

## DIMENSIONS OF EMPLOYEES PROTECTION IN ALBANIAN CORPORATIONS AND HARMONIZATION WITH EU

**Blerta Aliu**  
European University of Tirana  
ALBANIA

### ABSTRACT

This study focuses on the Involvement of stakeholders in decision-making of corporations. The topic is very interesting and current, in an European market which is increasingly occupied by corporations, and it seems difficult, in the Albanian context, as a country in transition. Latest academic theories referring the management of companies imply a major role of human resources, as an intellectual or physical capital and a key stakeholder. Therefore, we will refer to these theories to analyze the issue in question. It is necessary to make a comparison between EU theoretical contexts, intertwined with legal aspects, to pass in the Albanian analysis. The purpose of the study consists in the identification of strategies to implement corporate social responsibility to groups of internal or external interest (classified by affinity with the corporation). At this point, the use of case law gets a special importance. The research question of this study is: How much are employers into Albanian corporations protected informed, integrated and valued? The hypothesis is: Corporate social responsibility is seen generally in the philanthropic point of view, so in charity or social activities, but not in the guarantee of human resources. Finally, human resources, often, find difficulties in the working conditions but also, in the selection and training conditions or the relation of payment with performance. Results from a juridical analyses show problems with contract enforcement, but especially immediate and abusive contract disposals.

**Keywords:** Corporate Social Responsibility(CSR); Employee Theories; EU Gender Discrimination; Abusive Contract Disposal.

### INTRODUCTION

Recent international developments regarding corporations and their empowerment, according to different authors have reached in questions such as "do corporations shape economic and legal policies or is it vice versa?". So, these authors say that the power of corporations and their importance are comparable to the features of the totalitarian systems; for example, official ideology, single party dominance, the leadership, monopoly of the means of communication, state control of economic life, etc. All these qualities fit the the corporation, in its relation with the community. (Bakan & Nace, 2007, pg.154-156)

Nace focus on historical developments that have affected the specific legal and social initiatives, especially those that have contributed to the establishment of constitutional rights for corporations. While Bakan, sees the corporation as an "externalizing machine", which is "the effect of the transaction on a third party that did not participate in the realization of this transaction". So, Bakan analyzes the cost and benefits of General Motors<sup>1</sup>, the american company who decided not to pull back a defective car, because it would cost more than the damage caused by this machine itself. In other terms, the managers of GM, didn't consider

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<sup>1</sup> See more at, Charter Township of Ypsilantu v. General Motors 506 N.W 2d 556, 201 Mich. App.128.

the social responsibility strategy and the damage to the third party. Social Responsibility of Corporates is the cornerstone in a society that combines public law and private law, as a reflection of human rights guarantee. Legal regulations covering this very important economic, legal and social aspect of a country, are very broad, but mainly affecting commercial legislation, labor, consumer, bankruptcy, environment and a range of other legal norms.

Preliminary analysis of statistics, legal provisions and judicial decisions on the subject tells us that there are often, gaps between different laws. To ensure effective protection of the community and fulfilling the responsibility of these important components of the market, the Albanian legislation needs to have a complete harmonization with EU norms.

Corporate Social Responsibility is practiced in different ways, thus it creates confusion over the exact meaning of this term. Financial interest and ethical approach work well together, but even more important are the values without which a business of any sort can not be successful. One of them involves the fairness in relation to the merit and payment-for example as wage is associated with job performance. (The Economist:2005).

The idea that work is a fundamental right for all members of society was a first laid claim to the French Revolution in the eighteenth century.<sup>2</sup> Fourije (1700s) was the first to use the term "right to work" and stressed that work is socially but also psychologically important for an individual. He maintained that states have an obligation to provide equal opportunities and concluded that the realization of this right would require a complete reorganization of society. A study conducted in the context of the Western Balkans (UNDP: 2008), has revealed that CSR was a relatively new concept in the region. The level of stakeholders' understanding and their engagement into companies were at an early stage, focusing on philanthropy and environmental issues. The European Union has always paid great importance to the protection of rights of employees, not just in a theoretical level but in law and judicial practice. Social Policy of the EU guarantee the best interests of the employees as a condition for the success of economic policies. (COM :2001).

## METHODOLOGICAL ASPECTS

The methodological approach of this paper will be based mainly in qualitative methods, essentially on the analysis and interpretation of the legal frame. Method of literature review is the assessment of the range of existing materials that relate to knowledge in a particular area. (Dellinger: 2005) The purpose of this method is to provide knowledge on previous work by different authors in books, articles and journals (Blaxter, Hughes, Tight: 1996). Through this method we will become familiar with the scientific literature made to corporate social responsibility, by analyzing the contradictions between different theories and problems of its application in practice.

The main methodology of the paper is based on a logic of comparison. The comparison and generalization of cases resulting from this comparison allows us to make predictions with much broader application to other cases in the future.(Dellinger:2005)

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<sup>2</sup> "Human rights in the world of work", (2014), fq 4-5: <http://www.scribd.com/doc/64662815/TE-DREJTAT-E-NJERIUT-NE-BOTEN-E-PUNES> (Accessed the 18.08.2014)

The method of decision analysis method is used to clarify the application of laws or principles in cases of complex problems. By this method and also through their interpretation will aim to identify the conductivity values of social responsibility, in accordance with the field of human rights and corporate ethics.

In this way, we build our hypothesis which states the idea that, "The protection of the rights of employees into corporations in Albania is very low compared to the EU level". So, we will see in this paper, what are the legal instruments and the practical challenges of implementing social responsibility theory and human resource integration in Albania.

## **PART I- LITERATURE REVIEW – CONCEPTUAL FRAMEWORK A BRIEF THEORETICAL OVERVIEW ON CSR**

Baums(2000) stresses that international investors are interested in how their interests are protected in different countries, so they want to know the characteristics and features of corporate governance, for example regarding the voting rights of shareholders, the rules on conducting transactions eg on stock transfers, protection of minority shareholders and the protection of the interest groups. Hopt and Leyens( 2004 ) stated that this policy decision became symbolic of protecting the interests of workers, who had the right to information, consultation and co-determination authority to seek compensation in cases of damage caused, based on decisions taken by corporate administrators.

Corporate governance relates to the theory of " mediation " and different authors argue that we have to redefine the theory of radical representation in three ways: Firstly , the most important link are not shareholders but the corporate itself; Secondly, the Management Board is not representative, but a trusted, independent link and that the role of the board is to mediate between various interest groups.

Stakeholder perspective has become unavoidable topic, strongly supported by M.Branco and L.Rodriguez (2007) classifying two theories, the classical one and the one which increases the responsibility toward parties who are mutually affected by its actions. In this paper, we focus on understanding the role that employee in a company and corporate governance implications.

### **Theories of the European Corporation's Employees**

Model of Proprietary Interest (owner's interest) is based on the protection of employees against dismissal without cause, this model goes further by declaring illegal several causes of removal. (Fannon :2003, f.41) Criticism of this model, analyze that the guarantee of a great number of rights greatly increases employment costs and reduces job creation. There are a lot of debates between researchers, lawyers, economists, who advocate the model of the Owner's Interest. According to them, EU legislation obliges employers to respect the rights of employees as provided by law and by the courts. In this way, employees are protected from arbitrary decisions. (Fannon: 2003)

According to Fannon, the best way to give voice to workers, according to the Consultative Manager-Employee Model, is their presence in the corporate bodies or creating councils of workers, a model that is applied for years, in some countries of Europe. The CME model, according to some theories, increases corporate productivity and is associated with a number of directives drawn up by the European Union. The way to enhance manager-employee

dialogue is the latter's participation in corporate structures. This participation is made in Board or Labour Councils. These practices are implemented in several European countries such as: France, Netherlands, Belgium, Spain, etc..

In conclusion, we can say that EU social policies continue to enhance the protection of workers within the EU to fight back against abuses of employees. These policies are implemented and gain legal life through directives and other acts of the European Commission.

## **PART II- LEGAL FRAMEWORK**

### **LEGAL FRAMEWORK OF EU PROTECTION WITHIN THE CSR AND EMPLOYEES**

Free movement of persons is one of the four fundamental freedoms of Community law, along with the free movement of goods, services and capital. The meaning of the term "employee", the rights of "job-seekers", the restrictions that states may decide on workers and their families; as well as the rights enjoyed by family members of Community law are delicate topics that require a broad research. But our analysis will be placed on the developments that have occurred in this area, within the concept of CSR, legal regulations and jurisprudence of the European Court.

#### **EU Legal Social Policy**

Legal basis and key goals of Social Policy include, among others, the promotion and protection of manager-employee dialogue, promotion of workers with high performance, etc.. In the Green Paper 2001, the European Commission called the CSR as "voluntary corporate commitment to social and environmental issues in the exercise of their economic activity." (COM:2001, f.8-11) It gives the corporate social responsibility two dimensions: the internal and external one. The Internal dimension, the one that we are interested in, handles human resource management, the principle of safety, impacts arising from the separation and merger of corporations, and the impact that has the activity of a corporation to the environment. (COM:2001, f.12-16) Meanwhile, the external dimension is formed by: responsibility to the local community; consumers; environmental responsibility worldwide, etc. Let us stop to analyze the components of internal dimension, employees.

Human Resource Management is the process of recruitment and capacity building of the employees, and does not just mean employment and improving the knowledge of the employees, but also the respect of their rights while providing equal treatment and non-discrimination on any basis. (COM:2001, f.9)

A fundamental element of the internal dimension of CSR, according to the Green Paper, is also taking measures to adapt the corporate organization chart of the company, when it is subject to a structural change.<sup>3</sup> Corporate restructurings derive concerns to all employees of the company (as one of the key stakeholders), because the closure of a corporation or its branches can cause economic and social crisis for a large proportion of community members who work in the corporation in question. (COM:2001, f.10). Corporate Restructuring does not always reach the goals, such as cost reduction and quality improvement, because of the

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<sup>3</sup> Changes into corporates structures mean separation or union with another corporate, recognized by the forms of law and practice.

impact that restructuring brings to the community. In addition to the Green Paper of the European Commission on CSR, we can mention the New Strategy of Commission on CSR, 2011-14 in EU; which has set the agenda and actions of EU institutions in relation to CSR. This Commission strategy goes in line with the program of the European Union "Europe 2020"<sup>4</sup>

From what we saw above, we can say that the European Union has paid particular attention to the manner of implementation of corporate social responsibility, drafting of a strategy for each key stakeholder group. Protection of employees, job security, equality between employees, developing employee-manager dialogue, simplifying the position of employees in case of reorganization of companies, all enjoy legal protection from various EU Directives.<sup>5</sup> For example, the directive 98/59 / EC of the European Union provides the case of collective dismissal. The purpose of this directive is to provide legal protection to the employees affected by these removals.<sup>6</sup> Directive leaves discretion to Member States to determine what people understand by collective dismissal from work.<sup>7</sup> This directive has a great importance because it regulates the contract which is one of the most important remedies to protect the interests of the employees working in labor relations.

Once analyzed the regulatory framework regarding the CSR community, we will see the experience of Albania, in corp governance., Focusing particularly on ways of promoting the rights of employers.

## **LEGAL PROTECTION OF EMPLOYEES IN ALBANIA**

### **A Brief Introduction**

The labor market in Albanian society is characterized by lack of organization, legal structure and protection of employment, mainly in the private sector. In its entirety, it exhibits noticeable features of transition and show disrespect to the rights and obligations of employees. It is clear that these are caused by many factors, one of the first, is the lack of a genuine culture and tradition of working, also a legal crop in this area. As a result, even if there are prescribed norms, for example, trade legislation, the Albanian Labor Code<sup>8</sup> and other legal acts, the difficulty lies in their application in practice.

The issue on which we want to shed light, is the level of respect for the rights of the employees on recruitment, selection and administration by corporate executives. Further,

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<sup>4</sup> Europe 2020 "is a 10-year strategy issued by the European Commission in 2010 to develop the economy of the EU. This strategy aims to develop a smart growth, sustainable and comprehensive national and community level. <http://ec.europa.eu/europe2020> (Accessed the 12.08.2014).

<sup>5</sup> Directives 75/129/EEC ;77/187/EEC; 98/50/EEC; etc. See more at: [http://ec.europa.eu/eu\\_law/introduction/what\\_directive\\_en.htm](http://ec.europa.eu/eu_law/introduction/what_directive_en.htm) (Accessed the 19.08.2014)

<sup>6</sup> According to this directive, any employer who will take a collective dismissal, should conduct conversations with representatives of the employees. These talks should be the focus of dispute resolution and finding a solution most appropriate and acceptable to both sides.

<sup>7</sup> We will have a collective dismissal from work when, over a period of 30 days, the number of departures is: At least 10 employees in enterprises with more than 20 and less than 100 employees; At least 10% of the number of employees in companies that typically have at least 100 and less than 300 employees; At least 30 employees in the company who normally 300 employees or more, or; When after a 90-day period, at least 20 employees are dismissed, regardless of the number of employees in an enterprise.

<sup>8</sup> Hereinafter ALC

regarding contractual provisions, as well as protecting, securing, training, motivation of employees during the duration of the employment contract. All these orient us toward institutionalizing and legitimizing the role of employees in the organizational chart / structure of a company and its participation in company decisions.

What is the tendency of Albania on the current issue? This is the answer we are looking for.

### Legal Frame

Recently, Albanian Corporations have tried to follow the Western model of corporate governance, applying similar standards with the international or European models. This conclusion can be reached if one takes into account the efforts of joint stock companies to draft statutes that exceed minimum legal requirements assuming liabilities, design an internal code of conduct,<sup>9</sup> similar to the OECD and UN corporate governance and respect for human rights during this process and respect ILO standards regarding the rights of employees.<sup>10</sup>

Exactly, the Code of Albanian Corporate Governance, drafted in 2011 is an actual effort, which shows the goodwill of these companies to implement principles that are not required by law. Law currently in force "For entrepreneurs and commercial companies"<sup>11</sup>, adopted in 2008 fulfills the acquis communautaire criteria for the country's EU membership. (Malltezi:2008, f.185) This law compared with his predecessor<sup>12</sup> brought a number of changes. The old law on commercial companies clearly separated the functions of bodies into corporate governance, allowing that, the work of the directors could be controlled not only by the members of the Supervisory Council, elected by the General Assembly of Shareholders, but also by employees as the largest group of corporate interest.

There are many laws adopted or amended by the Albanian government to promote corporate social responsibility.<sup>13</sup> In addition to providing a facilitating legal environment for corporations so that they implement CSR, the legislator has approved the charges, which they must strictly observe. So are all the laws and DCM(Council of Ministers Decisions)-approved for employees' rights, consumer rights, etc.<sup>14</sup>

ALC supports and respects the constitution of this Albania. It includes a number of articles referring to the prohibition of forced labor<sup>15</sup>, prohibition of discrimination, freedom of association, protection of personality, safety and health protection, equality in pay between the sexes, termination of the contract without cause, as well as professional organizations and the principles on the right to strike, the rights and fundamental human freedoms, etc.

In aspects of labor law legislation that supports the rights of employees, is mainly composed of:

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<sup>9</sup> <http://www.qkr.gov.al/nrc/documents/Codeal.pdf>; (Accessed the 10.08.2014)

<sup>10</sup> Idem, p.3

<sup>11</sup> Law no.9901 date 14.04.2008. Hereinafter referred to as LECC

<sup>12</sup> Law no.7638 date 19.11.1992 "On Commercial Companies" repealed.

<sup>13</sup> This trend is noticed with the drafting of a national action plan by the Ministry of Economy, Trade and Energy for 2011-2014, immediately after CSR strategy for 2011-14 by the European Commission. [http://www.ekonomia.gov.al/files/documents\\_files/National\\_Report\\_on\\_CRS\\_2013.pdf](http://www.ekonomia.gov.al/files/documents_files/National_Report_on_CRS_2013.pdf) (Accessed the 12.08.2014).

<sup>14</sup> Law no.9902 dt.17.04.2008 "On the Protection of the Consumer"

<sup>15</sup> Articles 8-10; Articles 32/115/146 of Albanian Labor Code

- ILO Conventions ratified by the Albanian state; the "Basic Employment Rights" (Conventions 29, 87, 98, 100, 105, 111, 138, 182);
- In terms of gender-based discrimination is the Law "On gender equality". Article 4 stipulates the obligation for the employer to apply the same criteria in job recruitment for men and women;
- Social Insurance Law of the Republic of Albania and its bylaws;
- Law on Safety and Health at Work, as amended.

There are repeatedly observed, constant changes made to this legislation; this aspect is considered negative, as it doesn't guarantee durability and effectiveness.

### **PART III- RESULTS OF THE STUDY – ANALITICAL FRAMEWORK EUROPEAN JURISPRUDENCE ON EMPLOYEES LEGAL PROTECTION**

In this section we will discuss some court decisions to concrete the legal framework set by international acts in order to respect the rights of employees. The European Court of Justice is the only institution, which authentically interprets EU law. Under this Court's interpretation, "Employee" means a person who performs services for another person and under his guidance, in exchange for which he receives remuneration. The term "employee" does not include independent providers of services who are not in a relationship of dependency with the person who receives the services (Sema: 2013).

For example, the legal acts of the European Union explicitly banned not only direct discrimination<sup>16</sup>, but also an indirect one. European Court of Justice has judged many issues related to the implementation of the principle of prohibition of discrimination on the job, which many refer to gender discrimination. This court considered discriminatory provisions in Austrian law, under which women were explicitly excluded from the profession of divers.<sup>17</sup> However, there are not rare cases where men are discriminated in certain occupations, formulated in such a way that only target women, for example, works as a secretary, nurse, stewardess etc..

Referring to gender equal treatment in employment and remuneration, the European Court of Justice declared that Article 141 EC provides that "The principle of equal pay between men and women for work of equal value, has not only economic but also a social purpose." This court noted that the economic goal is secondary to the social purpose and that the principle of equal pay is an expression of a fundamental human right.

In 1999, the ECJ had to decide over the Austrian case *A der Wiener G vs. Wiener G*. In this case, graduated Austrian psychologists, employed as psychotherapists, contended that collective agreements to determine minimum wages for them and the doctors dealing with psychotherapy were indirectly discriminatory, enabling doctors, most of whom were men, receive higher rewards to comparable work.<sup>18</sup>

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<sup>16</sup>European Convention of Human Rights on discrimination predicts that "The enjoyment of the rights and freedoms provided to the Convention shall be secured without discrimination, for any reason whatsoever as sex, race, color, religion, political opinion, national or social origin, associating with the status of a national minority, property, birth or other status ". Eneida Sema, (2013) International Labour Law, A Set of lectures, f.4-10.

<sup>17</sup> Case C-203/03 Commission of the European Communities vs. Republic of Austria, 1 february 2005.

<sup>18</sup> Case C-309/97 *Angelstelltenbetriebstrat der Wiener Gebetskrankenkasse vs. Wiener Gebetskrankenkasse*

ECJ stated that to determine that the work done by different people is the same work, it is necessary to determine whether these people are in comparable situations. Thus, factors such as the nature of work and training requirements must be important. Specifically, psychologists and doctors employed as psychotherapists, as rely on different knowledge and skills, acquired in different situations; can not be considered in comparable situations.

In case *Macarthys Ltd. vs. Wendy Smith*, Mrs. Smith claimed that her salary should be the same with her professor's salary. The ECJ held that, with respect to the nature and quality of services, we are not limited by the requirement of simultaneity. ECJ has linked this case, with the qualifications and training of the employees in the career. Critics of this approach say that should not prejudice the quality of work of employees stating that service quality is higher when performed by employees with professional qualifications and not high quality, if committed by an employee without certain qualifications.

Guaranteeing equal treatment and non-discrimination at work Directive 78/2000<sup>19</sup> provides guidelines, which provide a general regulatory framework at Community level on equality at work. This directive has been the object of interpretation to the Court of Luxembourg on the issue *Mangold v. Helm*.<sup>20</sup> The case in question concerned the relationship of a fixed-term contract from a German company with one of its employees. Under German law, fixed-term contracts are invalid, unless objectively justified.

Important in this decision is the attitude that keeps the ECJ, concerning the reasons of discrimination; about this part of the decision because it argues that discrimination can't only be on race, sex, color, religion, etc.. It also expands the context of discrimination on other features such as the caste, education, military service, etc. In connection with this interpretation, it refers to the European Court of Human Rights interpretation of the term "other status".

A recent case you will see, is the issue of the company Renault in 1997 which closed in Vilvoorde, Belgium, a factory producing cars. 3100 workers lost their jobs. According to the decision of the European Parliament, the managerial structures of Renault had taken the decision without any consultation with the employees. This action was considered arbitrary and arrogant, in open violation of the rules of the European Social Model. (Fannon, 2003, f.67)

### **The German Case**

In German capitalist system, there are different systems of employee participation in corporate boards. (Hopt, 1994, 14) The model of participation of 1/3 of employees, for corporations with more than 500 employees; Pattern of equal participation into coal and steel companies; and almost equal co-governance (co-determination) to corporations with more than 2000 employees. The Involvement of employees in decision-making, is made through participation in the company's Supervisory Board.

The biggest criminal transaction in the history of Germany, is that between the Manesman company and Vodafone. (Gorezi, 2011, 248) German Court punished the compensation of

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<sup>19</sup> See more: Direktive 2000/78/EC, date 27.11.2000.

<sup>20</sup> Case C-144/04 *Mangold v. Helm*, Luksemburg, 22 November 2005.



executives in huge sums, using the concept of "Untrue" - which means, failure of duty of loyalty.

The Chief Executive Officer, received an "extraordinary" award, immediately after the closing of the transaction with Vodafone. The decision to perform this transaction was received on the committee, which the Council had delegated supervisory powers, with the presence of both shareholders and in the absence of two representatives of the employees. Institutional basis for the involvement of employees, was created through legislation for corporations in the coal and steel industry (Montan-Codetermination Law of 1951) based on the constitution "of the corporation, (Betriebsverfassungsgesetz, 1952), which had strands in the Republic of Weimar.(James, 2006,73-90). So, the German capitalist system has highlighted the nuances of social protection.

### **ALBANIAN JURISPRUDENCE ON EMPLOYEES LEGAL PROTECTION**

The achievements of corporations in Albania, in terms of the exercise of CSR and its strategy development, show that very little is done about real reporting on CSR practice and use of measurement indicators. The notion of working relationship differs from that of the labor contract. If the latter defines a legal reality created by the will of the parties and the respect of law, labor relations define a factual situation that existed irrespective of the legal form and the will of the parties. Thus, a working relationship can cover several work contracts. Albanian practice includes extensive conflicts in labor relations, often, because of the informality of this relationship and its expression in a clear contractual form. It is still a fact that even after twenty four years of transition, enforcement of contracts still takes quite long time and thus the efficiency of the system in Albania is persistently problematic (Gorezi: 2011, 114).

Albanian court practice has many cases, related to the immediate and unjustified termination of the employment relationship. But the question arises, what are justified reasons, which legitimize either party to terminate the contract of employment? Under Article 153 of the ALC, the employer and the employee may at any time immediately terminate the contract, for justified reasons. Interesting are the legal consequences arising from immediate and unjustified termination of employment contract by the employer (Kukeli:2013).

ALC protects the employees by sanctioning that "the employee has the right to pay, that would have earned, if the labor relations would have expired at the end of the period of notice stipulated in law or contract". In cases of immediate and unjustified contract termination, the court assessing all circumstances sets a compensation not more than the salary of a working year. (Consequences for these cases provided for in section 155 of the ALC). One of the most heard court cases is that Murat Klobacishta v. the Italian Institute of Foreign Trade.<sup>21</sup>

By the unified decision of the United Panels of High Court, in the above case we come to the conclusion that the termination of the contract of employment can be made by the employer for any reason, but, then he should respect the notification procedure and deadline. Failure of the procedure and deadline notification by the employer rather than makes the termination of the employment contract invalid, but entitles the employee to claim to the court to be compensated according to the provisions ALC, which we analyzed above.

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<sup>21</sup> Unified Decision, Joint Panels of the Supreme Court of Albania, Case No.19, date 15.11.2007, available at [http://www.gjykataelarte.gov.al/previewdoc.php?file\\_id=119](http://www.gjykataelarte.gov.al/previewdoc.php?file_id=119)

Practical cases similar to those addressed by the ECJ, on aspects of discrimination or equal treatment remain embryonic.

## CONCLUSIONS

The idea that work is a fundamental right for all members of society was at first claimed, to the French Revolution in the eighteenth century. Recently, studies conducted in the context of the Western Balkans, revealed that CSR was a relatively new concept in the region and the level of stakeholders' understanding and their engagement into companies were at an early stage. The European Union has always paid great importance to the protection of rights of employees, not just in a theoretical level but in law and judicial practice.

The methodological approach of this paper was based mainly in qualitative methods, essentially on the analysis and interpretation of the legal frame. Our hypothesis stated the idea that, "The protection of the rights of employees into corporations, in Albania, is very low compared to the EU level". We saw the legal instruments and the practical challenges of implementing social responsibility theory and human resource integration in Albania.

Based on academic theories, the importance of employees differs, for example, the model of the owner's interest was based on the protection of employees against illegal removals. The Consultative Manager-Employee Model, considered their presence in the corporate bodies. This increases corporate productivity and is associated with a number of directives drawn up by the European Union and should be applied in Albanian context, as soon as possible.

The Albanian law have provided for the establishment of employees' councils. But the applicability of the rights of employees is very low. Reasons of non-compliance of procedures of employment, based on the analysis actually prove the above arguments.

Once analyzed the regulatory framework regarding the CSR and employee rights, we saw the Albanian experience. The achievements of corporations in Albania, in terms of the exercise of CSR and its strategy development, show that very little is done. As critics say, it is still a fact that even after twenty four years of transition, enforcement of contracts still takes quite long time and thus the efficiency of the system in Albania is persistently problematic. Jurisprudence similar to the ECJ, on aspects of discrimination or equal treatment remain embryonic.

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