

# *The Evolution of Corporate Social Responsibility Actions in Romania. Case Study of 2019 and 2020*

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**Abstract:** *Taking into account the shifts that have happened in the Romanian society during the year of 2020 due to the fast and sudden outbreak of the COVID-19 virus, this paper focuses on the changes that have occurred during the 1 January 2019 and the 31 December 2020. The main purpose of this study is to determine whether there were changes in the way in which companies put out their CSR measures, whether there were differences in the corporate social responsibility strategies, whether the companies have adapted their corporate social responsibility strategy or whether things have remained the same. The comparative analysis will reveal that all of these aspects have suffered transformations but the conclusion is optimistic because through these hardships, the Romanian CSR has proven that it can adapt and evolve.*

**Keywords:** *corporate social responsibility, Romanian CSR, communication, pandemic response, predictions.*

## **1. Introduction**

The world is moving at a faster pace nowadays and there are all sorts of challenges that both the population and the companies will have to face. 2019 was described as the last year before this huge reset button was pressed by the impact of the COVID-19 pandemic.

Changing CSR priorities and affecting the social responsibility strategies for 2020, the coronavirus has struck a field that was ready to evolve: the social involvement measures in Romania. Thus, how can we learn to prepare ourselves for the next crisis situation? By studying how this crisis has affected the social responsibility measures.

The main goal of this article is finding out whether the Romanian CSR has changed, adapted or remained the same throughout these two years. In this research, this goal will be achieved by comparing the social involvement measures of some well-known companies that run their business in Romania. These companies are Kaufland, Lidl, Vodafone and Orange.

## **2. Research methods**

Relevant data was gathered from multiple sources such as the official website of the companies (by browsing through the sections and finding any mentions about their corporate social responsibility measures, statements and even any hint of a financing program for the NGOs), the annual CSR or financial reports, press releases and even social media.

The method that was used for this research is comparative analysis. This was used as a tool to observe the possible changes in the corporate social responsibility agenda for the years of 2019 and 2020. All of the actions that Kaufland Romania, Lidl Romania, Vodafone Romania and Orange Romania have implemented during 1 January 2019 and 31 December 2020 will be observed.

In this research, the following things will be of great importance:

- The types of the CSR measures that the companies have introduced in their social responsibility strategy
- The areas that were of interest for the companies during the COVID-19 crisis
- The changes that have occurred regarding their CSR practices over the years.

Therefore, the focus will be on the main findings that will provide useful insight for future CSR research and possible theories that will explain how the companies in Romania position themselves towards changes at the core level of the society.

### **3. Results**

#### **Social responsibility pillars**

It is crucial that the social responsibility pillars of each company are mentioned in this study. By doing this, it can be further analysed whether these companies have carried out social involvement actions during the two-year time frame, in all of their proclaimed pillars or whether some areas of their CSR strategy have been placed on hold.

The following tables will simply highlight the findings through the graphic representation of the types of social involvement that two of the biggest Romanian retailers and two of the leading telecommunication companies in Romania are approaching in their strategies as a form of their brand identity. Because every company adapts these pillars to fit their budget, sphere of activity and the overall CSR model of their parent company, it will be easily noticed that there are many ways in which the Romanian society can benefit through their responsibility measures.

As it can be seen in Table 1, Kaufland Romania has more than three CSR pillars that are yearly a priority due to the pillar's integration in the brand strategy. While there is no arguing that 2020 has been difficult, Kaufland managed to continue to implement measures in all of

these pillars: education, environment, culture, social projects, health and sports.

**Table 1.** Corporate social responsibility pillars - Kaufland

CSR pillars	2019	2020
Education	✓	✓
Environment	✓	✓
Culture	✓	✓
Social projects	✓	✓
Health & sports	✓	✓

By looking at the information displayed in Table 2, it can be determined that Lidl Romania has not had a change in their social involvement pillars during 2019 or 2020. Known for their involvement in creating a food bank, Lidl has strayed away from the well-known types of CSR and has adapted their social involvement actions in a unique way by finding out the main areas of concern in the Romanian society: hunger due to extreme poverty in some areas in the country and loss of lives due to a lack of equipment for health emergencies and poor education with regard to offering the first aid.

**Table 2.** Corporate social responsibility pillars – Lidl

CSR pillars	2019	2020
Education	✓	✓
Environment	✓	✓
Emergency services development	✓	✓
Food bank	✓	✓

Vodafone Romania focuses on four main CSR pillars, one of them being volunteering, which means that some of their employees are getting involved in the social responsibility measures throughout the years. During 2019 and 2020, they made an effort to implement social involvement actions in all of the four pillars as it is shown in Table 3,

while at a deeper level the pandemic has disrupted their efforts, they have managed to adapt quickly.

**Table 3.** Corporate social responsibility pillars – Vodafone

CSR pillars	2019	2020
Education	✓	✓
Health	✓	✓
Volunteering	✓	✓
Social services	✓	✓

Moving forward to the last company in the study, it can be concluded that Kaufland, Lidl and Vodafone are active in two particular fields, i.e. education and health, which may have pointed out some of the current struggles that Romania as a country faces: being unable to provide a unitary education system and being unable to reach the health requirements due to various reasons.

**Table 4.** Corporate responsibility pillars - Orange

CSR pillars	2019	2020
Digital education	✓	✓
Innovation and entrepreneurship	✓	✓
Environment	✘	✓
Community	✓	✓

While consulting the information in Table 4, one aspect is particularly in focus: while being a part of their CSR strategy pillars, in 2019 there were no environment-driven actions reported. While this could have been expected to be the case for 2020, instead of 2019, this research has proven the lack of environmental measures that took place in the previous year.

### **Corporate social responsibility during the pandemic**

The crisis situation that made its debut with the spread of the coronavirus in the first half of the year of 2020, has challenged the

companies to act fast and to shift their priorities. While Kaufland has cut in half of their budget for the #INSTAREDEBINE NGO funding programme, in order to use the funds as a response to the pandemic effect on the Romanian society, others have not reported insights with regard to how they handled the financial aspects between 16 March 2020 (i.e. when the state of emergency was declared) and 31 December 2020.

**Table 5.** Social responsibility in the context of the pandemic

COVID-19 involvement	Kaufland	Lidl	Vodafone	Orange
<b>Education</b>	✓	✗	✓	✓
<b>Health</b>	✓	✓	✓	✓
<b>Social</b>	✓	✓	✓	✓

The comparative analysis of the social involvement of these companies during the pandemic shows that there were certainly some pillars that were considered to have a higher priority as shown in Table 5. It is important to note that as we all know, the healthcare facilities and hospitals were heavily affected by the spread of the COVID-19 virus, which has been barely possible to deal with. Therefore, all of the companies in the study (i.e. Kaufland, Lidl, Vodafone and Orange) have decided to make numerous donations in order to provide help with the purchase of medical equipment (such as mechanical ventilation devices), disinfectants, protective equipment or UV-C lamps.

All of the companies have paid attention to the social pillar because there were so many people struggling with the loss of income, mental health issues and even depression due to the sudden increase in COVID-19 infections and lockdown measures that were installed by the authorities. Out of the four companies, Lidl did not declare any CSR measures regarding the educational field, which was also affected in the

context of the pandemic. This fact reiterates the idea of priority in choosing where and how the companies can get involved.

## **Conclusion**

The Romanian CSR has been struck by the pandemic, being caught by surprise, but this has only proven that the corporate social responsibility in our country has reached a level of maturity that is ready to face unprecedented challenges.

Based on the research that has been conducted, it can be concluded that the Romanian perspective of CSR has adapted very well to changes, even though the budget that was meant to support the CSR strategy pillars may have gone into helping the society during the COVID-19 crisis.

These companies went on with most of their annual plans as if nothing happened, by showing commitment and by being true to their core statements when approaching social involvement measures. It will be interesting to observe the CSR measures implemented in the next following years.

In Romania, there are some pillars of social involvement that are somewhat considered a priority, this study's results proving this to be the case for both years. These pillars are education and health, closely followed by the environmental pillar. The corporate social responsibility strategies are adapted to the brand identity and mostly come by the example of the parent company. Whether these companies have made public statements about their involvement in facing the pandemic or not, their impact on the Romanian society's overall welfare cannot be argued.

## **Webography**

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