.4.5 SC BORDERLINE SRL

General information on the company

The company SC BORDERLINE SERVICES SRL was established in 2006 in Bucharest. Its domain of activity is: Education - Training. The company has one employee – Cristina Filip founder and general manager.



Motivations to carry out CSR and origin of the specific activity

Cristina Filip, the manager of Borderline Services explains that it was not about benefits, not even about doing Corporate Social Responsibility. The company answered to an existing need of the Romanian society. Also, the company didn't promote the CSR activities developed, but they would be interested in disseminating those initiatives. Cristina Filip considers that in the majority of the cases the CSR activities of SMEs are not advertised in the media and she thinks that if the entrepreneurs would have more information concerning the benefits of CSR for their company, they would integrate CSR practices more in their business.

Characteristics of the CSR practice in the company

The company offers free places within the training courses organized for people with low incomes but who show a special motivation for learning.

As often as possible, the company together with its collaborators goes all over the country and organizes free informative sessions, for teenagers and for students, explaining them the benefits of a career within the EU institutions.

At the beginning of February, Borderline Services SRL launched the book "Do you want a career within the EU institutions? The interview – practical guide" in order to support the people who want to work within the EU institutions, the first Romanian language publication that supports people who want to apply for a position within the EU institutions to prepare for the interview. The book is structured in six chapters and covers any type of interview for a position within the EU institutions, with practical examples, checking lists and charts, explaining the preparation method for the final selection: the interview.

Impact of the CSR activities

Borderline Services SRL (www.euroconcur.ro) organizes trainings for people who want to work within the EU institutions. The website of the company is probably the main source of information and the communication forum for the Romanian people who are interested to become European officials. Euroconcur.ro is the first website dedicated, exclusively, to people who want to follow a career in the EU institutions. The website provides valuable information not only for the people interested in developing a career within the EU institutions, but also for the ones who are now starting to prepare for the selection tests. Borderline Services SRL wants to initiate the Romanian community for the future European public officials.

The main impacts of the CSR activities of the company are:

The awareness degree of the company increased: launched in April 2006, the website euroconcur.ro had as a main target to provide information regarding the benefits of a career within the EU institutions and also the dissemination of these issues. After six months, in October 2006, euroconcur.ro had 300 unique visitors daily and more than 3,500 subscribers to the newsletter.

The number of customers - people who participate in the training courses focused on developing a career within the EU institutions – increased.



The company has constant appearances in the national mass media: interviews, presentations of the company and of the job opportunities within the EU institutions, market training analysis. Below are listed a few of the most important articles:

- [3 mai 2006] *Smart Financiar*: Meditatii pentru admiterea pe posturile de functionar european
- [30 mai 2006] *EurActiv*: 40 de romani sunt mai bine pregatiti pentru concursurile UE
- [21 iunie 2006] *EurActiv*: Seminar de pregatire pentru concursurile UE la Iasi
- [26 iunie 2006] *Ziarul Financiar*: O noua nisa pe piata de training: "integrarea" specialistilor in UE
- [24 iulie 2006] *Smart Financiar*: Pregatirea pentru oportunitatile de angajare in structurile europene - seminar
- [2 august 2006] *Ziarul Financiar*: 9.213 romani se bat pe 215 locuri in UE
- [3 august 2006] *Smart Financiar*: Competitie acerba, salarii pe masura la institutiile Uniunii Europene
- [7 august 2006] *Ziarul Financiar*: Jobul european, in CV-ul romanesc
- [9 august 2006] *Smart Financiar*: O cariera la Uniunea Europeana - ce trebuie facut, unde exista resursele
- [15 august 2006] *Curierul National*: 42 de romani pe loc, pentru administratia europeana
- [18 august 2006] *Gardianul*: Un job la Uniunea Europeana o realitate profitabila pentru cetatenii romani
- [21 august 2006] *Info Portal*: Philip Gaskell - interviu exclusiv - Romania si HR in Uniunea Europeana
- [21 august 2006] *Bani si Afaceri*: Cursuri pentru joburi europene
- [23 august 2006] *Capital*: Start la antrenamente pentru joburi europene
- [24 august 2006] *Evenimentul Zilei*: Jobul ideal: functionar european
- [28 august 2006] *Ziarul Financiar*: 2.652 de economisti romani vor un job in institutiile UE
- [7 septembrie 2006] *Euractiv*: Reguli nescrise: cum (nu) se ajunge la un job bine platit la Bruxelles
- [16 octombrie 2006] *Ziarul Financiar*: Oportunitati la UE pentru profesionistii in PR
- [7 noiembrie 2006] *Cotidianul*: UE costa un an si jumatate din viata
- [5 decembrie 2006] *Cotidianul*: Cum sa depasesti examenele pentru UE
- [12 decembrie 2006] *Smart Financiar*: Promovare a posibilitatii de cariere pentru tineri in institutiile UE
- [3 februarie 2007] *Cotidianul*: Ghid pentru interviu la UE
- [6 februarie 2007] *Cotidianul*: Cum sa te angajezi pe salariile UE

Future issues

Borderline Services SRL plans to develop the topics of the training courses organized and also the company plans to cover in 2007 as much as possible districts in Romania in point of the locations of the training courses.

The company plans to initiate an awareness campaign with the purpose of increasing the number of subscribers to the Euroconcurs newsletter and, in this way, creating awareness among the people regarding the EU in general and the job opportunities within the EU institutions in particular.

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4 Conclusions

At European level social responsibility is much more than a programme or a campaign. It is a philosophy, a way of ethic and responsible behavior which covers all aspects, from company to the relation with own employees, with clients, with shareholders, suppliers, with environment and of course with local communities.

It is a matter of time when this policy will become a reality also for Romania. The dialogue with partners – mass media, local authorities and other stakeholders - is now not very well organized, and only a few companies, most of them multinationals having important budgets, have a strategy which includes social responsibility.

In near future all interested parties should make more in connection with CSR: companies must develop their own strategies, in accordance to their sector of activity and the needs of communities; but at the same time the public sector and civil society must develop and make known long term projects. Mass-media has also an important role in informing and educating all the companies and the community.

The fact that more and more debates, conferences, seminars on the topic of social responsibility are organized and the fact that at these events important participants are invited: government representatives, leaders of civil society, specialists and experts, representatives of multinational companies but also representatives of Romanian SME sector, are important for the future development of CSR in Romania. In Romanian society we need ethics in business, social involvement, quality services, environment protection, and employees' protection. If more and more actors will be involved seriously in all these topics, the things will start to move quickly and the results will appear soon.



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Web sites:

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<http://www.responsabilitatesociala.ro/>

<http://www.praward.ro/index.php>

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Annex 1 – National and Multi – National Companies CSR list of initiatives

In accordance with the web site <http://www.responsabilitatesociala.ro/> in Romania there are several big companies involved in CSR activities. The large companies opened the road for the SMEs to develop these kind of initiatives and activities in the CSR field by providing to the business community, to the mass media and to the people examples of what CSR is. The main idea that these companies disseminate is that CSR means involving in the community in point of: supporting education, protecting the environment, creating employment opportunities etc.

1. A&D Pharma

About A&D Pharma:

A&D Pharma is one of the biggest and dynamic pharmaceuticals which operates in Romania, having more than 2,700 employees in the whole country. It was set up in 1994 and now it includes two companies Mediplus Exim and Sensiblu and a Foundation Sensiblu. Mediplus Exim is involved in medicine distribution, being a leader in this sector. Sensiblu is also a leader in the field of pharmaceutical retail, having more than 195 shops.

The philosophy of the company:

“We wish to consolidate our position as a leader in the field of distribution and retail of medicines. The essence of our development is based on three elements: quality promotion, new jobs creation, and permanent training of the staff. At the same time we involve ourselves in the communities where we are working. We add a social dimension to our economic strategy. Our fundamental values are: respect for people, involvement in society, creativity, quality, performance, responsibility.”

Policy in the field of CSR:

The group A&D Pharma pays a special attention to the role played in development of social systems in Romania. The main field of interest for the company is: education, social dimension and human rights.

Educational programmes:

The activity of the group is oriented especially to the problems of health of the population and that's why a special attention is paid to educational activities for prevention of serious disease.

The group is also involved in other supporting financial activities.

2. ABN AMRO Romania

About ABN AMRO Romania:

ABN AMRO Bank (Romania) S.A. is a subsidiary of ABN AMRO NV, one of the biggest banks in the world. In Romania the bank is present starting with 1995.

The philosophy of the company:

Starting in 2000, ABN AMRO works in accordance with the principles of sustainable development: responsible attitude and transparency, responsible financial services. Excellent working environment, supporting social responsibility actions and minimizing direct impact over environment.



Policy in the field of CSR:

ABN AMRO is usually requested to support different projects. The bank involves and support projects in the following fields: cultural, educational and sports activities.

3. BRD–Groupe Société Générale**About BRD–Groupe Société Générale:**

BRD - Groupe Société Générale is one of the biggest private banks in Romania, belonging to one of the most important bank group in Europe.

The philosophy of the company:

BRD - Groupe Société Générale is sensible to the problems of the community and every year involves itself in financially supporting humanitarian projects.

Policy in the field of CSR:

The strategy of sustainable development of BRD is based on 3 values: good skills, creativity and team mentality. BRD decided to support those sectors of life which have an important contribution to sustainable development. Starting with 2006 BRD - Groupe Société Générale financially supported projects for environment.

4. Carpatcement Holding**About Carpatcement Holding:**

Heidelberg Cement is present on the market starting with 1998,

The philosophy of the company:

Romania needs innovative ideas and projects. Carpatcement Holding supports such innovative projects in order to help local communities to develop.

Policy in the field of CSR:

The strategy for social responsibility for Romania is directed to the needs of local communities and also to the national priorities.

Carpatcement Holding supports 4 sectors

- a. Environment protection. Carpatcement Holding invests in alternative energy and in friendly environment technologies.
- b. City aspects and architecture. The companies support local authorities to transform grey cities in pleasant localities.
- c. Supporting local authorities. The group supports local authorities in infrastructure projects, in local development.
- d. Humanitarian actions. The company gives support in case of natural disasters, in order to help persons in difficulty.

All social responsibility projects promote values as education and consciousness.



5. Coca-Cola

About Coca Cola

Coca Cola is one of the first multi national companies which invested in Romania after 1990. As in the other countries Coca Cola acts in Romania based on an own system including all links need for production and distribution.

The philosophy of the company:

The engagement of the company is to adhere to the highest standards of ethics.

Policy in the field of CSR:

Coca Cola is a trustable partner for local communities where works. Last year, over 1 million Euro were invested in projects for local communities. These investments had the community as direct beneficiary. The policy for social responsibility is concentrated on four directions: the market, the community, environment and Coca Cola Staff. For every such sector Coca Cola has developed special programs and projects base on the principle of social and cultural partnership, in order to support the development of the society where it operates.

6. Dacia Groupe Renault

About Dacia Groupe Renault:

Dacia was set up in 1966 at Colibasi, Arges County. At 2 July 1999, Dacia became a member of Renault Groupe.

The philosophy of the company:

Sustainable development represents for Dacia Groupe Renault one of its important ways of action. This means that a company should be interested not only in its profitability and economic development, but also in the impact of its activity over the environment and social field.

Policy in the field of CSR:

The CSR policy is concentrated mainly in three dimensions: economic, environment protection and social one.

7. DotCommerce

About DotCommerce:

DotCommerce Romania is the first company producer of credit cards, as subsidy of DotCommerce LTD Boston. DotCommerce Romania is also a provider of complete solutions for the management of electronic commerce.

The philosophy of the company:

DotCommerce Romania trusts in social activities, in results for setting up a united community.

Policy in the field of CSR:

Irrespective of the business sector, of dimension, of profit or country, all companies have a big social responsibility, those to give back to society a part of their success.



8. Holcim Romania

About Holcim Romania:

Holcim Romania is the Romanian subsidiary of Holcim Group, one of the world leaders in providing cement and other construction raw materials. The Holcim Group is now present in more than 70 countries.

The philosophy of the company:

Our mission is to be the most respected and attractive company in our sector, creating value for all our partners of interest.

Policy in the field of CSR:

Holcim Romania supports and sponsors organizations, institutions, whose activities and events have a direct, positive and immediate impact over the strategic objectives of Holcim. Holcim supports regional initiatives which contribute to creation and maintaining of a strong infrastructure and healthy community.

9. JT International Romania

About JT International Romania:

JT International (JTI) was the first international tobacco company which invested in Romania in 1993, under the previous name of R.J. Reynolds. JTI produces and sells on the Romanian market well known brands of cigarettes.

The philosophy of the company:

The JTI mission is to consolidate a strong company at global level, to offer maximum satisfaction to the interested parties and to become a leader in the sector.

Policy in the field of CSR:

JTI considers that it must offer a part of its success to the community where it operates. The company supports social projects of humanitarian causes, educational initiatives and cultural events. Some main programmes run by JTI Romania:

“Responsibility for Romania: - developed in 1998; in the framework of this programme it was realized a partnership with local authorities to support disadvantaged people.

“JTI Scholarships for journalists” developed in 2000, a programme for young Romanian journalists.

“Environment Day” – started in 2000 – it promotes environment protection; the event is organized yearly.

10. Orange Romania

About Orange Romania:

Orange Romania is one of the leaders on the Romanian market in the field of mobile telecommunications., being a part of Orange Group.



The philosophy of the company:

“Social responsibility means continuous development and to take into account the other opinion. We think that an open and transparent communication is the best way for progress.”

Policy in the field of CSR:

The Orange Group has a well defined strategy of corporate responsibility which is taken into consideration for assuring that the entire activity is done in a responsible manner. The social responsibility strategy is based on a set of business principles which define own standards of ethics in business, responsibilities towards partners, employees, clients, community, suppliers, the impact over environment.

11. Ozone Laboratories**About Ozone Laboratories:**

Ozone Laboratories is involved in production and supply of medicines. The company entered the Romanian market in 2002.

The philosophy of the company:

The main values of the company are flexibility, team working, perseverance, sustainable development.

Policy in the field of CSR:

Starting with 2005, the company involved actively in social projects of interest for local community. Last year the company defined two main directions for social responsibility strategy: health and education.

12. SC SIVECO ROMANIA SA**General information on the company**

The company SC SIVECO ROMANIA SA was established in 1992 in Bucharest and its domain of activity is IT & software development. The company which reunites a number of 650 employees had a turnover of 42 MIL \$ in December 2006.

Motivations to carry out CSR and origin of the specific activity

The company is doing its best to honour the mission regarding “the community’s life”, trying to involve the company not only in the economical development but also in social and cultural life of the community that SIVECO is part of.

The company considers that the social responsibility is a strategic tool that allows the improvement of the company, the employees’ relations, and the interaction with the shareholders and with the community.

Siveco company’s involvement in CSR projects regards the promotion of value, the permanent contribution to the development of the society regarding the educational system, the cultural life, the health system and the economy.



Characteristics of the CSR practice in the company

SIVECO ROMANIA is constantly involving in the social life, by developing educational, cultural and social projects for the benefit of community and the business environment.

Projects: SIVECO VIRTUAL CENTER for EXCELENCE (SIVECO cup, SIVECO SUMMER SCHOOL, SIVECO CHAMPIONSHIP), a lot of initiatives within the educational field having as goal the promotion of the eLearning creativity, youth international contests (competitions) participation, graffered to the students with financial difficulties, humanitarian activities, donations, international projects, e.g. "EURO 200 Social Programme", Informatics Balkan Event, eLearning National Center

Other projects: facilitating the participating of the young artists to the international contests and offering them grants, offering grants to the Romanian cultural life personalities; humanitarian and social activities; giving scholarships to the pupils from the disadvantaged families; donations; international projects.

Impact of the CSR activities

The CSR activities place the company in a leading position, having the following benefits: financial, social etc. by identifying new business opportunities in the company's field, such as: better reputation and consolidation of the brand, promoting the company's valuable employees and the recognizing as a reliable partner. Also, it creates an environment that may gain the support of the community and the public approval.

The social responsible investments mean the company's commitment towards a continuous development, the involvement of the employees in the community's development, in order to improve the life conditions, creating a balance between the environment, community and economic performance.

Future issues

The company plans to continue its involvement in the projects in which SIVECO has been involved in the previously years in educational, social, cultural and humanitarian fields and the investments in R&D projects for a continuous development of the society.

Also, SIVECO wants to involve in the promotion of the business ethics and other important society values, to continue the CSR international projects within the field and to promote, in cooperation with the international associations that the company is part of, a transparent and responsible society and economy.

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13. Tuborg Romania (URBB)

About Tuborg Romania (URBB)

Tuborg Romania (United Romanian Breweries Bereprod) is part of the group Carlsberg Breweries A/S. The company began production and supply in Romania in 1997.

The philosophy of the company:

“We consider that it is our duty to permanently support the community, especially when they need us. The values of our company are adapted to community where we live. Our main principle is respect for quality. In this way we manage to close with our consumers and community, creating a relation based on mutual respect.”

Policy in the field of CSR:

An important objective of the company is to give back to the community at least a part of the support and respect proved by the consumers. Some main directions regarding CSR are supporting a clean environment and a better way of living for community members. Starting with 2003 Tuborg launched the programme “Together towards people”.

14. UniCredit Romania

About UniCredit Romania:

UniCredit Romania is a commercial bank with foreign participation, operating on the Romanian market since 1997.

The philosophy of the company:

“We want to be considered as strong and innovative, which can bring the best opportunities in support of local community development. We are an active corporation with civic spirit. The group promotes sustainable economic development and social responsibility.

Policy in the field of CSR:

UniCredit actively supports programmes of social responsibility, mainly through the foundation Unidea, in the sectors as health, education and environment.

