



Practical aspects of using CSR in strategic activities of the company

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Agenda

- ▶ Ethics & CSR
- ▶ Why CSR?
- ▶ CSR Activities in strategies
- ▶ Practical examples

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Doctor of Economic Sciences. A highly motivated, success-oriented, well-educated professional. With over 15 years of practical experience in operational, sales and marketing structures in TSL companies (Gruber Logistics, DHL, TNT, CAT LC, Arcese). Presents a modern and energetic style of work. A person strongly oriented towards both internal and external customers. For 5 years associated with training and research.

Ethics

What does it mean?

Ethics

Definition of ethics

- ▶ **Rules or norms governing the conduct of a person or members of the profession.**
- ▶ A discipline that deals with what is good and what is bad as well as moral duty and duty.

Ethics & CSR

Ethics and Corporate Social Responsibility:

- ▶ You cannot be socially responsible without being ethical
- ▶ Ethical activities automatically build a positive impact on the social environment of the enterprise

Corporate Social Responsibility

Corporate social responsibility is a young field only at the formal level.

Although the definitions of CSR appeared in the 20th century, its sources can be found in distant eras.

The origins of what we now call corporate social responsibility can be found in the thoughts of ancient sages or in biblical texts.

Issues such as: **morality, responsibility and honesty** are the values that underlie the rules that build social responsibility and, above all, determine the directions of proper conduct in business.

Business ethics, which is an expression of the freedom of enterprises, in accordance with the rule that "**authentic freedom is aware of its limits**", gave rise to the subsequent corporate social responsibility

Corporate Social Responsibility

Some definitions also emphasize that companies should not only take responsibility for all activities affecting the community or the natural environment, but also take actions aimed at eliminating various negative phenomena resulting from their activities and, if possible, repair the harm.

Corporate Social Responsibility

„Corporate social responsibility is a concept according to which companies, at the stage of building a strategy, voluntarily take into account social interests and environmental protection, as well as relations with various groups of stakeholders.”

Why CSR?

- ▶ progressive degradation of the natural environment,
- ▶ changing socio-cultural conditions,
- ▶ changes in value, both among customers (pro-quality and pro-ecological behavior) and employees (striving for development and self-fulfillment, increasing the value of free time),
- ▶ changing the approach of managers to the concept of enterprise development,

Why CSR?

- ▶ increasing the importance of the company's intangible resources, searching for new ways to compete based on trust,
- ▶ increasing competition and homogenization of products that allow corporate social responsibility to become a kind of distinguishing feature, ensuring a competitive advantage,
- ▶ a change in the attitude of investors, who are increasingly not satisfied with the financial results.

The most important aspects of social responsibility

Aspects	% of responses
Good relations with employees, contractors and customers	22
Caring for the natural environment	21
Honesty towards customers, employees and contractors	19
Acting for the benefit of the local community and society	12
Taking care of the company, its development, respect for work, profit	11
Compliance with the law, norms and human rights	10
Taking into account interests other than your own	9
Ethics	8
Reliability	6

Why CSR?



Why CSR?

Without a social environment, the company does not work.

- ▶ The social environment is made up of employees
- ▶ The social environment is made up of customers
- ▶ The social environment is made up of business partner

The main activities of positive impact on society

Actions with a positive impact on society	% of responses
Creation of new jobs	57%
Contributing to economic growth	32%
Providing training to employees	31%
Paying taxes	25%
Development of innovative products / services	27%
Financial and material support for local people	16%
Providing profit to investors	15%

The main activities of negative impact on society

Actions with a negative impact on society	% of responses
Corruption	53%
Poor working conditions / non-compliance with standards	47%
Reducing the number of employees	40%
Environment pollution	37%
Bad quality of products and services	21%
Excessive influence on government policy	17%
Promoting overconsumption	14%

CSR activities addressed to employees

- ▶ striving to improve working conditions (including occupational health and safety) and increase job satisfaction,
- ▶ facilitating the achievement of work / private life balance,
- ▶ providing equal opportunities for all,

CSR activities addressed to employees

- ▶ offering training and encouraging professional development, including career path planning,
- ▶ facilitating communication, continuous information and inclusion of employees in the decision-making process in the company,
- ▶ creating a responsible and fair system of remuneration or financial assistance (e.g. supplementary pension systems).

CSR activities addressed to employees

Examples



Carrefour

- ▶ a gender-based anti-discrimination program



- ▶ "Go up - move up" - a development program aimed at people in non-managerial positions, with high potential and aspirations to perform managerial functions in the future.

CSR activities addressed to natural environment

- ▶ designing environmentally friendly products,
- ▶ implementing environmentally friendly production processes,
- ▶ implementation of cost-effective technologies,
- ▶ striving for the efficient use of resources,

CSR activities addressed to natural environment

- ▶ introducing eco-labeling of products,
- ▶ reducing the amount of waste and pollution generated,
- ▶ the use of the so-called "Ecological evaluation" of suppliers,
- ▶ informing stakeholders about environmental issues,

CSR activities addressed to natural environment Examples



- ▶ the "People & Planet Positive" program - a plan aimed at independence from external energy sources by 2030



- ▶ e.g. the „Green City" program

CSR activities addressed to local community (society)

- ▶ improving and developing local infrastructure,
- ▶ providing financial or material support to local public institutions (e.g. schools, hospitals, cultural institutions),
- ▶ providing support to society understood in a much broader context (e.g. in developing countries),
- ▶ educating the local community, activating them to undertake joint activities beneficial for it.

CSR activities addressed to local community (society) Examples



- ▶ the tournament "From the yard to the Stadium for the Tymbark Cup"



- ▶ for example, the program "On the way to work" aims to provide equal opportunities for women on the labor market, support their personal and professional development, and, as a result, help them return to work.

CSR activities addressed to customers, business partners and suppliers

- ▶ taking actions to improve the quality and safety of products,
- ▶ providing volunteer services for clients,
- ▶ creating a fair pricing policy,
- ▶ conducting ethical advertising activities,

CSR activities addressed to customers, business partners and suppliers

- ▶ timely payment of liabilities to suppliers and business partners,
- ▶ engaging in cooperation with local partners,
- ▶ promoting standards through responsible management of supply chains,
- ▶ supporting the creation of local business agreements.

CSR activities addressed to customers, business partners and suppliers Examples



- ▶ the "CLEARtoWEAR" program, aimed at strict adherence to environmental and product safety standards throughout the entire manufacturing process



- ▶ elimination of sweeteners in beverages

Examples of implementing CSR in strategy



- ▶ The Alternative Fuels Program was started in 2001 at the Cement Plant in Chełm on the initiative of the management of the cement plant. In 2006, activities were undertaken in the second of the current CEMEX cement plants in Poland - in Rudniki. The program is now a global CEMEX initiative - one of the priority tasks for all CEMEX operations

Examples of implementing CSR in strategy

Deloitte.

- ▶ The "Women in Business" initiative is part of the Deloitte global program "Global Retention of Women" (GROW), which aims to increase the participation of women in managerial positions, equality of opportunities for both genders in access to professional development, promotions and remuneration. GROW is part of Deloitte's "Inclusion and Diversity" strategy. The implementation of the "Women in Business" initiative takes place on three levels, each of which is the responsibility of a different department of the company:
 - ▶ a) Inside the company - management (global, then national).
 - ▶ b) Among students - the marketing department / HR department.
 - ▶ c) In the business environment - the marketing department.

Examples of implementing CSR in strategy

- ▶ The green building strategy implemented as part of Skanska's sustainable development strategy is to ensure the company's leading position - a developer of green buildings / space. Leading the market on environmental and green issues is the main area and goal of Skanska's 2020-2025 strategy. As part of the program, Skanska introduced Color Palette - an internal building assessment system consisting of the following levels:

SKANSKA

- a) Vanilla - a building that meets the legal requirements and standards in a specific country.
- b) Green - a building that exceeds the legal requirements, standards in force in a specific country. Its impact on the environment is close to zero.
- c) Deep Green - a building with zero environmental impact

Examples of implementing CSR in strategy



- ▶ As part of the development and talent management program, the company organizes the BREmba Competition.
- ▶ The program is open to a person who has worked in the company for at least 2 years, has obtained at least AS / AS in the annual assessment, ie "four" on a five-point scale, and is fluent in English.
- ▶ The best employees take part in internal MBA studies at the bank's expense. Thanks to this program, the bank's staff is highly qualified and the bank educates itself leaders, which gives it a competitive advantage.

Examples of implementing CSR in strategy

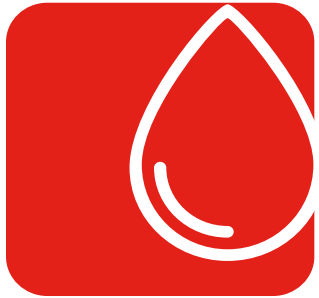


- ▶ In 2002, the company started cooperation with the United Nations World Food Program. 2003 - the Volunteer Program for TNT employees was launched. Each year, the company organizes three-month internships in countries affected by hunger, during which 32 volunteers work. During this time, volunteers retain all employee rights, including remuneration.
- ▶ Volunteers helped, among others in Sudan and Tanzania in activities related to, inter alia, with improving the standards of school kitchens, providing clean drinking water, maintaining hygiene and organizing nutrition. In addition, they also took part in the campaign to educate local communities in this regard and helped with the modernization of infrastructure.

Two drivers of CSR in Logistics

- ▶ Eco-innovation
- ▶ Digitalisation

Eco-innovation



INTERMODALITY

Experience in intermodal transports since 1980.
Reduction of CO2 emissions up to 70%.



SUSTAINABLE ENERGY

Biomass and renewable energy plant provides heating and energy for the company's buildings.



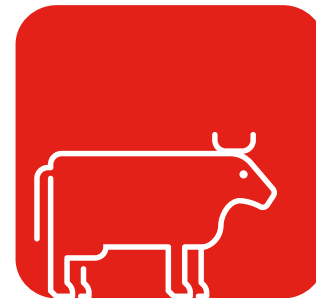
LNG, Hydrogen, BIOLNG, biodiesel and electric trucks as part of the fleet

ALTERNATIVE FUELS



Ecorouting and ecodriving.
Round trip management and reduction of empty runs.

DRIVERS TRAINING



Ongoing compensation projects for CO² emissions and behavioural improvement policy.

COMPENSATION

Digitalisation



PAPERLESS LOGISTICS

Fully committed in cooperating with customers and suppliers in paper reduction. eCMR testing project ongoing



TRANSPARENCY

All providers and costumers are linked in dedicated web platform where all documents and data are called and shared in a safe way



Front line on automation and process engineering towards a better data sharing standard

DIGITAL COOPERATION



Continuous improvement on geolocalization and unexpected events prompt communication

VISIBILITY



Participation as member in organizations like European Commission on Transport&Logistics Digitalization

MEMBER OF DTLF

Arguments of supporters and opponents of CSR

Pros

the market is not a sufficient regulator of economic life. Due to the shortcomings of the "invisible hand of the market" mechanism, the functioning of the economy requires the involvement of market participants, including representatives of public administration, entrepreneurs and non-governmental organizations

Cons

projects are often of an apparent nature and do not lead to a real solution to social problems

Arguments of supporters and opponents of CSR

Pros

in accordance with the principle of trust, entrepreneurs should engage in activities for the protection of natural resources

the conviction that the duty of companies, and especially capital-rich multinationals, is to actively participate in efforts to solve global social and economic problems

Cons

the conviction that the duty of economic entities is to multiply profits, and not to do charity

the involvement of entrepreneurs in social activities strengthens their relations with public authorities at various levels. There is therefore a real risk that, in some cases, the cooperation of the private sector and public administration may lead to too close relations which constitute illegal activities.



Thank you for attention!