

THE KEY DETERMINANTS TO A STRATEGIC APPROACH OF CORPORATE SOCIAL RESPONSIBILITY - CASE STUDY IN A BANKING INSTITUTION

GLIGOR-CIMPOIERU DIANA CORINA

LECTOR UNIV. DR., UNIVERSITATEA DE VEST DIN TIMIȘOARA

e-mail: diana.gligor@e-uvt.ro

Abstract

During the past decades the concept of Corporate Social Responsibility (CSR) has caught the attention of both practitioners and academics, not without controversies or debates. We have identified the lack of a strategic approach of CSR as one important source of the issues related to CSR and with this paper we aim first at presenting the meaning and the importance of a strategic approach of CSR and then to underline the key determinants that set it apart from a traditional approach of CSR and represent the theoretical basis for a proposed evaluation methodology. For the applicative part of the paper we present the results obtained when applying the proposed research methodology for a banking institution operating as one of the top service providers in the banking sector, proved to be in a transition phase from a traditional approach to a strategic approach of CSR according to our evaluation.

Key words: Corporate Social Responsibility (CSR), strategic approach of CSR, traditional approach of CSR, banking institution

JEL Classification: M14, L25

1. Introduction

Corporate social responsibility (CSR) has caught the attention of both practitioners and academics during the past decades, not without debates or controversies, starting with the lack of a commonly accepted definition or whether it should be an aspect regulated by laws or purely voluntary, and including debates regarding the very meaning of the concept ranging from a philanthropic organizational behaviour to a new management strategy for offering stability in an ever changing and increasingly demanding economy and society.

Evermore the nature of the role played by business in society and the need for a change in the way business integrate in society are brought into discussion. Situations like the past international crisis for instance revealed once again the power that business organizations have, how they can deeply impact the life of people all around the globe and how with the power they held, responsibility should be associated. Especially in the case of business institutions from the banking sector the debates were harsh: banks were seen as being responsible for beginning the crisis or at least being one element that contributed to the ignition of this crisis. By assuming unjustified risks in the attempt to maximize profits and maximize incentives for managers, on a narrow short term perspective, banks “threatened the stability of the societies that they served” [32]. Topics related to business ethics are becoming increasingly important “because it preoccupies people that want to create a better society with a greater transparency and competitiveness” [27].

Even though the international context seems to have overcome or at least limit the effects of the crisis during the past years, the debates related to the link between business and society are still very much alive as some of the major problems that generate it are still present and unsolved. It seems that we need a new managerial paradigm that takes into account the long term effects of the business activity from the perspective of a multitude of stakeholders. Corporate social responsibility could be a concept that could determine a change of perspective for decision makers in business organizations. But the great potential of the CSR concept seems to be severely limited in practice by an approach focused merely exclusively on the philanthropic dimension of CSR - that we call the traditional approach of CSR versus a strategic approach with all its complex characteristics that has the potential of creating shared value mainly through socially responsible business practices.

2. The meaning and the importance of a strategic approach to CSR

There are over six decades since Howard R. Bowen (1953) first mentioned the notion of responsibilities of the businessman in modern literature and also there are over four decades since Milton Friedman (1970) talked about “the use of the cloak of social responsibility” and it’s potential to be a “window-dressing” and intriguingly the debates concerning the CSR concept and its implications for the way business are shaped are still unsolved. In spite hundreds,

if not thousands, of CSR researches and CSR implemented initiatives a commonly accepted understanding and definition of CSR is still lacking.

Despite the abundant literature on the CSR topic, the conclusion of studies aiming at analyzing the influence of CSR on business and society is that the identified theoretical inconsistencies prove the need for further research [18]. Balcerowicz (2015) is noticing that the CSR concept is "emotionally loaded" (mostly due to the "social" word in the term that usually generates either positive or negative feelings) and "vague" concept (mostly due to the lack of a commonly accepted definition, to the fact that existing definitions are "extremely vague" and to the multitude of similar terminology like corporate citizenship, corporate accountability, corporate social performance, etc.). On the other side we must not overlook the CSR potential, Feder (2015) is underlining that “managers should select for their firms the most suitable combinations of strategic orientations supporting their vision and aims, respectively contributing to their aspirations” and we consider that CSR should be part of the manager’s vision and the organization’s strategy.

When analyzing the existent literature we could notice that along the evolution of the CSR concept constantly a need for a better CSR approach (that we define as a strategic CSR approach) was acknowledged, as shown in Table no. 1 which includes a synthesis of some of the most relevant bibliographical resources:

Table no. 1 The need for a strategic approach in the evolution of the CSR concept

Researchers	The formulated arguments or observations
Bowen (1953)	First mentioned the notion of responsibilities of a businessman and he considered that large businesses were becoming centres of power and decision that affected the lives of others
Druker (1954)	Acknowledged the importance of social responsibility
Davis (1960)	Considered that social responsibility has the possibility of bringing long-term benefit
Johnson (1971)	Stated that managers of a responsible business organization should put in balance a multiplicity of interests when making a decision and they are not just “striving only for larger profits for its stockholders”. Johnson underlined that social responsibility can contribute to the long-term profit considering that “social responsibility states that businesses carry out social programs to add profits to their organization”. Utility maximization means that a business organization could seek for multiple goals, not only the maximization of profit
Steiner (1971)	George Steiner argued that although “business is and must remain fundamentally an economic institution” there are responsibilities toward the society, connected to the size of the business organization (the bigger its size, the bigger the responsibilities)
Preston and Post (1975)	The authors noticed that the term of social responsibility at that time consisted of “large number of different, and not always consistent, usages” and it was referred to as “only to a vague and highly generalized sense of social concern that appears to underlie a wide variety of ad hoc managerial policies and practices”. These kind of social initiatives were lacking any coherent relation to the managerial unit’s internal activities or to the host environment
Druker (1984)	Underlined the idea that profitability and responsibility are compatible notions in a firm, and even more business should take advantage and convert their social responsibilities into business opportunities
Murray and Montanary (1986)	Stated that “although management scholars recognize that corporate social responsibility has strategic implications for the firm, few have focused on the interdependent and dynamic relationships among the firm and the relevant actors in its social environment” then expressed the need for developing “a theoretical framework for management to use for planning, implementing, and controlling social responsibility activities”
Porter and Kramer (2002)	Considered that a strategic approach of philanthropic initiatives is reached when there is a convergence of interests between the social benefits and the economic benefits
Graafland et al (2004)	Argued that from a strategic point of view it is obvious that the business organization should take in consideration long term objectives and that the long term value creation is not only related to economic value, but concerns value creation in three dimensions which is called the Triple bottom line that includes Profit – the economic dimension, People – the social dimension, Planet – the ecological dimension
Kotler and Lee (2005)	Identified six types of CSR programs: corporate cause promotion, cause related marketing, social marketing, corporate volunteering, corporate philanthropy,

	responsible business practices. They have constantly underlined several aspects that define the characteristics of a strategic approach to CSR
Doane (2005)	She criticized the CSR concept, considering that “the unprecedented growth of CSR may lead some to feel a sense of optimism about the power of market mechanism to deliver social and environmental change”, and that CSR “is a placebo”, “lulling us into a false sense of security” and that legislative measures are needed in order to regulate business behavior”
Porter and Kramer (2006)	Stated that “the prevailing approaches to social responsibility are so fragmented and so disconnected from the business and strategy” that “they obscure many of the greatest opportunities” and that by treating their social initiatives as they treat their core business choices business organizations could gain competitive advantages. In their view, the economic success and the social wealth are no longer seen as a zero-sum game
Urip (2010)	Considered that CSR activities amongst various corporations and its stakeholders could contribute to the microeconomic development of a developing country through sustainable benefits to all
M. Porter and Kramer (2011)	Promoted the concept of “shared value” and call for a new form of capitalism from this perspective
Ghalib and Agupusi (2011)	Presented strategic corporate social responsibility (for which they use the acronym SCSR) “ <i>as a tactical contrivance devised to make business decisions in the corporate world</i> ”
Werther and Chandler (2011)	On their view, there are four components essential for defining “strategic CSR”: incorporating a CSR perspective within the strategic planning process; any CSR action is directly related to core operations of the business organization; that a broader multiple-stakeholders perspective is taken in consideration; there is a swift from a short-term perception to a medium or long-term perception on managing resources and relations with key stakeholders of the firm
Perez-Batres et al. (2012)	Noticed a discrepancy between those who use CSR initiatives only as a way for misleading stakeholders with their social and environmental achievements in order to misguide attention from severe problems (actions called <i>greenwashing</i>) considered to represent “symbolic” initiatives of CSR from those initiatives truly committed, called “substantive” initiatives
Gligor-Cimpoieru (2012)	Proposed an eight steps circular model for implementing CSR programs in a strategic approach to underline some of its practical implication
Tehemar (2014)	Perceived CSR as “a management philosophy” that “has received considerable attention and became an accepted trend that many companies are trying to incorporate within their core business” but at the same time “as any management concept it has to be well planned and communicated in order to achieve its optimum results”
Amaeshi & all. (2015)	Noticed that CSR is often characterized in the literature as unstructured, informal and ad hoc discretionary philanthropic activities
Laval (2015)	Perceived CSR from the controlling perspective. According to him regulations of IGC - International Group of Controlling in 2013 “describes the purposes and the role of the controller, including important aspects useful when steering successful CSR initiatives”
Ilies (2015)	Considers that corporate social responsibility “is today on of the most important process that can be incorporated into the management strategy” but in practice few people actually understand the meaning of the concept
Story and Neves (2015)	Investigated the distinction between the intrinsic and extrinsic attribution of CSR. According to their view "intrinsic CSR practices can be described as practices perceived as sincere", that are practices in which the business organization cares, "related to the moral aspect of the firm" and "extrinsic CSR practices are those perceived to be done with the intention of getting something back or to avoid some kind of punishment"

Source: Compiled by the author

Based on the literature review but also on our practical experience regarding CSR we have reached to the conclusion that the CSR concept itself is generally legitimate and perceived and accepted as a positive aspect for the activity of a business organization, its stakeholders and communities (there are multiple benefits associated to CSR implementation that constitute the so called “business case for CSR”) and that the issues related to CSR are usually

generated by actual implementation of CSR programs, more specifically we have identified that one important aspect that generates most of the controversies related to CSR is the lack of a strategic approach for CSR implementation. If a business organization when implementing CSR initiatives is focusing only on philanthropic activities or on reaping the image benefits from a simple public relations perspective, then it loses all the potential business benefits it could gain from a strategic approach focused on long term real results in a win-win perspective.

3. Key aspects of a strategic approach of CSR

After we noticed the need for a better approach on the way CSR programs should be implemented we focused our attention on identifying and systemizing the key aspects that could define this new needed approach - the strategic approach of CSR. Based on the literature review and its analysis we have found several key aspects for a strategic versus a traditional approach of CSR, presented as it follows in Table no. 2:

Table no. 2 The key aspects that differentiate a traditional and a strategic approach of CSR

Crt. No.	Traditional approach of CSR	Strategic approach of CSR
Aspects related to the overall importance and the strategic role of CSR:		
1.	The CSR activity is perceived as being peripheral to the business organization's strategy	The CSR activity is perceived as being central to the business organization's strategy
2.	The social objectives and the business objectives are perceived as being separate	The social objectives and the business objectives are perceived as being deeply interconnected
3.	Engaging in CSR programs is perceived as an obligation that business organizations have (the so called "duty to give back")	Engaging in CSR programs is perceived as an opportunity (for instance to put in practice the promoted organizational values or to attain other business related or not relates benefits)
4.	Organizational performance is evaluated only based on financial profitability	Organizational performance is evaluated in a "triple bottom line" perspective (besides profitability, social and environmental performance are also included)
Aspects related to choosing and financing the social issue and the CSR program to be implemented:		
5.	The choice of the social issue and the CSR program is based on the increasing pressure of different categories of stakeholders	The choice of the social issue and the CSR program is based on the organizational needs, and it is a truly voluntary behaviour
6.	The choice is made based on the principle of "doing good to look good"	The choice is made based on the principle of "doing well and doing good"
7.	The social issues chosen to be supported have no connection with the main activity of the business organization (mostly in order not to raise suspicions about the egoist reasons of the involvement)	The social issues chosen to be supported have as many connections as possible with the main activity of the business organization (mostly due to the benefits that ensure long term support for the implemented CSR program)
8.	The rule is to "do good as easily as possible", usually through donations	The rule is to "do the most good, and not just some good"
9.	Whenever a solicitation for social involvement appears, there is rather a tendency to donate money for the social cause	Money donation is limited, alternative ways of support are searched (even volunteering as a cost effective solution for social involvement)
10.	The decision to support a certain social cause in favour to others belongs usually to a few persons from the top management of the business organization	The decision to support a certain social cause in favour to others are made with the consultation of various stakeholders, like employees or clients
11.	There is an annual fixed budget dedicated to CSR programs (because this way there is the perception that expenses are kept under control)	There is a flexible policy of financing, money are allocated according to needs of the financed CSR program
12.	Each year the business organization gets involved in as many CSR projects as possible	Each year just a few CSR programs are supported but with larger amounts of money and this way significant results are targeted
13.	Usually the business organization is just one of the several sponsors of a social cause	The business organization prefers to chose just a few projects and to finance them almost entirely alone, thus CSR becomes very important for important for building the organization's brand identity
14.	Year to year the supported social causes change	The supported social causes usually don't change from

	(in a kind of rotation for the business organization’s financial aid)	one year to another (thus true partnerships are created with certain stakeholders like NGOs for instance)
15.	The financial aid offered to a social cause is usually for a period of time shorter than 3 years	The financial aid offered to a social cause is usually for a period of time longer than 3 years
Aspects related to the actual implementation of the CSR program:		
16.	Philanthropic initiatives are predominant and considered to be important	Responsible business practices are predominant and considered to be important
17.	For implementing the CSR program there is not a well-defined plan like in the care of any other project that the business organization is implementing	For implementing the CSR program there is a very well-defined plan like in the care of any other project that the business organization is implementing
18.	The objectives of the CSR program are not clearly set from the beginning of the implementation	The objectives of the CSR program are clearly set and they are constantly monitored and adjusted according to achievements
19.	The involvement in CSR programs usually belongs to a single department	The involvement in CSR programs usually belongs to several departments
20.	Partnerships with various groups of stakeholders (i.e. local authorities, mass-media, NGOs, etc.) are not valued and used at their potential	Partnerships with various groups of stakeholders (i.e. local authorities, mass-media, NGOs, etc.) are considered a valuable source of expertise and competitive advantage and they are used at their greatest potential
21.	CSR partnerships with competitors are not taken into consideration	Obtaining significant results is so important that even CSR partnerships with competitors are taken into consideration (CSR programs, at best responsible business practices, are implemented at industry level)
Aspects related to the expected outcomes of the CSR program:		
22.	No business objective was targeted with the CSR involvement	It is a good thing that the business organization has as many benefits as possible from its CSR involvement
23.	The main benefit of the CSR programs that the implementing business organization should have is the image benefit	Other benefits (like a better relationship with different stakeholders, or contributing to the competitive advantages of the business organization) are more important
24.	The results of the CSR programs are not promoted very much, a policy of ”discretion” being adopted	The results of the CSR programs are very much promoted, a policy of ”transparency” is being adopted
25.	The evaluation of the CSR programs is not very important, the fact that the business has done its “duty” is the important fact	The evaluation of the CSR programs is very important, the evaluation process is similar to any other investment process of the business

Source: Compiled by the author

We consider the information provided in this section of our paper an important and original theoretical contribution in systemizing the large amount of bibliographical resources encompassing recommendations about how CSR should be implemented, but also we aim at giving it a practical use in developing research methodologies and instruments for CSR evaluation in different business organizations, and furthermore we consider it a useful and concise practical guideline for all those business representatives and employees preoccupied with the quality of the implemented CSR programs and their results.

4. Case study in a banking institution

For the applicative part of our paper we have chosen a business organization from the banking sector. Perez and Bosque (2012, a) estimate that CSR issues are especially relevant for the banking industry in the context of frequent financial scandals and questionable accounting and management practices. Furthermore, they state that “there is an outstanding lack of research analyzing the nature of CSR management styles in corporations”. Perez and Bosque (2012, b) point out additional arguments for the suitability of this sector for CSR related research among which we could mention: the recent transformations in this sector, especially in the past decade and in the international crisis context, which led to the need for banks to recover image and credibility, the fact that the banking industry is traditionally one of the most proactive investors in CSR and that there is a growing demand for social investment. “The erosion of the financial sector’s image has prompted a feeling of fear among customers about the security of their savings, thus bruising confidence over the last few years” state the authors.

To all these arguments we could add the fact that in Romania the banking system already had some negative image constraints even prior to the international crisis due to past controversial cases in the '90 or other investment funds like the one “illustrative” called “The National Account of Investment”, not to mention the very popular “Caritas” that at the beginning of the '90 was presented as an “investment” and “saving” opportunity for a lot of naive Romanians who lost their lifetime savings in what was a Ponzi scheme by definition. The recent scandal with the Helvetian franc bank loans given prior to the crisis affected once again the image of banking institutions in Romania.

Perez and Bosque (2012, b) mention that they have chosen the banking sector as “the context for the development” of a CSR measurement scale based on two arguments: first that the management of corporate image is vital in this “context of confidence crises”, especially for the banking sector “which currently faces one of the worst crises of confidence worldwide” and second that the banking sector, compared to others, has a greater visibility as being part of the daily routine of plenty of individuals (who this way also gain a better ability to evaluate the CSR activity of their banking provider).

Our practical study consisted of a qualitative research based on a semi-structured interview with the manager of a major banking services provider in Timișoara, an international bank that has a wide developed infrastructure in several countries and that in Romania is among top three bank services providers, who has implemented several CSR programs at a national and level. Regarding the research methodology, we have used mainly Babbie’s (2010) recommendations, setting the following steps for designing and applying our proposed research methodology:

1. Determination of the most important theoretical aspects for the elaboration of the research method – realized with the first sections of this paper;
2. Conceptualization – a step in which we have identified the objectives of our research;
3. The selection of a research method – we have chosen a qualitative research method, the semi-structured interview as being adequate for the objectives of our research;
4. Operationalization – in which we have decided on the items of the semi-structured interview;
5. The selection of the population and sampling – was based on a non-probabilistic method using the principle of promoting best practices in the field;
6. Observations (collecting data) – was performed in March 2015 on the bank’s location with the manager of the bank subsidiary in Timișoara;
7. Data processing – was done by transcribing and systemizing the answers of the semi-structured interview;
8. Data analysis – was the stage of our research where for the collected information interpretations were offered;
9. Determination of the applicative implications of the results – the potential applicative implications are presented in the final sections of our paper and are significant for the CSR policy of the analyzed banking institution but also for other business organizations interested in implementing high quality CSR programs.

The majority of the questions addressed to the bank’s manager in this interview fit 15 criteria out of the 25 key determinants of a CSR strategic approach (presented in Table no.2) that we considered being the most relevant elements for a practical evaluation of the analyzed topic. The collected answers for these questions were systemized and are presented in a structured manner in Table no. 3.

As shown in Table no.3, the structure of the semi-structured interview was designed so that it could fit the main fifteen criteria (C1-C15) that we have identified based on the literature review as being the most important ones when evaluating the strategic approach to CSR in a business organization. We bolded the answer given by the bank’s manager, we marked his answer and we identified it as being specific to a traditional approach (T) or a strategic approach (S).

Table no. 3 Results obtained when evaluating the CSR approach in a banking institution based on criteria identified as key aspect for a strategic approach

C1	Engaging in CSR programs is an obligation that business organizations have		Engaging in CSR programs is not an obligation, but it is a good opportunity to put in practice the promoted organizational values	X	S/T S
C2	The CSR activity is perceived as being central to the bank strategy	X	The CSR activity is perceived as being peripheral to the bank strategy		S
C3	Social causes are chosen that have nothing in common with the bank’s activity, in order not to raise suspicions about the egoist reasons of involvement	X	Social causes are chosen that have as many things as possible in common with the bank’s activity, because this way the bank has certain benefits that motivate its long term involvement		T
C4	The bank should avoid to gain benefits from its CSR involvement		It is a good thing that the bank has as many benefits as possible	X	S
C5	The he main benefit of the CSR programs that the bank should have	X	Other benefits are more important		T

	is the image benefit				
C6	Inside the bank, whenever a solicitation for social involvement appears, there is rather a tendency to donate money for the cause	X	Money donation is limited, alternative ways of support are searched (like for instance volunteering)		T
C7	The decision to support a social cause, in favour to others, belong to the top management of the bank	X	The decision to support a social cause, in favour to others, are made with a consultation of employees or clients		T
C8	There is an annual fixed budget dedicated to the involvement in CSR programs, because this way expenses are kept under control		There is a flexible policy of financing, money are allocated according to needs of financing of the CSR program	X	S
C9	Annually the bank gets involved in as many CSR projects as possible		Just a few social causes are chosen to be supported with larger sums	X	S
C10	Usually the bank is just one of the several sponsors of a social cause	X	The bank prefers to chose just a few projects and to finance them alone		T
C11	Year to year the supported social causes change, this way a kind of rotation is assured for the bank’s financial aid		The supported social causes usually don’t change from one year to another, true partnerships are created with certain NGOs	X	S
C12	The financial aid that the bank offers to a social cause is usually for a period of time shorter than 3 years	X	The financial aid that the bank offers to a social cause is usually for a period of time shorter than 3 years		T
C13	The involvement in CSR programs usually belongs to a single department		The involvement usually belongs to several departments	X	S
C14	The results of the CSR programs are not promoted very much, a policy of “discretion” being adopted	X	The results of the CSR programs are very much promoted, a policy of transparency” being adopted		T
C15	The evaluation of the CSR programs is not very important, the fact that the bank has done its “duty” is the important fact		The evaluation of the CSR programs is very important, the evaluation process is similar to any other investment process	X	S

Source: Compiled by the author*

*Note: there have been highlighted (bold) the options given in the bank’s manager answers

The obtained results of the semi-structured interview showed that of the 15 criteria taken into consideration 8 criteria are specific to a strategic approach and 7 to a traditional one, which leads us to a very first conclusion that the bank has managed to get closer to a strategic approach to CSR although it is not currently engaged into a CSR approach that could be specifically defined as traditional or strategic. We appreciate that currently the CSR approach is specific to a transition process or phase, from a traditional to a strategic CSR approach. This is the general outlook based on the obtained results of the semi-structured interview, as it follows we will analyze each of the evaluation criteria, our analysis being descriptive as is based on a qualitative research method.

We appreciate as positive aspects the identified criteria specific to a strategic CSR approach (Criteria 1, 2, 4, 8, 9, 11, 13, 15) and further interpretations are formulated for each one of them:

- For Criteria 1 we can notice that the bank’s manager perceives CSR from the strategic advantages that it offers to put in practice organizational values (that are otherwise promoted in mission statements for example) and to prove that this values are somewhat more authentic through CSR initiatives, a mission that from our perspective is neither easy nor missing importance;

- Criteria 2 represents in our interpretation a prove that the analyzed business organization has the potential of further developing its CSR activity and to mature it into a full strategic approach as the importance given to CSR in the strategy of the bank is high;

- The fact that the bank’s manager perceives that the business organization should gain as many CSR benefits as possible (Criteria 4) is a promoter to further development of a strategic approach of CSR, as CSR business related benefits are a very good way to ensure future financing for CSR programs;

- The flexible policy of financing CSR projects (Criteria 8) is an aspect for which we have an interpretation correlated with the activity of the analyzed business organization (financing different projects is part of its core activity) and the flexibility of finance according to the needs of the project is understood as vital for assuring its success;

- The fact that the bank chooses just a few causes that it supports with more financing (Criteria 9) ensures that the impact of the implemented CSR programs is more tangible and significant. This option specific to strategic CSR represents an option far better than the alternative of supporting lots of causes with smaller amount of financing (specific to a traditional approach to CSR) thus available organizational resources for CSR programs are limited and it is important not to dissipate them without any real results;

- For the same reason, CSR projects that receive financial aid should not change from one year to another (Criteria 11), and furthermore creating partnerships with NGOs can prove a useful instrument for strategic CSR implementation due to the specific knowledge that NGOs usually bring into these partnerships. Finding the right partner, with the right knowledge and drive, in CSR implementation can prove to be the key for the success of a CSR program;

- The involvement of several departments are engaged in CSR implementation (Criteria 13) proves the centrality of CSR inside the bank, as the activity is not left just to one department and it is not something like an item on a check list;

- Evaluation is vital in a strategic approach and the fact that the evaluation of CSR projects is perceived as for any other financed projects (Criteria 15) is a guaranty for efficient resources allocation when implementing CSR programs in a strategic approach.

As for aspects identified as less positive from the perspective of a strategic approach to CSR (Criteria 3, 5, 6, 7, 10, 12, 14 were identified as being specific to a traditional approach), we can formulate several recommendations that the managers of the analyzed business organization can evaluate their suitability and further used the aspects that they consider to be useful in improving the bank's CSR activity and also the bank's core activity and overall strategy:

- In CSR implementation social causes that have as many things as possible in common with the bank's activity must be chosen as it is a way for social and economic benefits to be interconnected (for Criteria 3). Thus successful CSR project in a strategic approach could prove to be a way of also improving the business activity, its long term results and legitimacy;

- The main benefit that CSR programs can ensure is not the image benefit (for Criteria 5) as other benefits like a better competitive position or better relationships with various organizational stakeholders could prove far more important. Our point of view on this matter is that the image benefit is an additional one, added after other strategic aspects have been reached by implementing a CSR program, and it should not be the primary goal of implementing this kind of initiatives;

- The tendency to donate money for the cause (Criteria 6) is another characteristic specific to a traditional CSR approach and it has the disadvantage of not actually solving the problem in most of the cases, but rather to delay the need of finding a real solution with long term effects. In this case the principle “you you want to help somebody you don't give them the fish already caught but you give them a rod and teach them how to fish” is very illustrative for the needed changed of mentality. From a strategic CSR perspective other CSR types of programs are suggested, including volunteering (which has the advantage of being also a cost effective solution) or cause related marketing. An exception to this rule must be though noticed, when we are dealing with severe cases that need rapid solutions, so as a conclusion on this matter of organizational philanthropic aid we could state that donations should not be totally absent, they should represent only a small percentage of the funds allocated for CSR programs, complementary to other CSR programs and not a statutory initiative;

- The decision regarding the CSR programs to be implemented (Criteria 7) in a strategic approach should not belong only to few managers from the top of the business organization, but rather should be a decision belonging to various groups of stakeholders according to the targets of the programs. Matching initiatives could be a solutions for stakeholders to chose from several CSR alternatives and due to the fact that organizational stakeholders are involved in choosing a certain CSR program they will also be more opened about supporting its implementation;

- The fact that the bank chooses to be just one of the several sponsors for a social cause is another traditional CSR characteristic (Criteria 10) because this way the involvement is very limited and tangible results are difficult to attain when only limited organizational resources are allocated;

- Furthermore, the next criteria (Criteria 12) identified as specific to a traditional approach is an additional prove to our conclusion that at least in some cases the involvement of the bank is limited. Offering financial support for a CSR program for at least 3 years is highly recommended for the continuity of financial support that various successful social initiatives need so that they will focus rather on obtaining the best results with the allocated money and not constantly be in a quest for financial resources;

- Adopting a “discretion” policy about the results of the implemented CSR programs is again a characteristic of a traditional approach, as in a strategic CSR approach results must be communicated as a prove of transparency and a way of adding business benefits like enhanced reputation for the business organization (for Criteria 14). Communicating the results of CSR programs could also act as a promoter of such behaviors in business, constituting an example to be followed at least on competitive grounds if not inspirational.

The other questions of the semi-structured interview could not be included in the criteria presented in Table no. 3 and their answers will be shown in Table no. 4 as it follows:

Table no. 4 Other results obtained when evaluating the CSR approach in a banking institution in a semi-structured interview

Corporate social responsibility is perceived by the interviewed manager as being represented by the actions, practices, principles through which a company is involved in society (community) to contribute to the development of this society (community), aimed at providing a positive impact on its activities
The manager identified two major directions of the CSR policies of the bank: one internal (focus mainly on employees) one external (focused mainly on local communities)
The internal dimension of CSR initiatives dedicated to employees includes two categories of benefits: contractual, added as a bonus to salary (medical facilities obtained from private medical providers, subsidizing a portion of the employee contribution to the pension Pillar 3, life insurance, merchant discounts based on the employee identity cards) and extra-contractual (donations, support for exceptional situations - based on an individual initiative of the employee)
The external dimension of CSR initiatives dedicated to communities includes sponsoring different cultural and sports events (for tennis, handball, rugby)
The meaning attributed by the interviewed manager to a strategic approach of CSR refers to the fact that CSR should respect the ethical values of the parties involved in the process, to take into account the local community and the environment. A strategic approach of CSR should signify the inclusion of CSR principles in the bank's strategy and practice
The CSR benefits identified as being the most important ones are: improving the image of the brand, differentiation from the competitors, attracting customers and an increased activity of the bank. CSR created closer links between the bank and its employees through their active involvement in different in this kind of initiatives.
When asked about the major costs or risks associated to CSR implementation the manager stated that according to his perception there are no major risks in these cases. There could be some risks if the CSR actions would not respect ethical values.
The answer of various stakeholders to the CSR initiatives of the bank were positive: the employees enthusiastically get involved in this kind of initiatives, the clients appreciated the bank's involvement noticing the availability of the bank institution for it and all the implemented CSR programs benefited from a lot of support from the top management of the bank
Approval of major CSR initiatives is done in a bottom-up approach, with successive filters, the final decision being made in the headquarter of the bank. CSR proposals are approved if they fit the bank's strategy and they are not in contradiction with bank policies and values
The responsible department of the bank for implementing and coordinating CSR programs is The Communication Department in headquarter
The distribution of the allocated budgets for CSR programs is decentralized. Increasing the allocated budget can be approved in exceptional circumstances
Direct financial support (donations) prevails, but encouraging volunteering is growing
There is a long-term orientation on several CSR programs that receive financial support for more years
There are some partnerships formed to support CSR programs (with other providers of CSR programs)
When asked to give some examples of the already implemented CSR programs the interviewed manager offered two examples: one CSR initiative based on organizational philanthropy consisting of offering gifts for Christmas for needed children (an initiative undergoing for several years) and another one based on employees volunteering offering educational support and trainings for high school pupils (also an initiative undertaken each year since 2011).

Source: Compiled by the author

By the information provided in Table no. 4 we can reach to several additional observations regarding the CSR approach of the analyzed bank according to the perception of the interviewed manager:

- There is a predominant focus on a traditional approach of CSR, donations for instance are very present in the bank's involvement, but this could also be a contextual aspect from our perspective as those supporting social causes will look for direct financial support to a bank, an institution providing financing through its core activity;

- Responsible business practices, the type of CSR program defining for a strategic approach of CSR, were not present at all in the answers offered by the interviewed manager in this fact in our interpretation has two possible explanations: that either the bank institution is not implementing responsible business practices or more likely that they are implementing this kind of initiatives but they are perceived as being part of the core business and not as part of the CSR policies and initiatives;

- Costs and risks related to CSR implementation are not perceived as being significant, another characteristic of a traditional approach.

5. Conclusions

We consider that a strategic approach is vital for the success of CSR initiatives, because otherwise CSR remains just a peripheral activity that business organizations and stakeholders alike perceive as way for dissipating corporate resources to the limited benefit of protecting the image of the business organization from the blame of missing a social involvement. A change of perspective is needed, managers must identify the business opportunities that CSR can provide, especially in a long term perspective.

With this paper we argue the need for a better CSR approach, then we briefly presented some of the bibliographical resources that marked the evolution of the evolution of the CSR concept and at the same time underlined the need for a strategic CSR approach and as an important personal theoretical contribution we systemized 25 criteria that differentiate it from a traditional CSR approach. As for the practical part, we used the identified criteria as a basis for elaborating a qualitative research methodology consisting of a semi-structured interview.

The proposed research methodology (another element of originality of this paper) was applied in a banking institution, the banking sector being considered as highly relevant for researches related to business ethics and corporate social responsibility topics due to recent challenges in this field of economic activity. The obtained practical results showed a transition process in CSR adoption in the analyzed bank, from a traditional CSR approach that is still very much present in CSR perception and implementation to a strategic CSR approach that is currently developing.

We consider that our paper brings important contributions, both for theoretical and practical aspects, although there are numerous limitations to overcome in future researches. We have tried to offer a great practical value to our research, to make it a useful tool in the evaluation of the CSR activity and we appreciate that it could represent a valuable factor in the future CSR policy decision making for the managers of the analyzed banking institution.

ACKNOWLEDGMENT

This work was supported from the European Social Fund through Sectorial Operational Programme Human Resources Development 2007 – 2013, project number POSDRU/159/1.5/S/134197, project title “Performance and Excellence in Postdoctoral Research in Romanian Economics Science Domain”.

6. Bibliografie

- [1] **Amaeshi K., Adegbite E., Ogbechie C., Idemudia U., Kan K. A. S., Issa M., & Anakwue O. I.**, Corporate Social Responsibility in SMEs: A Shift from Philanthropy to Institutional Works?. *Journal of Business Ethics*, 1-16, 2015;
- [2] **Babbie E.**, *The practice of social research*, Cengage Learning, 2015;
- [3] **Balcerowicz L.**, Corporate Social Responsibility: Some Clarifications and Questions, *The True Value of CSR: Corporate Identity and Stakeholder Perceptions*, pg. 15-28, 2014;
- [4] **Bowen H.R.**, *Social Responsibilities of the Businessman*, Harper & Row, New York, 1953;
- [5] **Davis K.**, Can businesses afford to ignore social responsibilities? *California Management Review*, 2, 70-76, 1960;
- [6] **Doane D.**, The Myth of CSR. The problem with assuming that companies can do well while also doing good is that markets don't really work that way. *Stanford Social Innovation Review*, 2005;
- [7] **Drucker P. F.**, *The practice of management*, Harper & Row, New York, 1954;
- [8] **Drucker P. F.**, Converting social problems into business opportunities: The new meaning of corporate social responsibility, *California Management Review*, 26, 1984;
- [9] **Feder E.**, International market, entrepreneurial and learning orientations as drivers of firm performance, *Studia Universitatis Babeş-Bolyai Oeconomica*, Volume 60, Issue 1, 2015;
- [10] **Friedman M.**, The Social Responsibility of Business is to Increase its Profits. *The New York Times Magazine*, 1970;
- [11] **Ghalib A. K., Agupusi P.**, How socially responsible are multinational corporations? Perspectives from the developing world, Working Paper 32, DEV Working Paper Series, The School of International Development, University of East Anglia, 2011;
- [12] **Gligor-Cimpoieru D. C.**, Proposing a Model for Implementing a Corporate Social Responsibility Program in a Strategic Approach, *Timișoara Journal of Economics*, Volume 5, Issue 18, pg. 272-284, 2012;
- [13] **Graafland J.J., Eijffinger S.C.W., SmidJohan H.**, Benchmarking of Corporate Social Responsibility: Methodological Problems and Robustness, *Journal of Business Ethics*, 53 (1-2), 51-71, 2004;
- [14] **Ilies V.**, Corporate social responsibility. Knowledge of the process in Romania, *Journal of Media Research*, Vol. 8 Issue 1, pg 93-103, 2015;
- [15] **Johnson H. L.**, *Business in contemporary society: Framework and issues*, Belmont: Wadsworth, 1971;
- [16] **Kotler P., Lee N.**, *Corporate Social Responsibility – Doing the Most Good for Your Company and Your Cause*, John Wiley & Sons, New Jersey, 2005;

- [17] **Laval V.**, Restructuring Stakeholder Collaboration and how Controlling can Add Value by Managing Educational CSR Initiatives - An Analysis Based on Multi Stakeholder Projects, Review of International Comparative Management Volume 16, Issue 2, May 2015, pg. 205 – 221, 2015;
- [18] **Malik M.**, Value-enhancing capabilities of CSR: A brief review of contemporary literature, Journal of Business Ethics, 127(2), pg. 419-438, 2014;
- [19] **Murray K.B., Montanary J.R.**, Strategic Management of the Socially Responsible Firm: Integrating Management and Marketing Theory, Academy of Management Review, 11(4), 815-827, 1986;
- [20] **Perez A., Del Bosque I. R.**, The Role of CSR in the Corporate Identity of Banking Service Providers, Journal of Business Ethics, 108, pg. 145-166, 2012 a;
- [21] **Pérez A., Del Bosque I. R.**, Measuring CSR image: three studies to develop and to validate a reliable measurement tool, Journal of business ethics, 118(2), pg. 265-286, 2013;
- [22] **Perez-Batres L. A., Doh J., Miller V. & Pisani M. J.**, Stakeholder Pressures as Determinants of CSR Strategic Choice: Why do Firms Choose Symbolic Versus Substantive Self-Regulatory Codes of Conduct?, Journal of Business Ethics, 110 (2), 157-172, 2012;
- [23] **Porter M., Kramer M.**, The Competitive Advantage of Corporate Philanthropy, Harvard Business Review, 80 (12), 56-69, 2002;
- [24] **Porter M., Kramer M.**, Strategy & society: The link between competitive advantage and corporate social responsibility, Harvard Business Review, 84(12), 78–92, 2006;
- [25] **Porter M., Kramer M.**, Creating Shared Value, Harvard Business Review, 89, no. 1/2, pg. 62-77, 2011;
- [26] **Preston L., Post J.**, Private Management and Public Policy: The Principle of Public Responsibility. Prentice Hall, New Jersey, 1975;
- [27] **Puiu S.**, Students’ perspective on ethics management of higher’ education system of Romania, Management & Marketing, volume XII, issue 2/2014 , pg. 247-252, 2014;
- [28] **Steiner G. A.**, Business and society. Random House, New York, 1971;
- [29] **Neves P., Story J.**, Ethical leadership and reputation: Combined indirect Effects on Organizational Deviance, Journal of Business Ethics, 127(1), pg. 165-176, 2015;
- [30] **Tehemar S.**, Communication in the CSR Context, <http://bookboon.com/en/communication-in-the-csr-context-ebook>, 2014;
- [31] **Urip S.**, CSR strategies: Corporate social responsibility for a competitive edge in emerging markets, John Wiley & Sons, 2010;
- [32] **Werther Jr W. B., Chandler D.**, Strategic corporate social responsibility: Stakeholders, globalization, and sustainable value creation, Sage Publications, 2013.