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Abstract

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Corporate social responsibility management in agriculture small and medium enterprises

ABSTRACT

This paper aims to challenge the major connotations of the term *social corporate responsibility*, by detaching a few of the background significance of today's tendency of "business socializing".

What is my motivation for considering this subject important?

First of all, because for Romania, social corporate responsibility is either an almost unknown subject, or it is perceived as a new way to promote multinational companies, including those that operate at a national level. As a result, due to the aboriginal enterprise's management insufficient familiarization to the subject, responsible corporate behavior is minimally adopted, as a way to avoid penalties provided by the governmental regulations (especially complying with the work and environment legislation). This state of affairs is neither singular ore specific for the romanian business environment. The awareness of the social corporate responsibility's importance is far from accomplishing its valences' potential, even in countries with economical traditions that go back a long time ago.

Secondly, this approach represents one more warning to the way of deciding today, our peers' futures. The conscience of the history of civilization has stimulated the need of all of the social actors to participate at the creation and orientation of history itself, and implicitly to the responsibilities of their own actions. The people, whose lives are affected by even one decision, want to participate in the process that leads to taking it. So, although the duty of improving the world is, and will always be a permanent challenge for the people, the consequences of our actions have an inestimable resonance for the humanities future. Ore, as K. Popper would put it, "with our language, our science and technics, we can foresee the consequences of our dreams, desires and inventions, better than plants and animals can, but of course, not much better".

This PhD thesis will try to answer a few punctual questions: Why do the businesses have to be more moral nowadays then the ones before? Why should they systematically adopt social responsible corporate behaviors? How are the values and ethically responsible corporate cultures institutionally built? How does their operationalization in the regional small and medium enterprises look like?

The answer to these questions was thought so it could offer experienced and exercised (by theoreticians institutions and social – economical entities) references in judging the suggested scenarios. However, the author admits that he wasn't equidistant and that he often pointed out the positions which penalize amoral behaviors in the business environment.

The analysis and structuration of the material is presented in seven chapters, as follows:

Chapter I – is a “Short history” in the evolution of the social corporative responsibility concept and practices. The emerge and development of business social responsibility is an extensive process, that goes hand in hand with ethics and moral values, so because of these reasons, it cannot be given a precise “birth” date. Moral responsible practices have existed since the first social communities sprung, and since the moment of the work routine formalization. The concept of corporative social responsibility is a new term in the current acceptance, generated by the evolution of the relations between governments, business environment and society, in a historically new manner. And the majority of the theoretical disciplines, and in a way or another, thinkers and practitioners from almost every knowledge domain, contributed in forming the conventional appearance in which the notion circulates today.

This chapter tries to illustrate a few of the chronological, empirical and institutionalized markers business ethics has gone through over time. From the multitude of sources, I chose thinkers, ideas and institutions that converge with our subject and on which current views concerning durable economic growth and the ethic of the organized process of work are grafted on.

Chapter II deals with the contemporary economic, political and cultural globalization process. One of the reasons for the reconsideration of the ethical way of doing business that is discussed, represents a social answer to the phenomenon of globalization. The benefits of the technological explosion and the internalization of the businesses have been followed by connected effects, with lengths that surpassed the “directors” estimations: organized crime, ecological disasters, terrorism, growth of unemployment, migration, corruption and a lot more. The businesses and their impact over societies, states and humanity in general, have become worrying subjects for the world.

The perceptions of business philosophy have become too obvious: buy raw materials where they cost least, produce where the wage costs and raw materials are the smallest and sell where you can get the biggest price. The companies' economic and political power has surpassed the possibility of being controlled by the nation states, a long time ago. And for the emerging countries, the big companies' support is indisputable, starting with technical, technological and know how transfer, and ending with the absorption of the workforce, the contribution in infrastructure development ore management modernizing.

The economic globalization is permanently consolidated, and consolidates the political and cultural globalization. The process of political globalization of the world consists in formalizing the relations and interconnections between states, on multiple levels of authority, through organizations, regional and international institutions. If the contemporary international system can be represented as a normative network that organizes and makes the worldwide political evolutions be foreseeable, in the networks' knots, the central or peripheral ones, you can find: nation – states, alliances or state, military and civil society's blocks. "The transnational agencies that have self-sovereignty", as Druker named the international institutions, are part of the "grey eminence", which guides the new worldwide architecture. They are present all over the globe, and are building, more or less manifest and insidious, history. They are the ones that impose functioning rules for markets, ways of enhancing the values of the resources, the ones that create and administrate the expansion of new technologies, regulate international relations and initiate negotiations for substantiating the new order with states and governments.

The distinction between the acculturation in the past and the modern cultural globalization, is the amplitude of homogenization and the cultural domination. Meaning that prior to that, the cultural homogenization occurred at regional scale, while now, it occurs worldwide. And the supremacy and domination in the export of actual cultural values is called "world Americanization", on different scales, through: Mickey Mouse, iMacs, McDonald's. The TIME industry (Telecommunications, Information Technology, Medias, Entertainment), tourism and travel, e/immigration, fashion, education but most of all the big transnational companies and international institutions, have compressed space and time, bringing closer or taking farther the people, or nature people.

I dedicated **Chapter III** to ethic business philosophy. Starting with the first decades of the XX-th century, the world started searching for common moral values for common global problems. The business ethics contains the ensemble of norms, behavior principles and moral value judgments, concerning the organizations and the people who form these entities. As a form of applied ethics, business ethics represents an ensemble of requests, attitudes, moral customs, and rules that guide human behavior in and between organizations. These are the reasons why business ethic has a normative content, and at the same time, as an academic discipline or philosophical theory, the business ethic has a descriptive content.

In this respect, we analyze a few of the conceptual sketches with application in the business domain, and the relation between organizational culture – moral values and principles and the way of their instrumenting, in business organizations. The methods of ethical self-regulation are illustrated, depending on the accepted international regulations, in different code types.

This chapter also addresses the issue of durable development, as a strategy for an ecological economy. The economic must be optimized with the ecological and social, this being the new world philosophy of the XXI – th century. As a result, durable development now represents an international principle setting, which refers to three major aspects: *the environment is a part of economy and vice versa; equity between generations and intergeneration equity*. In this respect, we cited global standard tendencies and their particularization through community development practices.

Another extent aspecially marked is the science-technology-sustainability report. This is why we developed the concept of „democratization of knowledge and technological development”. The authentic social dialogue and reduction of sciences’ and technologies’ self limiting space, are seen as main pillars in human progress and ecologic economy.

A particular space is assigned to social business legitimacy.

Chapter V debates upon the subject of corporative social responsibility management as a corporative strategy dimension. The term “corporative social responsibility” (CSR) relates to ethical business philosophy. Most of CSR definitions describe it as being a concept, through which companies integrate, on a voluntary basis, the concern for society and environment in current business operations and interaction with the interested groups. Corporative social responsibility is seen more as a process than as a standard. This point of view is justified by the permanent change of the enterprises’ developing environment, and consequently, by the groups’ interests, affected by its functioning. The enterprises’ social responsibility is evaluated on two axes: (i) from the view of the affected interested groups (multi - stakeholders) and (ii) from the view of the Profit, Person, Planet triad coverage. Subjects such as interested groups (stakeholders) and the organizations’ reputation, are especially promoted in this chapter.

Chapter VI addresses the small and medium enterprises thematic, and their stage of evolution in Romania. Entrepreneurship characteristics are described in both a general and a particularized context, at regional level. We debate exploitation, agro alimentary enterprise (work processes, management, potential dimensions concerning the imperatives of sector modernizing) and main principles of the agricultures’ durable development. We considered the introduction of the durable agricultural subject necessary, because it represents a political concern, at a European Community level, and a practical orientation for the consumer and other interested groups.

Chapter VII presents the theoretical personal contributions and the methodology of the sociological research and its conclusions on practices and instruments of corporative social responsibility in agro alimentary, small and medium enterprises, from North East Region. We considered that it’s important *to know what we don’t know* about how small and medium

enterprises instrument social responsible conducts. In this respect, the subject for the research was a group of 64 SMEs (275 respondents split in two samples: managers and employees from the execution domain). The final conclusion of the research underlines the fact that although SMEs don't have specific ethical infrastructures, they have conducts that can be assimilated with corporative social responsible dimension.

The whole thesis process of argumentation is documented on the idea that the world is an ample and complex system of integrated systems. The interacting with exogenous and endogenous character obliges every actor and institutional entity, to assume responsibility for the impact of consequences on the others: peers, communities and environment. On the ground of these interpretations, we considered necessary to integrate the business organization approach in the demands that the new worldwide economy philosophy expresses – world durable development.

As a final conclusion, we underline the fact that ethic business philosophy has outturned the metaphysical frame: the activation of social responsible strategies by the businesses, allows their social legitimacy, and the consolidation of their reputation, at organizational, product and services levels. The motto of corporate civism was similar to that of the Nike slogan “just do it”, for a long time. The days for “just do it” and the hope to make it, morally expired. The success in corporative citizenship demands some answers to some very important questions about *what we are doing*. In other words, globalization resized the business social permissiveness limits, and brought the fundamental Kantian questions “What can I hope for?”; “What can I do?”; “What am I permitted to do?”, back to the management “practical reason” sphere. And the answer also comes from Kant: “Act as if the peak of your action should become, through your will, nature's universal law”.

Personal contributions:

The original aspects of this thesis are diverse, but formulated in the limits of the business social responsibility subject. We will mention a few personal contributions, with great importance for the development of the actual tendencies in business ethics development.

A well – balanced point of view in synthesizing the documentary material and the modern globalization theories, multinational businesses, ethics, stakeholders, etc.

A own vision upon the business organization and its developing environment, and expressly upon stakeholders.

A personal opinion regarding the democratization of technology and knowledge.

A methodology and instruments for evaluating social responsible conducts in small and medium enterprises.

A sociological research on a less addressed topic in Romania, CSR, and on a not attractive enough subject to draw the practitioners' from the social sciences domain curiosity: small and medium enterprises, with Romanian capital, from the agro alimentary sector.

Partial and final results of the research, performed whilst elaborating the PhD, have been available through:

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publishing a number of eight scientific papers, which were presented in the context of national and international scientific manifestations, and specialized publications: 3 articles in the Annual Session of Scientific communication, at Petre Andrei University, Iasi; 2 articles in the "Tourism between regional development and global economic crisis" International Conference, at the Stefan cel Mare University, Suceava; 1 article in the Romanian Academy's Session of Communications; 1 article in the GEBA 2010 International Conference, at the Al. I. Cuza University, Iasi; 1 article under publication, in the Amfiteatru Economic Magazine.

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we had of two workshops with students from Petre Andrei University and a workshop with participants from the business environment, on the operationalization of corporative social responsibility principles in organizations topic.

The Bibliography covers classical papers, articles, studies, and sites of international organizations and institutions from abroad and in the country.

This PhD was accomplished under the guidance of university professor and Doctor Ionel Bostan, to whom I give my gratitude for his tolerance to *less ordinary*.