

INNOVATIVE INTEGRATION OF SOCIAL RESPONSIBILITY IN BUSINESS STRATEGY

ALBU MĂDĂLINA

*PhD ASSOCIATE PROFESSOR,
PETROLEUM – GAS UNIVERSITY OF PLOIEȘTI, ROMANIA,
e-mail: malbu@upg-ploiesti.ro*

Abstract

Innovative integration of social responsibility in the decision making in companies and other organizations, is an activity that causes immediate positive effect on those directly involved, on local communities and society as a whole. Setting up a framework to promote and implement the concept of social responsibility is an important factor for promoting economic development and sustainable development of local communities and society in general. The paper presents aspects of how McDonald's Romania treated with the utmost seriousness social responsibilities under its leadership, using all resources to contribute to a better world. The company must be continuously aware of its impact on the environment and the community, including these issues in its future strategy. Synergy between social responsibility activities of companies and their goals of business is a sure way to be successful on the market, this can be highlighted in the case study conducted at McDonald's Romania, a company that wants to use his position leadership to ensure that benefit ethical, environmental and economic.

Keywords: social responsibility, innovation, company management

JEL classification: M14, M21, O3

1. Introduction

Corporate Social Responsibility is a concept that refers to the contribution that companies must make to the development of modern society. This can occur passively - avoiding companies to engage in activities that can have a negative impact on society and the environment or actively through various activities whose primary goal attainment and achievement of social goals.

Integrating social responsibility in the decision making in companies and other organizations, is an activity that causes immediate positive effect on those directly involved, on local communities and society as a whole.

Setting up a framework to promote and implement the concept of social responsibility is an important factor for promoting economic development and sustainable development of local communities and society in general.

The company must be continuously aware of its impact on the environment and the community, including these issues in its future strategy.

Based on the business context analysis, the company can generate predictable and anticipate a number of opportunities and challenges.

The purpose of this analysis is to provide the company the ability to create a synergy of factors needed to achieve the mission and strategic objectives and effective management of time and challenges.

The instruments of social responsibility are the guidelines for organizations interested in evaluating and improving sustainability performance concept, thus promoting the concept of social responsibility. These tools can establish a minimum level of performance, and organizations are helped to build a system to measure quality, and highlight best practices.

These tools should be an integral part of how it is administered business, but, however, many companies are quite reluctant to adopt them, especially because of misunderstanding major advantages that would result from their implementation [2].

The tools are developed with direct involvement of governments, business groups and organizations interested in civil society. These institutions are involved in the designing of instruments and their implementation. By attending as many parties with an interest in social responsibility, and have different areas of expertise, can provide a higher level on all sides.

The company should be concerned, first of its social responsibility towards stakeholders in its internal environment. The company has a number of management tools that it uses in its current activity, which should correlate with the integration model of social responsibility.

2. Integration model of social responsibility into business strategy

Current trends in the European and global social responsibility shows that the practice will expand more and more deeply among companies [4]. Innovative integration of social responsibility of a company strategy requires the following steps:

- Analysis of the current situation of the company
- Establish firm direction based on the principles of social responsibility
- Identify and analyze opportunities and threats
- Integrating social responsibility into the organization and sphere of influence

The first step of integrating social responsibility involves an analysis of the current situation in order to identify how to position the company in its dealings with internal and external environment. To do this, the company must identify its strengths peculiarities of the market, but also factors that make it uncompetitive. This analysis takes into account two dimensions of global environmental firm, namely internal and external environment. SWOT analysis is a useful tool used for understanding the strategic position of the company.

Following the company's internal environment analysis will identify the strengths, namely its strengths and what does not appropriate domestic issues and forming weaknesses of the company. Analysis of the external environment of the firm aims to identify those trends external economic, political, financial, legal, demographic, technological, which can benefit the company, they are opportunities, or that may lead to losses the company and they form threats. SWOT analysis will be oriented analysis of internal and external point of view, the following aspects: employees, market, environment, community

Parties interested in making a SWOT analysis what level of involvement varies by relevance.

To be involved in this analysis, stakeholders should be identified, informed and consulted.

The main tools and techniques necessary to interact with different categories of stakeholders is manifested informally through meetings with local leaders, participation in local events, activities with employees, participation in joint events with partners or customers.

The methods of obtaining information are questionnaires and surveys. Organizations that addresses customers through the Internet users can also use variants of these tools tailored for these communication channels

Recognising strengths and weaknesses company may define its projection on its future - the vision of the company, how it wants to reach that future - mission and may establish major milestones which shall run - strategic goals, starting the four dimensions of the concept of social responsibility.

The company must be continuously aware of its impact on the environment and the community, including these issues in its future strategy.

At the stage of determining the direction of the company, employee involvement is very important and can take the form of recommendations or views expressed by employees during informal meetings or in workshops dedicated to these issues.

For the outcome to be positive employee involvement, team responsible for setting strategy must complete all stages from planning to preparation. All those consulted should be present analysis results that are expected of their contribution and must always be told the method by which they can contribute to implementation.

If the number of employees to be consulted is great, but it wants to capture as many of these ideas can be used alternative methods that can combine the collective interaction with individual work.

Based on the business context analysis, the company can generate predictable and anticipate a number of opportunities and challenges. The purpose of this analysis is to provide the company the ability to create a synergy of factors needed to achieve the mission and strategic objectives and effective management of time and challenges.

Instruments whose challenges are managed, are part of risk management and stakeholders can assist your company in identifying potential risks based on the features, frequency and impact these risks may have.

In general, risk management tools are based on the probability that a certain event to occur. Therefore, in exceptional circumstances or when, due to the developments of certain factors are changed, these methods can give errors. One effective tool and wants to avoid this weakness of methods used in risk management is the scenario method, which takes into account those instances where it is difficult to predict whether a particular phenomenon will occur or not [1].

In this step of integrating social responsibility into business strategy, involvement of interested parties is important to build scenarios because they depend on the authenticity forecasts situations in the future development of the company.

The last step of integrating social responsibility into business strategy is based on the fact that, once established the company's social responsibility strategy and establish action plans is particularly important to be included in the organization's culture. This may result in the inclusion of all decisions taken in the company's

internal system.

Determine the need to complement internal documents of the company social responsibility and acceptance of new work principles. These decisions change documents or conduct are not sufficient if they do not become tools "live" in business activity. They must always be used and adapted. In this regard, the company must be active in the sense of offering its employees and all interested parties, facilitating access to information that presents the new organizational culture of the company.

This last step of integrating social responsibility is based unified communication and manifestation of conduct for all company representatives.

The involvement of interested parties manifests itself at this stage. In this regard, the company has the opportunity to use all the tools and techniques to inform stakeholders, consult them, involve, and cooperate with the various groups with which it interacts.

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3. SWOT analysis of the company McDonald's Romania

Aspects of internal environment

McDonald's has built great brand based on quality. This brand is in the top ten of the strongest brands in the world, such as Coca - Cola, Nokia and General Motors.

At the McDonald's there is a code of conduct of business rules.

This company has its own program to train managers in the most professional program called "Hamburger University". As a result, McDonald's has many good managers who can help develop the company.

McDonald's is focused on the client. By creating initiatives around the five elements of his plan to win - personnel, products, market, price and promotion - McDonald's has increased its experience, becoming a restaurant for customers around the world, as demonstrated by the increase in sales. This strategy, combined with financial discipline, given the company's strong results for shareholders.

McDonald's uses innovative technology. Currently, the installation of Internet access terminals at points of sale, allowing customers to order online. This will create a more efficient process that will reduce the time between a customer placing the order and the lifting of the order. In Romania this option applies only to launch orders in the offices Piata Victoriei in Bucharest. Management of Romania stresses that he does not replace the experience of physical stores with purchase orders at home, why does not yet have plans to expand to other stores - McDonald's strategy against other countries in the world [7].

Whatever the continent, children and adults considered as synonymous with the McDonald's restaurant chain colossus. This leads to the development of marketing strategies and management, which are based on very thorough analysis of the market and lead to worldwide success.

Aspects of the external environment

The operations of any organization are strongly influenced by individual state policies imposed by each government and McDonald's case is no exception. For example, there are groups in Europe and the United States who are protesting the health implications of consuming fast food. They claim that harmful elements such as cholesterol and adverse effects, such as obesity are attributable to consumption of fast food products. There are other factors such as tax law, the law of employment and restrictions on trade, which influence McDonald's.

Also, tax rates can affect the development organization. The various restrictions in labor law, such as regulating hours of work requires the company need to hire more staff. Such changes could increase the total cost involved.

On the other hand, the company must take into account a number of important influence laws that can compel even the food content.

With low-cost menu, McDonald's could attract customers who only have low incomes. This segment represents a rather remarkable, especially lately, when global economic problems there. It is not difficult for McDonald's to apply low-cost menus in all restaurants.

Customer tastes are now more diverse. As a result, customers need new format of service in order to satisfy their tastes. McDonald's, the newly formed business, such as McCafe, can attract new customer segment, ie clients who prefer coffee, but also want to use the Internet to work when drinking coffee.

Although people are worried about how McDonald's can affect their health, this can mean a chance for McDonald's. This company can develop new products, special burger fresh or healthy dessert.

With a growing number of cases of obesity among Americans and people around the world, chains of fast food, and thus McDonald's will continue to be overshadowed by their product offerings earlier, for example meals oversized, without fruit or yogurt, and a little salad. People today face heart problems becoming more serious. As a result, they need nutritious and healthy and lifestyle change.

Environment is one of the hottest topics around the world. Any action which affects the environment and life is strongly criticized.

Therefore, McDonald's is involved in many campaigns for social responsibility and environmental protection which wants to demonstrate its good faith and support specific activities sustainable development.

The conclusion of the above mentioned aspects are reflected in the SWOT matrix shown in Figure 1.

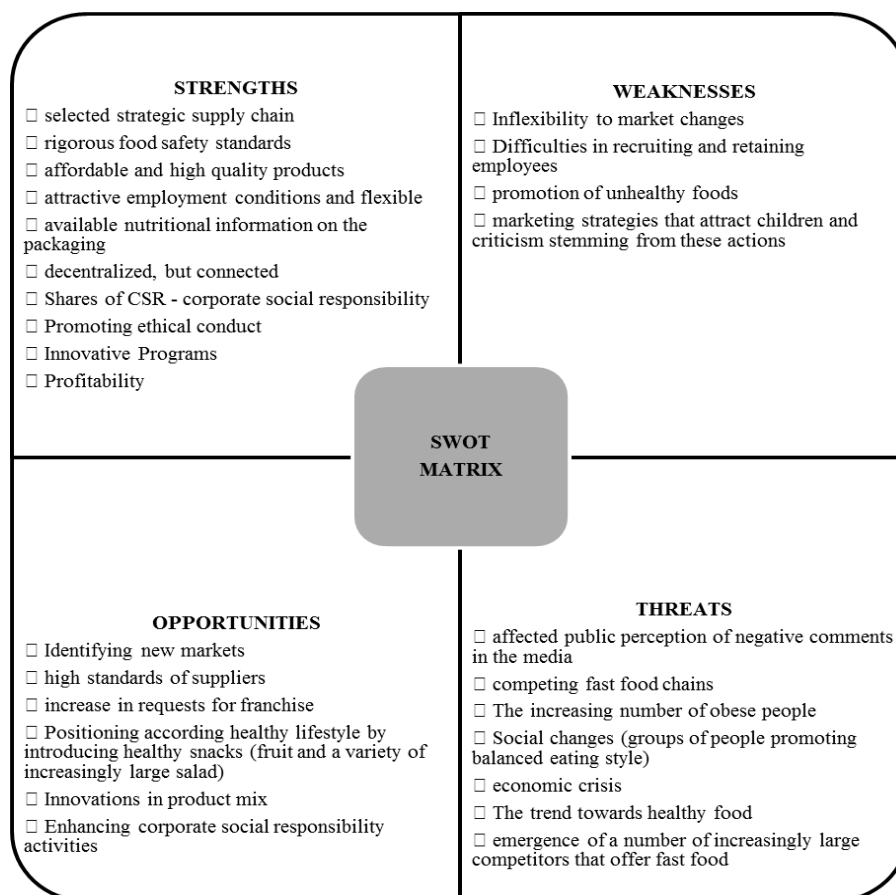


Figure 1. SWOT matrix of McDonald's

4. Innovative integration of social responsibility in the management of McDonald's Romania

Priorities McDonald's, both globally and in Romania, the achievement of social responsibility aimed at making the joint elements considered essential by the company, as shown schematically in Figure 2: nutrition and well-being, sustainable supply chain responsibility girl environmental, personnel and community experience [5].

In the coming years, McDonald's aims to continue its efforts for sustainable development to a higher level. Together with all stakeholders as setting and implementing a strategy with the aim to identify new opportunities and to establish quantifiable targets to measure improvements continuously.

Integrating concepts and practices of social responsibility at McDonald's Romania and worldwide, is also based on explanations given by the international standard ISO 26000: 2010 which has the following purposes. [3]

- provides guidance on social responsibility principles, referring to key topics and issues of social responsibility and shows how to integrate social responsibility into company strategies;
- is intended to be used in all types of organizations, both public and private sector, and non-profit organizations, regardless of their size or stage of development of the states in which it operates;
- it can be used by organizations that are new to the issue of social responsibility, but also those who have some experience in implementing this concept.

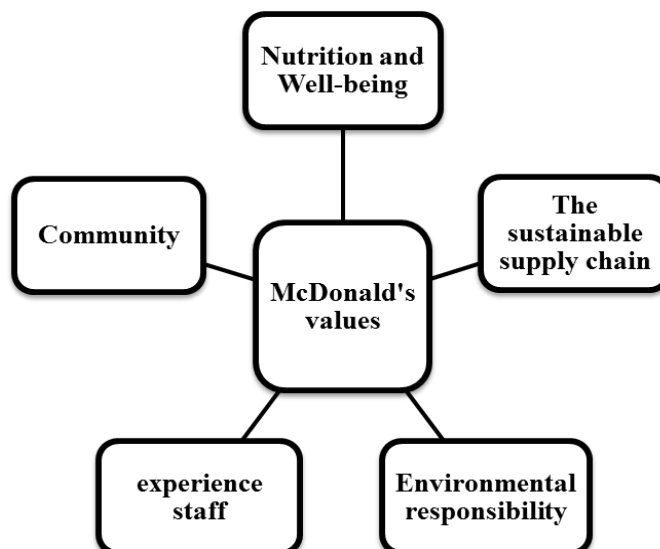


Figure 2. Priorities for McDonald's corporate social responsibility [5]

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McDonald's to make changes to the involvement of socially responsible practices in its strategy, both globally and in Romania. These practices are manifested in areas such as [6]:

- own restaurant design offices, production units or sales in order to bring to the fore the safety of customers and employees, to protect the environment, to decrease energy consumption as possible;
- improvement of production processes, efficient waste management;
- withdrawal of the offer of products that could be considered unhealthy, if not contradict legislation. In this regard it can be noted McDonald's attitude to withdraw from selling portions "Supersize" fries and soft drinks and tendency to replace soft drinks with plain water menus;
- introduction of their offer menus based on healthy, with many fruits and vegetables and offering plain water
- choice of packaging materials which protect the environment and possible for them to be recycled;
- providing objective and factual information on products, on packaging by presenting the potential negative effects of consumption of those products;
- developing programs for employees medical care, psychological counseling, relaxation and sport facilities;
- adopting policies marketing socially responsible, for example, is not allowed online sale of minor children, promoting healthy products in schools, promoting the consumption of fruit and vegetables, facilitating access to products marketed by the company to persons with disabilities by building ramps access to restaurants, online ordering alternative formats;
- initiate social programs through the Foundation for Children Ronald McDonald Romania;
- Corporate Responsibility Report was published worldwide to provide information about McDonald's business impact;
- creation of partnerships with other social organizations involved to increase environmental awareness and to diversify their resolution;
- working with key suppliers to promote environmentally responsible practices in their operations;
- establishing a network of providers offering consistently and profitably, good quality and safe products in order to provide benefits to obtaining ethical, environmental and economic.

5. Conclusions

Integrating social responsibility in the decision making in companies and other organizations, is an activity that causes immediate positive effect on those directly involved, on local communities and society as a whole. Setting up a framework to promote and implement the concept of social responsibility is an important factor for promoting economic development and sustainable development of local communities and society in general.

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McDonald's Romania treated with the utmost seriousness social responsibility under its leadership, using all resources to contribute to a better world.

Publication year Responsibility Report global corporation aims to provide information about the impact of company activity, as well as the most recent initiatives in areas including the environment, nutrition and sustainable development.

The proposals that can be made relates to the extension and diversification of social responsibility in order to confirm the company's involvement in the problems of this particularly important area for the company in particular and the community in general.

6. References

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