

## **Social Responsibility: a new target for companies – concepts, difficulties and opportunities**

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This work, at first, aims at identifying unanswered questions and unclear points in a particularly new and increasingly important subject: Corporate Social Responsibility (CSR). As time passes, Quality and Environment, through the union of companies, governments and society, have underlined their importance over the business way of thinking. However, although CSR is a forthcoming theme, it still needs further solid practices like, for instance, well-defined boundaries on which are companies' responsibilities and which ones are Governments attributions within a CSR perspective. As the transforming industry branch is in fact one of the biggest, but also one of the most potentially harmful for environment and society, as well as the natural chemical engineering work field, our research environment will be composed by companies from this field. The posture, the goals, the purpose of the projects created and maintained by them were evaluated in parallel with standards like SA 8000, AA 1000 and NBR 16001 and with the available references, with the objective of finding a common path for other companies from the transforming industry branch, or maybe from other fields, to follow and achieve success on incorporating CSR in their activities. This research has, as a final goal, the development of an analytical overview, which has evaluated the enterprises viewpoints through the observation of their employees, reaching a broad view, focused on Rio de Janeiro State situation, of what can be understood, demanded and performed inside Corporate Social Responsibility reality. It was concluded that the CSR can permeate managerial structure of a company, when applied with target, focus, well-structured policies and dissemination, and due to that, can be perceived by their staff. The organizational structure applied by all studied companies was similar and the CSR was incorporated in matrix form with the other themes. As a recommendation, it can be said that companies must make more investments in external dissemination of their programs of CSR, as shown by its employees through interviews and questionnaires.

### **1. Introduction**

Quality and Environment had to face harsh struggles and a lot of criticism within the corporate world, as a means to achieve the well-deserved outstanding position among

many good practices and ideas of production, negotiation and relationship with clients, society, government and other groups of interest. Likewise, Corporate or Enterprise Social Responsibility (CSR and ESR, respectively) is trying to get their place under the sun despite of many difficulties and criticism.

Many of the referred criticism are on the term “Social” which comes together with “Responsibility”, as far as many corporations understand that their goals are to make huge profit and to value stocks. Those companies are based on principles such as “the social responsibility of a company is to raise its profit.” (Lodi, 2000), or “the profit maximization is the only moral pattern that the heads of a company are concerned about.” (Lodi, 2000).

There have been many intellectual discussions over the theory of CSR, with the clear focus to state a broad and worldwide accepted concept. Nevertheless, as it is highlighted in Holme and Watts (2000) each country or region of the world lives in a unique social, cultural and, even, political core. This fact conveys a different perception of what CSR means and how corporations could and should act towards society.

The Social Responsibility issue goes through every aspect of the relationship of a company, in sum, we could ask: Up to what extension is the area of performance or, in a larger scale, responsibility of a company? Undoubtedly, the answer, on the terms of a corporate jargon, will be: its responsibility is related to all stakeholders. If it is true, then, we have to include since the complete obedience of the Legislation (Tax, Labour, Environmental and so on) up to the pursuit of excellence, or, in a minor scale, improvements of their costumer, suppliers and social services, and by this, there will be understood the Social Responsibility of the company.

## **2. Paper objectives**

To map some corporations of the transforming industry branch, more specifically from Rio de Janeiro State, in relation to practices and comprehension of the Corporate Social Responsibility, as well as CSR policy of the selected companies and the way they include CSR to their previous management system.

The final objective of this overview is to clarify CSR issue, to state a CSR definition based on the transforming industry branch practices, to present examples of CSR projects and inclusion to the management system of the analyzed companies.

## **3. Methodology**

### **3.1 The research draft**

At first, we have searched for everything that could serve as a basis or sources for this paper, such as: Laws, Standards, Institutions, and recommendations, from both national and international levels. Thus, we have: Legislação Trabalhista (Labour Law), SA 8000, NBR 16001, AA 1000, Instituto Ethos de Empresas e Responsabilidade Social, Associação Brasileira de Normas Técnicas, International Organization for Standardization among others. As a second step, it has been considered which transforming industry branch companies would be good to fit the purposes of this paper, or, in another words, which ones had effectively propositions and projects for CSR field and, by this, would provide a basis to the accomplishment of the present research.

### **3.2 Choice of the companies**

The companies that were chosen to be studied have obeyed to some criteria, such as the following ones: to have as a main productive activity a process from the transforming branch, to be representative within the specific productive field, to have a developed document system, to have a Quality and a Environment certificate (ISO 9001 and ISO 14001, respectively), to have a integration policy of Social Responsibility, to have some kind of project or activity on CSR field and to be located at Rio de Janeiro state area, which are the boundaries of this research. Those criteria look forward to contextualize and facilitate at most this research effort.

### **3.3 Data collection**

At a first step we interviewed important individuals from the corporation, meaning that, the people that made part of different management levels of the company: managers, CEOs, and productive workers. Those interviews were structured on the following topics: the corporate culture that different corporations convey to the individuals about CSR, the personal commitment, and the personal comprehension of the issue, bringing this way qualitative data into our research. At the same time, we hand out to all employees that had volunteered to participate in our survey the questionnaires formed by objective questions about the topic that was meant to bring some quantitative data into our research.

## **4. Results and Discussion**

With the analysis of the referred survey we verified that the majority of the people interviewed think that their company is socially responsible and they are aware of the programs of Social Responsibility (SR) existent in their companies. Furthermore, they think that SR changes their company image to different observers and they agree that, consequently, actions related to the SR field are important to the corporation. An important aspect that was observed at the survey was the general comprehension about the interaction between the environmental issues and the perception that the interference of the company towards society brings benefits to the company.

Analyzing the answers presented by the people interviewed from the three companies we can observe a strong feeling of connection between company and community, the process of the qualification of individuals and the resultant decreasing of the social distance between the society members and that the concepts of Social Responsibility and Sustainability are very attached to each other. The participation of the State is clear as a mediator of the process of transference of resources between corporations and society.

It can be verified that projects have as a focus the social development of the surrounding areas and the improvement of the education of employees and community, tanking into account a tendency of a mingle among Social Responsibility, Environment and Quality. Something that we can point out about the educational scope is that it appears to be strongly attached to the idea that education is a tool for progress which is able to promote both a company and society into a scenario of mutual development. And this indicates that Social Responsibility can be a tool able to lead companies to achieve Sustainability.

The presented topics suggest that the corporations can invest more in publicizing their social activities, being those internal or external, and, by this, make the employees to observe clearly the profits and the projection that the company can achieve when it gets involved into social activities. We can also observe the demand for a greater involvement of State by means of partnership, as well as the need to provide a greater visibility to the commitment of the managerial board with the union of the corporation. Besides that, there is a demand for creation of new educational projects and the expansion of the number of people covered. And this shows good results and it meets with people's approval of the projects analyzed.

Table 1 shows, from the whole companies analyzed, the percentage of people interviewed for some of the questions from the closed questionnaires concerning the chosen answers.

From this survey we verified that all companies analyzed had incorporated in their strategic views the Sustainability issue, and have been using the Social Responsibility as a tool. This is another fact which corroborates the idea that Social Responsibility is a tool able to lead companies, as a whole, to achieve Sustainability.

All companies analyzed in this research presented a Social Responsibility policy clearly defined with the following content: concepts, objectives, scope, and a target public.

There was in all companies integration, under a matrix form, between the Social Responsibility issue and the existent management system. So, there were committees and departments responsible for specific functions connected to Social Responsibility activities which have communication with the other departments in a collaborative way. In sum, this points out that Social Responsibility issue can be integrated to the management system of a company and form a larger Integrated Management System in a very efficient manner.

*Table 1 Answers to the questions selected from the closed questionnaire (the percentage on the three columns are related to the answers between brackets)*

Questions	Corporation		
	A	B	C
Do you think that the company is socially responsible? [Yes]	91,7%	98,3%	97,5%
Do you know the Social Responsibility programs of the company? [Yes]	87,5%	86,1%	90,1%
How do you think the commitment of the company to Social Responsibility changes its image to clients, shareholders and society? [Improves a lot]	79,2%	85,2%	86,8%
What is the importance of SR for the company? [Great]	66,7%	87,0%	87,6%
What is the importance of Environment for the company? [Great]	79,2%	97,4%	95,0%
What is the importance of Quality for the company? [Great]	91,7%	95,7%	98,3%
Do you observe any benefits from Social Responsibility programs of the company? [Yes]	83,3%	80,0%	85,1%
You think that the relationship between company and society should be: [Closer]	70,8%	63,5%	76,9%

## 5. Conclusion

The Social Responsibility has been connected to Sustainability issue in all companies analyzed. In one case, there was a different scope from other companies, however, it was still verified the interpenetration of topics, which validates the idea that Social Responsibility is a tool able to lead companies in achieving Sustainability.

There is no uniform definition of which should be the meaning of the concept of Social Responsibility. Taking into consideration all of our research we can propose the following definition: it is all actions of a corporation that intend to develop the people from a particular region and its employees, voluntarily or on a partnership, with an emphasis in education, culture and sports. Therefore, as a way to the projects achieve their educational goals, the company uses welfare practices as long as they need to maintain the number of people benefitted by the projects. This definition seeks to condense the cultural and educational concepts, sometimes integrated to sports as a means to attract more people to the social projects, which are offered by all the companies analyzed.

Still in relation to the Social Responsibility definition, we have that the welfare practices should be used exclusively to give a support to the benefitted by the projects, and due to this, they are able to take part in the educational activities as, for example, a snack during the classes or lunch after training to be fed, once they have no money to feed themselves at home. Welfare practices by themselves are not to be considered Social Responsibility, because they do not prepare individuals to be independent and they have a conceptual flaw in achieving Sustainability of both the company and society.

The definition of Social Responsibility embeds a voluntary character which seek to prevent against activities that are considered to be just obedience to the Law, and this kind of obedience is not taking a responsibility but, indeed, fulfill a social duty. This could be observed in all projects exerted by the companies, because all had a voluntary character. All the social projects that were practiced by companies were a result of a close investigation into communities and employees searching for demands from these groups. Another very important fact is partnerships, because companies do not have as an ultimate goal the social projects. Therefore, it is quicker and more productive to be associated to non-governmental organizations, Universities, professional schools and, even, to the State itself when those partners concentrate expertise and experience on the target area of social projects of a company. This reduces, as seen based on the projects exerted by companies the implantation time and raises the chances of the projects being successful.

As it was verified through suggestions given by employees from the companies, the issue of Social Responsibility, possibly because it has a more specific social approach than the other topics (Environment and Quality), has a need to be publicized internally and externally. This is due to, probably, as the results of social projects give a positive return, generally, for the public image of the company and for society, and not specifically for its products, there is a certain lack of recognition to the work with a social program.

Finally, still following the path of acknowledgements by taking part in Social Responsibility, there is the issue of standardization. Among the positive aspects there

would be the uniformization of the concept of Social Responsibility, an international dissemination of the issue and, as a consequence, a raise on the pursuit for Social Responsibility by companies worldwide.

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