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# ***Journal of Eastern Europe Research in Business & Economics***

*Vol. 2013 (2013), Article ID 725039, 46 minipages.*

*DOI:10.5171/2013.725039*

*www.ibimapublishing.com*

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*Research Article*

# **CSR Online Discourse Practices in the Romanian Energy Sector**

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Received 6 October 2012; Accepted 21 October 2012; Published 30  
December

Academic Editor: Aceleanu Mirela Ionela

## Abstract

The CSR online discourse practices adopted by the major companies of the Romanian energy sector have contributed to the development of a corporate social responsibility (CSR) genre. Its main role is to emphasize the overall strategy of companies towards sustainability and long-term growth. The authors aim to identify the range of CSR topics of the three Romanian energy companies displayed on their websites. The paper also provides a mapping of the rhetorical choices used by these companies to deliver CSR content. The study uses a procedure developed by Jane Ahlerling in her study *The Face of the Firm: Articulating Identity through CSR-Related Diversity Rhetoric* in 2008 and which uses rhetorical discourse analysis. The authors also discuss the link between CSR agenda of top energy companies and image of

the local social context shaped by this agenda. Authors conclude that both commitment towards CSR activities of the three Romanian energy companies and their CSR-related online discourse practices are extremely heterogeneous and appear to be situated in different stages of development.

**Keywords:** On-line CSR, online CSR reports in Romania, content analysis.

## **Introduction**

The issue of corporate sustainability has been closely linked in Romania with the arrival of both multinational corporations and international NGOs in the late 90s, which together contributed to reconsidering the position of state enterprises and new businesses in the energy sector. The term sustainability has been introduced by international organizations to refer to long-term development in a new economic environment where new stakeholders had to be taken into account and whose interests had not been addressed before. Thus, corporate sustainability as discussed by Dyllick & Hockerts (2002: 132) is defined “as meeting the needs of a firm’s direct and indirect shareholders without compromising its ability to meet the needs of future stakeholders as well. They insist on three key elements of

sustainability, which are the integration of economic, ecological and social aspects in a 'triple bottom-line'. In the case of Romanian companies, we can observe a 'double bottom-line' in the early 2000s with the social aspect being added to the sustainability agenda later. The European Business network for CSR mentions in a recent report that more and more Romanian companies begin to report along the triple bottom line, i.e. to report holistically on environmental, social and financial performance. CSR Romania estimates that there are approximately 15 reports published annually'.

Dyllick& Hockerts (2002: 134) define *socially sustainable companies* as the ones that add value to the communities with which they operate. This added value has been generally viewed as a novel approach to corporate governance and management.



Over the years both scholars and businesses have provided many definitions of CSR. CSR in its more general interpretation is a social obligation corporations must follow in their daily activities (Shamir, 2005). Its main role has been also defined as a process of giving legitimacy for the activity of corporations. In our view, *Corporate Social Responsibility* (CSR) is a concept whereby companies integrate social and environmental concerns into their business operations and interactions with their stakeholders on a voluntary basis. Carol supports this definition by stating that “social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point of time” (Carroll, 1979). CSR has been viewed as a set of rules of conduct to having a more universal societal meaning. Corporations are held accountable for their actions by the members of society.

Therefore, companies are expected to provide mechanisms for efficient communication with the public and create disclosure practices in a standardized form. Governments, non-governmental agencies and the general public exercise pressure on companies to demonstrate their ability to improve corporate operations both socially and environmentally.

This led to an increasing commitment of companies to providing CSR-generated information. Clearly, CSR reporting has always been driven by the desire of corporations to build a good reputation on the market. Reporting on the corporate social responsibility (CSR) activities of a company became an integral part of the corporate external communication and is a key tool for talking with shareholders about company's external CSR activities (Aldrich & Fiol, 1994) . From a public relations

perspective, a public- information model should communicate “to the public what the organization has done to be responsible and should explain lapses into irresponsibility” (Grunig & Hunt, 1984).

At the local level, the social involvement of companies has been mainly an *imported behaviour*, closely resembling a brand consolidation strategy rather than a process. Multinational companies have played a major role in the promotion and implementation of CSR campaigns. Local companies have responded to this call and started their own campaigns (recycling of used home appliances when buying new ones, recycling old cars).

## **Research Design and Methodology**

The research question of this paper is related to the identification of the main topics in CSR reports, the rhetorical choices of these reports, a possible link between the nature of each topic and the local and social context. The research method selected is content analysis of CSR narratives and visual communication available on-line. The research protocol draws on the rhetorical discourse analysis and follows the model used by Jane Ahlering (Ahlering 2008: 6).

Content analysis allows us to carry out a primary evaluation of the CSR reports and content available on-line. The availability of the updated information, the way in which it is organized, the topics, the relations of the CSR projects with the values

proclaimed by the company were the first research steps taken in our endeavour. We explored the online CSR content using the model developed by J. Ahlring in the paper quoted above.

## **Data Selection**

We used the 2011 reports and the CSR contents available on-line on the websites of 3 companies in the energy field that are ranked as the first three companies which reported the highest net profits in Romania according to the financial data for 2011 reported in 2012 (according to *Top 50 Companies* on the website [www.doingbusiness.ro](http://www.doingbusiness.ro)). The three companies included in this study are OMV Petrom, Termoelectrica SA - the publicly-owned company for electrical and thermal energy and Romgaz SA - the publicly listed company for natural gas.

## Procedure

The CSR contents of the three companies available on-line were analyzed using the following elements:

- a. Presence or absence of a section devoted to CSR;
- b. Presence or absence of a CSR report for 2011, in download format;
- c. Presence or absence of a sustainability report (which in Romanian may be also called “environmental” or “durable” as it is not the synonymy that matters, but the observance of the same reporting norms, namely ISO 2000, GRI 2000, etc.);

- d. The identification of the topics in CSR reports and the possible obvious relations with the values reported by the company;
- e. The analysis of the CSR contents according to J. Ahlering's model:
  - Narrative types: description, narration or exposition
  - Metaphor
  - Visual elements: photographs, movies and design
  - Agency/actors and audience
  - Intertextuality: assumptions, themes, what is unsaid"

- f. Shaping the local social context as can be seen from the CSR project agenda presented by these three top companies.

## **Results**

In presenting the companies, we will follow the structure outlined in the procedure section.

### ***A.OMV Petrom***

With a profit of 869,472 million euro made in 2011, the company ruled the top of the most profitable companies in Romania. The company's website devoted large and highly visible sections (top left plus a third of the home page) to the section called "*Petrom 2011 – Community Involvement Report*" (the generic name of CSR



*Report* is only used for the download link) and the report itself (it contains 81 pages in pdf format).

The section devoted to sustainability is also very visible, easy to access. It is also important to notice the effort of the company to explain the concept of sustainability (insufficiently employed in Romania, unfortunately) as well as the professional and elegant manner in which the information in the CSR and Sustainability reports support each other through unitary format, topics distribution, use of logos, numbers and data which are often reinvented and completed with information adapted to every report and category of target audience.

As far as the CSR topics are concerned, they are divided into 5 large sections (Education, Health, Environment, Community

Development, Employee Involvement), each category comprising 3 to 5 big distinct projects, some of them being, in their turn, umbrellas for smaller local projects, yet from the same category promoted at the national level. The budget allotted for these projects amounted to 4.200.000 Euros for 2011. A detailed presentation of all projects is unnecessary (the report is available online), but the comparison between the titles of these projects described in the 5 sections, the values proclaimed by the company (namely Professionalism; Professional excellence, ensuring lasting success; We learn, we perform, we succeed) and key words from the company presentation (individual commitment, competences, goals, synergy, leaders, profitability) sheds light on the pragmatism and coherence of the CSR approaches.

CSR contents of Petrom are presented as a mixture of Description, Narration and Exposition sequences. The Description formula is the dominant one as here facts and data are presented roughly, in an abstract, plain, business-like language. Narration and Exposition are most often used in the home pages of the project and in the CEO's declaration of commitment. Metaphors can only be grasped in the titles of the projects (*Caravan of Knowledge, Olympians of Petrom, Petrom City, Big Brother, Together for Nature, You Can Make a Dream Come True; Access to Life, Doctor, You're a Hero!; Small Steps to Great Results*, etc.), and, as mentioned in the previous paragraph, they are all chosen in agreement with the company's values. The photographs and design are visually supporting each section and each project described in the report. The photographs also available as image gallery make the process look genuine, thanks

to their aspect of family photos taken by an amateur. Moreover, a gallery with the portraits of the CSR team strengthens the idea of involvement, responsibility and authenticity. The *thank you* message implicitly reactivates acknowledgement as a value of these projects. Special markers for each section, along with the company logo on each page and the same format preserved on the webpage and pdf format are proofs of the construction under the guidance of the company's identity manual. As an observation, the declaration of conformity with GRI principles undertaken by the communication manager is mostly justified by both content and form of the report. The action, agents and beneficiary of the CSR program are valued precisely by means of the overlaps between agents and beneficiaries. The discourse, the description of facts and figures is carried out to emphasize Petrom's role as initiator and co-worker in the implementation of

projects and common beneficiary. The specialized teams, the employees and partners (NGOs, schools, universities and local authorities) and beneficiaries (pupils, students, professor, doctors, community) are presented as members of a team, and the message that accompanies these presentations is “we succeed together”.

In fact, the central element of intertextuality is precisely this “we succeed together”. For grumpy critics and not only for them, what is left unsaid pertains to the sensitivity and vulnerability of the sector in relation to the environment, those that incur the costs, the rises in the price of fuel, the balance between what a company such as Petrom receives from society and future generations and what it gives in return. We would be naive to fancy that the visitors of Petrom website and the CSR section would

unanimously ignore all these possible unsaid presences. But such things unsaid may be comprised in future studies addressing different concerns.

The agenda of CSR projects is not a mirroring of the local social context, yet it resembles the happening of a lantern's manipulation or the manipulation of another light source. The agenda of CSR revisits local aspects that are not only reasons for pride: actions of cleaning the environment which actually means that Petrom voluntaries and their partners collect the garbage thrown away by neighbours; actions of awareness, prevention and diagnosis of hepatitis B, C, and HIV remind us of the proliferation ratios of these viruses, against our will. Again, there are the things unsaid which make our agenda and give grey colour to the local social context. Sparkling lights come along

with projects devoted to Olympians, the people responsible in small communities, the schools devoted to children and doctors to their patients in an ongoing defective system. It is a reflection of the local social context which is coherent enough to what we see in touristic guides and in the embassies' advertisements. No mirror, though.

### ***B. Termoelectrica SA***

Termoelectrica SA, a state-owned company, is a special case in its being ranked as the second company with the highest net profit. After 2010 when the company lost more than 100 million Euro, it reported in 2011 a profit of 376,8 million Euro (data provided by the Ministry of Finance cited by the *Financial Newspaper*, 17 July 2012). "It is a financial profit which resulted after some of its

debts had been taken over by the state” as the Ministry of Economy points out in the same article. The metaphor” the black hole of the Romanian economy” had been used repeatedly to refer to the company as such. Thus, this is the broader context which led us to the inclusion of this company into our research.

The website of the company does not have a CSR section or an online CSR or sustainability report. The terms regarding sustainability, such as *sustainable development* or *environmental report* appear in the mission statement and in the openly declared values of the company and also in a series of internal documents which refer to the alignment of the company to environmental standards for the period 2013-2018. This alignment is more a matter of legal constraints than a commitment of the company towards responsible environmental



conduct. Obviously, the content analysis cannot be done due to lack of CSR-related content.

Still, in a broader context of CSR-related content, we can observe three elements on the Termoelectrica website. The first section, entitled *Our Mission and Vision* contains statements, such as... *electrical and thermal power in accordance with the needs of the community and with the respect of the environment at high quality and reduced costs or ... to ensure a healthy and stable long-term environment.* The next section *Our Values* opens with ... *care for the environment; efficiency; sustainable development; professionalism; we are a team; integrity, trust, unit.* The section dedicated to environmental projects refers mainly to the alignment to legal constraints. Visual elements are probably used to convince the viewer that the company cares. Unfortunately,

the combination of images chosen by the company has an opposite effect. For instance, the viewer is offered an image of polluting furnaces over green landscape. No matter how tolerant is the viewer, the implied message is “we pollute the environment” and not “we protect the environment”.

### ***C. Romgaz***

The third position in the top is held by Romgaz with a net profit of 243,400 million euro for 2011. The company welcomes its visitors with the message – *Clean Eenergy since 1999*. The CSR section is as visible as other sections (company profile, investor relations, etc.) and occupies the same space on the home page.

There are no CSR, environmental or sustainability reports available online. Only the term *sustainable development* is used in the CSR section, especially where ISO 9001 and ISO 14001 certificates appear as proofs of *performance management oriented towards cultural values which consider quality and sustainable development to be fundamental factors for progress*.

The webpage devoted to CSR opens with a 3<sup>rd</sup> person narrative statement which is not attributed to any member of the Board of Directors. In fact, it is more a general description of the company's commitment and management in the field of CSR. The homepage also announces 4 CSR sections and 4 main topics (environment, community, sports and culture). The environmental section contains 2 declarations of intent which lack any figures or facts, along with a description of a

comprehensive technological project aiming at capturing and maintaining CO2 in clean environmental conditions. There are no references or information on this project implementation status for 2012. The community section consists of little information divided into 5 categories of partnerships (education, religion, health, social care, NGOs). It is highly difficult for the visitor of this webpage to distinguish between the information for 2010, earlier years and for 2011. Mentions of the budgets allotted for CSR actions are scarce and they only relate to two of the projects for 2010, the reader has to be up-to-date with natural disasters in the region to be able to link it to 2010. The sports section is the best one out of the 6 projects in 2011, all devoted to the support of teams, sports people and tours in the region close to Medias, the city of the Romgaz headquarters. It is remarkable that these projects cover various sports fields: basketball, chess, bowling,

tennis and mountaineering. Once again, there are no budgetary references. The cultural section presents 6 cultural projects that Romgaz also sponsored in 2011. Projects are described without mentioning Romgaz particular contribution to them.

The values announced by the company (*We draw on tradition and experience; we are innovation and creativity; we encourage the development of personnel and the principle of gender equality; we respect the community and the environment*) would be a convincing counterpart in CSR actions if these projects were better located temporally and with clearer budgetary references. For instance, the chess contest *The Tour of the Kings* performed in the Grand Slam system and the support provided to the Romgaz employee with notable performances in mountaineering (the

project *Up in the Sky*) are arguments for some of the company values mentioned above.

From the perspective of narrative types, exposition and description are preferred: the former is expressed through vague, impersonal language (e.g. *encourages environmental protection*), and the latter is dominated by technical and CSR jargon (*reciprocal activities, concern for future generations, and continuous improvement of environmental care/protection*). Moreover, the technical jargon targeted at experts or specialists (quality-related terms and abbreviations of international certificates), which make the message difficult to understand and value for other categories of audience, with less competencies in the field. Metaphors occur only in project titles from the Sports section (*the Tour of the Kings, Up in the Sky*). We have already

noticed that they partially support with facts the outlined corporate values without creating a coherent image. Beyond the few metaphorical titles, abstract business-like language close to technical jargon is preferred. The photographs have a low argumentative value. In the environmental sections, they probably aim at emphasizing the idea of harmony between technology and nature. Intention is positive but debatable in terms of its impact on diverse audiences. The impact is rather negative, in our opinion.

In the cultural section, photos, logos and video content promoting the events, the company name not being prominent, the page looks like a host space allotted to cultural events and the company's presence is discreet to invisible. This could be also interpreted as a sign of generosity, the company name not being

prominent. The Sports section is the only one in which photographs suggest the link between the high results of sponsored sportsmen or teams and the company's orientation towards high efficiency and quality.

The video content is used to bring legitimacy to the company's actions and sustain its credibility through the use of experts and also through a declared target audience (presidency, parliament, ministries, international organizations, etc). The lack of updated information diminishes the argumentative effect of these video sequences. The corporate logos appear on every page of CSR content and remind us constantly that the care for the environment has been a major concern for the company for more than 100 years. The lack of concrete evidence with respect to the



century recalled gives no sense to this memory. The website does not contain any proof for the period before 1990.

The CSR-related *actions* (sponsoring, donations, volunteering) are implemented by the Romgaz *actors* (Romgaz management and volunteers), oriented towards protection, support of harmonious development of *beneficiaries* (pupils, teachers, students, hospitals, sportsmen, teams, families which are victims of natural disasters, the community in general). The main message is that *Romgaz is the sponsor*. Tradition, responsibility, harmony among people, nature and technology are assumptions and themes that transcend CSR sections and the company's website. What we are not told pertains to the same vulnerability of the sector, to the unsatisfactory presentation of evidence to

support the statements on each page. Even though left unsaid, they cannot be ignored by the visitors of the website.

Acting mainly at the local level, the CSR agenda of Romgaz manages to give good clues about the local social context. For a visitor that does not know the region very well, this is an opportunity to discover, by means of the *Sports section*, an impressive dynamics of sports. Just by looking at the Sports section of Romgaz, the viewer could get the impression that the region of Medias is extremely engaged in sports activities.

Similarly, the community section, through the diversity of the programs and partnerships shape the local community. Local colour can be sensed and this is not necessarily unique having in view the fact that the problems of small communities are very

much alike. It is the voices, numbers, projects that tell us where we are and what we are going to face. Otherwise, time is pending and unmentioned. Therefore, the link between the CSR agenda and the local social context is hard to follow.

### **Unifying Elements and Major Differences**

The three companies analyzed in this study operate in the same sector, therefore are governed by the same sector-specific regulations. One by one, they occupy the first three positions in the top of most profitable Romanian companies. These companies have substantial financial resources. All three used to be state-owned enterprises, born and developed in socialist economy under the communist regime. Therefore, their founding personalities, values, myths and their whole primordial culture

are almost identical. The *childhood* of these companies is similar. For a long period after 1989, their organizational culture remained unchanged. After that, these companies had gone through a similar post-transition *capitalist adolescence* even if at different age.

If we compare their announced intentions from the *Our Mission and Vision* and *Our Values* sections, we will see that they are almost similar. Also, where there is online CSR content (Petrom and Romgaz), both the topics and the nature of projects (type of action, target audience, results) have visible similarities. Educational, health and NGO or locally-supported projects are similar in the type of needs being addressed.

Major differences appear starting with financial strengths. For example, the net profit of Petrom is 2,3 times bigger than that of Romgaz. A comparison of CSR budgets for 2011 could not be made as Petrom is the only company which provides this kind of information online. The economic strength and the disclosure of information are the two differences which could be observed.

Then, disclosure, presence and coherence of information of the three companies are so different also due to the fact that they had gone through different developmental paths. Their level of capitalist maturity is very different even if not fully achieved.

Petrom, a fully privatized company, belonging to the OMW group with a foreign management (or, at least, partially estranged from

socialist roots), aligned to OMW and other international standards (GRI reporting standards) has a strong corporate culture which is already different from what it had before being privatized. The CSR projects and the quality of CSR reporting is way ahead of other two companies. Without claiming to have provided a rigorous mapping as developed by Hunt and Auster (1990), we could intuitively include Petrom to the *pragmatist group* with clear aspirations towards the proactivist group.

The scarcity of CSR content at Termoelectrica is not accidental. The overnight change from being a *black hole of the Romanian economy* to that of a *princess* of wealthy Romanian companies in 2011 seems to be difficult to handle. The CSR *tiara* is too big for the newly crowned head. An entirely state-owned company having a typical mentality of a Romanian state company, just

recently freed from public debt, has more serious and urgent issues to deal with than CSR. The first level in Hunt and Auster classification is called *beginner*, to which Termoelectrica is not yet ready to aspire.

Romgaz is 85, 1% state-owned company with a more generous profile. It has had excellent financial results, with a corporate management and a culture which show another level of maturity. It could be included to a *fire fighter* or even to a *concerned citizen* category, if we take into account the nature of its CSR activities and to *beginner* if we refer to CSR reporting.

## **Conclusions and Future Directions**

The current study as described above sought to generate a rigorous comparison of the discursive solutions in the online CSR communication of the three Romanian energy companies and started with an intention to use mostly content analysis as a research tool. In fact, as we advanced with our study, we realised that we worked with fragments of incomparable information.

Big differences found in the spread and coherence of CSR online content of the Romanian energy sector invite us to change our perspective in our future studies which should be more exploratory and focused on the motivation for CSR behaviour.



The development of CSR and commitment to it is a question of evolution and time. In a sector populated by gigantic companies, which belong to other gigantic groups, and which operate in a country, where legislative constraints are still open to interpretations and are not entirely binding and where public pressure is still not significant, it is important to ask ourselves what motivates companies to commit to CSR. What are the concerns that could be solved by adopting CSR? Could these concerns be similar, at least, in the case of the three companies analysed here? And what happens at the sector level? And if yes, how many of these motivations and behaviours are transferable in adopting CSR? In addition, is it relevant to compare the CSR policy of Petrom with that of Termoelectrica?

Karl Popper reminds us that "the issue of maintaining a vertical position is not just a matter of survival. If I sit down, it does not mean I am dead as I can survive even in this position (Popper, 1997). As in the case of evolution of species, the issues which ask answers are not just issues of survival. Up to a point, the issues to which we look for answers can be chosen by us. Moreover, the differentiation between being a socially responsible company and using the CSR concept as a management and PR tool could offer different meanings assigned to the same CSR report no matter how close we get to reporting standards or how refined we get in terms of rhetoric.

## **Acknowledgements**

This paper was supported by the project “Post-Doctoral Studies in Economics: Training Program for Elite Researchers – SPODE” co-funded from the European Social Fund through the Development of Human Resources Operational Program 2007-2013, contract no. POSDRU/89/1.5/S/61755.

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