

SUSTAINABLE BUSINESS DEVELOPMENT - THE PERSPECTIVE OF SOCIAL RESPONSIBILITY STRATEGY

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***Abstract:** Social responsibility is considered a business culture that is based on economic and social equity, fair behavior, integrity, moral principles and investment in the community, thus ensuring the connection between the private environment and the community, as well as sustainable development. Social responsibility aims to improve the quality of life and provide numerous opportunities to community members. Social responsibility is seen as a practical, results-oriented tool that comes up with solutions and opportunities for solving problems of a social and ecological nature, through the active involvement of the private environment.*

Key words: *business, sustainability, strategy*

INTRODUCTION

Sustainable development and corporate social are closely related business concepts that have had a considerable influence on corporate management at the beginning of the 21st century. Sustainable development involves the use of efficient and environmentally effective operational practices that involve preserving the environmental resources essential to long-term success [14]. Sustainable development is primarily concerned with issues of environmental impact and economic justice, while corporate social responsibility has broader concerns such as charitable contributions and role in the community [12,16]. Sustainable development can be part of a company's social responsibility program. Social responsibility is the way in which an organization looks at the impact of its decisions and activities on society and the environment, by adopting a transparent and ethical behavior that aims at sustainable development, including the health and well-being of society, takes into account the expectations of stakeholders, is in accordance with legislation and international norms of behavior, being integrated and practiced within the organization [14,17].

Sustainable business development from the perspective of social responsibility strategy has become a global priority. Nowadays, many more companies are integrating their social responsibility practices into their business strategies. This perspective is not limited to compliance with the law, but requires an active commitment of companies in solving social and environmental problems. Over time some corporations have noticed that by adopting responsible behavior they can become more innovative, produce higher quality products, attract an increase in revenue and reduce costs by adopting smart business decisions [15]. By increasing corporate social responsibility activities, companies can promote investor interest, a fact that contributes to building a positive image of companies and implicitly to stimulating their values. In this sense, there are studies that highlight the positive impact of CSR on the performance and values of companies [8,9,13]. By implementing effective social responsibility strategies, companies can create long-term value by strengthening their reputation, attracting and retaining talent, and building lasting relationships with customers and local communities. At the same time, it contributes to a more sustainable future for the planet and society as a whole.

The purpose of the article is to present the sustainable business development from the perspective of social responsibility strategy.

MATERIALS AND METHODS

In order to highlight the social responsibility as sustainable business development strategy the methodological steps shown in figure 1 were carried out.

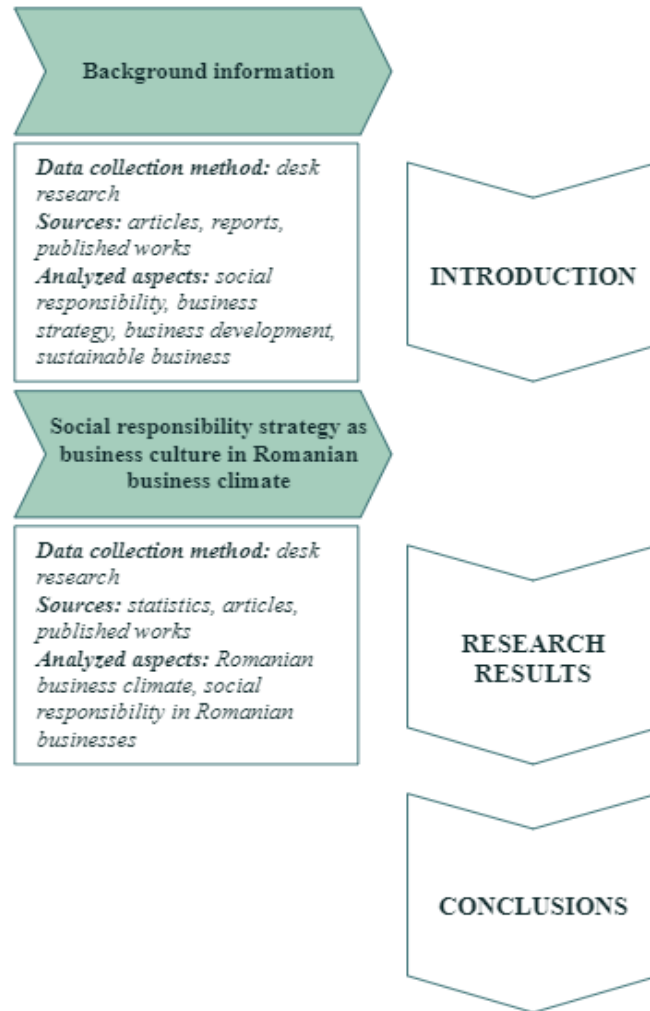


Figure 1. Methodological steps

Source: authors' own processing

RESEARCH RESULTS

Social responsibility is a company's commitment to act responsibly towards society and the environment, and this involves integrating social and environmental concerns into the company's daily activities, as well as in the relationship with all stakeholders, from employees and customers to communities local and the environment [12,14,15]. In this sense, social responsibility is "translated" by doing business in a way that has a positive impact on society and the environment, and not just to maximize profit.

Regarding the importance of social responsibility, we can say that the first category of those who are aware of the social and environmental impact of the products and services of companies that act responsibly are consumers, and the second category is employees who are more motivated and loyal companies involved in social and environmental

activities. Social responsibility can also help companies improve their reputation, reduce costs and ensure a sustainable future [2,3,7].

The social responsibility of a company can be "materialized" through various ways that can be adapted to the specifics of the industry, the size of the company and its values. The most common types of strategies aim at responsibility towards the environment, responsibility towards employees, responsibility towards the community, responsibility towards customers, responsibility towards suppliers and partners (Figure 2).

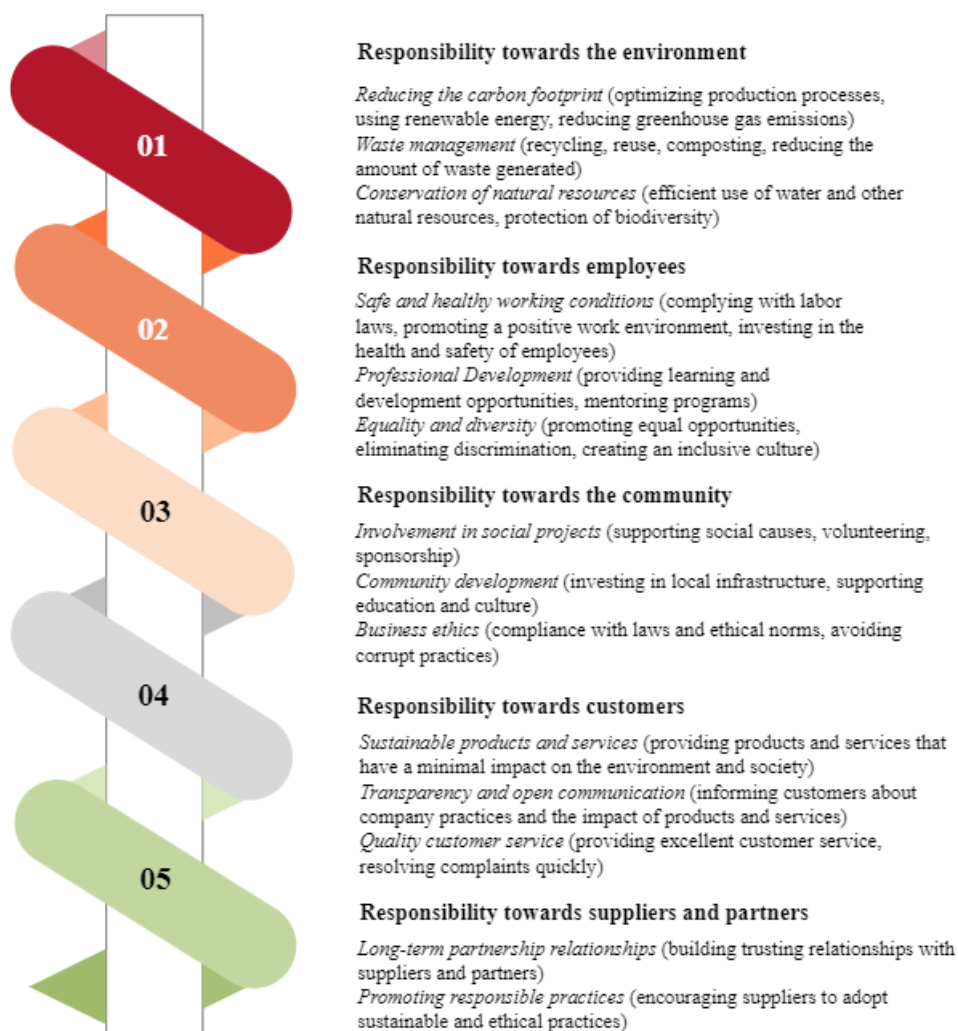


Figure 2. Most common types of social responsibility strategies

Source: authors' own processing

Whether it's planting trees, donating medical equipment, organizing charity events, implementing recycling programs, offering scholarships to students or partnering with non-profit organizations, those companies that have a well-defined responsibility strategy end up reaping the fruits of the efforts made in that direction (Figure 3).

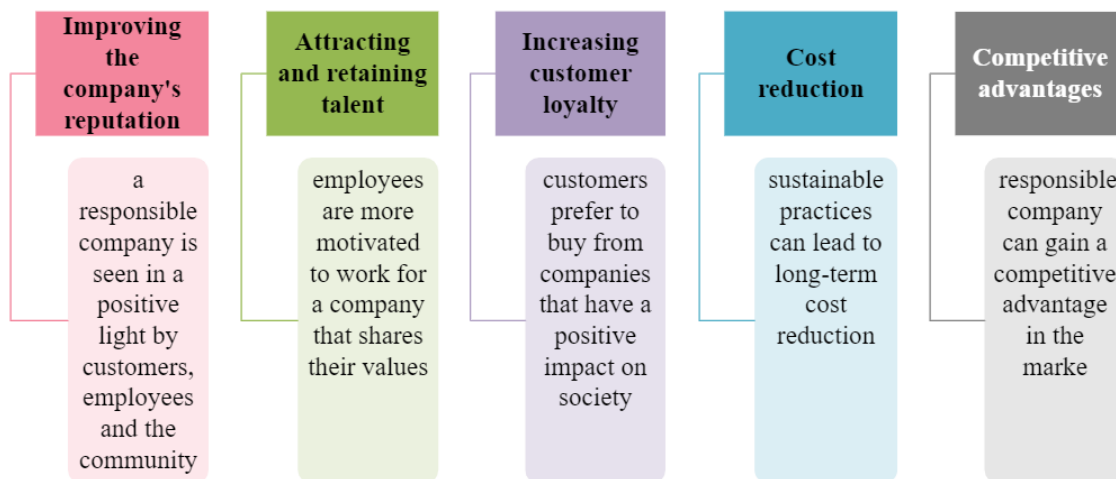


Figure 3. Effects of implementing social responsibility strategies

Source: authors' own processing

In order to implement an effective social responsibility strategy, a company must go through stages such as [5,6,10,11]:

- identifying its values and objectives (What are the main social and environmental issues that the company wants to address?);
- establishing performance indicators (How will the company measure the success of its initiatives?);
- the involvement of all employees (Social responsibility must be integrated into the organizational culture);
- transparency in communication (the Company must inform the interested parties about its commitment to social responsibility).

Implementing an effective social responsibility strategy can be an arduous journey full of challenges. In this sense, it is necessary to remember the most frequent obstacles and challenges:

a. Costs determined by significant initial investments (implementing new processes or technologies may require substantial financial investment) and ongoing operational costs: (maintaining responsible long-term practices may generate additional costs).

b. Measurement and evaluation, due to the lack of clear performance indicators (it is difficult to measure the exact impact of social responsibility initiatives, which can make it difficult to assess success) and comparison with other companies (the lack of uniform reporting standards makes it difficult to compare the performance of a companies with that of others).

c. Resistance to change, whether related to organizational culture (employees may be reluctant to change, and resistance to adopting new practices may slow down the implementation process) or lack of leadership support (without strong leadership commitment , it is difficult to implement a long-term social responsibility strategy).

d. Competitive pressures, determined by unfair competition (companies that invest in social responsibility may be at a disadvantage in front of competitors who do not have the same concerns) and the need to obtain profit (the pressure to obtain profit may compromise some social responsibility objectives).

e. The complexity of social issues, such as global issues (the many social issues facing companies are complex and cannot be solved quickly or easily) and the need for collaboration: (to address these issues, companies need to collaborate with other organizations, governments and communities).

f. Greenwashing, such as public perception (there is a risk that social responsibility initiatives are perceived as just a marketing strategy, which can damage the company's reputation) and regulations (lack of clear regulations can facilitate greenwashing practices).

g. Adapting to changes, such as the evolution of legislation (environmental protection and human rights legislation is constantly changing, and companies must quickly adapt to these changes) and new technologies (the appearance of new technologies can create both opportunities and challenges for implementation social responsibility strategies).

In order to overcome these challenges, companies can take into account the following aspects:

- establishing clear and measurable objectives by defining specific performance indicators that can help evaluate the success of initiatives.

- transparent communication (informing employees, customers and other interested parties about the company's commitment to social responsibility).

- collaboration with experts, in this sense hiring specialized consultants can help develop and implement an effective strategy.

- investing in education and training, providing training to employees can help change the organizational culture and promote responsible practices.

- building strong partnerships. Collaboration with other organizations can help amplify the impact of initiatives.

- continuous adaptation. Social responsibility strategies must be constantly adapted to changes in the business environment.

Like many countries, Romania faces significant challenges in terms of sustainable development. In this context, Romanian companies assume an increasingly important role in promoting responsible practices and contributing to a better future.

Corporate social responsibility strategies have become an essential component of the business strategies of many Romanian companies [1,4,15]. These strategies aim at aspects such as [1,4]:

- environmental protection: reducing the carbon footprint, efficient waste management, use of renewable resources.

- investments in the community: supporting education, health, culture and local social projects.

- business ethics: respecting human rights, promoting diversity and inclusion, fighting corruption.

- relations with employees: creating a safe and healthy work environment, professional development of employees, promoting the balance between professional and personal life.

- sustainable supply chain: collaboration with suppliers that respect social and environmental standards.

In general, Romanian companies pay attention to social responsibility because it involves [1,15]:

- increased competitiveness, consumers are increasingly aware of the social and environmental impact of the products and services they purchase. By adopting responsible practices, companies can attract and retain loyal customers.

- attracting and retaining talent: Young professionals are increasingly interested in working for companies that share their values and have a positive impact on society.

- reputation improvement: A solid reputation can open up new business opportunities and help strengthen relationships with partners and investors.

- contribution to Romania's sustainable development: By implementing social and environmental projects, companies can contribute to solving important problems of Romanian society.

In recent years in Romania, social responsibility initiatives materialize in [4]:

- volunteer programs. Many companies organize volunteer programs for their employees, thus encouraging involvement in the community.

- partnerships with NGOs: Collaborations with non-governmental organizations allow companies to amplify their social impact.

- investments in education (supporting schools, universities and vocational training programs).

- environmental projects (implementation of ecological technologies, reduction of energy and water consumption, protection of biodiversity).

Therefore, the sustainable development of businesses in Romania is closely related to the adoption of social responsibility strategies. By integrating these strategies into their activities, companies can create value for both their business and society.

CONCLUSIONS

Social responsibility should be seen as an investment, and not as a cost, as is quality management. Businesses can take a comprehensive approach from a financial, commercial, but also social point of view, and this fact leads to a long-term vision, which involves the minimization of risks.

Social responsibility must be an integrated part of the small and medium businesses development strategy, but which does not endanger the smooth running of the activities carried out, but rather represents a side of their responsibility towards society.

Social responsibility is a subject that presents itself timidly in the business climate in Romania, being still viewed with some reluctance. Even if viewed with reluctance, social responsibility brings a number of benefits to those who embrace the concept. So, it must be mentioned that when a business development strategy is built in the direction of social responsibility, and this is supported by an effective communication strategy, the visibility and reputation of the business can increase considerably. The interest in social responsibility of Romania companies will increase in the coming years as people will show a more responsible behavior towards the environment and the community they belong to. In this sense, companies will have to adapt their development strategies in the direction of sustainability, placing a high emphasis on social responsibility, in order to maintain their position on the market.

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