
WHAT DO MANAGERS SAY ABOUT CSR? A QUALITATIVE APPROACH

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Abstract

Corporate social responsibility (CSR) is a largely debated, yet often contradictory concept. Important developments in the area of engagement of firms in socially responsible behaviors are driven from practitioners themselves. There are several international organizations promoting CSR standards and good practice models. Consequently some definitions and theories are based on practitioners' opinions. Romanian analyses are limited in providing narratives of managers regarding social responsibility of the firms coordinated by them. In this paper we investigate social responsibility contributions of small and medium enterprises (SME) in Bihor County, Romania. Previous research proved that the intensity of social involvement is explained by a proactive attitude of managers of SMEs towards the role of business sector in providing welfare. We explored further the motivations and attitudes of managers of socially active SMEs in order to provide an in-depth perspective of their profile. For this aim qualitative methods were used, the authors of this paper conducted 10 face-to-face interviews with an average duration of half an hour. Through these 10 interviews we have identified three motivational profiles of managers engaged in CSR: feeling of duty, pragmatic and opportunistic. Such research fills in the gap regarding CSR at the level of SMEs, a level that brings new insight in the understanding of the mechanisms that trigger such behavior. Future research should extend such qualitative approach and integrate more input from different economic sectors and firms of different sizes.

Keywords

CSR, SME, managers, interviews.

JEL Classification

M14

Introduction

Social responsibility of companies, large, medium or small, is a important topic for both practitioners and academics. Even considering the critics of this dimension of actions for firms as fashionable, it is hard to dismiss it entirely. Social pressures from professional organizations, along with the media coverage of "socially involved" companies, increased the awareness regarding CSR (corporate social responsibility) for all firms.

In Romania, as previous studies have showed, social involvement of enterprises was rather imported through multinational companies (Baleanu, 2011; Ilies, 2011). Nonetheless, mimetic or not, the phenomenon grew along with academics attention to it. Bottom-up approaches are still rare, at least as it is reflected in Romanian literature on the topic, and this is a gap we would like to fill with this and consequent research.

It is beyond the scope of this paper to argue for or against CSR in general or specifically in SMEs in Romania. We base our investigation on the premise that SMEs undertake social responsibility actions (Saveanu et al., 2014) and there is a high impact of the understanding of managers regarding the role of businesses in providing social welfare on the propensity of these actions (Saveanu et al., 2019). Starting with this, and based on the literature regarding motivations for CSR, we investigate the motives along with the outcomes (type of actions organized).

Theoretical overview

Corporate social responsibility (CSR) is still an area of study and practice where despite the extensiveness of approaches there is a lot of confusion (McWilliams & Siegel, 2011; Garriga & Melé, 2004). Starting with Carrol (1979), yet not ignoring previous argues for CSR, scholars have focused on: what constitutes CSR, action or strategic approaches of it, why (if at all) companies should be involved in CSR, how CSR can be explained given the diverse forms it can take. More, studies on CSR reflected at different levels: multinational corporations, large enterprises, SMEs, national or international, organizational, link with sources of legitimization of the concept. Extensive literature is also devoted to the limits of CSR in general or some levels.

In our study we acknowledge that this diversity of approaches of CSR concept is also due to its different theoretical paradigms (fig. no. 1). As we show in the following figure, we consider that CSR has developed based on, and in some cases overgrew, distinct approached: business ethics, stakeholder management and sustainable development. There are many overlaps between these approached and consequently aspects such as motivations are common for all. However some misunderstandings and critiques may derive from these overlaps.

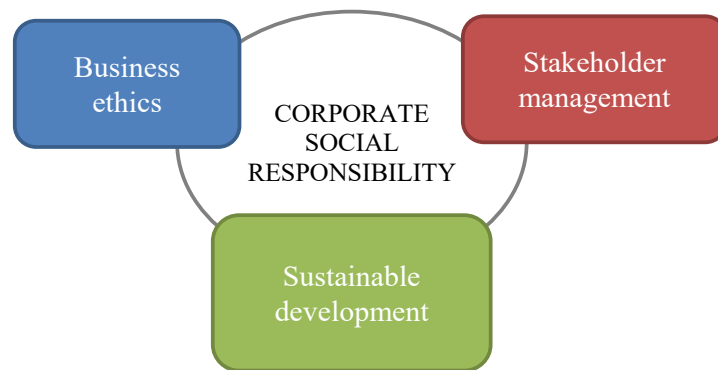


Fig. no. 1. Theoretical approaches to CSR

Source: own contribution

In this paper we will try to focus solely to the motivational level, mostly at the reason for some companies decide to get involved in CSR.

Aguinis and Glavas (2012) systematized theories on CSR by grouping existing studies on four dimensions: predictors, results, mediators (variables explaining the processes and mechanisms that explain why CSR initiatives are related to certain effects), but also moderators (the conditions under which initiatives CSRs produce some results). All of these are pursued in a multi-level manner a previous gap of analyses in this area. The authors define CSR as “context-specific organizational actions and policies that take into account stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance” (Aguinis & Glavas, 2012: 933). Although authors refer to organizations'

actions and policies, these are influenced by actors at all levels of analysis (institutional, organizational, and individual). At the individual level, there are the fewest studies, these coming from the micro field of organizational behavioral studies, human resources, industrial and organizational psychology. Individual *predictors* include the commitment of supervisors, their personal values and the congruence between personal values and behavior, awareness of CSR principles, training in the field and participation in conferences on CSR topics, their psychological needs of employees. The *results* observed include, above all, increasing identification with the organization, employee commitment and retention, organizational civic behavior, performance, creative involvement, better employee relations. The *mediators* of this relationship are the managers' accentuation of CSR issues, organizational identity and organizational pride. The main *moderator* effect is given by supervisors.

The importance of the managers' attitudes and motivations was proven also on Romanian data. Along with the age and size of the enterprise (Badulescu et al., 2018), the attitudes of managers have a decisive role in the amplitude of CSR actions at the level of SMEs (Saveanu et al., 2019). Consequently we will focus in this paper on motivations and attitudes of managers, both as an overview of literature on this topic and as qualitative study results and discussion.

Motivations for CSR

Numerous studies emphasize the role of managers in social involvement decisions (Hemingway & Maclagan, 2004, Du et al., 2013). This effect can be mediated through organizational culture (Übius & Alas, 2009; Baumgartner, 2009). Different motivations to engage in social action are found at several social levels, including the incentive for governments to stimulate such initiatives. These motives are systematized by Aguilera et al. (2007) by their type: instrumental, relational and moral

These authors (Aguilera et al., 2007) focus on the motivations and interests for CSR at the levels of employees, managers, as well as national and transnational, highlighting the pressures at every level that have a role in CSR and the success of these initiatives. The authors reveal on each level the instrumental, relational and moral motivations. The conclusions of this theoretical approach are formulated in the form of sentences to be tested in subsequent empirical approaches. They present the analyzes at each level as follows: (P1) The need for control, membership and a significant existence of employees will cause them to put pressure on firms to engage in social change through CSR. (P2) Different internal and external actors of organizations, shareholder interests, interests of stakeholders and stewardship interests determine firms to engage in social change through CSR. A top-down hierarchy of the motivation of the organization's internal actors will lead to stronger pressure on the firm to engage in social change through CSR. A bottom-up hierarchy of the motivation of the external actors of the organization will lead to stronger pressure on the firm to engage in social change through CSR. (P3) Government interests to create a competitive business environment, promoting social cohesion and sustaining collective responsibility for the good of society, will lead to companies being encouraged to engage in social change through CSR. The need for power, collaboration and altruism of NGOs will make them to put pressure on firms to engage in social change through CSR. The interests of international governmental organizations (IGOs) to promote competition and collective responsibility will have the same consequence. The existence of multiplicative relations between motivations among transnational actors will lead to more pressure on firms to engage in social change through CSR, depending on the density and intensity of positive actions of NGOs, IGOs and intergovernmental actors.

Although the systematization of motivations is in itself valuable, it should be noted that for some levels the work generalizes some premises in other contexts (for example moral

motivations at the level of governments, although it is the pressure exerted by them through the interests that has them). Moreover, the authors do not address the issue of the difference between attitudes and behaviors of employees or clients that is one of the main limits of studies in this field - it maintains a relative equivalence between the two, although a customer's CSR attitude is not a an indicator of behavior that penalizes socially irresponsible firms or that prefers socially responsible firms.

It is also considered that the role of managers' personal values, especially those at the organizational level, have an important influence on the social commitment of the companies they manage (Hemingway & Maclagan, 2004). Freedom of action, especially entrepreneurship, moderates the impact that these values have on their involvement in CSR. The same argument is filled empirically with the idea that both values and social actions must come in addition to economic ones (Joyner & Payne, 2002). Managers surveyed in this study report better results of social actions where these actions were a continuation of economic activity of the firms.

Methodological framework

In this paper we present the results of an investigation regarding the motivations and attitude of managers of socially active companies. This analysis was constructed opportunistically; we have conducted semi-structured interviews with ten managers with whom we have previous collaborations and had knowledge of their social involvement. We have interviewed 4 female and 6 male managers of small enterprises (between 1 and 49 employees; the average of 15 employees), all aged between 30 and 45 years old. They all graduated higher education, in the field of their activity or business. All of them are with the business from the beginning, eight of them being founders of the enterprise.

Nonetheless for our aim of understanding the motives of their participation we consider that sampling is not a requirement. We acknowledge that the profiles that could be developed based on these discussions may not be exhaustive; other motivational types may be drawn. More, we cannot state how many Romanian socially active SMEs managers' fall into each profile, nor which profile is better in terms of the efficiency of the CSR activities undertaken. These limits should be considered guidelines for future studies in this field.

Discussion

As our previous work shows, in explaining CSR at SME level there is a high incidence of a proactive attitude of the managers and owners of these firms (Saveanu et al., 2019).

First, we have the profile of managers who are involved as they consider it is their duty. One of the female respondents of our interview declared she acknowledges the help she received as a student and then when she started her business and she feels that she "can and she should give the same help to someone else" (*female, 41*). Consequently the CSR activities provided by her firm is mainly educational, providing internship opportunities for students, scholarships, free training and so on. The same idea could be drawn also from other four interviewers, two male and two female, having in common the thought that they ought to give back to the community some form of support as they feel they got in their youth or at the beginning of professional activity.

Some of them, being part of a network of socially involved companies, they also give support to charities, and however the motivation also falls under the form of duty: "we must help when we can. We support projects of marginalized groups, especially children for whom this help can be decisive towards a normal life path" (*male, 36*).

In this group one of the male respondents raised also the problem of power: we should help because we can. "Things go badly in so many directions ... so I think we need to contribute in doing things better because we can do so" (*female, 41*). Managing a firm is often accompanied by empowerment which can further be employed in other areas of their life.

Second, there are managers whose involvement is more pragmatic, they see it as an opportunity to create and maintain social relations. This is not to say that they seek immediate returns on their business, however they declare that “we help where we can, because we can and this also allows us to maintain some relations with firms and institutions we can make business with. It’s a way of showing them what we do and who we are” (*male, 43*).

Two of our respondents, both male, fall under this motivational type. One of them is almost always present to events where his firm offered sponsorships provide him with a context of gaining social capital (as defined by Portes, 1998). The second respondent in this regard was even more direct, mentioning “networking is one of the reasons we got involved in these activities in the first place. We acknowledge we can be of help to different groups and continued to get involved in social events in our region” (*male, 41*). We define this motivation related to social capital building as they seek not only to know more potential business partners, but also to show who they are and build relations based on mutual trust and face to face interactions. It is argued in the literature that bridging social capital can contribute to economic development (Ostrom & Ahn, 2001) but it also can have direct benefits in the business sector (Lin, 2008).

Least, we could identify the opportunistic CSR manager. These are the managers that reply to requests of sponsorship came mainly from people they know and seek no direct benefits from this involvement. In this case the image of the company is scarcely involved, it is more related to the individual prestige of the manager “I help my friends when I can” (*male, 39*). It’s however not a duty but the desire to get involved and it’s a proximity related help. More, in this case one of the three managers in the group declared he avoids giving help to charities and that he chooses more concrete lines of action. The other two gave money also to charities, one to a monastery for its charities, one “to whom requests help”.

The investigation of these profiles should be further developed. First we will continue to organize discussions regarding both the motivations and the profile of social actions undertaken by these managers, until the profiles obtained are redundant. The analysis may be continued by a quantitative study in order to see how many managers can be found in each category. Also it is important to compare the motivation of managers who get involved and those that do not.

Conclusions

In this paper we have investigated social responsibility, as part of sustainable development contributions of small and medium enterprises (SME) in Bihor County, Romania. We have based our analysis on the premise that the intensity of social involvement is explained by a proactive attitude of managers of SMEs towards the role of business sector in providing welfare (Saveanu et al., 2019). Regarding the personal motivations of such involvement, through 10 interviews we have identified three motivational profiles of managers engaged in CSR: feeling of duty, pragmatic and opportunistic.

Such research fills in the gap regarding CSR at the level of SMEs, a level that could bring new insight in the understanding of the mechanisms that trigger such behavior of companies. More, comparing data from different levels of analysis we bring closer differing theories regarding this phenomenon.

Future research should first test these findings on representative samples of SMEs and should continue discussions with managers of socially involved firms regarding the forms, motivations and outcomes of their involvement.

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