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# THE ETHICAL AND SOCIALLY RESPONSIBLE BEHAVIOR OF THE COMMERCIAL COMPANIES

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**Abstract:** *In the Romanian society and economy the need to distinguish certain behaviors based on the principles of ethics and social responsibility becomes obvious. The totality of the decisions made by the commercial companies must ensure the observance of the interests of all entities which interact with these. The situation of each commercial company whose decisions are inconsistent with the requirements of ethics and social responsibility will sooner or later be endangered because it affects the interests of others, it means in fact affecting one's own interests.*

**Key words:** *commercial company, corporate social responsibility, ethical code, consumers, employees.*

## 1. Corporate Social Responsibility, Terminology

The Romanian explanatory dictionary (DEX) [2] defines responsibility as a conscious attitude, a sense of liability for the social obligations; or a task, liability which somebody holds.

Other authors [1] support the definition given to the social responsibility by the European Commission and underline the fact that the social responsibility is that behavior through which companies decide, without being forced to, integrate several ecologic or social objectives among their preoccupations, thus creating a new type of relation or partnerships with several groups of interests within the company.

It is also considered that the social responsibility can also be regarded as a fundamental ethical principle which

expresses towards “whom” and for “what” a commercial company is responsible, in the light of the ethical system accepted and promoted by it. In this vision, the social responsibility implies: the compliance with the laws, with the contractual provisions – starting from the premise that the contract is the law of the parties which obliges them to comply with it –, honesty, but also the consideration of desiderates of several groups interested in the existence and operation of a commercial company. [15]

In order for the commercial companies to adopt the requirements of the corporate social responsibility, it is considered [3] that they possess the necessary means in order to comply with human rights and that they want to participate in the social progress.

It can be stated that the social responsibility of the commercial

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companies is a moral liability regarding the interaction of their activity with entities such as: clients, consumers, own employees and community on their whole. The interests of the community imply, besides other social aspects, the protection of the environment.

At present, the social responsibility of the commercial companies must be regarded from a complex perspective. We consider that the social responsibility of the commercial companies is what the community expects from a commercial company ecologically, economically, legally, ethically and philanthropically.

In our opinion, the social responsibility includes all these types of responsibilities, namely: ecological responsibility, economic responsibility, legal responsibility and philanthropic responsibility.

We consider that the ecological responsibility is a distinct responsibility, deriving from the economic and legal responsibility but exceeding these fields in importance.

The social responsibility of the commercial companies is a moral responsibility, focusing on the voluntary nature of this responsibility. It considers the interaction of their own activity with the environment, their clients, consumers, their own employees, with the society on the whole.

The commercial companies promote their interests in comparison with several socio-professional groups, named stakeholders. Stakeholders are divided [14] into two main categories: external - business partners, suppliers, consumers, local communities, natural environment, future generations - and internal - employees, shareholders, managers, and owners. Starting from the two categories of

stakeholders, without excluding the interest and impact of several social responsibility practices on all categories of stakeholders, the social responsibility can be: external or internal.

By adopting a socially responsible attitude towards their own stakeholders – especially employees and consumers – the commercial companies will have more to gain. [7]

The social responsibility is known as a theory of the commercial company regarding the stakeholders, i.e. “*the respective commercial company must pay attention to all those who have an interest (stake) in the development of its activity*”. [4] This means that, in other words, to respect their own interests.

## **2. The Requirement of Certain Socially Responsible Commercial Companies Owning Ethical Codes**

In a marketing research regarding ethics and social responsibility, [10] taking place in Brasov municipality, aspects related to the need of the commercial companies, irrespective of their size, to promote a socially responsible behavior, based on the requirements of ethics, have been considered.

To the question related to the importance of promoting, by the commercial companies, of a socially responsible attitude, the questioned subjects, 92.5%, consider that there should be such a requirement. This result highlights the reality that, to a very great extent, the Brasov citizens consider that the commercial companies must promote and develop a socially responsible attitudes. The data included in the table below indicates the mentioned situation:

Table no. 1

**Is the requirement for a socially responsible attitude  
from the commercial companies important?**

		Frequency	Percent	Valid Percent
Valid	NO	30	7,5	7.5
	<b>YES</b>	<b>368</b>	<b>92.5</b>	<b>92.5</b>
Total		398	100.0	100.0

The results of the research have also shown that the percentage of the subjects considering that the requirement for a socially responsible attitude from the commercial companies is important is higher in women as compared to men. This aspect leads to the conclusion that the female individuals pay particular attention to the assertion of the requirements of the social responsibility at the level of the commercial companies.

To the analysis of the connection between the answers of the respondents on this issue and their level of education, it has been further noted that the percentage of the subjects considering the requirement for a socially responsible attitude from the commercial companies to be important is higher in the persons having a higher level of education. This leads to the following conclusion: the more educated and better informed the consumers are, the more obvious becomes the importance given to the integration of the social responsibility into the activity developed by the commercial companies.

In this marketing research, the need to prepare codes of ethical behavior and the reasons for which the commercial companies should prepare and comply with these ethical codes has also been analyzed.

The ethical code is a written document stating and enumerating the norms related to the values and types of conduct which

the commercial company wishes to have applied both inside and outside.

As for the ethical codes, in the case of a small number of commercial companies, these are, most of the times, conceived by the general management; they are rarely the result of an *a priori* consensus.

At present, in several countries of the world, more and more commercial companies own ethical codes, as instruments frequently used by the socially responsible management of these commercial companies. [16] However, these ethical codes can properly work only if the organizational culture of these commercial companies complies, in reality, with the requirements of the social responsibility.

The marketing research on "*attitudes and opinions of the Brasov citizens regarding the promotion of the social responsibility by the commercial companies performing a commercial activity in Romania*" considered the persons aged over 18, of both sexes, residing in Brasov. The final size of the sample has included 398 persons; its random error is  $\pm 4.91\%$ .

To the question whether all commercial companies should prepare a code of ethical behavior, 83.8% of the questioned Brasov citizens consider that *all commercial companies should prepare a code of ethical behavior*. The data included in the table below indicate this opinion:

Table no. 2

**Should all commercial companies  
prepare a code of ethical behavior?**

		Frequency	Percent	Valid Percent
Valid	NO	59	14.8	16.2
	YES	306	76.9	83.8
	Total	365	91.7	100.0
Missing	88	2	0.5	
	99	31	7.8	
	Total	33	8.3	
Total		398	100.0	

In conclusion, this means that eight of ten questioned Braşov citizens consider that all commercial companies should prepare a code of ethical behavior.

The reasons why the questioned subjects consider that the real compliance with the

provisions of the code of ethical behavior is essential are particularly interesting. The opinions of the Braşov citizens can be found in the data included in the table below:

Table no. 3

		Responses		
		N	Percent	Percent of Cases
Reasons for complying with an ethical code	The wish to respect the consumers' rights	255	28.5%	82.5%
	The wish to respect the employees' rights	227	25.4%	73.5%
	The wish to assert the transparency of the performed activity	145	16.2%	<b>46.9%</b>
	Offers the possibility to adopt innovative solutions for certain complex social issues	100	11.2%	32.4%
	Offers the possibility to adopt innovative solutions for protecting the environment	164	18.3%	53.1%
	Another reason	3	0.3%	1.0%
	Total	894	100.0%	289.3%

It can be noted that the main reasons why a commercial company must comply with an ethical code are:

- *the wish to respect the consumers' rights* (82.5% of the total responses to this question with multiple options),

- *the wish to respect the employees' rights* (73.5% of the total options).

It is important to underline the fact that the reasons mentioned above must be correlated with the “*wish to assert the transparency of the performed activity*” (46.9% of the total responses), i.e. ethical and responsible managerial decisions.

Taking into account the fact that the size of the sample has probabilistically been established, and bearing in mind the fact that the level of the admissible error is  $\pm 5\%$ , we consider that the results of the research are significant for the entire adult population of the Braşov municipality. We believe that these could also be extrapolated to other municipalities of a similar size and population structure.

### 3. Conclusions

The conclusion of the performed marketing research, is that eight of ten questioned Brasov citizens consider as being important the completion of the legal norms with moral norms, included in an ethical code.

These moral norms firstly aim at the relation of the commercial company with its employees and the relation of the commercial company with its clients.

The regulation using moral norms of these relations includes, among the reasons invoked by the questioned Brasov citizens, a commercial activity meant to respect the rights of the consumers and their own employees, but also the interests of the other categories of stakeholders.

Managerial decisions based on ethics and responsibility offer the Romanian commercial companies the possibility to positively get involved in respecting the interests of all entities within the society. On the contrary, they would bear the negative sometimes devastating consequences of adopting decisions deprived of responsibility or unethical.

The totality of reasons why the Braşov citizens request the observance of a code of ethical conduct indicates the urgent need to complete the legal norms with moral norms, in order to protect the interests of all categories of stakeholders.

This requirement currently becomes a necessary matter, taking into account the numerous issues generated by the economic and social environment, characterized by serious disturbances and unwanted evolutions.

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