BUSINESS COMMUNICATION IN THE CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY

GABRIELA DUMBRAVĂ *

ABSTRACT*: The paper analyzes business communication from the perspective of social responsibility, which has become a determining factor in designing and managing businesses in the contemporary society, increasingly preoccupied with ethical issues. Thus, the study attempts to point out the changes in the communication strategies called for by the paradigm shift in the global economic behavior from purely economic, short-term interests to long-term benefits that fall under the larger concept of sustainability. Finally, the paper points out the benefits of the CSR-based business policy, as well as the major pitfalls related with its implementation.*

KEY – WORDS: *business communication, corporate social responsibility, ethics, sustainability, marketing strategy*

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1. THE CONCEPT OF CSR. DEFINITION AND HISTORICAL EVOLUTION

The concept of Corporate Social Responsibility (CSR) dates back to the beginning of the twenty-first century, when it was generated by "the paradigm shift from economic interests to sustainability with the purpose of maintaining a balanced relationship with the natural environment" (Latapi Agudelo, et al., 2019).

Although the concept as such is relatively new, literature dedicated to this topic shows that preoccupations for social responsibility have existed since the Roman Empire, to surge beginning with the seventeenth century under the form of state welfare establishments financed by the state (asylums, homes for the poor and old, hospitals and orphanages) and education institutions. Scholars in the field are of the opinion that these institutions can be considered rudimentary corporations, "stemmed from the awareness of their double importance as motor of a society's development barometer of its level of civilization" (Latapi Agudelo, et al., 2019).

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* *Associate Professor, Ph.D., The University of Petroşani, Romania,* *gbrldumbrava@yaoo.com*

In the eighteenth and nineteenth centuries, the Christian religious doctrine, as well as the idealistic and humanistic philosophical trends boost the preoccupation for the social welfare of the masses, leading to the development of more complex schemes meant to ensure access to medical assistance and education. These welfare schemes are further developed at the beginning of the twentieth century, when companies in Western Europe and the USA display increasing 'social sensitivity' towards their employees, which manifests itself under the form of policies meant to improve their quality of life. (Latapi Agudelo, et al., 2019).

Finally, besides the issues of adapting to the market economy, the steady expansion of industrialization and urbanization brought about new civic concerns, such as ensuring better working conditions and the preservation of the system of values. (Latapi Agudelo, et al., 2019).

The concept of social responsibility as we know it today stems from the anthropological perspective on the individual-society relation that predominated the 1990s. This approach starts from the premise that there is a profound connection between the economic, social and cultural aspects of human life, which allows an analysis of the cause-and-effect relations between them. Moreover, this perspective on the complex relationship between the individual and the society they live in is officially validated by a 1995 UNESCO document, which points out that culture includes, alongside with the material, spiritual and emotional features thar keep communities together, "the modes of life, the fundamental rights of the human being, value systems, traditions and beliefs" (UNESCO, 1996, p. 22).

Hence, the idea that the efficient and harmonious existence of a society is determined by the balance between the material and the spiritual values, which laid the foundations for the concept of sustainability. One of the first theorists of the concept was Australian cultural analyst Jon Hawkes, who developed the so-called 'four – pillar model of sustainability'. In his 2001 book, entitled *The Fourth Pillar of Sustainability: Culture's Essential Role in Public Planning*, Hawkes identifies the motor of sustainable development with the equilibrium between four interdependent variables: cultural, social, environmental, and economic conditions. His major argument is that, since any human action is culturally determined, the first variable is of crucial importance in order to preserve the balance between the other three and ensure long-term progress in any society. Therefore, a sustainable society is driven by the culture of continuity, in which what we leave behind is at least as important as what we have at present. Based on the awareness that resources are not inexhaustible and they should be used as responsibly and safely as possible, the horizon expands beyond short-term profit into long-term development and preservation. Ultimately, sustainable development involves accommodating the individuals' present needs in parallel with allowing them to establish harmonious relations with their living space, their fellows (be they contemporaries or descendants) and themselves.

At the turn of the twenty-first century, in the alarming context of dramatic climate changes brought about by pollution and reckless exploitation of natural resources, the concept of social responsibility gained unprecedented importance in governmental policies all over the world, in an attempt to restore the balance between economic development and resource preservation. Consequently, the economic

activities began to be analyzed not only from the point of view of their immediate economic efficiency, but also, and often more importantly, from the perspective of the impact on the environment. The paradigm shift from short-term profit to long-term preservation generated a more profound analysis of economic projects, paying attention to ethical issues related with "the benefit of the community that will inherit the world the individual leaves behind" (Jensen, 2006).

2. CORPORATE SOCIAL RESPONSIBILITY AS A BUSINESS MODEL IN GLOBAL ECONOMY

In the context of contemporary global economy, the sharing of natural, technological and human resources, as well as of markets, naturally led to the necessity of sharing responsibility towards the society and the environment. Therefore, corporate social responsibility has become a universally adopted business model, by virtue of which a company's business success is assessed not only on grounds of its financial profit, but also by considering its social accountability policies, which should have in view the economic, social, and environmental impact of its operation both at present, and in the immediate future.

Moreover, in the past decade, businesses of all sizes have taken CSR model to the next level by including it in their branding strategies focused on the promotion of business projects meant not only to minimize their impact, but also to improve the life of the communities and the environment they operate in.

2.1. Types of corporate social responsibility

According to the issues considered, specialists in the field (Hawkes, 2001) divide corporate social responsibility into four categories, namely:

1. **Environmental responsibility**. This category refers to the optimization of business operations in order to minimize the impact on natural resources. This kind of optimal management is called 'environmental stewardship' and it includes:
    - Reducing pollution, waste, and natural resource consumption;
    - Reducing emissions during the manufacturing process;
    - Recycling goods and materials throughout all processes;
    - Promoting re-use practices with customers;
    - Replenishing natural resources or supporting causes that can help neutralize the company's impact;
    - Choosing methods of goods distribution that have the least impact on emissions and pollution;
    - Replacing old product lines with new, less polluting ones.
2. **Ethical responsibility**. As its name suggests, this type of responsibility is part of the set of norms and principles that regulate business conduct and relations, known as business ethics. Scholars of business ethics are of the opinion that ethical responsibility includes:

- Fair treatment across all types of customers regardless of age, race, culture, or sexual orientation;
- Positive treatment of all employees including favorable pay and benefits;
- Fair employment consideration for all individuals regardless of personal differences;
- Expansion of vendor use to utilize different suppliers of different races, genders, veteran statuses, or economic statuses;
- Honest disclosure of operating concerns to investors and stakeholders in a timely and respectful manner.

3. **Philanthropic responsibility** is the component of CSR that refers to the way in which a company spends its resources to make a contribution to society by:
   - donating profit to charities or causes it believes in;
   - entering into transactions only with suppliers or vendors that align with the company philanthropically;
   - supporting employee philanthropic endeavors through time off or matching contributions;
   - sponsoring fundraising events or being involved in the community.

4. **Financial responsibility** is the component of corporate social responsibility that underlies the other three, in terms of the financial investments necessary to support the projects involved. This includes spending on:
   - Research and development for new products that encourage sustainability;
   - Recruiting a diverse workforce;
   - Training employees in order to enhance their social and environmental awareness (Fernando, 2021).

2.2. Benefits of Corporate Social Responsibility

As it follows from the above, Corporate Social Responsibility is a self-regulating business model whose components make it equally beneficial for companies and the communities they operate in. By embracing the major directions of social accountability, a company makes a positive impact on the society and the environment and, at the same time, pursues branding goals that will ensure its development and success in the long run. Marketing expert Nadia Reckmann considers that a socially responsible company will include in its mission the following objectives, meant to strengthen its relationship with the community, the employees and the business partners:

- being environmentally friendly;
- promoting equality, inclusion and diversity in the workplace; promoting equality, diversity, and inclusion in the workplace;
- treating employees with respect;
- giving back to the community;
- ensuring business decisions are ethical (Reckmann, 2021).

Although the process of building company culture around this system of values and establishing economic goals in compliance with it is time consuming and requires financial investments in management and employee training, as well as in specialized expertise and assistance, every effort is justified by the following long-term benefits:

1. **Brand recognition**. Literature dealing with the topic of CSR presents it as a powerful marketing tool, capable of creating a positive image among investors, consumers, and even employees. The awareness of the immediate benefits of a socially conscious approach to business made the CSR model very popular not only among big companies, but also among mid-size and small ones. A relevant example in this sense is that of a fashion brand based in New Orleans and constructed around the concepts of fair trade, ethical production and heritage preservation. Thus, the statement on the opening website page of the company points out that "from the way we design to the way we create each fair-trade collection, sustainability is at the core of every aspect of our business" (https://passionlilie.com/pages/about-us).

Consequently, a substantial part of the website is dedicated to building the image of the company around three objectives, namely:

- Honesty, which means developing business relations based on transparency respect, and the awareness that "our actions directly impact the world we strive to create." (https://passionlilie.com/pages/about-us);
- Thoughtfulness towards biodiversity and community health by using organic fibers and non-toxic dyes, as well as creating a supply local chain in order to reduce carbon footprint;
- Fairness in relation with the local artisans involved in the production process by ensuring equitable wages, a healthy work environment and opportunities for community development.

Accompanied by suggestive imagery, this message conveys a powerful image of a socially conscious company, making a substantial contribution to promotion of the brand. This happens because, as literature in the field points out, consumer psychology has also undergone a paradigm shift over the past decades, from the exclusive interest in product quality to the increasing attention paid to related environmental issues. In other words, in the contemporary economy, where customers display an ever-stronger tendency to make purchase decisions by taking into consideration the social accountability aspect, a company's success is largely determined by its capacity to adopt and promote a CSR. business model. In this sense, Nadia Reckmann quotes the findings of the Kantar Purpose 2020 study that demonstrate the direct correlation between perceived positive impact and brand value growth. Thus, "companies that the public considers highly impactful demonstrated a brand value growth of 175% over 12 years, while businesses with a low positive impact showed only 70% growth" (https://www.businessnewsdaily.com/4679-corporate-social-responsibility.html).

2. **Increased employee retention**. The benefits of CRS company policies prove to be not only external, in terms of creating a positive image meant to attract investors and consumers, but also internal, on the level of attraction and retention. As recent studies have shown, the social responsibility of the company increases personnel satisfaction and commitment.

This is accounted for by two main phenomena, both underlain by the major cultural paradigm shifts over the past three decades (in the so-called Generation Y/Millennials and Generation Z). The first is the one pointed out by Susan Cooney, head of global diversity and inclusion at Symantec, namely that "the next generation of employees is seeking out employers that are focused on the triple bottom line: people, planet and revenue." (https://www.businessnewsdaily.com/4679-corporate-social-responsibility.html) The second is revealed by Deloitte's 2021 Millennial and Gen Z Survey, which shows that an estimated 44% of Millennials and 49% of the Gen Z representatives base their job choice primarily on such criteria as culture, diversity, and high impact. Moreover, Deloitte's 2020 Global Marketing Trends Report shows socially accountable companies are likely to retain work force up to 40% more than the others by offering a "sense of purpose and meaning in their work" (https://www.businessnewsdaily.com/4679-corporate-social-responsibility.html).

3. Increased appeal to investors. The CSR business model is equally appealing to investors and business partners by inducing the sense of safety, continuity, and long-term involvement. The clear statement of social and environmental policies is essential in conveying the image of a reliable, socially committed company and, consequently, in enhancing its general public perception. On the other hand, a well-defined mission, clearly stated objectives and transparent policies and strategies will support investors in identifying common beliefs and goals and, eliciting positive responses.

3. CSR BETWEEN REALITY AND COMMUNICATION STRATEGY

As it follows from the above, Corporate Social Responsibility is a major branding tool in contemporary economy, operating as a set of self-imposed principles and objectives meant to support such goals as reducing carbon footprint and energy consumption, responsible consumption of natural resources, wildlife conservation, supporting local communities, and an ethical approach to employment and labor policies.

The concept of CSR, which challenged the long-standing supremacy of financial profit in business, was largely adopted by the twenty-first century economic environment as a promising perspective in terms of restoring the balance in its relation with the natural environment. In the context of pressing climate changes, the ever more active presence in the mass-media of non-profit organizations attributing these issues to the negative human impact, as well as increasingly environment-oriented education fostered a new predominant mentality that favors the long-term benefits of socially responsible behavior over the ones of immediate comfort.

As a result, companies were forced to match the paradigm shift in popular culture with a new PR and marketing strategies, based on new communication cues. Taking advantage of the vastness and accessibility of the virtual space, businesses of all sizes started reinventing their policies from the perspective of the 'primacy of purpose over profit' slogan. This slogan is meant to be the epitome of a company's social accountability, complying with the environmental, social and ethical in the United Nations Agenda for Sustainable Development (https://sdgs.un.org/goals).

Discussing CSR from the perspective of its underlying slogans and taking into account that most of its aspects are not easily quantifiable, it can be concluded that the concept is rather volatile, situated in the uncertain space between theory and practice and often likely to be more on the side of the former. In semantic terms, we can summarize two main definitions of the word slogan, namely:

- "a short, easily remembered phrase, especially one used to advertise an idea or a product" (https://dictionary.cambridge.org/dictionary/english/slogan) and
- "a word or phrase used to express a characteristic position or stand or a goal to be achieved" (https://www.merriam-webster.com/dictionary/slogan).

The main volatility issues related to the concept of CSR reside precisely in the connotation of 'powerful statement with high psychological impact' set forth by these definitions. Therefore, CSR is a category of advertising/marketing strategy whose declared objectives are more difficult to assess in terms of actual achievement, so that the proposed policies can very easily remain on an intentional level, with no correspondence in reality. In this sense, marketing specialists draw attention that a credible social accountability policy "requires more than just having good intentions; it requires purposeful leadership, clear goals and meaningful metrics" (Verbin, 2020, p. 67). Moreover, since investors and consumers react positively to stability and long-term commitment, using CSR only for marketing purposes and quick profit is a risky endeavor, since "it can backfire if your business doesn't follow through" (Reckmann, 2021).

On the other hand, surveys have shown that companies with a coherent CSR policy, consistent with the public's system of values tend to increase their profits in time. Relevant examples in this sense are the ones of Tesla's profitability due to its declared commitment "to accelerate the world's transition to sustainable energy" and of Nike's 31% sales growth on account of an ad featuring a controversial athlete activist (Verbin, 2020, pp. 86-87).

4. CONCLUSIONS

The concept of corporate social responsibility has gained ground in recent years, in the context of the paradigm shift in contemporary economy from the primacy of short-term financial profit to the increasing interest in the long-term benefits of socially and environmentally responsible business policies. Put into this larger perspective, a company's performance is no longer assessed only on grounds of its capacity to maximize profit, but also, and perhaps more importantly, of its commitment to making a positive impact on the communities and the natural environment in which they operate. Thus, an increasing number of companies started to rebuild their public image by promoting business policies in response to such major issues of the contemporary world such as climate change, poverty, inequality and ethical operation. Under these circumstances, social accountability becomes a powerful marketing tool, meant to enhance reputation and, implicitly, to strengthen relationships investors, customers and employees.

For a CSR-based business model to be functional and credible, it has to go beyond marketing slogans and to be integrated into corporate culture. This means that

every aspect of the company's operation is managed from this perspective, and all organizational levels are involved in decision-making and achieving the goals pertaining to it. In this sense, Ivri Verbin is of the opinion that the most efficient way to implement the CSR-based business model in a company is to create an ethical code in which the set of standards reflects the stated purpose by one of the two following ways: A closed process, in which the formulation is assigned to a specific group, often with the help of a consultant. While the closed process is more efficient.

An open process involves input from both internal and external stakeholders such as customers and suppliers. the open process leads to greater authenticity and can help kick-start the implementation of an ethical code once it's written (Verbin, 2020).

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