

PERCEPTION OF CORPORATE SOCIAL RESPONSIBILITY IN SLOVAKIA

Lucia BEDNÁROVÁ – Jana CHOVANCOVÁ

Abstract

Corporate social responsibility as one of the key themes of the 21st century has captured the attention of many organizations around the world – and not just businesses, governments and non-governmental

organizations, but the general public as well. The following article presents partial results of a survey aimed at the awareness of Slovak public concerning corporate social responsibility.

Key words:

corporate social responsibility, interested parties, organization, public

INTRODUCTION

Corporate social responsibility is a concept of business in which the organization decides willingly to implement such decisions in its activities, which will result in a contribution to improving the environment, as well as improving the overall business environment, all while respecting the interests of all stakeholders. Corporate Social Responsibility brings several advantages that can reduce costs and increase profits of organizations, builds brand image and the image of trustworthy partners to improve relations in the organization, increases productivity, improves cooperation with suppliers and improves the overall business environment.

MATERIALS AND METHODS

Definitions of CSR

The term "corporate social responsibility" (CSR) is used mostly in Anglo-Saxon literature. Slovak translations are not uniform. We can come across with concepts such as "socially responsible business", "corporate social responsibility", "corporate social responsibility" or "social responsibility of organizations." Perhaps the most common is the notion of corporate social responsibility. [3]

In July 2001 the European Commission issued a document called Green Paper, which explains the concept of CSR entails. The aim of the Green Paper was to initiate a debate on CSR and to identify ways to promote the European level as well as global level. The possibilities for using the actual experience of businesses supporting the development of innovative approaches to CSR and the way a single measurement, evaluation and verification of CSR companies is described in great detail.

According to the Green Paper, CSR is defined as voluntary integration of social and environmental concerns into everyday financial matters and interactions with corporate stakeholders.

In literature you can find many different definitions.

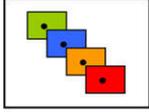
Current definitions of CSR are based on universal ethical principles which are impartiality, commitment, active collaboration with stakeholders, and transparency. [2]

International standard ISO 26000

ISO 26000 is an international standard that provides guidance on the essential principles of social responsibility includes the main areas and issues related to social responsibility and checks the way companies implement social responsibility within the organization. The standard is applicable to all types of organizations regardless of their size and location, including governmental and non-governmental organizations, as well as nonprofit organizations, due to the fact that each organization has an impact on the society and the environment. The standard intends to help organizations which want to achieve mutual trust between stakeholders by improvement, compliance and implementation of social responsibility. This standard is intended for use in governmental organizations in implementing their executive, legislative and judicial power. [6]

Perception of CSR in Slovakia

The idea of corporate social responsibility began to spread in Slovakia with the arrival of multinational corporations in the last decade of the 20th century. In 1992 the Business Leaders Forum was formed in the former Czechoslovakia. Since 1993,



its scope was narrowed only to the Czech Republic and currently brings together representatives of Czech and international industry, commerce and other important institutions. [2]

In Slovakia, representatives of companies perceive some aspects of CSR as it is perceived in the Czech Republic and this perception dominates the internal dimension. It is interesting that Slovak companies are more likely to look at CSR through legislative measures. Current social responsibility activities in Slovak companies are implemented under a legislation which is set out in the field of employment law. Representatives of businesses at the same time declare the need for government to improve the legislative framework defining CSR. [2]

There are several reasons why the understanding of CSR in Slovakia is often restricted to philanthropy or charity. Philanthropy as a concept is more commonly known in Slovakia than CSR. Philanthropic activity can be better monitored, making it easier to support. Some companies claim that they apply CSR because of the fact that it is devoted to philanthropy or charity. [4]

The questionnaire survey

An opinion survey was conducted in February - March 2011 in the questionnaire method. The questionnaire was held anonymous. The aim of the questionnaire survey was to determine how the public understands corporate social responsibility in Slovakia. They also provided secondary objectives:

- map the population of interest in socially responsible companies,
- to find people interested in working for socially responsible businesses.

Before the implementation of the questionnaire survey, hypotheses were made based on theoretical knowledge:

H 1: At least 25% of respondents to the concept of corporate social responsibility have not heard of this concept yet.

H 2: Respondents to the concept of corporate social responsibility are often confused with the concept of business ethics.

H 3: At least half of the respondents would like to work in socially responsible business.

The target group for data collection were the inhabitants of the Slovak Republic who are in the age range of 15 to 64 years. It's a group of working age people. Questions were answered by both men and women. According to the Statistical Office of the total population of the Slovak Republic in this age range for 2010 is 3,928,471 inhabitants. [8]

The survey involved 421 respondents, representing 0.01% of the total sample examined.

Opinion survey was conducted by questionnaire. The questionnaire contained 14 questions as followed:

- closed questions where the respondent could choose only one option,
- questions where respondent could select multiple options,
- an open question where respondents could write their own opinion.

At the beginning of the questionnaire, personnel matters relating to sex, age, education and work experience of the respondent were asked. The remaining 10 questions are directly related to issues of corporate social responsibility and knowledge of respondents about it. The questionnaire was sent through the Internet, so it was not needed to be distributed personally. Respondent was sent an email to which he replied back a completed questionnaire. Completion of this questionnaire did not take more than five minutes and the percentage of returned mails was 70% (421 responses out of 600 sent).

RESULTS

The questionnaire results were processed in Microsoft Excel using mathematical and statistical methods for better understanding. Data were transferred into transparent tables and graphs. The questionnaire survey concerning corporate social responsibility in Slovakia was answered by 421 respondents, including 284 woman and 137 men. The following contribution presents partial results of this survey.

Characteristics of the CSR

To the question "Have you ever met with the concept of social responsibility of organizations?" only half of the respondents answered yes. 36% of those surveyed did not know this term and 14% said they did not know or cannot remember. In the next question, respondents were asked to choose one of three options coming how they would characterize a socially responsible business. One of the possible answers was "I do not know", which opted to 5% of respondents (see Figure 1). More than half of surveyed people ticked the correct answer, meaning 55%. The remaining 40% accounted for a ticked incorrect answer.

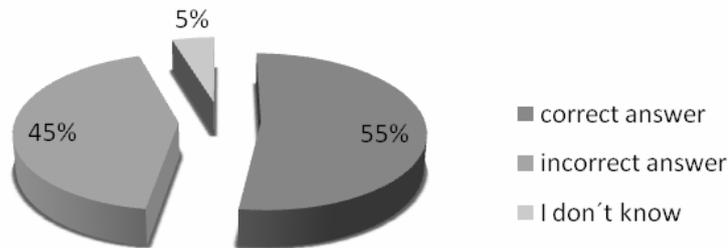
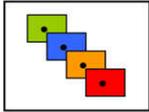


Fig. 1 Characteristics of corporate social responsibility

Formation of the perception of the company

In the next question the respondents were asked to choose more than one correct answer. The question related to what is essential for them in shaping the views of any company. The highest number of respondents (87%) leans to the possibility that their perception of the company is influenced by quality products and services the firm offers. Only sixteen percent of respondents care about the size of the company. Up to 47% of respondents take into account how the company treats its employees. It was expected that respondents would choose the option concerning the quality of products and services, which was later confirmed by the survey. Other responses are shown in Figure 2.

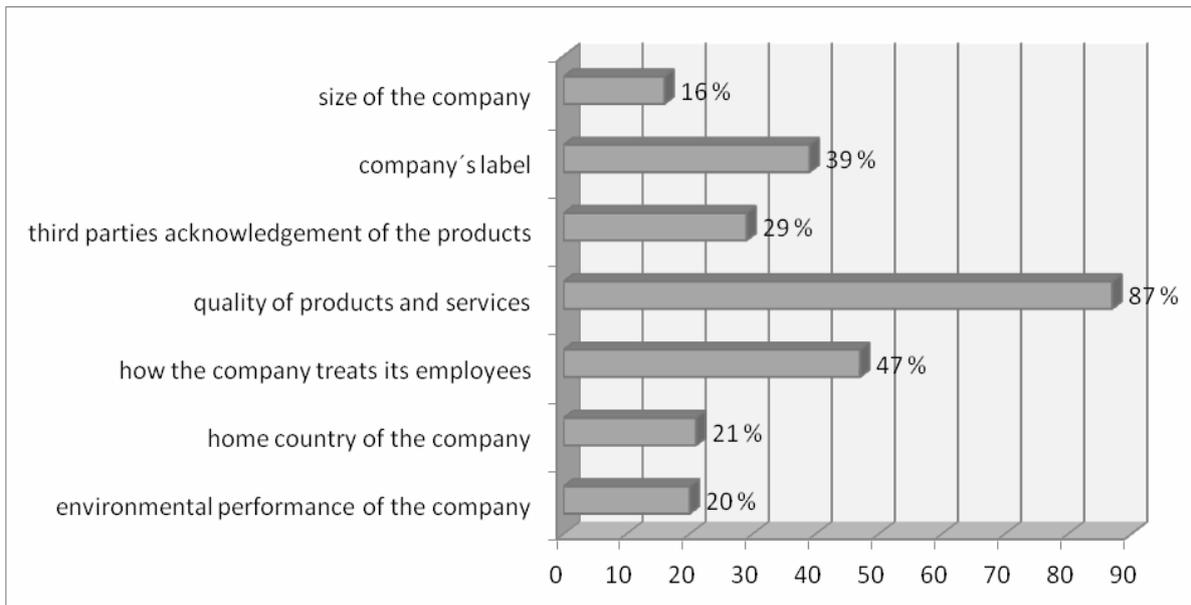


Fig. 2 Public perception of the company

In another question, respondents had the opportunity to express their views on what they consider as an expression of corporate social responsibility in the company. It was possible to choose more than one correct answer. 77% tend to believe that this includes compliance with business ethics, 71% believed care of staff as an expression of CSR. Sponsoring, which is not among socially responsible business activities but people often mistake it with corporate social responsibility, was the lowest percentage with seven percent.

Finally, the questionnaire asked whether respondents would like to work in socially responsible business. They could choose from four options. As expected, 59% of respondents answered yes, 37% of respondents chose "to some extent" and almost 4% of respondents did not incline to any of the possibilities. You could say that these results indicate the direction in which companies would have to go - take the plunge and become socially responsible. Responses are shown in Figure 3.

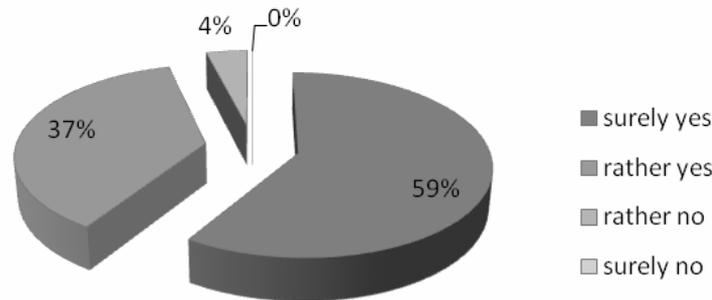
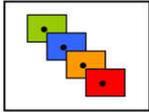


Fig. 3 Preference to work in social responsible company

Conclusions of questionnaire survey

The questionnaire survey shows that socially responsible companies are not sufficiently promoted and people are familiar with this subject only briefly. The results of a questionnaire were formed into following hypotheses:

Hypothesis 1: The questionnaire survey showed that 36% of respondents have met the concept of corporate social responsibility so far.

Hypothesis 2: Although more than half of respondents answered positively, the survey shows that respondents use the concept of "corporate social responsibility" interchangeably with the term business ethics.

Hypothesis 3: At least half of the respondents would like to work in a socially responsible company. Absolute answer was up to 59%.

DISCUSSION

Corporate social responsibility exceeds the required legislative framework and occurs only on a voluntary basis. The result is quality life for employees, their families and local communities, as well as the general society. Responsible entrepreneurship development ensures the economy and society as well as sustainable development.

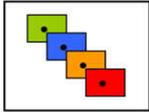
Corporate social responsibility brings many benefits to companies, but despite numerous activities in the field of CSR, there is still a lack of information, particularly with regard to the benefit of CSR to the company. Organizations are not sufficiently educated in the methods and procedures that could monitor and evaluate the contribution of these activities and the following is presented to the public. Many organizations see CSR only as an expense rather than investment in the future. The results of the questionnaire survey showed that extremely high percentage of respondents could not answer the question in which they express their opinion on increasing interest in CSR. Respondents did not know this term. Appropriate role of CSR promotion should address organizations dedicated to CSR (Pontis, Integra Foundation, Lord, Business Leaders Forum, the Donors Forum) but also the company itself.

CONCLUSION

It would be an illusion to assume a smooth and rapid passage into the discipline of business life. Even in developed economies it did not happen overnight. It is a long process in which we should cultivate the behavior of individual entrepreneurs to shape culture in-house management, inter-company competition and socially responsible corporate behavior to the external environment. Promoting ethical business attributes is a match between the net profit interests of various aspects of corporate and social responsibility. Economic criteria are and will remain the primary goal of businesses. It is still their driving motivation. However, synergy of "People - Planet - Profit", the importance of which we will become increasingly aware of, should be transferred into finding a balance between these attributes in a broader social understanding.

REFERENCES

- [1] ADAMIŠIN, P. 2009. Prínos environmentálnych projektov predstupového obdobia k znižovaniu regionálnych disparít. In Hradecké ekonomické dny 2009. Sborník vybraných príspevkov z vedecké konferencie. Gaudeamus: Univerzita Hradec Králové, 2009. ISBN 978-80-7041-443-9 s. 7-11



- [2] BUSSARD, A. 2005. Socially responsible entrepreneurship. Basic principles and examples. Integra Foundation, Pontis Foundation, PANET Foundation, 2005.
- [3] EKOLOGIKA. 2011. Social responsibility of the companies. [online] <<http://www.ekologika.sk/spolocenska-zodpovednostfirmy.html>>
- [4] GALLOVÁ – KRIGLEROVÁ, E. a kol. 2007. Východisková štúdiá o uplatňovaní spoločensky zodpovedného podnikania na Slovensku. [online] Rozvojový program OSN, 2007. [cit. 2011-01-17] Dostupné na internete: <http://www.partnerstva.sk/buxus/docs/UNDP_Baseline_Study_CSR_SK_Slovensky.pdf>. ISBN 978-92-9504-275-9.
- [6] HUTTMANOVÁ, E. 2008. Regionálny rozvoj v problémových oblastiach Slovenskej republiky. In Hradecké ekonomické dny 2008. Hradec Králové: Gaudeamus, 2008. ISBN 978-80-7041-202-2
- [7] ISO. 2011. ISO 26 000 project overview. [online] [cit. 2011-02-08] Dostupné na internete: <http://www.iso.org/iso/iso_catalogue/management_and_leadership_standards/social_responsibility/sr_iso26000_overview.htm>
- [8] KORÁLOVÁ, K. . PAULÍKOVÁ, A. 2008. Environmentálna výchova na vysokých školách ako súčasť udržateľného rozvoja Slovenska. In: RUSKO, M. – BALOG, K. [Eds.] 2008: Manažérstvo životného prostredia 2008. - Zborník z konferencie so zahraničnou účasťou konanej 5.-6.12. 2008; Bojnice. Žilina: Strix et VeV, Prvé vydanie. ISBN 978-80-89281-34-3.
- [9] ŠSTATISTICKÝ ÚRAD SR. 2011. Demografia. [online] [cit. 2011-03-05] Dostupné na internete: <http://portal.statistics.sk/showdoc.do?docid=5654>
- [10] TEJ, J.: Regionálny manažment - strategická forma partnerstva pri dosahovaní vyššej regionálnej konkurencieschopnosti. In: Konkurencieschopnosť a regionálny rozvoj. - Košice : Technická univerzita v Košiciach, Ekonomická fakulta, 2008. - ISBN 978-80-553-0111-2. - S. 149-171.

CONTACT ADDRESS

- Author:** Doc. Ing. **Lucia BEDNÁROVÁ**, PhD.
Workplace: Department of Business and Commerce, Faculty of business economy with seat in Košice, University of Economics in Bratislava
Address: Tajovského 13, 04001 Košice
E-mail: lucia.bednarova@euke.sk
- Author:** Ing. **Jana CHOVANCOVÁ**, PhD.
Workplace: Department of Management, Faculty of management, University of Prešov in Prešov
Address: 17 novembra 1, 08001 Prešov
E-mail: jchovancova@unipo.sk