

EVIDENCE FROM ALBANIA ON BUSINESS SOCIAL RESPONSIBILITY

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(Review paper)

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Abstract

To produce, to sell or to trade products or services is only one side of the coin. The other side is the care for those factors that are used in order to achieve business missions. In this context I have raised this line of reasoning is a scientific article, which intends to address this issue of great importance in the business world. Business social responsibility is a relatively new concept with a very important impact on the management of relations between the business world and the environmental and human world. The paper attempts to analyze all aspects of this notion that the world is wide bends integrated today, starting with the definition, up to advantages and criticism. Also part of the paper is a survey made in connection with the recognition of this notion or its application in the Albanian business. From the analysis made, we can say that this notion is developed and globalized very well in our country. It needs more time to be aware of it in making social responsibility meaningful by businesses.

The concept is recognized conceptually, but specifically has not been done almost anything about the management of damages caused to the environment or society.

Keywords: Social Responsibility of Businesses, Albania

INTRODUCTION

The last twenty years have witnessed a fundamental shift in business relations between the state and civil society. Engines of this change have been the transition to a market economy, the process of globalization, increasing the size and influence of companies, governments and building repositioning at a strategically important relation with stakeholders, knowledge and brand reputation. Recently we have a realignment and redefinition of roles and responsibilities of business in society. The result of these developments is the corporate social responsibility, which includes the legal responsibility, ethical, social, and environmental impacts to stakeholders.

The pressures of government and civil society to environmental pollution, abuse of human rights and the exploitation of workers have pressured companies to become more responsible towards society and the environment. They have already understood the strategic value that BHP.

It is important to note that CSR supports and does not hinder the development of SMEs in countries in transition. For places of this type SMEs are the way of escape from poverty. If CSRs requirements are extremely protectionist, culturally inappropriate and bureaucratic, the net effect would not be at all desirable. Improvements to society and the environment can go hand in hand with improvements in management and quality.

Until recently the developments around CSR have been focused on industries that carry a high risk and environmental health. Finally, the focus shifted from bribery and corruption to social issues such as labor standards and human rights.

CSR should be supported by a strong theory that links social and environmental responsibility with financial success. The business benefits in this case are: minimizing operational costs through efficient environmental measures; improved reputation through immediate positive responses to the concerns of stakeholders; greater capacity to recruit and keep professional staff; risk management and improved capacity to learn and to be innovative.

LITERATURE REVIEW

"You cannot talk about CSR unless you love your people and your country"

The literature on this phenomenon is infinite and not exhaustive. In this section we have summarized some of the key concepts of social responsibility.

CSR is defined as:

"The continuous commitment of business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families at the same time the community of the society as a whole". - (World Business Council for Sustainable Development)

"Having social responsibility means not only to fulfill the legal provisions, but also go beyond, investing in human capital, environment and relations with third parties." - (The European Commission)

"Running a business in order to meet or exceed expectations ethical, legal, commercial and public that a society has for business." - (Business for Social Responsibility)

Corporate social responsibility can be better understood through changing relationships between business and society. Many people believe it is not very reliable for a company to say that the only concern for them is to increase the benefits of their shareholders, as they have taken over operations that may affect fundamentally the way of life of different communities throughout world.

Globalization has opened new routes and has brought new challenges and concerns. One of the most urgent and important to BHP is that companies need to build and maintain their reputation and manage risk through a set of countries, cultures and socio-political situations. Thus the circle of stakeholders-s is expanding more and more which means that BHP should balance the interests of a broader group.

Recently it is widely accepted fact that the economic benefits of the principles and values can go hand in hand. A coherent social responsibility strategy based on integrity and value financial offers clear benefits for companies and a major contribution to the wellbeing of society.

ADVANTAGES OF CRS

Benefits from CSR may be listed as follows:

- Increase the reputation, image and values of the company"
- Increased desire for products or services in the context of a particular cause"

- Increased reliability, commitment and morale of employees"
- Improve the reliability of customers and increase their numbers. "
- Improvement of the organization's culture
- Minimize operational costs, investment in costly equipment for environmental protection as for example reduction of impurities and efficient energy consumption often produces UP through minimizing costs, more profitable rate of return comparable to other commercial investments
- Reputation enhanced, high performance of the company in relation to ongoing social problems may give it a very good name. These apply in particular to those companies with a high market value of their brand and are constantly under the focus of the media and the general public.
- Ability greater to recruit, develop and maintain staff: This can be achieved using voluntary programs to develop skills or impacting indirectly on improving moral values and integrity of the company so that its employees feel proud that they are part of it.
- Better relations with the government: Because companies tend to expand their business and operate in an environment of politically unstable their efforts insistent to be close to social concerns and environmental would come from a position cooperating with government departments.
- Better Risk Management with a better ability to observe is the key stakeholders-at the success of a company.
- Learning & Innovation: This is not only true for companies operating in more dynamic sectors of varying industries. Even states that still unexplored areas of potential gains lie precisely in the partnership's border between businesses and local communities. They understand this dynamic and flexible relationship between the company and its stakeholders-at the core of the innovation.

Three levels of commitment to CRS

CRS operates at three levels:

1. Firstly, it implies compliance with legal responsibilities (taxes, safety & health, workers' rights, consumer rights, environmental regulations, etc.) and industry standards.
2. Secondly, it has to do with minimizing to the elimination of the negative effects of business in society (eg, abuse of human rights & environmental pollution).
3. Thirdly, has to do with increasing the positive effects of business and creating value through innovation, investment and partnership-it (creation of new jobs, conflict resolution, social and economic development).

Critics think that no matter how sincere feeling and be the commitment of executives at CRS in anyway will be the market that will dictate the way. Corporations are not allowed to be "very good" because they are obliged to operate in conformity with the interests of their shareholders. Despite the strong efforts made by these corporations are to sacrifice their profits in favor of the protection of human rights and the environment has been the inevitable reduction of their share prices.

A VIEW ON THE DEVELOPMENT OF CRS IN EUROPE

The poll conducted after 2000 showed that people were more interested in social responsibility in Australia, Canada, USA and the UK, and less interested in China, Nigeria, and Kazakhstan. Somewhere between these two groups were countries such as Germany, Japan, Indonesia and South Africa. According to the survey in North America and Oceania are more likely to practice ethical consumerism. The company's activity and the public

interest are the two most important elements of CRS and most developed in North America, Australia and Northern Europe, it is precisely these countries starting point for many companies and global brands. Anglo-American model of CRS, which focuses on transparency, the system measures and corporate citizenship as a competitive element, all this in contrast to the pattern of institutionalized European social partnership. However, a significant number of European companies are adopting the Anglo-American system of CRS in foreign markets where they operate and maintain their traditional model in their countries of origin. International campaigns and media attention usually focuses on companies that have an identity strong local and meaningful, for example, the European Campaign of clean clothes focused on companies like C & A, Hennes & Mauritz and Otto Versand, and campaigns of American undergraduates focused in American sports brands like Nike and Reebok.

CRS IN DEVELOPING COUNTRIES

Numerous evidences for implementation of CRS practices are from Latin America, Africa, South Asia (mostly from India) and from the Far East (like the Philippines). Most of the multilateral donors to come from developed countries have focused their attention on CRS as a very useful tool to alleviate poverty in these countries. For example, in Latin America organizations such as Ethos Institute in Brazil acting as a promoter of CRS practices, as well as in South Africa where South African Breweries and Land Bank are two institutions that assist in the development of social processes.

Since emerging markets are integrating rapidly into the global economy, it is helping to create new ideas and tools for CRS us. There is a disturbing trend in terms of examples of CSR in developing countries, since it seems to be more focused on the most advanced countries of the South than in countries where poverty is more evident. The purpose of the activities of businesses successful of these countries will have a positive impact on poverty by increasing numbers of employees, adding employee benefits as CSR example by providing medical assistance for them and their families, as well as supplying products and services that meet their needs.

HOW PRESENT IS SOCIAL RESPONSIBILITY IN ALBANIA?

Social responsibility is already one of the directions of the important software development business in Western developed countries, where companies are taking more and more responsibility in relation to the economic impacts, social and environmental practices wherever they operate in local, national or international.

The sense of social responsibility of companies today is being turned into an instrument of long-term competitiveness. Preached theory and practice has demonstrated that short-term benefits of social irresponsibility edge compromise perspective and long term business competitiveness in terms of an open world economy and interdependent. Companies most successful and long-term competitive also have characteristic shared social responsibility.

Albania's development strategies and ultimately oriented towards European integration and global, should inter alia consider the components of social responsibility. Long-term benefits of corporate social responsibility of companies significantly exceed the short-term costs. Such a philosophy is becoming dominant in the Albanian businesses competitive now or in the path towards competitiveness.

In addition to awareness and familiarity with the above philosophy is important to ensure the partnership-among the community, private sector, business associations, and non-governmental organizations associated with:

- approximations innovation and technological developments as a rule tend to be sensitive to social responsibility.
- ensure alignment of acceptable international standards to issues of safety, health, environment and social equality. Businesses consider the obligation of responsible behavior towards the society in which they operate.

This will help the government to develop sustainable strategies for economic development by balancing towards natural or human resources to generate employment and economic development, quality of life of individuals today and even more so for generations to come.

I see social responsibility as a business contribution to sustainable development. There are endless definitions for this but all converge in that it takes into account economic impacts, social and environmental optimization of the cost-benefit balance in the short term, medium term and long term.

Despite the results achieved, it seems that the efforts of our companies to adopt the philosophy of being responsible. In addition to numerous surveys that have been part of my research during operation of the article, this confirms the recently initiatives undertaken by Albanian Network of CSR, in cooperation with the Ministry of Economic Development, Tourism, Commerce and Enterprise, as and UNDP Albania, which held for the second consecutive year awarding prizes for the best companies in the field of social responsibility in July 2015. The winners were announced on the price category of Best Practice for large companies, Vodafone Albania; for the category of best practice for SMEs, the company Intracom Telecom Albania; and the third category the jury selected International Commercial Bank, which was awarded the best initiatives.

If we stopped to analyze these results, we would notice that winning companies are those considered economically powerful. This is a significant and valid indicator to conclude that social responsibility is a combination of short-term costs and long-term results. In this line of reasoning it can be said that in Albania mainly economic factors, but not least, legal and policy they do not favor adopting this philosophy in our businesses.

CONCLUSION AND RECOMMENDATIONS FOR ALBANIA

- Albanian companies are still far from European standards of social responsibility in several important ways.
- There is room for more information and education in the field of social responsibility, especially using the companies own resources.
- It should be taken more action by the government coordination for best instrumental actions in the field of social responsibility.
- It should be taken more into account issues of social responsibility in building sustainable strategies for economic development.
- Need to build indexes and parameters of evaluation of monitoring social responsibility policies in Albania and compare them with the European standards.
- University should review its curricula in social responsibility issues.

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