# THE USE OF CORPORATE SOCIAL RESPONSIBILITY IDEA IN BUSINESS MANAGEMENT

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**Abstract:** In this article, the authors present the issues related to the conception of Corporate Social Responsibility (CSR) and its location in the strategy of the company. CSR for several years quite rapidly developing in Poland. Among the main topics of CSR are mentioned pro-social and pro-environmental action. In particular, a wide range of responsible initiatives implement energy companies which, more often treat CSR as a part of business management. This paper presents the actions taken by the company Fortum, with special emphasis of pro-social initiatives.

Keywords: corporate social responsibility, management, energy company, ecology, prosocial activity,

## Introduction

Analyzing international trends can be observed rapidly implemented of activities in the field of Corporate Social Responsibility (CSR) by companies in various industries. It is essential that these ideas should have been transposed into Polish business, but in most cases, pro-social activities are still a new area of involvement. In the world CSR conception has been operating for decades, but in Poland, for many companies is a kind of novelty, which should be implemented in accordance with existing standards. Among the areas in which actions in the field of CSR are taken are mentioned most often, ecology and environment, community and social problems.

## CSR in theory review

The concept of community involvement was born in developed countries in the 60s and early 70s [...] The development of this concept was made possible by changing the perception and understanding of the companies environment and understanding the role they play in societies of different countries [2].

In that time there has been a "change in orientation of the management from the look at the company's individual business for the responsible for general social affairs" [1].

It should be noted that the leading country are undeniably the United States of America, which are the strongest and fastest acting and most experienced center of CSR [7]. Since the appearance of the first definition of social responsibility, it's been 37 years. At the base of this assumption is the belief that issues such as health,

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safety and environmental protection can be promoted and "sold like soap, a car or a bar of chocolate" [11]. In Polish reality the concept of Corporate Social Responsibility appeared a few years ago and now it is only at the stage of development.

In the literature can be found various definitions of corporate social responsibility. Precursors of the field indicate that it is the act of using certain principles and techniques to have an influence on a target audience, which consequently willingly accepts, rejects or modifies their behavior. Influence and change can affect individuals, specific groups or the general public [8].

In the definitions of CSR are also discussed aspects of the company location in the environment. According to the CSR company, as an individual one functioning in community, has a duty to maximize their positive impact while minimizing negative one. It has to act in the interests of local communities, meeting their needs in the long term [9]. Slightly different CSR is presented by the author, who writes that it is "... a form of activity which depended on the fact that the organization promises to share its profit growth achieved by the use of the product or service by consumers, devoted to supporting a predetermined case" [10].

In spite of some differences, a common conclusion results from the above definition, which describe the nature of CSR. Its essence lies in striking a balance between business, consumers and the environment, which is an important element in the process of exchange in the current conditions.

In the literature we can also meet the definition, which represents corporate social responsibility as a means of company management, which goes beyond the obligations imposed by law. This is a strategy that, thanks to social dialogue being conducted at the local level, contributing to the competitiveness of company and building of confidence. It assumes the care of the ethical principles and human rights, the social environment and the natural environment. Through this strategy the company voluntarily takes into account the public interest in the pursuit to achieve economic goals [3].

It should be noted that the criteria determining the CSR may modify depending on the generation, culture and territorial area. Among the key factors differentiating approach to CSR stands out inter alia: culture, economy, economic issues, socioeconomic growth, legal and political environment, the impact of non-profit organizations, the climate and the environment, and gender [6].

# CSR in the company management

The difficult situation on the market limits investment of companies. This situation requires searching new ways to develop and acquire new customers [4].

At present, in times of extreme competition and growing crisis, resulting in the accumulation and the emergence of new social problems iresponsible business management plays an increasingly important part, aimed not only at profits, but also to intervene in the social affairs. Until recently, there was the belief among entrepreneurs that the main and only aim of the company is to achieve a certain



profits. In recent years, however, was observed that this situation is changing and companies recognize the other values. Increase of public awareness has forced a change of the management system in companies. This change proved to be beneficial in terms of economic effects, because business saw that doing business in a responsible way can be a source of competitive advantage in the market [13]. Companies engaging in social issues using CSR (Corporate Social Responsibility), which leads to a viable solution of social problems.

In many countries, its pro-social and pro-environmental activities companies carry out by CSR, the definition of which has been placed by the European Commission in its Green Paper in 2001. "According to this concept companies voluntarily take into account the interests of society and the environment in their strategies, , as well as in relations with various groups of stakeholders" [14].

The concept of CSR in different European countries takes the form dependent on the actual business environment, for example:

- environmental activities and cooperation with all stakeholders (Finland),
- transparency in accordance with applicable law (Norway),
- volunteering (United Kingdom),
- prosocial activities (sponsorship, charity, patronage) and proecological (Germany).

## CSR on the Polish market - an example of the Fortum company

Referring to the specified directory of CSR activities is worth noting, how on this area cope companies operating on the Polish market. In the energy sector lists a number of factors that cause the interest of companies to their community. These include inter alia:

- 1) expectations of the local community,
- 2) customer requirements,
- 3) cooperation with representatives of local government authorities,
- 4) requirements of investors,
- 5) issues related to environmental protection,
- 6) industrial change on a large scale.

Social criteria affect the business decisions of energy companies to large extent. This is due to a growing awareness of the impact of economic activity on the environment, adopted the principles of transparency economic initiatives, and used ICT. Energy companies, including Fortum realize that the activity in the social sphere has important economic significance. Conscious of modern enterprises is to grow your business and increase its value, as well as the implementation of social and environmental objectives. Modern companies are aiming to grow themselves and increase value, as well as the realization of social and environmental objectives.

It is extremely important that strategies of Polish energy companies as well as settlements of Country Strategy Papers are consistent with the guidelines of the

European Union. European Union, as one of the most important tools to support the competitiveness of companies promotes the implementation of business activities in the field of social economic cohesion and environmental sustainability. And the activities carried out by Fortum in improving and protecting the environment are based on the provisions of the "Green Book" and the "White Paper" (published on the corporate responsibility and its contribution to sustainable development).

In connection with the industry in which operates, Fortum attaches great importance to the ecology activities. The extent of involvement of the company is relatively wide and consistent with corporate policy, which defines the main areas of interest.

Therefore, it was determined implementation of the three key objectives of corporate environmental policy. These assumptions are shown in Table 1.

1	Caridalinas fan astian
Assumptions	Guidelines for action
invest in environmentally	investigate the possibilities of changing fuels to
friendly energy production	more environmentally friendly in existing
	power plants
	implementation of the power plant produces heat
	and electricity in the cogeneration
search for new energy	• work on the technology of carbon capture
technologies	and storage of carbon dioxide
	• search technology of energy production with
	zero or nearly zero greenhouse gas
	emissions
maintenance of greenhouse	1. continuous monitoring of carbon emissions
gas emissions up to the lowest	produced during the production of energy
mark	2. investing in company cars with hybrid drive
	3. reducing business travel using airlines and
	replace them with more efficient use of
	video and teleconferencing

 Table 1. Assumptions in Fortum's environmental policy

Source: own study on the basis of the received information

Activities of the company in this area is based on cooperation and partnership with research institutions, industry and suppliers of modern technologies. The company invests in projects developed through funds, which consume a long-term vision of the Fortum for the global energy system in the years 2020-2100.

Shown in the table, development of energy technology and plans for the use of renewable energy sources indicate that the company plans and take comprehensive action to limit climate change. The Fortum continuously monitors CO2 emissions per 1 kWh of energy produced. The obtained data show that in 2011, CO2 emissions in the total energy production (in the EU) has obtained a value of 192 gCO2/kWh. Responsible production is based both on a consistent manufacturing

processes and management procedures. Such activities permit less use of resources than conventional technologies, and produce less waste or harmful substances, which indicates the importance and dimensions of environmental management [5]. It should be noted that not all energy companies in such a tangible and comprehensive way realize activities in the field of ecology and environmental protection, and social. Should be recognized that the Fortum with all forming units it is a precursor of consistent activities to reduce its negative impact on the environment. This is due to the culture of the organization, specific mission and vision, long-term strategy based on the concept of sustainable development of the company with the environment.

Fortum for several years engaged in activities of a social and environment al character, what is consistent with the main goal set out in the mission. Fortum implementing the initiatives mentioned above, seeks to achieve its main objective, it's mean to be a company that produces energy, which improves the quality of life for present and future generations [12].

#### Summary

The dynamic evolution of societies in a global environment requires the activity of companies in many areas. Especially important is the identification of the business environment in order to balance the interests of business with the objectives of social policy. In fact, the boards of companies realize that the principles of sustainable development must include both the business and its environment.

Polish energy sector is up to enormous challenges, conditioned by industry legislation, national policy documents and directives of the European Union. Ensuring energy security of the country, as well as improving the efficiency of the energy industry and reduce greenhouse gas emissions into the atmosphere, commitment in maximum exposure in the area of ecology.

Modern companies in order to the proper management should initiate actions of CSR to management strategy. It should be emphasized that the conception of CSR is a new trend in Poland and requires further analysis. Especially energy sector due to its specificity is worth researching and identifying the benefits of using this concept.

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#### ZASTOSOWANIE KONCEPCJI SPOŁECZNEJ ODPOWIEDZIALNOŚCI BIZNESU W ZARZĄDZANIU PRZEDSIĘBIORSTWEM

**Streszczenie:** W artykule tym autorzy przedstawiają kwestie związane ze zjawiskiem Społecznej Odpowiedzialności Biznesu (CSR) i jej umiejscowienia w strategii zarządzania przedsiębiorstwem. Koncepcja CSR od kilku lat dość dynamicznie rozwija się w Polsce. Wśród głównych zagadnień których dotyczy wymienia się działania prospołeczne oraz proekologiczne. Szczególnie szeroki wachlarz odpowiedzialnych inicjatyw realizują przedsiębiorstwa energetyczne, które co raz częściej traktują CSR jako istotny element zarządzania przedsiębiorstwo Fortum, ze szczególnym wskazaniem inicjatyw prospołecznych.

## 工商管理使用的企業社會責任理念

**摘要**:在這篇文章中,作者提出的概念,企業社會責任(CSR)和它的位置在公司 的戰略有關的問題。

CSR幾年的發展相當迅速波蘭。在企業社會責任的主要議題提到社會和環境的行動。特別是,廣泛負責任的措施,實施能源公司,更多的時候把企業社會責任作為企業管理的一部分。本文介紹了由該公司Fortum公司所採取的行動,特別強調親社會的舉措。