



## ROMANIAN MANAGERS' ATTITUDES AND THE DYNAMICS OF SECURITY

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**Abstract:** *As the world has changed into a more global, interdependent and complex one, providing community and national security has become a more complicated issue. The only effective way to ensure it is to shift the traditional thinking paradigm, when authorities used to be the only responsible factor, into one characterized by the fact that ordinary people should be involved in solving such situations. Because one of the key categories of every society is the entrepreneur, both in terms of their job but also in terms of the impact they have on how their employees use to interpret their environment, in this study I choose to analyze the managers' perceptions regarding security and intelligence specific issues. Thus, from 15 March to 15 November 2011, I interviewed 35 managers to identify their main concerns regarding their community and also for its security, the way they perceive vulnerabilities and to measure the extend of their community involvement in protecting its members. I will also try to provide some explanations for the highlighted items. Moreover I will try to optimize the identified issues through developing a set of proposals, whose implementation would enable a better functioning of the community as a whole and which could become factors for the community welfare and progress.*

**Keywords:** *community, communication, business environment, security culture*

### 1. INTRODUCTION

Corporate Social Responsibility (CSR) has become a priority in today's world, primarily because of the way society has evolved. This is why its basic characteristics have been deeply modified. While globalization means interdependence of individuals, communities, ideas, the widespread connectivity of all societal segments around the world resulted in a reduction of the role of the state in economy, trade liberalization, international financial transactions, appearance of the transnational corporations.

In accordance with the modern approaches, company is equated with a citizen and the same way he enjoys rights and obligations, each company acquires corporate citizenship (corporate citizenship) and therefore has, in turn, benefits and responsibilities. In this context, such involvement of the firms is considered to be an effective way of clearing the logistical inability of the state to solve

some problems of society. The emergence of "corporate social responsibility" was favored by the social pact between the community and businesses which is primarily based on mutual trust, cooperation and mutual dependence (Wartick and Cochran, 1985). Although I do not express a total agreement with the idea that the economic environment has the ability to solve the major social problems of humanity (poverty, conflict, population explosion etc.), I align to the modern belief that companies have significant resources that is appropriate to be used inside the communities of belonging.

### 2. RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY

Individual and collective responsibilities were considered "the price of greatness" by Winston Churchill. The metamorphosis of the society towards the ideology of liberalism and individualism may be an explanation for the fact that the interest has shifted from

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individualistic conception to collective or social sphere in the last century.

Generally, there is a perception that the most serious problems of humanity, like hunger, conflict, population explosion, cannot be solved by singular individuals. When discussing them regular people do not feel responsible. Still in the same way the individual's lack of response makes him partly responsible for the wrong result, the collective inaction of a group of people should make them responsible for the evil they should have prevented it. M. Weber (1914) and H.D. Lewis (1948) rejected the idea that there is a collective responsibility of the group. Weber insisted on the impossibility of one group to enunciate intentions prior to action and therefore collective responsibility is not logical. This idea is continued by HD Lewis, associating the idea of methodological individualism with the moral contradiction to associate an individual with blaming individuals for the actions of others. "The values belong to the individual and the individual is the only bearer of moral responsibility.", "No one is morally guilty except for those behaviors which he himself considers to be wrong", "Collective responsibility is ... barbaric." (Lewis, 1948, 3-6).

Related to collective responsibility, the present-days introduced the concept (and associated obligations) of corporate social responsibility. In a very generous sense, CSR is a strategy of action by which companies can interact with the community in working to solve the problems facing it. Still it can be frustrating for managers accustomed to tools such as balance sheet and quality control standards, to work with terms such as environmental management, corporate philanthropy, management shareholders, labor rights, community development, socially responsible investment, sustainable development etc.

The fact that managers assume a progressive social role in the community is reflected in definitions such as "CSR is the process through which managers in an organization think and discuss their relations

with stakeholders and their roles in relation to the common good" (Basu and Palazzo, 2008).

In accordance with the Nobel Prize winner, Gary Becker (1997), those who advocate CSR may consider both profits and expectations of the communities in which they operate making a comprehensive cost-benefit analysis that includes psychological, relational, and vocational or any other type of profits or costs.

The difficulty to differentiate positive from negative effects of CSR explains largely why studies on the relationship between CSR and financial performance are contradictory and inconclusive. Recent studies have identified a strong correlation of these variables (Waddock and Graves, 1997), no correlation (McWilliams and Siegel, 2000) or a negative correlation (Wright and Ferris, 1997). For example, Margolis and Walsh (2003) have monitored more than 95 studies and found that 42% indicated no correlation. Also it was empirically demonstrated that the CSR activities of companies are not sufficiently well known (Sen, Bhattacharya and Korschun, 2006).

In time the corporate social responsibility has proven positive effects on socio-economic field of the individual actor engaged in certain activities and also inside the community at large. For example, in countries that encourage cooperation and trust between the actors and that emphasize the human and social capital is the highest wealth (Waddock and Graves, 1997).

### 3. CSR AND ROMANIAN EXPERIENCE

The concern of the Romanian business environment for proliferation of CSR initiatives is notable. Government statistics show that the investments of companies in CSR activities were over 10 million euros every year. However, most of the money were spent for donations or sponsorships, on social assistance, support for associations of charitable funding, for scientific research projects, education or environmental protection. In the same time, Romania organized in 2006 the first CSR conference in Eastern Europe where participants stressed

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that CSR leads to improved reputation, increased customer and employee satisfaction, increase visibility and market differentiation, which ultimately will increase sales and profits. Unfortunately, social responsibility programs are not sufficiently reflected in the specialized media. Lack of effective public communication of CSR activities of companies may be a reason to justify inertia competition and the lack of enthusiasm to get involved in such activities.

The Romanian economic environment is involved in CSR activities, but not as a response to the market pressure or to the public, but rather, as the consequences of implementing CSR strategies of the parent business. Like any loan, it initially took the form of a CSR fashion and not of an urgent need. IT industry, telecommunications, commerce, pharmaceutical industry have a name in the share of CSR activities in the field of education. Thus, Western Union, a banking company funded, many grants of NGOs in the field of education. Also, MasterCard Europe supports a program to teach their employees specific courses for high school students. In 2005, Connex (Vodafone) has initiated "Connex scholarships for high school", in partnership with World Vision Romania to support the secondary education of the students coming from rural areas. Orange has funded FameLab competition, an initiative of British Council to encourage young scientist to develop their communication skills. In turn, Microsoft Romania has funded *Community and Diversity* program, *Microsoft Conferences*, initiated by the Foundation „Third Europe” in order to foster multicultural openness, citizenship and community solidarity through dialogue between the public and the protagonists of contemporary public life.

### 4. ROMANIAN MANAGERS' PERCEPTION ON CSR AND SECURITY EXPERTISE

In order to identify the perceptions of Romanian managers on corporate social responsibility and security expertise, we

conducted a survey-based sociological interview during April-December 2011. The subjects are managers of representative companies in their community, so that they should have been able to allocate money for corporate social responsibility activities and also they should be aware of such issue. The chosen sample is a "chain" type one, meaning that each subject was asked to recommend another entrepreneur willing to carry that discussion with the researcher.

The hypothesis of the research was that both these aspects are problematic for the surveyed population - corporate social responsibility because its pronounced novelty and security issues (of business and of the community) because of a certain inertia of thinking and of mentality specific of the socialist era when security was concerned in the collective mind about the political police, the citizen oppression, censorship and restrictions on individual rights and liberties.

The sample consists of 35 managers (7 women and 28 men) aged 30-60 years, carrying out activities in different areas and having different social statuses according their level of education, the specific of their company, their professional evolution etc.

The questions focused on several aspects who can be interpreted in correlation and that allow us to identify the patterns of managerial action in areas of interest. Thus, managers were questioned regarding the extent to which their company provides satisfaction in terms of the obtained profit. Responses were varied: some managers are satisfied with their income, while others face the problems of the economic crisis:

"...we were the first area affected by the crisis. Later it was found that this area was the most affected by the crisis - I mean a depreciation of 80%, even more than the Great Depression of 30's. And even if I managed to keep the company profit, profit is not satisfactory."(SA).

Being asked about the way they manage to meet community needs, managers have different approaches to problems. Although

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most of them understand that the question refers to the way each company contributes on its own to the community welfare, other responses shows that managers are completely unaware of the issue of involving in community welfare:

"When you have a certain number of employees it feels like you work for them... this number of employees is a help to the community, and also the collected taxes which are quite consistent."(DPC)

But most of the interviewed managers consider sponsorship and philanthropy as part of such activities. Often, CSR activities are confined to the two percent set by the law:

„The sum is not defined, but take account of those 2% regulated by the Tax Code and we have to spend them as otherwise we have to pay a lot of taxes on such funds. But the law do not encourages sponsorship and put some limits – you can spend those money only if you have a profit, otherwise it is not possible.” (MH)

Only when there is a sustained vision and also a constant, stable organization it is possible to refer in a programmatic manner to the concept of CSR:

"...Since 2007 we have been involved in environmental issues, we became the first company member of the largest markets for environmental products in the world... With our partners we have put into service the first wind park, the first solar park and now we mainly deal with renewable energy. We and the City Hall tried to make an integrated recycling waste project. So that we can ensure a better environment for people living in Bucharest, but also energy efficiency by providing a factory to process it and to transfer clean energy, without any nuisance at all. We are also involved in a forestation and reforestation projects with European support, working on several large projects... compared to what has been done so far, because from our point of view they are small. We are currently working on a reforestation project of 2500 ha and we want to plant trees on about 20,000 ha in the next 2 years. We also

implemented several clean technologies for processing the biomass, energy crops, the wind energy, solar energy and hydropower, all them to increase the quality of life."(SA)

"Regarding the CSR we had action and we will continue to the extent that time and resources allow us. Every year we have projects with orphanages, homes for the elderly where we donated a number of products to assist those children and old people to have a better life. We also had a number of corporate projects with local resonance - we involved in a campaign to prevent drug use among young people, we helped the winner of chemistry contests giving them scholarships and trying desperately to prevent them to leave the country because they are very intelligent people."(AC)

"Yes, there is charity like actions when company is donating money for social cases or donates time by reading stories to children with health problems... And there is also the now called social responsibility that is also being supported by environmental protection activities, or by donating time again, pro bono training programs and seminars for school, high school, students... in principle, to education. We chose education, somewhat subjective... being involved in public relations and publicity it would have been nice to have the possibility to learn in any way when we needed. Now we develop programs, e.g. Internet addressing ethics or communication programs for representatives of public institutions in order to widespread recipes, working methods that are more advanced than what exists now in public institutions, but we consider this is a better chose than to support athletes or sports events or to reward performance in sports or music or art."(MN)

"Now we have a project to provide scholarships for young students without opportunities. I also had a project for modernization of the toilets of the I. County Hospital on the floor 7 and 8, to provide some help for autistic children at F, organized a charity ball and donated all the money" (GI).

"We send all the money to the children as school is my priority – we give them money

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to learn, send them to Bucharest... in order to raise the educational level a bit because that's the basis for any country" (FA)

Except for a few example above the managers' answers to this question have a common dimension: the lack of a strategic and coherent vision for this type of community involvement, although managers are sensitive to the problems of people, are aware that they have much more resources than average and provide help according to specific issues:

"I didn't have such projects, nor have I received any invitation to develop such projects. In the years when there was a better profit I provided some rewards and social grants for social cases. Generally, I heard of someone, get information if it was a social case; when it was a reward for meritorious activity I really enjoyed. On the other hand, I tried to give some support to low income elderly people, possibly those who have no income."(NS)

Still managers justify their efforts in a very convincing manner whatever the type or extent of activities designed to help the community:

"... as long as I do something in this place and make profit here it is normal to give back even a bit of my profits."(SI)

Being asked about the priority domains to which they would give additional funding, managers indicate mainly the same fields: population health and healthcare system, education and welfare:

"I wanted a few years ago to buy 2-3 apartments and there to accommodate those children who are expelled from orphanage at 18 years old... But my enthusiasm has passed. Now I know I would not do anything unless someone knocked on the door. I did it for myself not for them. I felt good and I had a big satisfaction. About two years ago a woman told me: "Do you know how much is my child walking now!" I did not! "Seven years ago you gave me money and I operated him in Basarabia." (DPC)

"Healthcare system seems to do be the most important problem, starting from elderly

houses to orphanages, hospitals, anything..." (BR)

"For education, culture... to raise a little the minimum level of training. I would buy computers ... And then I would buy tickets to the opera and theater. I did so also at my daughter's school. First they said they did not like them and now they are asking me to buy them again..."(RR).

"Half of them (money) to education because opportunities you will have in the future are directly proportional to the investment you make in education. And I think the other half will go to the children with disabilities."(VG)

Unfortunately, managers do not consider that security may be a priority of their community and of their own life and business. This is a paradoxical approach while everyone understands that a major crisis, o conflict or even a war may be a very serious danger.

"We work in a financial field where concrete, real money are few, but it is a pile of sensitive data and in most of the time we did not realize the effects that these data can occur. Because you can feel, taste or smell them. Immateriality of information is a problem of how they are perceived. Security is very important. Money cannot produce such an effect on business. The level of security of business in Romania is dependent on technology, but we refuse to use it. We know what should be done, but there is often a very high resistance to do that."(VG).

Still managers do not use any security expertise and some time they even do not consider such an expertise is important or necessary:

"We have no security expert. Such tasks are covered by directors who also have other responsibilities. In my factories there are high risks of explosion and fire, pollution, so all these risks are systematically assessed. We have plans even more stringent than the army"(BI)

"I don't think they have anything like this, I have never heard anyone to have such an

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employee and as long as they don't have them it means they do not need them. I didn't even read about anything like this!" (CI)

### 5. A POSSIBLE CONNECTION: SECURITY CULTURE AND CORPORATE SOCIAL RESPONSIBILITY

The discussion regarding corporate social responsibility should not neglect any factor or variable that can help the improvement of community living conditions and people's quality of life. As proved in the literature, security is one of them. Therefore, the components of CSR should include those activities designed to strengthen the security culture, the implementation of preventive measures and the establishment of mental patterns of action for situations associated with individual, business, community or national.

Despite this syllogism, managers are oriented, as mentioned previously, towards those areas they consider to be of maximum priority (health, education, children with disabilities, lonely elderly etc.). With no intention to dispute the importance of improving the conditions specific to these areas, security is an issue that should find its rightful place among the present-day priorities. Still it would be naïve to believe that people will identify by themselves such correlations between the living standards and security culture, although some of the managers noted that:

"But, of course, physical misery generates moral misery and moral misery generates physical misery. The presence of security culture generates a better life, but only helps to this as they are some other variables."(BR)

For a better awareness of these issues it would be useful to set up and promote a national program to widespread such knowledge. To base such an initiative subjects were asked what authorities would have a greater impact in this direction:

"I think it should have multiple sources - from the Ministry of Education, and then there should be some EU aid because they are

highly interested in protecting its data. I think they have such initiatives, but these are not connected to the Romanian reality. I hardly think they have ignored this area before. Top countries in the security of information should be involved and also universities and research institutes, to be set up a kind of MBA on security with modules delivered in areas where such system is powerful."(VG)

"I think the Ministry of Labor through the institution it has. But it should start from a qualification or some courses to train and qualify such experts; it should be introduced in Romanian Classification of Occupation. No way it should be started by Police or Romanian Intelligence Service – it shouldn't be something imposed... so my opinion is that people should become aware by themselves... and take them from other structures, people who have retired from there..."(BR)

"The EU is spending a lot of money for training, education, literacy of people. But money do not have the right direction and they consider we are educated. But it should be clearly told that it is no use to talk about individual security if we don't care about national security. For example in agriculture field, foreigners buy everything – the Caliph of Qatar wants to lease 1500 ha and it is a matter of national security for them as that will provide food security for the next 50 years – but we are glad because of the coming of investors..." (BD)

While most of the subjects gave different solution to solve the mentioned security perception, there are also ideas like:

"I do not think anyone should promote them. I am convinced that when a manager has to secure something he will do this. It is not necessary for someone to tell him!"(DPC)

### 6. CONCLUSIONS & ACKNOWLEDGMENT

Being a new concept implemented in Romanian entrepreneurial field, Romanian managers are primarily concerned with avoiding exploitation of children, the health of their workers, environmental protection, safety

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at work, healthcare system. In managers' view, the main impediments to the implementation of CSR is the lack of an adequate legal framework, costs and lack of visible results of CSR and its main benefit lies in improving the image and reputation of companies, promoting community solidarity, extending corporate life and increasing employee loyalty.

Instead of a conclusion of my own I will appeal to the words of one of the interviewed managers:

"Looking back, it is clear that the destruction of the security culture was a terrible thing. In foreign countries the process of strengthening safety culture would be more likely. The main reason why I am not involving in something like this is the perception of the community – it is much better to say that you are fighting for the environment, for children. So the very lack of security culture block these actions. It's a vicious circle."(SA)

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