

THE ANALYSIS OF THE ENTERPRISE SOCIAL MANAGEMENT BASED ON DASHBOARDS AND SOCIAL INDICATORS

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Abstract:

This paper proposes a focus upon the aspects related to social indicators found in the social dashboards which are necessary for a good social enterprise management.

The formal recognition of the need for social information took place in France, once with the promulgation of the social balance sheet law. It can be considered a dashboard with annual frequency, containing a number of indicators which allow a precise diagnosis of human resources and social aspects. The law of 1977 stated the social balance sheet by identifying aspects of human resources, with emphasis on social indicators.

The paper presents in detail the milestones of emergence and evolution of social balance sheet, but also its objectives as a dashboard. The develop of social dashboards can be a guarantee of a good "social health" of the organizations in which they are perceived as a management tool because they simplify the Human Resources reporting and analysis.

Key words: *social management, social information, social indicators, social dashboards, social balance sheet*

JEL Classification: *M12, M14, M54*

I Foreword

The financial statements of shareholders and other stakeholders should be completed with social data that can reveal the good or poor management of the company. Taking into account the social criteria along with the traditional profitability criteria for guidance concerning the investment option has become a necessity.

At the microeconomic level, it is necessary to use social analysis tools as an expression of a real awareness concerning the role of human resources, due to the fact that the company management must necessarily take into account the human and social aspects, the main objective being the replacement of conflicts with cooperation, dialogue, negotiation.

For an efficient management and an operative control of the whole activity of the company it is necessary to know the evolution of the parameters of each business segment, as well as to exercise control of the difference between the obtained outcomes and the expected ones. This goal can be achieved through the dashboard, one of the most modern company management tools.

II Social Management Dashboards

2.1 Definition and necessity of the dashboard

The dashboard is a set of relevant information related to the results obtained in the managed field, presented in a synthetic, pre-established form, and submitted to the beneficiaries in an operative manner. (Nicolescu, Verboncu, 2001:161)

The dashboard is a management tool that, by extrapolation, allows for short and medium-term forecasts made in order to ensure the achievement of a preset objective. It combines a set of indicators, and for each of these indicators a standard, a reference level deemed normal is determined. The underlined results

should be accompanied by the presentation of the causes that have led to some deviations (positive or negative deviations) from the preset objectives. Any deviation from the standard will need corrective actions. Thus, the fundamental role of the dashboard is to alert the responsible persons concerning the noticed deviations so that they could intervene to remedy the situation.

Right from the first signs of deviation, this action is a “pro-action” (Taïeb, 2001: 2), named as such because it appears before the final comparison between the expected objective and the assessed outcome, and the sooner it is applied, the more efficient it is; this “pro-action” zone is decreased with the decrease of the time left until the achievement of the objective. The company should not bear the costs of a “reactive” management, and that is why the indicators give signals of dysfunctions in advance. When a potential future abnormality is noticed, a “pro-action” will follow. On the other hand, “re-action” defines an action that is performed a posteriori, when it has already been discovered that the objective has not been reached, i.e. it is an action taken too late.

The dashboard has a substantial contribution to a solid substantiation of tactical decisions, and to the anticipation of potential situations that may occur in a certain period of time. It contains a set of indicators that allow the managers to know the status and evolution of the systems they manage, as well as to identify the trends of these systems. The dashboard allows for an operative confrontation with the immediate reality and for the initiation of the corrective actions necessary in order to keep within the pre-established framework.

The dashboard should be elaborated both at the global level of the company (its content being based on the exchange of information from the dashboards elaborated at the level of the organizational subunits), as well as at the level of each subunit (the necessary information being collected from various financial, statistical, social, technical records, etc. belonging to these subunits).

Dashboards are tools adapted to needs and evolving along with these needs. Four important functions a dashboard can be defined (Nicolescu, Verboncu, 2001 : 161):

- the function of informing the manager concerning the status of the managed segment;
- the function of signalling certain unfavourable situations, deviations from the normal situations;
- the function of assessing the obtained outcomes and the achievement of the set objectives and, consequently, assessing the quality of the decisions that were made and the actions that were performed in order to put such decisions into practice;
- the decision-making function, i.e. the relevant information, sent in an operative manner to managers on various hierarchic levels allows the managers to substantiate and make the adequate decisions.

For the company management optimization, dashboards are all the more valuable, as they can answer the need to make comparisons with others, which is essential in a competitive economy.

2.1 The social dashboard– a management tool

Being concerned with the social efficiency of the company and aware that they need to prevent labour conflicts, managers design social dashboards that include the main social indicators. These dashboards allow for the regular comparison of the outcomes against the objective, for the analysis of the deviations, and for the identification of the actions that must be taken. (Darbelet, Izard, Scaramuzza, 1993: 8-9)

The main objectives within the human resources compartments of the companies can be defined as follows: recruiting and keeping competent, efficient, motivated, geographically adaptable staff, stable yet not too rigid, young, yet not too inexperienced, able to make progress (even if the direction of such progress is not known) in such a way as to decrease the wages fund, and yet to keep a peaceful social climate. In this ambiguous context in which it is difficult to “navigate”, there is an imperative need for social dashboards.

Social dashboards allow for the measurement of various outcomes of a social policy, for the identification of deviations and for making the right decisions. The frequent economic and structural changes lead to a strict management of the manufacturing tools and people. This explains the fact that social objectives are currently part of the strategic objectives of the company.

The means available for the human resources compartments are also evolving, countless tools being developed for wages fund planning, forecast management of jobs and competences, for the assessment of absenteeism, along with other types of dashboards. The sophisticated administrative data processing systems that are being developed provide for many social data extraction and conveyance possibilities. But the items of information expected by all the stakeholders of social management represent mere information that is limited in number and is selected based on its relevance. Consequently, the human resources compartments play an important role in the communication of the selected information, the content of which is enriched and the form of which is altered to increase its legibility.

Beyond the specific features of their purposes and the peculiarities of their recipients, we can also define a typology of social dashboards, i.e. two main categories:

- Monthly dashboards;
- Annual dashboards.

Even if the objective of annual dashboards may cover a period of 12 months, these dashboards are defined by a monthly draw-up and dissemination cycle; for example, the dashboards concerning the amounts budgeted for the payroll or training.

The second category of dashboards is mainly used at the level of the general management or of the Human Resources Department; they have long-term purposes and the comparisons of the levels of the indicators for several years allow for the opportunity to highlight the trends of their evolution. An annual dashboard is Social Balance Sheet, which is the first dashboard ever required by law in France.

With regard to the field of the human resources management, some examples, out of various social dashboards, are as follows: the absenteeism dashboard (the objective of which is the decrease the absenteeism and to reduce the related costs), the training and refreshment dashboard, the dashboard of industrial accidents, the employee performance assessment dashboard, etc. Drawing up these dashboards may represent the guarantee of a robust “social health” of the businesses within which they are used as management tools.

2.2 Social Indicators – The Elements Of Social Dashboard

The development and selection of social indicators represents an important aspect of the social dashboards building methodology.

A social indicator accomplishes three functions within the company (Taïeb, 2001: 40-41):

- The function of supplying information: the most important role of any social indicator is to provide information, because it allows the company to measure the outcomes of the social policy applied by the company;
- The diagnosing function: a social indicator allows for a diagnostic, i.e. the highlighting of the difference between the level of the indicator and the value deemed normal;
- The forecast function: the alert indicators allow for the detection of the elements susceptible to cause dysfunctions, the specification of the means necessary in order to take corrective actions and the follow-up of the progress of such actions.

There is no general rule for the choice of social indicators, due to the fact that they need to be adapted to the aimed objectives and to the recipients for whom the dashboards that include these indicators are made. In terms of quantity, their number should be limited to what is of the essence, and in point of quality, only those indicators that best define the aimed objectives should be kept.

There are several categories of social information from which the social indicators necessary for dashboard can be selected:

- the category of structure information: the structure or position indicators that include parameters individualizing the persons within the organization, allowing for the definition of their characteristic physical and social features. In this category there is information like: the age, the level of education, marital status, etc. These indicators are also named position indicators because they reflect a certain situation at a given moment.
- the category of competence information: i.e. the indicators related to the employees' training and competencies (initial and continuous training, as well as professional competences and their contribution to the outcomes). This category includes the obtained diplomas, the number, type and duration of the attended refresher courses; these competence indicators reflect the capacity of the company to adapt to the developments in the field.
- the category of behaviour information: includes the indicators related to the collective behaviour of the employees in direct relation to the analysis of the social climate of the company. This is social information related to the employees' degree of implication and motivation, for example the short-term absenteeism and the number of the employees taking part into sports and/or cultural activities organized by the company.
- the category of political information: it refers to the indicators that express the outcome of a supported social policy, for example, the method used for the determination of remunerations and their levels on categories.

The main source of social information can be found within the company itself, i.e. the multitude of variables that individualize each employee. The information submitted by the hierarchical responsible persons is not only position data, i.e. static data (such as the age, gender, marital status, etc.), but also dynamic information related to the work rate and the movement of the employees.

There is no general rule that can be applied for the selection of the social indicators included in dashboards, but rather social indicators should be fine-tuned to the set objectives and to their recipients.

III Social Balance Sheet – Dashboard And Tool For The Analysis Of The Human Resources Management

3.1 Definition of social accounting

The traditional attitude towards the employees of a company consists in treating these employees as mere expenditure. However, while for all the other investments, the costs and profits associated to a project can generally be assessed and compared, in the case of personnel investments the process is different and more difficult, first of all due to the fact that only the expenses are clearly known, while the information related to the results or advantages of the human resources development programmes is not usually available.

Consequently, in the specialized literature there are an ever increasing number of opinions according to which human capital should be subject to the same logic that implies a comparison between efforts and effects and that one of the traits of organizations in the new millennium is the fact that they show a trend towards social accounting, thus becoming aware of their identification as generators of moral effects (Manolescu, 2001: 18).

If companies intend to obtain more and more information in more detail related to their employees, or if there is a need for the strategic management of the employees, the necessity for real human resources management tools is more acute than ever.

The management of human resources needs reliable, accurate, simple and progressive observation and analysis tools. One of them can be social accounting, which has already become a legal human resources management tool in certain countries.

A parallel seems to be drawn with the accounting balance sheet when social balance sheet is defined, but this attempt to compare them is deceptive. Despite the meaning that might be inferred from its designation, social accounting statements are not a two-column table in which the balance between the resources of a company and their usage at a certain moment in time may be presented. Social accounting

does not allow for the capacity to know whether the company makes profits or runs at a loss from the social point of view, because there is no unit of measurement, for the joint evaluation of the various aspects it takes into account. The term “social accounting” must therefore be interpreted as an inventory, in the same way that we can speak about the balance of a legislative period or of that of somebody’s health.

The first country that promulgated a law on the obligation to draw up such a document is France. As a matter of fact, on 12 July 1977, Law no. 77-769 on the social balance sheet of the company was adopted, this law summarizes in a single document the main data that allows for the assessment of the status of the company in the social area. The first article of this law itself stipulates that the manager of the company draws up and submits to the committee of the company an annual social balance sheet when the labour force comprises at least 300 employees.

3.2 The context of the creation of the social balance sheet, its origin and sources of inspiration

The employees were recognized as a fundamental asset of the company, and in time, the tendency towards quantifying social aspects has developed as well, following the model of financial accounting. Historically, the United States of America seem to have originated the first researches in the field of the human resources accounting methods. In the late '20s, there were certain American attempts to increase awareness concerning the “social status” of the nation, to measure social changes and to search for means of assessing the effects of the social policy actions. At President Hoover’s request, in 1929, a team of researchers was charged with drawing up a national report on social tendencies in the United States. This report contains a first definition of social accounting in the specification that the value of the respective report should be found in the effort made to join separate elements and factors of the social American life.

In relation to the starting point of the French thinking concerning the national social accounting, Jacques Delors, who was the Chief of the Service of Social Affairs of the General Planning Agency, had an important theoretical contribution, by publishing in 1971 the study *The Social Indicators*, and understanding the need for developing some tools that could express the status of the nation in various fields of the economic and social activity.

More concretely, J. Delors proposed that the social fields usually explored by the statisticians and economists should be exceeded, by the implementation of certain aspects that made the object of mere quality assessments: the behaviour related to the ones that were left out, the society’s openness towards the outer world, woman’s participation into the economic life, solidarity. Most of the originality of the project consists of the fact that certain social indicators proposed by J. Delors implied that types of behaviour rarely taken into account before should be taken into account.

A survey of the Economic and Social Council on the establishment of the social accounting statement, proposed in a section dedicated to social activities in November 1973 was presented by Yves Chaigneau. This report aimed to be both “descriptive and critic” and intended to cover a vast area included in the social policies: the employment situation and the education and training, work duration and conditions, medical actions, social services related to the education and health policies, third age and, more extensively, the living conditions, and the examples are not limited to the aforementioned.

Another survey was presented on 19 November, 1975 and, although it was a continuation of Chaigneau’s previous survey, the new project reflected a special perspective; in compliance with the intention of the Economic and Social Council, this new document was dedicated to the segment specializing in general economic aspects in order to be used as a basis for the report on the economic circumstances. This was an intermediary document the title of which, *The Evolution of Social Status*, no longer referred to any social accounting statement. The foreword of this survey mentioned the failure of the attempts related to the creation and usage of social indicators as generally accepted analysis tools, similar to those used in the financial analyses.

The report laid claim to an empirical approach, and proposed to co-workers to only retain part of the topics mentioned in the previous survey. For example, the demographic data, that related to the

professional training and to social mobility, to the living conditions, was no longer in the centre of attention, five main areas being analysed instead: the employment status and the working conditions, labour relations, incomes, marital status, and health.

One could question the ability to objectively assess those social facts that had traditionally been appreciated in terms of quality rather than quantity; by simply reading the report, various, even opposite interpretations could have been given; thus, the efforts towards an exhaustive approach associated to the notion of accounting report were no longer relevant.

In the middle of the '70s, the most modern approach of social accounting was at a microeconomic level. In such a limited framework, perfecting the indicators that might have been able to supply objective information on the relations of the company with its environment and with various partners (employees, suppliers, subcontractors, etc.) seemed to be the main focus of attention.

In the '70s, although France seemed to be the only Continental European country that expressed reflections and experimented with social accounting, it was not alone in this approach. The fact that it was the only country that promulgated laws in this area seems to have maintained the illusion that it is the only one. A few companies in the Netherlands published, in fact, social accounting statements for the first time ever (Sociaal Javerslag) either in the form of an internal log, or as part of the annual report to shareholders, or in the form of a separate report, published at the same time as the report to shareholders.

In contrast with the rather reserved French labour unions, German labour unions expressed, at an earlier stage, their interest in the concept of social accounting and the experiments related to it. This is the case of the strongest one, IG-Metall who, after studying various projects and experiments, planned the implementation, within the company, of a minimum required "standards" list that varied, however, function of the size and field of activity of the company. The originality of this framework lies in the fact that it proposed the coexistence of the internal and external relationships of the company in the field of application of the social accounting statement; the field of the internal relationships referred to steps taken for the professional training, the safety at work, continuous education, working conditions, the additional pension plan, while the field of the external relationships included information on the level of contamination and pollution due to the activity of the company, the Government's commitments concerning certain subsidies, infrastructure elements. Despite the efforts and insistencies of the IG-Metall labour union for the promotion to the federal authorities, this project did not result in the promulgation of any law in Germany.

Ever since 1973, the movement of the employers' associations *Entreprise et progrès* (Enterprise and Progress) proposed two tools focused on the social relationships of the company and on the working conditions: the social dashboard and the social report.

The social dashboard included a limited number of simple indicators. It was merely designed as a social management tool meant to be used at the internal level and to facilitate the responsibility decentralization. The Company named *Roussel-Uclaf* designed such a dashboard that covered the status of 9,600 employees and included 6 indicators. Being a management tool, it was decentralized at the level of units that included an average number of 50-60 employees (workshop, section, and compartment). The documents for the dashboard were filled in once a month by the responsible persons of each unit, and then summarized at the level of the company. This formula allowed for an easy and fast monitoring of the elements that were deemed important and was able to trigger an alarm signal in case of anomalies or significant changes (for example, in terms of absenteeism).

In what the social report was concerned, its purpose was to inform the employees on the social evolution of the company. This report had to include data that would allow for the assessment of the position of the company within the general social context. The objective of the project was not so much to highlight the costs of the performed actions, but rather to express the effects of these actions on the situation of the persons in question. For example, a synthesis of the outcomes of the company's social policy was planned to be presented once a year and this social effort was planned to be reoriented depending on the economic situation. The social report of the movement *Enterprise and Progress* was, therefore marked by the

intention to eliminate the boundary between the economic and the social aspects. Being designed exclusively by managers, first of all for each employee, who was considered a separate entity, the report is, nevertheless defined as an internal communication tool, and as a basis for the dialogue between social partners.

Alain Chevalier, the Administrator and General Manager of the group Moët-Hennessy-Dior began his research on the social balance sheet in the Enterprise Institute (Institut de l'Entreprise), a research and thinking centre for managers, known as a place where new thinking trends related to economics and society are gathered and disseminated. Chevalier intended to create a report on the usage of "social energies" owned by the companies (the employees and their potential, the infrastructure, the scientific and cultural resources), as it is a very well-known fact that these resources become degraded and obsolete if those who use them neglect to take into account the need to maintain or refresh them. The possible usages of these resources were described in a classified list with nine main sections referring to sets of problems such as the working hours, the working conditions, the wage policy, the company's stand towards the advocacy organizations, the external effects on the local or regional labour status, the aspects related to the environment, etc. For each section, the usage of the resources had to be measured, quantified with the help of social indicators that could take the form of mere numerical values, percentages, graphs, etc.

The usage of social indicators had to allow for the emphasis of a number of highly sensitive aspects for the company at a given moment in time, aspects that were, therefore, susceptible to constitute the object of further investigation. This action was supposed to result in a synthesis able clearly define how the company used its social energies and contributed to their renewal. The method proposed by Alain Chevalier was meant to become the basis for a dialogue between the company management and the company's employees as well as the basis for planning social actions.

Long before the initiation of bills on social accounting, some companies had created various projects implying the awareness of the fact that the image of their brand and the long-term success were not exclusively related to their financial results. Their concern with measuring social aspects and obtaining accurate figures in this respect represents a feature of most of these experiments and is a legacy of the previous methodological thinking concerning the creation of a general social accounting balance. But from other points of view, the projects related to a social accounting balance of the company were divergent: some wished to favour its quality of management tool, while others placed the accent on its role of a reconciliation and social dialogue tool; opinions also varied in terms of employees' and their representatives' association to the elaboration procedure and to the methods of evaluating and controlling the document.

The field of application attributed to the social accounting balance was rather different. Some tended to limit this field to their companies and their employees, others tended to expand it to other partners as well: customers or clients, suppliers, shareholders, public authority, etc.

Many years ago, professor Spiridon Iacobescu from the Academy of High Economic and Industrial Studies was the one to stress not only the need for social information that could be grouped in the form of quantifiable social indicators, but also the need for a social and legal document called social report: "If we try to examine the social facts recorded during one year, placing the bad ones on one side and the good ones on the other, i.e. separating those that were detrimental to social life from those that were useful for it, we will come to draw up a non-economic balance, a balance of social facts ... When we try to build a typical balance, we will have, on one side, i.e. the Liabilities, the general accrued Welfare and the moral Benefit recently achieved, and on the other, i.e. the Assets, the social Organism, individuals and social communities the duty of whom is to preserve their social capital: General Welfare" (Manolescu, 2001: 19). Therefore, this concern with social aspects has been present in the specialised Romanian literature for quite some time.

In 1974, the new president of the French Republic of that time, Valéry Giscard d'Estaing, transposed the society's wish for change into the establishment of a Research Committee for the Enterprise Reform. Subsequently, the committee established in 1975 and managed by Pierre Sudreau, after extended consultations with various social partners, submitted a survey and made proposals for the enterprise

reform. The committee admitted that there was a confidence crisis among social groups and that the enterprise was subject to conflict tensions that made it change. In this respect, Sudreau's report made 69 proposals that revealed the necessity to know objective social data, while it also indicated that, if there was an intention to include social management into the strategic concerns of the company, the moment had come to set dialogue among the social partners of the company on a numerical basis (evaluated in numbers) in order to allow for the measurement of the efforts made in the social area (Igalens, Peretti, 1982: 12).

Sudreau's report aimed at reconciling the two dimensions of the company (the economic and the social ones) that is both the main source of welfare and jobs and, at the same time, the living environment of millions of employees. Among the numerous recommendations in the report there was also "the creation of an annual social balance sheet at the level of each company, drawn up on the basis of the indicators that are representative for its social status and working conditions" (Igalens, Peretti, 1982: 13).

In April 1976, an official statement of the Council of Ministers mentioned that the Ministry of Labour would select companies with various sizes within which, with the approval of managers and the employees' representatives, experiments with the purpose of adapting the bill to the dimensions of the companies would be conducted for two years. At the end of these two years, the Minister of Labour would propose to the Government methods for the generalization of social balance sheet based of the results of these experiments and after consulting the social partners.

It may seem logical to experiment before promulgating the law, but in France this meant breaking new grounds, because, up to that moment, the main interventions of the Government in the operation of the companies, especially in the social field, had been made under the pressure of events or in secret, in the cabinets of the Government. However, only 7 months after the government statement, a pilot study for the bill, drafted within the Ministry of Labour, was already submitted and ended an original attempt of "social experiment".

The text was adopted on June 30, Law no. 77-769 was promulgated on July 12, and the related application decrees were signed on December 8, 1977. Consequently, the year 1978 became "year 1" of the application of the legal requirement to draw up social statements in France.

Chapter VIII of the French Labour Code is dedicated to this law. For example, article L. 438-3 stipulates that "the social statement summarizes, in a single document, the main figures that allow for the assessment of the status of the company in the social area, for the recording and measuring of the changes occurred in the previous year and in the two years before that. Consequently, the social balance sheet is focused on information concerning the status of the jobs, remuneration, and auxiliary obligations, hygiene and safety conditions, other working conditions, professional training, professional relationships and also the living conditions of the employees and their families insofar as they depend on the company" (Code du travail, 1995: 688).

3.3 Objectives and usage of the social balance sheet

The three purposes of the French social balance sheet stipulated the Law from July 12, 1977, were to improve the provision of information, to facilitate reconciliation as well as planning. Although it was not mentioned among the objectives stated by the legislator, the usage of the social balance sheet as a management tool constitutes a major preoccupation of the companies.

The French Labour Code had stipulated, even before the Law from July 12, 1977, the submission to the company committee of almost 80% of the information included in the social accounting statement. Starting from this fact, one might be tempted to minimize the importance of this new document; however, this law represents a triple progress in terms of information:

- Informing the representatives of the employees: one annual document replaced scattered, heterogeneous data supplied at irregular periods of time;
- Informing the employees: any employee that applies for information included in the social balance sheet may receive access to it; before this law, supplying social information directly to employees had been discretionary;

- The external informing process: the social balance sheet should be disseminated, in the case of public limited companies in the same conditions, as the financial statements.

An employee or a representative of the employees will read a social balance sheet in a different manner as compared to a shareholder or an administrator. Reading a social balance sheet is determined both by the need for accuracy and by that of clarifying the information in order to allow for better reconciliation (Igalens, J.-M. Peretti, 1982: 51-52).

The social balance sheet can be an internal, as well as external information tool in Romania, too.

The internal supply of information refers to:

- Informing the representatives of the employees: each new law related to the social aspects is translated into new information supplied to the representatives of the employees, but these items of information are added one after the other, without a well-defined periodicity. The social balance sheet sets order in this mass of information and unifies it. The main recipient of this document is the Company Committee (composed of elected representatives of the employees); moreover, other recipients of the draft social balance sheet are also the trade union delegates, but the members of the company committees have a special place due to the fact that, after receiving the draft social accounting statement, they present it in a meeting dedicated to the examination and analysis of this draft, an endorsement; so discussing the draft social balance sheet is an opportunity to express and publish opinions concerning the social policy of the company;
- Informing the employees: from this point of view, the social balance sheet is completely innovative; the fact that employees have access to this document gives them the opportunity to have better knowledge concerning the company's social policies and performances on the basis of elements the vast majority of which they had previously ignored.

In fact, the social balance sheet seemed to be a tedious document, the legibility of which was limited for most part of the employees. Effort was therefore needed from the management of the company, on one side, and the representatives of the employees, on the other side, to improve the recipients' readiness so that they could read and interpret part of the data in the social balance sheet on their own.

In a first stage, there was the need to ask questions to the employees concerning their need for social information. This "inventory of wishes" revealed a strong interest in aspects related to remuneration and safety-at-work.

The company press played an important role in training the employees in analysing special data; companies' internal newspapers are the supports that allow for comments and analyses of the social accounting statement. The efforts to provide social information are addressed to the management staff, first of all, as their social management importance is acknowledged. The social balance sheet is thus a means of supplying information and even of training the management staff in order to increase their awareness of their social management responsibility at each hierarchic level.

The external supply of information refers to:

- Shareholders: the French law on the social balance sheet also stipulates that shareholders should be informed using the same procedures as those related to financial information; these procedures apply to the social balance sheet filled in with the endorsement of the company committee. For the companies listed on the stock exchange, the complete text of the social balance sheet should be attached to the annual statement published by the company; if the social balance sheet is missing, it is advisable to clearly indicate the means by which information may be accessed in the annual statement. The shareholders are indeed interested in the social information, because an advanced social policy accompanied by positive economic results allows them to hope for better stability. Nevertheless, studies of the companies' social climate and opinion surveys have shown that a high level of average satisfaction does not avoid industrial disputes. The selection of social information that is relevant for investors is delicate; certain studies have revealed the relations between economic

and social performance, but the causal relations are not very clear. But a possible analysis of the social data and economic information available for several years could allow for finding the social indicators with a special impact on the development of economic performance;

- The administration (all the state services): when the representatives of the Ministry of Labour presented the bill, they insisted on the fact that the social balance sheet was not a tool to be used for supplying information to the public administration; certain indicators kept in the social balance sheet allow labour inspectors to check the fulfilment of certain requirements (for example, complying with the requirement to hold the meeting of the Hygiene and Safety Committee). However, there will be no centralization of social accounting statements coming from various companies and no comparison thereof;
- Business partners: although nothing was stipulated in this respect, certain companies believed it was appropriate to submit business information as well as their social accounting statements to their clients, customers or suppliers. Supplying social information to clients has developed especially in the form of including social topics in the advertising of the company to its partners. For example, we can find, in the “codes of good conduct” adopted by some companies, the preoccupation to include social responsibility among the criteria used for the selection of suppliers. Consequently, a company that has many subcontractors for hazardous tasks will take into account the safety policy of the subcontractor. From this point of view, the usage of the social balance sheet is quite interesting; its analysis may possibly bring new elements necessary for the assessment of the “social risk” of the supplier;
- The public: as it is a document of internal interest, the social balance sheet is not addressed to the public. Nevertheless, the methods used for its dissemination make it available to the public in most situations. Certain companies have made special efforts in this respect: press conferences, submitting the statements and other social reports to various documentation centres (for example, to universities and research institutes), and giving answers to questions asked by the public. It should be noted that the “exploitation” of social accounting statements by the business press stresses the comparisons between companies rather their social diagnostic.

Under the Law from July 12, 1977, the social balance sheet was not considered a preponderantly management tool. However, studies made in companies with some practice have shown that the “management” function is essential. It would be interesting to assess, based on the experience of the companies, how, to what extent, and in what circumstances can the social balance sheet be a management tool.

Two ideas can be inferred from the analysis of the studies focused on the social accounting statement: as a group of information, it is a management tool because it facilitates the identification and approach of social problems; for others, this document becomes a management instrument only if it is integrated into a social planning and management system ((Igalens, J.-M. Peretti, 1982: 64).

The statement of the results summarized in a single document with standardized indicators allows for the detection of problems, of weaknesses. Company managers often trigger alarm systems, most frequently in relation to the employment structure (for example, the risk of imbalance due to the retirement of qualified personnel that is not followed by new employments), the lack of a procedure of integrating new employees, steps taken for the improvement of working conditions, the wage policy.

The social balance sheet has often determined precise steps: the industrial medicine specialist’s involvement into the technical commissions for the purchase of raw materials or equipments that could affect the working conditions, the establishment of an entity in charge with receiving newly-employed persons, neglected up to that moment, etc. Therefore, the social balance sheet is not only a descriptive document, a simple inventory. In three exact areas (safety, working conditions, professional training) it is used as a basis for the application of the company’s annual programmes, thus contributing to more substantial debates in this field, in order that recognized clearly priorities should be highlighted (Collard , 1998: 12).

The social balance sheet may also be considered a reconciliation tool, i.e. used to settle disputes because business relationships often become difficult in companies, and the lack of information or insufficient information slows the progress of negotiations. Among the objectives of the social balance sheet there is also the one of providing for an objective and useful basis to social partners; it can constitute a very important reference element during negotiations related to the priorities of the company's social policy.

The social balance sheet has the objective of fulfilling the needs for social information in order to facilitate reconciliation, agreement, negotiation, especially in industrial disputes by providing to social partners a document meant to help them reach better reconciliation. The supplied information should be addressed both to the appointed representatives and to the elected ones. When this information is supplied, the objective is reconciliation, the debate concerning the social status in the company, the weaknesses but also the performance, the social accounting balance. The social balance sheet may become a social progress tool, provided that its recipients know how to use it in an appropriate manner.

The social balance sheet is made available for any employee that applies for it. This rule expands the traditional circle of the recipients of social information and constitutes an urge to develop a form of social dialogue within the company. The statement is not automatically made available for the employees; those who are interested must express their wish to have access to this document in an explicit manner. Although it is widely used, the systematic dissemination of the social balance sheet is not an obligation. The document can be disseminated by various means: it can be published in the company's internal newspaper; it can be posted within the company or on the internet/intranet.

Conclusions

The human resources responsible people and the company management need dashboards appropriate to their positions, because the management decisions they make are based on certain social information the objective of which is to maintain a sufficient number of teams in good physical and moral health, in conditions that are proper for the development of their competences. From this perspective, social dashboards summarize the submitted information in the form of social indicators that, among others, allow for the monitoring of the changes in the number of employees, the control of the increase in the wages fund, the measurement of the increase in the employees competences, and for checking the company's social climate.

A possible social balance sheet of the Romanian companies should take into account information concerning all the fields related to the living conditions of the employees, in their working process, to allow for the assessment of the company's social policy, to evaluate this policy over time; therefore, the social accounting statement, in its quality of dashboard, should be adapted to each company and should lay stress on the positive elements but also the deficiencies of the social policy.

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