

# *Banca Transilvania and Banca Comercială Română in the Context of the Covid-19 Pandemic: Social Involvement Actions*

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**Abstract:** *This paper approaches a sensitive subject to the whole world nowadays: the impact of the Covid-19 virus on our lives. Focusing on corporate social responsibility (CSR) actions that were run by two banks in Romania after the state of emergency was declared, this paper aims at presenting the manner in which both Banca Transilvania and Banca Comercială Română have chosen to get involved. To go even further, a comparative analysis of the actions that were taken during this troubling time has been carried out to show that any help, no matter the overall impact, counts. By observing the manner in which these banks have chosen to change their priorities in such a short period of time, the long-term outcome of their CSR measures can be discussed. Even more so, the subject of continuing the already planned CSR actions for 2020 has been discussed and the manner*

*in which the banks are handling this issue has been presented. Predicting the direction and the manner in which these CSR actions will evolve after the end of this pandemic, is also an issue that will be brought to the readers' attention.*

**Keywords:** CSR, banks, donations, COV-19, helping the community

## **1. Introduction**

The crisis situation that made its debut with the first case of an infection with COVID-19 and then progressed with the spread of this virus globally, has triggered a series of problems that are still affecting important sectors, such as the economy, the medical system, the educational system, and even the population that is being faced with an unprecedented situation.

Being a matter of actuality, this analysis of the CSR actions that were taken in a record amount of time (because immediate help was needed), lays the groundwork for the future studies that will develop on this topic, while also guiding those who want to find out concrete data about the involvement of BT (Banca Transilvania) and BCR (Banca Comerciala Română) to fight the negative effects of the new coronavirus.

The purpose of this paper is to observe and analyse the way in which the two banks have offered their help and managed the financial aid directed to the causes that they chose in the context of the crisis situation that has been taking place since March 2020.

## **2. Research method**

To analyse the data available at the moment of doing the research, the method that was used in order to write this paper is the comparative analysis.

The data that have been analysed come from the BT's and BCR's official websites, which have specific tabs/sections that are specific to the topic of interest, particularly those that mention the fight against the new coronavirus. In what follows, the paper will present the statements that were made by these financial institutions regarding the amount of money that was donated, the manner in which the financial help was distributed, the cities that benefited from these CSR actions, but it will also touch upon other relevant data to this research.

Therefore, the following items will be highlighted:

- The date of the first donation made in the context of the COVID-19 crisis
- The amount of money that was donated
- The way in which the sums of money were used
- The way in which the donations were targeted
- The cities in România that benefited from the banks' help
- The statements that were made by the bank representatives regarding the involvement in the fight against COVID-19
- The promotion of the CSR campaigns that are aimed at combatting the new coronavirus on social media

In this comparative analysis, the actions that were taken by Banca Transilvania and Banca Comercială Română right after the state of emergency was declared, i.e. during March 2020, will be presented. The aim of this analysis is to showcase the power of the CSR action type of involvement when help is needed and when it has to be delivered urgently. The analysis has shown that both BT and BCR have specific sections on their websites that are aimed at the same cause: fighting against the new coronavirus. These websites provide insight and information on the donations that were made, having an established and similar format, which

contains the date, the amount, and the distribution of the measures that are meant to help in this context



Fig.1. Banca Transilvania's website section – Help against COVID-19



Fig.2. Banca Comercială Română's website section – Help against COVID-19

Before this crisis situation has made its debut, both banks were already involved in CSR actions in various CSR areas, as it will be illustrated in figures 3 and 4.

**Domenii în care Banca Transilvania se implică prin activitățile sale:**



**Protejarea mediului**

Exemple: implicarea în acțiuni de voluntariat pentru împădurirea unor zone din Transilvania; clădiri BT green; distrugerea cardurilor expirate cu respectarea normelor UE de mediu; materialele de comunicare și publicitate tipărite pe hârtie reciclată; respectarea regulilor de amenajare a clădirilor istorice în care se află sedii BT; senzori de amurg la toate firmele luminoase ale clădirilor băncii; finanțarea unor proiecte de eficiență energetică etc.)

Fig.3. CSR involvement, Banca Transilvania

The screenshot shows the CSR involvement page of Banca Comercială Română. The navigation menu on the left includes: Viziune, Proiecte (expanded), Educație financiară pentru toate vârstele, Leadership civic, Educație pentru dezvoltarea competențelor practice, Proiecte pentru tineri și susținerea comunităților locale, Raport CSR, and Contact CSR. The main content area features a descriptive paragraph about the bank's role in supporting community values and a list of projects. Two project cards are visible: 'Educație financiară pentru toate vârstele' (School of Bani) and 'Leadership civic' (Bursa Binelui).

Fig.4. CSR involvement, Banca Comercială Română

In the following pages, the data available at the moment of doing the research, regarding the amount and form of support that was offered by the BT and BCR banks, will be also presented.

Due to the negative evolution of the number of people infected with the new coronavirus globally and nationally, a state of emergency was declared in our country under a decree published in the Romanian Official Gazette (Decret privind instituirea stării de urgență pe teritoriul României, 2020) on 16 March 2020.

Thereby, the first CSR measures that the two banks have implemented from 16 March will be observed and examined since the research will be focusing on how fast they responded, on how fast they acted and on the manner in which they used the budget that was directed towards each bank's CSR department.

### **Banca Transilvania**

Donation declaration date	Contribution amount	Object of donation	Beneficiary	Beneficiary location
16.03.2020	300,000 EUR	Mechanical ventilation devices, equipment	State hospitals in România	Romania
17.03.2020	93,000 EUR	Medical equipment (e.g. Trilogy 100 Ventilator)	Unspecified	Unspecified
17.03.2020	30,000 EUR	Test kits, ambulance repairs	Unspecified	Unspecified
18.03.2020	39,000 EUR	Disinfectant, videolaryngoscope, ultrasound machine, FFp2 masks	Emergency county clinical hospital	Cluj

18.03.2020	1,000 EUR	Travelling costs for the volunteers that go grocery shopping for the elderly	Elderly	Cluj
18.03.2020	2,000 EUR	Masks, disinfectant, protective suits	Emergency county hospital Mavromati	Botoşani

Table 1. (The first) 6 aid actions declared by Banca Transilvania

As it can be noticed in table 1, BT declared their first aid action on 16 March 2020, which was followed by donations for various purposes and to various locations in the next days. These aids went to multiple hospitals in counties, such as Cluj and Botoşani, in the first phase. The focus was to help with the supplies such as masks, protective suits, test kits for COVID-9, disinfectant, but also with the medical equipment.

With the help of this table (table 1), it is easy to notice that the first donation made by Banca Transilvania took place on the exact same date that the emergency state was declared in Romania.

The BT's involvement has continued even further than the period that was included in this analysis; therefore, the impact at the present moment is considerably larger, but in order to focus on the immediate actions that were taken, a relevant timeframe that would illustrate the importance of getting involved in a record amount of time needed to be selected. It was observed that, on 18 March 2020, 1,000 EUR were donated to cover the cost of travelling for the volunteers that were helping the elderly population living in Cluj county. This type of action is not seen very often, but in the context of this pandemic, the focus fell on the elderly people. The World Health Organisation has reported that, based on the evidence that exists today, people over 60 years old represent a risk group, because when contacting the virus, they have a higher chance of developing complications

(World Health Organisation, 2020). That being said, measures were taken to reduce the risk of getting the virus for this age group, by limiting their outings and offering assistance at their own houses.

### **Banca Comercială Română**

Donation declaration date	Contribution amount	Object of donation	Beneficiary	Beneficiary location
23.03.2020	5,000 EUR	Equipment, hygiene and protection materials	Asociația Doctor Victor Babeș (Doctor Victor Babes Association)	Timișoara
24.03.2020	10,000 EUR	Hot meals	Doctors, nurses, people that are in isolation (through the Act For Tomorrow Association)	Unspecified
24.03.2020	20,000 EUR	Protective suits, supplies, medical equipment	Through - Salvați Copiii (Save the Children)	Unspecified
25.03.2020	2,000 EUR	Patient treatment products, equipping medical staff	Institutul Inimii Nicolae Stăncioiu ("Nicolae Stancioiu" Heart Institute)	Cluj
25.03.2020	1,000 EUR	Gloves, masks, protective equipment	Asociația Medici pentru Viața Copiilor ("Doctors for Children's Lives" Association)	Unspecified
25.03.2020	15,000 EUR	Medical education campaigns	The large public through Asociația Observatorul Român de Sănătate (Romanian Health Observatory Association)	Unspecified

Table 2. (The first) 6 aid actions declared by Banca Comercială Română



The data that are used in this research come from the statements that both banks have posted on their own internet pages. Therefore, the first known action that BCR took, in order to help combat the COVID-19 negative effects, was declared on 23 March 2020. With that being said, the first donation made by BCR comes 7 days after the first donation that was made by BT, with the purpose of lowering the impact of COVID-19. The help that was being provided by BCR transformed the amount of money directed to CSR actions into protective equipment, medical equipment, hot meals, but also into educational campaigns.

Considering the fact that a comparison of the amounts of money that were donated requires a more profound research of the matters regarding the BT's and BCR's capitals and their power on the market, and that this paper does not aim at delving into these issues, the way in which both banks chose to distribute and use the amounts of money that they had made available in order to fight the new pandemic will be compared.

The help consisted of:	Banca Transilvania	Banca Comercială Română
Protective equipment	X	x
Medical equipment	X	x
Disinfectant	X	x
Hot meals		x
Medical educational campaigns		x
Test kits to detect COVID-19	X	
Covering the costs of the travelling for the volunteers	X	

Table 3. Comparative analysis of the aid management granted by BT and BCR

The comparative analysis shown in table 3 presents the actions that BT and BCR have in common (they both helped by providing protective

equipment, medical equipment and disinfectants), but also the differences. The fact that they (BT and BCR) responded to a need that was continuously growing and that they got involved in the prevention of the spread of this virus is very important. They offered their support to the hospitals, to those working on the front lines that were spending so many days a week around those who were infected with COVID-19.

Looking specifically at the way in which BT got involved, it can be noticed that the aid came in two different ways compared to BCR, meaning that Banca Transilvania put an effort into supplying the hospitals with test kits meant to detect the COVID-19 virus, but also covered the costs for the volunteers who "donated" their own time with the purpose of helping the people in the risk groups who were above 65 years old.

Looking at BCR's actions, it can be seen that they got involved by also making medical educational campaigns available for the society, as it is known that education is one of the elements that play a crucial role in lowering the odds of spreading any viruses and not only the COVID-19 virus. Banca Comercială Română also showed support to the doctors, nurses and the people who were being isolated by providing them with hot meals.

The help that both banks gave goes beyond appearances and beyond just offering medical equipment and protective equipment, both caring for aspects that could have easily gone unnoticed because of the panic created due to the current state of affairs. That is why, these actions are more than just CSR activities, they are actions that bring people closer to other people through the effect of the emotional and educational impact that they have. The quick reactions of Banca Transilvania (that got involved since 16 March) and of Banca Comercială Română (that offered its help since 23 March), prove that priorities can change drastically, no matter if you are an institution, a company, or the society as a whole. The most important thing

is to get involved when it is needed, because that is when the impact will be the strongest.

## **Conclusions**

Based on the research that was conducted and presented above, it can be concluded that both Banca Transilvania and Banca Comercială Română were quick in responding to the growing issues by implementing CSR measures in a timely manner, considering the fact that the world found itself in an unprecedented situation that developed rapidly and that left little to no time for a reaction before it provoked major shifts in the entire society.

The financial institutions that are the subject of this paper are still continuing their helping actions in the present because it is expected that this difficult situation will not be over anytime soon (Kolata, 2020), considering the fact that we are dealing with a new, dangerous and aggressive virus that proves to be very tough to handle. The help that could have not been predicted and that will go on for an indefinite period of time is most certainly an effort than not many entities could be able to provide, but when a set of actions with such a big impact are being taken, the appreciation from the community is considerably larger.

Concretely, as it has been mentioned at the beginning of this paper, both banks got involved in the past by implementing their own CSR campaigns and both of them did their part on at least one of the four types of CSR that exist. At the present time, Școala de Bani, which is one of the financial educational programmes ran by BCR, is carried out now exclusively online (CSR media, 2020). This programme was one of BCR's most successful programmes. The information that is available at the moment shows that starting from February 2020 and until now, Banca Transilvania and other banks that operate in Romania are involved in a campaign that wishes to provide useful information about credit cards and

other issues to the public, this action bearing the name of #DreptulLaBanking (Banca Transilvania, 2020).

The differences between the actions that were taken by them are important, because through these differences the help that is provided ends up being far more complex. Most certainly, these concrete acts of involvement will end up benefiting their image in the society and in the consumer's mind, but considering the current situation, it cannot be told for a fact that they had this in mind when they offered to help; still, we have to admit that we will be able to notice a high ROI (return of investment) rate. After all, the trust that the people have in these banks is what makes them want to have a long-term collaborative relationship. With this being said, it can be assumed that the trust levels of the society regarding both BT and BCR will be much higher because their actions proved that they are able to get involved in a fast and meaningful way, changing their previously set priorities for the year of 2020, transforming them into CSR measures that respond to the immediate needs caused by the COVID-19 crisis situation.

The research developed around the corporate social responsibility will become "richer" in content that can be analysed, because starting with March 2020, many companies, financial institutions, small- and medium-sized enterprises have gotten involved in the fight against the new coronavirus. Each of them has contributed in the way they could, and without their support, the situation would have certainly been more difficult to manage.

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