

# THE IMPORTANCE OF OCCUPATIONAL HEALTH AND SAFETY IN THE FRAMEWORK OF CORPORATE SOCIAL RESPONSIBILITY

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**ABSTRACT:** Corporate Social Responsibility has been defined as the voluntary integration of social and environmental concerns into the organization's decision-making process. The search for a good Occupational Health and Safety environment and the promotion of a culture of risk prevention are two of the main social responsibilities of a company, and consequently an integral part of Corporate Social Responsibility. This paper discusses how the growing interest in corporate social responsibility can contribute to improving the implementation of adequate systems of prevention in the Romanian organizations. In the present paper, we have studied to what extent these issues are present in the field of CSR, and consequently determined which aspects have received the most attention, and which are less well developed; we offer some proposals as well. The methodology employed mainly consists in a content analysis of the main international CSR management tools. On the basis of the conclusions drawn from this analysis, there is a discussion on the potential role of CSR in promoting a culture of safe and healthy work.

## 1. INTRODUCTION

The Romanian society is currently witnessing an intense development of initiatives aiming to promote Corporate Social Responsibility (henceforth, CSR), which means the voluntary integration of social and environmental concerns into the firm's decision-making [8, 9]. To be socially responsible means to think beyond just complying with the law, by investing in human capital and managing relationships with the social stakeholders that are affected by the consequences of the firm's decisions.

There is little doubt that the search for a proper Occupational Health and Safety (henceforth, OHS) environment and the promotion of a culture of risk prevention are two of the firm's main social responsibilities, and hence an integral part of CSR [22].

In Europe, a considerable amount of legislation in the area of workplace accident prevention is in place, but companies differ greatly in their level of compliance. This problem, which is also valid in Romania, generates important social concern. At the same time, different protagonists in prevention issues are exchanging accusations and attributions of blame. To date, the strategy based on extensive legislation does not appear to have led to the results expected. Implementing strategies that promote a preventive culture seems to be an urgent task.

Transcending the opposing positions in the OHS debate, is it possible to locate the problem of accident prevention in another framework that is richer in ideas and strategies? Could the CSR approach, with its basic concepts of volunteerism,

inclusiveness of stakeholders and new management tools, provide a possible framework that encourages compliance with the law and allows firms to go beyond that minimum requirement?

In order to address this problem, a qualitative study on the presence of OHS issues in the main CSR management tools has been performed.

## 2. THE LINK OF OCCUPATIONAL HEALTH AND SAFETY WITH CRS

Labor environments should be safe and healthy, something that is very often not the case for far too many workers. Every day turns up many examples of workers all around the world exposed to risks to their health, including dust, dangerous fumes, noise, vibrations and extreme temperatures. Unfortunately, many Romanian employers are not really concerned about the protection of their employees' occupational health and safety, and even worse, some employers do not even realize that they have the moral, and often legal, responsibility to protect their employees [19].

Occupational health and safety is a broad discipline that deals with [11, 20]:

- the promotion and maintenance of the highest degree of physical, mental and social well-being of workers,
- the prevention of retirements on the basis of health problems caused by working conditions,
- the protection of workers from risks adverse to health.
- the adaptation of the occupational environment to the physiological and psychological capabilities of workers.

To sum up, OHS covers the social, mental and physical well-being of workers. Obviously, the concern for the employees' well-being should be one of the main aspects in corporate social responsibility of any company.

The expression "Corporate Social Responsibility" (CSR) clearly reflects, considering the words that form it, the demands that society or people make towards the firm as a social institution. These demands become expectations that individuals as a group expect the firm to satisfy in a particular social model, including not only the creation and distribution of wealth from a purely economic perspective, but also the contribution to resolving any social problems that emerge [2, 3, 23]. The concept of CSR has evolved over time [6], becoming richer as academics and practitioners have shown growing interest in the field. There has been evidence of companies commitment to society for over three centuries [21].

Within the field of prevention, CSR can be conceived as a voluntary commitment whose objectives and actions must always be directed beyond the minimal levels of worker protection laid down by Romanian and European legislation. This means both ensuring that employees benefit from higher standards of occupational health and safety than those required by the law, and taking into account external implications, such as the application in the workplace of health, safety and welfare criteria in the recruitment of sub-contractors or in the process of commercializing goods and services.

CSR can provide the framework to connect occupational health, safety and welfare to other relevant aspects like [4, 5]:

- Human resources.
- Balance between work and family life.
- Other fundamental rights.
- Environmental issues.
- Safety and public health (including product safety).
- Profitability and productivity.

The need to harmonize instruments, methods and vocabulary is one of the most important questions at first [7, 18]. OHS and CSR executives need to speak the same management language, and one way to do this is to make the role of OHS explicit within CSR

[12]. CSR can be seen as an opportunity to integrate OHS aspects into a broader framework [13], or in other words, as an opportunity to address OHS questions beyond, and on the basis of compliance with the legislation.

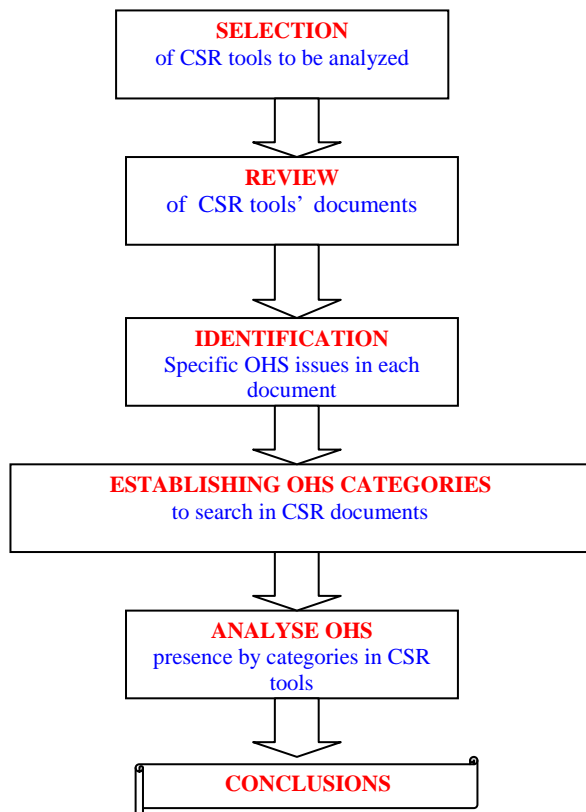
CSR also may make the relationship between the firm's social concern and its reputation in the market more evident. OHS practitioners are launching initiatives aimed at presenting the firm's actions in a positive light, but CSR can show how to capitalize on these actions ("learning" effect) in the most efficient way. CSR allows business to deeply commit itself to workplace health, safety and welfare. This, however, also means carefully following a path towards consolidating the achievements of CSR and OHS while avoiding the risk of overwhelming management with yet another new priority.

In order to effectively determine how OHS could potentially develop under the influence of CSR, it is necessary to analyze the presence of OHS in CSR nowadays. Thus, the best way to approach the CSR reality is to review its instruments.

### **3. OCCUPATIONAL HEALTH AND SAFETY IN CSR MANAGEMENT TOOLS**

If there has been a single constant concern in CSR, it has been the question of how to convert an idea into something that can be managed [16], and, therefore, to guide firms about how to integrate it into their management. For this, we have seen the development of a great number of instruments for managers, from principles and codes to indicators and processes. The research methodology is based on an analysis of secondary information sources. More specifically, we have made a content analysis of various documents from different European CSR initiatives. Fig. 1 illustrates the methodology followed.

First of all, we began by selecting the most representative CSR instruments at the international level, followed by a first exploratory review to identify the different references they make to OHS. The references in all the management tools were then grouped into categories and subcategories in order to clarify and simplify the analysis. We then returned to the documents in a second review to organize the information by categories and tools and, thus, we obtained the final results of the study.



**Figure 1. Structured approach for OHS topic assessment in CSR instruments**

To select the CSR instruments, we followed the EU document Mapping Instruments for Corporate Social Responsibility [10]. This publication provides a complete strategic analysis of a range of CSR-related instruments, and highlights their key characteristics.

Table 1 lists the instruments that are studied. These are by no means all the CSR-related instruments that

**Table 1. Corporate Social Responsibility instruments**

Principles and codes	Management systems and certification schemes	Accountability and reporting frameworks	Firms' rating indices
1. UN Global Compact 2. Amnesty International's Human Rights Guidelines 3. Benchmarks for global corporate responsibility (ECCR/ICCR) 4. Ethical Trading Initiative (ETI) 5. Global Sullivan Principles 6. OECD guidelines for multinational enterprises 7. Standards of CSR (Social Venture Network, SVN)	8. Social Accountability 8000 9. Sustainability Integrated Guidelines for Management 10. Forética SG21: 2005 11. Forest Stewardship Council 12. Eco-Management and Audit Scheme 13. EU Eco-Label criteria 14. Guidance on Social Responsibility. Draft ISO 26000 WD4.1 15. CSR: making good business sense (World Business Council for Sustainable Development, WBCSD)	16. Global Reporting Initiative 17. Accountability 1000 Series	18. Dow Jones Sustainability Group Index 19. ASPI-Vigeo Group 20. FTSE4 Good Selection Criteria

instruments, we can say that there is nothing new not mentioned in legislation. This aspect makes us conclude that, with respect to contents, these

exist, but they are illustrative of the various types of instrument.

After classifying and analyzing different documents, the results obtained can be summarized in the following way:

- In the analysis it seems clear that OHS can be considered a central element of CSR because:
- It appears in all the analyzed instruments, except two that concern specific environmental aspects (EMAS, Eco-label) and the norm AA1000, which, given its philosophy towards relational processes with stakeholders, does not mention other concrete areas.
- In Aspiration Principles and Codes of Practice, OHS is present as a distinct principle, not as part of another principle.
- In the main Ratings Indices for the evaluation of firms with the aim of socially responsible investment, OHS is one of the evaluation elements, with a significant relevance.

- **Indirect mention of OHS:** The tools we have used do not only deal with the OHS aspects directly, but also refer to other instruments, or other norms or codes specifically pertaining to the risk prevention sector, which are consequently integrated into the tools' content.

- **Nothing new compared to OHS legislation:** most European legislation is highly developed in OHS issues, to the extent that compliance leads to problems of applicability and control or inspection. Given the aspects mentioned in the analyzed

instruments do not represent any additional contribution (although we can highlight the case of

the Forest Stewardship Council, which includes a criterion about going explicitly beyond the law).

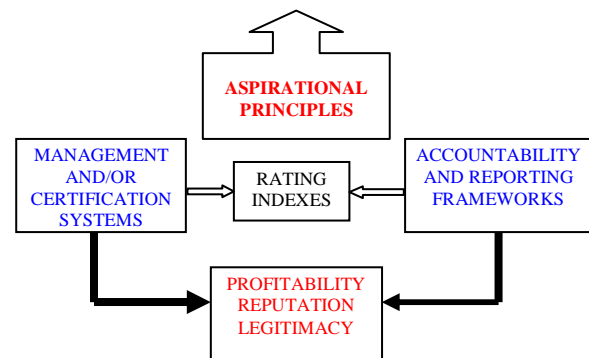
- **Unequal development of OHS issues among CSR tools:** it is convenient to emphasize the two instruments that bring together the largest number of explicit mentions of OHS topics, namely the Benchmarks for global corporate responsibility (ECCR/ICCR) and Social Accountability 8000. The first is a very exhaustive initiative, with an extensive development of CSR benchmarks (94 principles, 129 criteria and 118 indicators). From these, four principles, five criteria and seven indicators concern OHS topics. In SA 8000 we find guidelines for management and certification focused on employees as stakeholders, which explains why there are more explicit references to OHS.

- **A stronger presence of OHS management elements:** OHS topics on management elements are more frequent than the ones about workers' rights or legislation and norms. Among the management criteria, the most important mentions concern: policies, detection systems and awareness actions. The preponderance of these three aspects has to do with the approach that the public administration tends to give the appropriate consideration to occupational health and safety. The public administration usually favors a prevention culture, where it will be possible to eliminate possible risks with the intervention of all actors (workers and entrepreneurs) in a planned and systematized way by promoting training. It is interesting to note that little attention is paid to procedures for evaluating suppliers. The use of subcontractors is one of the most conflictive aspects in OHS, given the difficulty of control in these cases.

- **Few references to workers' rights:** from the analysis of CSR instruments one can detect few references to specific workers' rights, except in Benchmarks for Global Corporate Responsibility (ECCR/ICCR), which has a large number of references. This could be due to the exhaustiveness with which these rights are covered in the legislation of developed countries, which would explain why many CSR instruments refer to the existing legislation. Conceivably, many of these instruments have been created for big multinational firms operating in countries with limited or no relevant legislation. Consequently, we consider it is important to include these rights in CSR instruments, however basic they may appear in developed countries.

Clearly, not all instruments develop OHS issues with the same intensity. But one can conclude that there is a minimal presence in each of the CSR

instruments. In order to see what is the real contribution of CSR and its instruments to OHS it is necessary to begin by emphasizing the relationship between the instruments themselves and their appeal to the company (Fig. 2.).



**Figure 2.** Generic tools in Corporate Social Responsibility

First, the tools based on widely shared principles and codes of practice are no more than just a list of good intentions, but they do constitute a large part of the basis on which the remaining management tools are designed. This is why it is important for these declarations of principles to include references to OHS, since this ensures that OHS will be included in other management instruments (management systems, rating indices, and accountability and reporting frameworks).

Second, Socially Responsible Investment (SRI) agencies use the guidelines for management systems and certification schemes and accountability and reporting frameworks to obtain their different ratings. Consequently, firms wishing to be well classified in these ratings should use these instruments. And since these management systems develop OHS aspects, the management of these aspects in the firm will conceivably improve.

Third, management systems and certification schemes, accountability and reporting frameworks, and rating indices influence one of the main concerns of firms, especially of the large ones: their corporate reputation. There is a conviction that the management of a good reputation will be one of the most critical questions for the future success of organizations. Each of these instruments makes a distinct contribution to reputation. Management systems and certification schemes create interest by their conversion into certificates, stamps or labels that can be shown in the marketplace as a guarantee.

#### 4. DISCUSSION AND CONCLUSIONS

Assuming that a Romanian organization wants to improve its social reputation, the more developed

OHS is in its CSR instruments, the more the organization can be expected to consider OHS in its decision-making (“push” strategy). But from the OHS area as well, work can be done to influence the reputation variable by showing society how a firm cannot legitimize itself without adequate concern and attention for the creation of a safe and healthy workplace (“pull” strategy).

Nevertheless, the CSR philosophy itself which generates all these instruments is based on a series of elements that can contribute to further insights into the potential of CSR as a stimulating agent for OHS:

- **Support for norms and laws.** The inclusion of references to compulsory compliance with national/international OHS regulation reflects support for the law. CSR is not conceived as a substitute for the law. Being socially responsible entails starting by complying with existing legislation, as it is explicitly recognized in some of the instruments analyzed. In addition, the CSR approach may encourage compliance with legislation by presenting itself as a way of improving the firm’s reputation.

- **Predisposition to a multilateral dialogue.** The relationship with stakeholders is an aspect present in OHS management models, but it is the current development in the stakeholder theory as well as its application in management models in the CSR environment that could contribute to improving the OHS outlines that have been proposed. On the other hand, the greater influence of stakeholder management in a global perspective of CSR can place the debate about OHS within a context less centered on the demands made by a company, and more on the OHS as a social problem affecting various stakeholders. (see Fig. 3).

This seems positive since it can help overcome the tense climate frequently found among the different prevention stakeholders involved. A multilateral dialogue considering many different perspectives could result in the following benefits:

- **The possibility of forming partnerships to design common strategies, based on participative processes.** These processes tend to have a strong impact on the protagonists, since they are usually highly motivated, and the diffusion of the processes creates substantial echo. There are opportunities to form voluntary and innovative partnerships with stakeholders not normally involved in OHS issues, as well as to raise consciousness among the public and media about the importance of OHS.

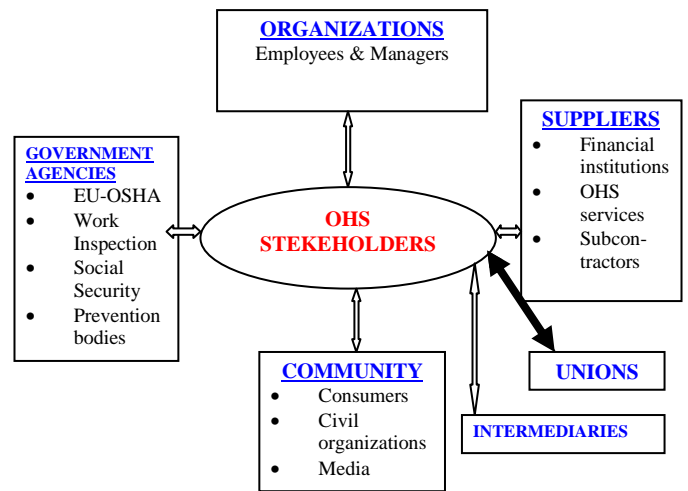


Figure 3. Occupational Health and Safety stakeholder categories

- **Avoidance of unilateral perspectives that lead to confrontation.** Multi-stakeholder dialogue predisposes the actors to greater empathy. They seek points in common rather than divergences, with the ultimate aim of achieving a common objective.
- **A vision of occupational health and safety that goes beyond a merely economic perspective.** This dialogue raises the question of whether other types of interest exist, which if only measured in terms of their economic value would probably never be questioned. These interests are often more important than any other type.
- **Encouraging the participation of a larger number of actors that can intermediate in the role of occupational health and safety with a certain number of target publics.** The participation of stakeholders is not directly involved in the prevention area as support intermediaries for the strategies adopted. Third parties acting as prescribers of the message to be transmitted can often be more effective in reaching a particular public. They have a much greater influence on the receiver of the message, either because of their moral or symbolic authority, or their experience.
- **Clearer and more systematic processes for communicating and measuring outcomes and impacts.** Clearly and precisely describing the OHS elements in the CSR instruments, and providing instructions for implementing them substantially facilitate the application of the law.
- **Integration in the everyday management of the organization.** The CSR approach can help to integrate OHS as an element that goes right across management, rather than just as a marginal or a parallel area of human activity. CSR helps emphasize the importance of occupational health and safety, elements that are often forgotten or minimized in a firm.

- **Attention given to processes, not just outcomes.** CSR not only gives priority to achieving certain results, but is also oriented towards the development of processes that assure socially responsible behavior.

- **An outcome-oriented position in the OHS arena** means concentrating on lowering the number of labor accidents, as opposed to a process-oriented position, which would imply decision-making based on the possible labor risks implied in different alternative actions. In this way possible risks could be avoided, thus favoring safe conduct procedures.

- **The attraction of social and economic value.** A push effect derived from a greater success and relevance of CSR issues in firms, particularly in the large ones. This is due to different aspects, such as the desire to have a good reputation, or of legitimacy, or even of differentiation in a market where the ethical attributes of the products are increasingly valued by large segments of consumers.

- **Although CSR can foment the development of OHS in business management systems, there still remains much to be done.** It is not so clear that OHS is present and a priority in the CSR debate. Doubtlessly this could be made more difficult if there were not a stronger presence of OHS-related issues in the CSR multi-stakeholder forums. This will presumably require stronger bonds between the two areas, and between OHS and CSR professionals themselves, with OHS being conceived as an integral, essential part of CSR.

Then, CSR in its current state of development will really be able to act as a push strategy for OHS. The approach adopted is clearly just one possible perspective within a complex and multifaceted reality, but it does, in our opinion, have the advantage of offering an interesting view of the CSR–OHS relationships, since the documents that contain and explain the different tools constitute starting points for the integration of CSR into organizations. Nevertheless this is an initial analysis that could be complemented with empirical studies of good practice in real firms. This would help shed light on the role of the tools analyzed as catalysts of the advances and improvements in OHS issues, and thus test the conclusions reached in the current work.

To conclude, it can be stated that there is still a need to better integrate OHS concerns into the practical and conceptual developments of CSR. At the same time, the development of CSR will require new proposals about how managers and workers can best approach OHS. The progress in these two fields will determine a large part of the social advances in this area in the future.

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