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# **ENVIRONMENTAL IMAGE OF AN ENTERPRISE IN THE SOCIAL RISK CONTEXT**

#### **Abstract**

This article focuses on analyzing the research on entrepreneurial awareness in the context of working on a crisis management strategy. At the same time, recommendations and suggestions have been made for entrepreneurs regarding image creation and utilization of social media in crisis situations.

#### Key words

image, environmental image of an enterprise, social risk

# Introduction

Crisis management strategy, a set of rules of conduct, communication schemes, and behavioral rules prepared in the event of a crisis, can be a useful procedure, utilized by an entrepreneur when needed. A conscious entrepreneur will be prepared for the crisis and will make use of their knowledge in the field of public relations when working on a crisis management strategy. But is this knowledge universal? Are Polish entrepreneurs prepared for crisis situations? Are black scenarios considered in company management? Perhaps in large corporations, where public relations professionals are hired as a standard, this is a part of the work done, but for the SME sector it is not that obvious. According to the research [1] conducted among 202 SME representatives in 2008 by a group of researchers led by Jerzy Olędzki from the Institute of Journalism at the University of Warsaw, entrepreneurs almost never think about PR strategies in relation to crisis situations. Only 3% of the surveyed people chose the PR utility in a crisis option. They interpret PR primarily as promoting a positive image of the company.

Table 1. Public relations activities in the respondents' opinion

Item	Frequency	%
Promoting a positive image of the company and/or person	151	74.8
Representing the company (e.g. as a spokesman) to jour-		
nalists and clients or others	73	36.2
Contacting and communicating with people working in the		
company and with clients	68	33.7
Advertising the product, companies and/or people	45	22.3
Providing all information about the company's and/or per-	40	19.8
son's operation		
Establishing good acquaintances and good relations with	37	18.3
journalists (the media)		
Urging journalists to publish information about the compa-	28	13.9
ny and/or person		
Other (what?)	12	6.0

Source: [2]

Indeed, the purpose of PR is to build a positive image and relationships between people, both belonging to a given organization and in its external environment, which is the essence of PR measures and a part of a well-thought-out image strategy, alongside promotion and crisis management.

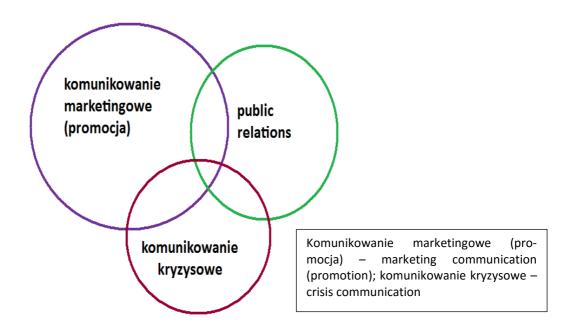


Fig. 1. Communication of the enterprise Source: [2]

"PR is a continuous and planned management function, thanks to which an organization is gaining and sustaining the understanding, sympathy and support of those it has interest in or may be interested in in the future by examining their views on the organization to maximize the adaptation its goals and its activities to them, to achieve - through planned, widespread dissemination of information - better cooperation with the community and more effective implementation of its goals" [3].

Entrepreneurs realize that using PR can bolster or ruin the image of the company, improve or lose reputation, and make and lose money.



Fig. 2. Building and destroying the image with the help of PR in respondents' opinion Source: [1]

The surroundings of the company should be an element of the entrepreneurs' actions with respect to planning for difficulties, conflicts, or failures. The groups harmed in each crisis may be outside the enterprise's sphere or work within the company. When planning a crisis management strategy, it is always worth thinking about who this crisis may affect.

Communication is embedded in some reality and comprises a sender and receiver. The sender of the message encodes it according to the rules in force in the given language and passes it through the appropriate communication channel. The receiver decodes the message, receives it, interprets it and performs further analyses. To make the message clear, it is important that the sender and the receiver speak one language and this does not concern nationality issues, but rather stylistic coherence. The language of the message issued by the entrepreneur may be completely incomprehensible to the surroundings if it is formal and full of technical statements. The entrepreneur should remember the purpose of their communication be clear about what they want to express to the other party.

"The essence of communication remains the same regardless of whether the talk of two gossiping neighbors or the press speech of a statesman comes into play. And in one and the other case, the language used so that the thought, the feelings and the will of one person is cognized by another person. "[4]

From a rhetorical point of view, the main function of speech and of almost every statement is the persuasive function. The language itself is primarily a device of persuasion [4].

Both in the process of crisis management and in the whole company image building phase, the entrepreneur must consider the social environment in which they operate, and to whom do they speak.<sup>3</sup> Image cannot be detached from the context or from the recipient. Starting with news bulletins, through websites, posters, and ending with advertising campaigns, the entrepreneur <sup>4</sup> should think about the recipient of the message.

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<sup>&</sup>lt;sup>3</sup> Of course, the essence is a broader view - not only within the meaning of a conversation, but as a whole in building relationships and shaping the image.

<sup>&</sup>lt;sup>4</sup> The term "entrepreneur" is understood as the person responsible for developing a PR strategy. As research shows: "Almost every third company is working with or has worked with PR agencies and the very same number is planning work with

Whether a company's image is positive or negative depends on the perception of the individual. Knowing the perception requires a thorough knowledge of the recipient. This can be valuable in the process of preparing a crisis management strategy. When considering the entrepreneur's situation against the social and economic risks facing a local community, one should consider the essence of this locality. The receiver of all communications prepared by the company the local community, which has its own values, sense of unity, identity, and ties.

"Thinking about a local community can be for example organized within two basic dimensions - the first one defines locality in a geographical sense - it is defined in terms of village, town, commune or poviat. The second dimension refers to existing social relationships and incorporates elements of a social identity determined by the sense of belonging to a particular group and the mutual trust that its members bestow upon one another" [5].

Environmental cohesion, relationships, and dependencies between the members of a given group are the elements that should be considered by the entrepreneur. It is important for them to realize the existence of pressure and influence groups, which can have a decisive voice during a situation of crisis and conflict.

Worth considering is the case of the Mazowieckie region, Grodzisk Mazowiecki, where controversy and social anxiety was aroused by the construction of a sewage treatment plant as well as the course of a bypass. Residents have established pressure groups, trying to cause a change of what they perceived to be unfavorable decisions through local media communications. They also sought help from councilors, politicians, and municipal authorities. "In both cases, small social groups, being inconsiderate towards the common interest of all the inhabitants of the city, attempted to force a decision that was favorable from their point of view" [6].

In situations where an entrepreneur may face social unrest, and when developing a crisis management strategy, they should think about how can it become a part of the community, which may have a negative attitude towards certain ventures at first <sup>5</sup>.

# Community-oriented attitude - innovativeness

New technologies can help in building an image of a friendly institution that is open to dialogue. Social media and communication will not only provide support during a crisis, but also are an excellent platform for exchanging information. The entrepreneur can keep up to date with social sentiments, receive feedback, and take part in a dialogue with their surroundings. The essence of social media is the interactivity. Today, it is impossible to clearly divide the participants of the cyber-world into recipients and senders of communications. These roles mix and change. Nevertheless, it is possible to distinguish groups of recipients who are involved in the discussion in different ways.

such agencies. It is puzzling, why a slightly larger group (37% of respondents) does not intend to take up such cooperation at all. Entrepreneurs would like to commission PR specialists first of all to communicate with employees and customers, and every third respondent would like to outsource their product and company advertising and promotion of a positive image." [2].

<sup>&</sup>lt;sup>5</sup> Entrepreneurs who are e.g. coming in with a new investment into an unknown area should undertake research, also in terms of media coverage, regarding the current social reactions to business ventures in the area. This will even help to foresee to some extent the direction from which one may expect opposition and what type of pressure can the community apply (and through which groups).

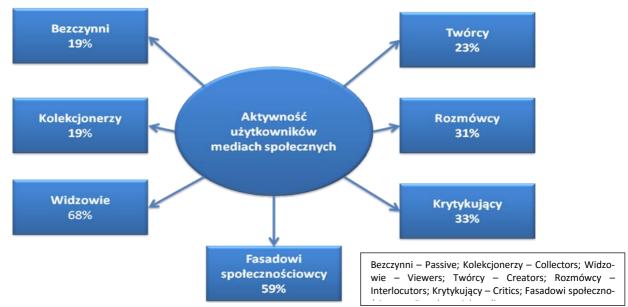


Fig. 3. User profiles in the social media area Source: [7]

The chart above shows the different roles that participants of social media communication choose. Most "viewers" are social network observers, forum and blog readers, and "façades community types", who are not very active. The smaller group consists of those who are more engaged, known as the "critics", the "interlocutors", the "creators". For an SME, which functions with its own image in the new media space, the awareness of the fact that there are different recipients on the other side should be significant. When preparing an account on a social network, a company website, a blog, or even an electronic media message about the activity of an institution, one should expect a varied reception, possibly including acute criticism, through a substantive discussion, up to distanced attitudes, or lack of comment. "A distribution of Internet users structured this way, according to their activity, should be utilized by people coordinating the organization's communication during crisis management"[7].

# Eco-culture and its importance in shaping the image of enterprises

Reaching out to the community in which the entrepreneur came to live requires recognition of potential communication channels. In addition to knowing the characteristics of the recipients, the target that the SME intends to achieve is important. The SME should know if it is warming up its image, presenting itself as a friendly, modern company that is noticing the community. The method to start existing in mass consciousness can be advertising. Before the entrepreneur decides to advertise, they should think about the medium, such as local media or a mail ad that reaches a larger group with a more complete message. Another option is to invest in a billboard that can be put on the premises belonging to the SME, which can significantly reduce the costs of promotion. In addition to the image of the newly created company, it is important to consider the choice of an appropriate medium and the image of the given medium in the perception of the audience.

"The image, or the manner an advertising medium is perceived, is one of the most important criteria for comparison. The image usually consists of: impartiality, prestige, the mood created. Impartiality is defined by a lack of clear links between the means of advertising with e.g. political, social or religious organizations. Prestige is related to the perception of the advertising medium as such, and to whether it is worth to admit having contact with it or not. The mood created among the recipients through a given medium can influence the reception of the message and condition specific recipient attitudes: interests, sadness, irritability, curiosity" [8].

When deciding to promote the company, an entrepreneur should research the availability of media in a given area, such as a popular radio station or newspaper. Investing in an artistic mural on a neglected wall of an old block is another alternative.

An opportunity for entrepreneurs can be the support for local initiatives and residents' needs. In this case, there should be a careful reconnaissance of the organizations operating in the area, including non-governmental organizations and sports clubs. Sponsorship is a great opportunity for many companies to gain public support, establish the presence of the brand, and reinforce it. In a smaller environment, such support by SMEs is devoid of the responsibility behind nationwide investments, where the sponsor provides a very large amount of money, and the failure of the team that is supported by their brand may affect their image. In the local scope, with a smaller reach, the association with the team is stronger.<sup>6</sup> Another area that an enterprise can support is culture. Instead of publishing information brochures, billboards, or print ads, the company can participate in the cost of an annual festival, concert, or performance. In such a case a banner or brief information about one's own contribution to the event, presented by the host of the event is enough. It is important to recognize the cultural potential of a given group, to become familiar with the traditions, and to contribute something to the community.

Initiatives such as collecting trash in a local park or collecting old electronic equipment will surely be appreciated. It is important for the entrepreneur to think about what could be useful for a given community. Maybe there is an old, historic cemetery in the neighborhood that could be cleaned up or renovated while engaging residents in providing help for the works. Local media will then communicate the information on their own initiative. It is worth to seek cooperation with a local church in certain situations.

Creating bonds and building joint capital is an opportunity for an entrepreneur to build positive relationships with the community. At the same time, one may utilize measures with a broader reach and build the company's image on values and attitudes that are popular and acceptable.

By analyzing the Polish media market, in terms of low emission economy, ecology and the environment, a media researcher will see that these topics are cropping up more often and various groups are more eager to take them up. "Being eco" is trendy today, but receives the bad rap of preciousness and elitism in the media. A proeco attitude requires a lot of effort because organic food or clothing is expensive. There is a cult of consumerism and a cult of anti-consumerism. The media show reports of freegans, called "kontenerowcy" in Poland, who feed on products dumped in the trash. They choose slightly rotten fruits and vegetables that after processing are suitable for consumption. Because one-third of the produced food is wasted in the world, freegans are aware of this and are rebelling against such waste in a rather outspoken, radical manner.

First and foremost, an entrepreneur who is active in the environmental industry and whose business may pose a socially-perceived threat to that environment, should be aware of the values, principles, beliefs, opinions that are present in the society that influence the views and behavior of the recipients of the media messages. The strength of media authorities is also worth considering. Apart from celebrities, life in harmony with nature is also something that intellectuals call for. "How to turn off the TV when it is not burning?" [idiomatic expression, not translatable - translator's note], "We turn off the electricity and switch on the savings," - said prof. Jerzy Bralczyk in a television campaign of the Ministry of Environment encouraging rational energy consumption. The campaign was aimed at changing habits, as according to the research carried out by TNS OBOP, 32% of Poles do not save energy. In the following years, the Ministry of Environment plans to expand the campaign and address it primarily to: investors, residential communities and architects. Representatives of SMEs, due to limited resources and lack of purpose in shaping attitudes on a large scale, will rather not be the sponsors of nationwide advertisements, but rather the recipients of the campaign. However, when it comes to shaping attitudes in the local environment, they have a lot to show off.

It is important to be consistent and true in this type of public relations venture. In a situation of crisis or conflict, it is better to own up and anticipate libelous charges. When thinking about the image of the company, you should think about the personnel of the company, what ideals are close to them, and what would they like to convey to the surroundings in which they operate. Being eco at a push, connecting with proud, popular slogans may be a chance for a brief spark of interest but not necessarily a long-term image strategy. The eco topic can

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<sup>&</sup>lt;sup>6</sup> A good example, of course, bearing some unfortunate consequences, would be the fans' attitude towards league teams, accompanied by full devotion "no matter what". In a local community, where the sports and cultural offer may not be too wide, any initiative in this area may encounter a large benefit of the doubt.

also be abused just like other trendy matters. It is used by organizations that deliberately count on financial benefits. In the eyes of the society, behind politically correct programs and declarations there usually hides an intent to acquire funding for projects. Good work, quality, truthfulness in communication, naturalness, willingness to take part in dialog can be more valuable than all the calculated strategies of influence, because dishonesty and artificial image creation cannot be masked too well even by popular slogans.

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# ECOLOGICAL IMAGE OF AN ENTERPRISE IN THE CONTEXT OF SOCIAL RISK

# **Abstract**

The article concentrates on research data analysis about state of entrepreneurs" awareness about strategy of operating in crisis, related to their own situation. In parallel the suggestions and recommendations were given for enterprises in relation to image creation, and usage of social media in crisis situations.

# **Key words**

image, ecological image of enterprises, social risk