MODERN TRENDS IN HUMAN RESOURCES MANAGEMENT

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ABSTRACT

Corporate social responsibility (CSR) has become one of the fundamental activities in organizations in Poland. Operation of enterprises which take concrete actions should be suitably planned whereas strategies, missions and values are supposed to have positive effect not only on increased trust among the employees but also on positive image on the outside. Apart from its positive effect through promotion of the positive image, implementation of CSR projects allows for realization of the projects which are important to the society while using employees' potential such as e.g. voluntary workers. Undoubtedly, this is one of the tools to help increase non-financial motivation and improve the dignity-based aspect of work. This new trend is gaining more popularity, particularly because the year 2011 was celebrated as the International Year of Volunteers.

KEY WORDS: Corporate social responsibility, personnel management

INTRODUCTION

A positive image is one of the elements which distinguishes the enterprise from other entities in the market and which helps achieve the competitive advantage. A great number of products that meet our needs available in the market often makes it difficult to decide on what to choose. When making such decisions, customers are guided by a general idea of the product and the manufacturer. This happens because this image is their subjective idea of a particular enterprise, which is formed as a result of both conscious and unaware activities taken by a particular organization. Therefore, it can be concluded that the organization's image is the outcome of an aggregated process where consumers compare attributes of different enterprises. "The image represents the entirety of impressions of one or more groups at any time."¹ The perception of the enterprise by the customers who purchase the products depends, among other things, on adequate activities of CSR (Corporate Social Responsibility).

CSR: CORPORATE SOCIAL RESPONSIBILITY

CSR is currently one of the key activities of enterprises in Poland. It is an element which functions over the structures, in full integration with the strategy used in the enterprises which implement this philosophy.

It concerns financial and technical aspects and problems with human factor in organizations, particularly in the context of non-measurable characteristics, such as leadership, culture, communication and relations with employees.

There is also no single definition of responsible business. However, some frequently used definitions which are complementary to each other can be cited. The most of them departure from a traditional definition of the tasks that an enterprise must face, which were based exclusively on making profits at any price and using any method which is consistent with legal regulation in order to increase the company value. Obviously, this basic task is now neglected, but different elements that accompany these activities (and are necessary for operation and growth of the enterprise in the competitive market) are emphasized. Therefore,

¹ K. Majchrzak, Znaczenie zasad społecznej odpowiedzialności biznesu w procesie kreowania wizerunku firmy, w: Marketing społeczny oraz perspektywy jego rozwoju na świecie, ed. A. Pabian , Wydawnictwo Wydziału Zarządzania Politechniki Częstochowskiej, Częstochowa 2009, p.55

the attention is shifted to the procedure used during the process of making profits and the effects of these actions while the concept of profit itself is being extended and adopts a social aspect.

This social function of organization has been long known, but it is now being discovered anew. CSR is understood as an awareness of the effect of organizational decisions on the organization's environment, both internal and external one and the effect of these decisions on social plane. "In this concept some business activities can be viewed as profitable in the context of immediate profits but ineffective and often harmful to the organization in the context of long-term strategic solutions. It can be adopted with considerable simplification that this means application of the fair play principle under conditions of business practice. The CSR activities might in some organizations be considered as a shield which protects them from criticism of poor outcomes and impossibility of achievement of the goals. However, a number of studies have demonstrated that the social function of organizations has their economic and financial dimensionsⁿ².

The essence of corporate social responsibility is a voluntary (and therefore not resulting from legal regulations) consideration for social, ethical and ecological aspects of enterprise activities. Therefore, CSR is not about supporting social actions but the focus is on the activities closely related with the main sphere of business operations. In other words, CSR is about a long-term strategy of management oriented towards reaching balance between the enterprise's effectiveness and social interest.

Corporate social responsibility in this aspect means a concept which allows the enterprises to voluntarily take into consideration social interest, environmental protection and the relationships with different groups of beneficiaries at the stage of building their strategies.

It is also remarkable that each enterprise is a particular type of community with its internal "micro-world" where the biggest wealth is competencies, enthusiasm and commitment of the employees. Therefore, the experts emphasize that all the CSR activities should firstly involve the employees in the enterprise.

Corporate social responsibility has both supporters and opponents. The supporters of this philosophy of management argue that:

- business activities in the enterprises present in the market generate numerous problems (e.g. environmental pollution, depletion of natural resources) and the enterprise itself should also participate in solving these problems;
- enterprises have legal personality: therefore, they are a particular type of citizens "who" should care for their environment;
- through social responsibility, enterprises are able to improve their reputation and thus increase profits.

The opponents of the CSR concept think that the enterprise should:

- focus exclusively on generation of profits;
- there can be a conflict of interests: the decision made by the manager might be subjective;
 - organizations are not experiences in managing social programs.

According to the data presented by the Responsible Business Forum, the benefits offered by the implementation of the CSR strategies have a long-term character and the experts on this concept indicate the following:

- 1. increase in the interest from investors,
- 2. improved loyalty of both consumers and beneficiaries

²E. Gorczycka, A. Słocińska, *Społeczna funkcja organizacji jako element nowoczesnego zarządzania w: Innowacyjne aspekty strategii przedsiębiorstwa globalnego w zintegrowanej Europie*, ed. L. Sobolak, Wydawnictwo Wydziału Zarzadzania Politechniki Częstochowskiej, Częstochowa 2007, pp. 166-173

- 3. considerable improvement in relations with society
- 4. improved relations with local authorities,
- 5. increased competitiveness
- 6. higher level of organizational culture in the enterprise.

Implementation of the projects of corporate social responsibility "favourably affects organization through promotion of the positive company image not only in the outside but also among the employees. The way the employees perceive the enterprise depends, among other things, on the way the organization implements projects where employees' commitment is appreciated and stimulated"³.

MODERN TRENDS IN PERSONNEL MANAGEMENT

Effective implementation of the principles of corporate social responsibility in the enterprise is closely connected with the managers who should demonstrate the in-depth knowledge about its essence. This is confirmed by a survey carried out in 2010 by the Responsible Business Forum and GoodBrand& Company Polska named "Menedżerowie 500/Lider CSR SpowiedźPraktyków" (Managers 500/CSR Leader: Practitioners' Confession"). The survey was comprised of the two parts:

- 1. quantitative examination carried out among a group of 173 managers from the list of 500 biggest Polish enterprises of the Polityka magazine: Manager 500 and
- 2. the qualitative part that allows for analysis of personal motivations, attitudes and visions of CSR development of the managers involved in implementation of this concept in their enterprises.⁴

As results from the survey, the number of managers who declared that they area familiar with the concept of corporate social responsibility has almost doubled in the recent seven years (from 24% to 58%). 70% of the respondents associate corporate social responsibility with the concept of sustainable development viewed as consideration for the needs and interests of local communities and local environment. 60% of the respondents view CSR as the awareness of the role played by different beneficiaries in the development of the enterprise. 51% of the respondents regard CSR as meeting ethical standards; 49% of them view this concept as activities towards protecting the environment and 38% of the participants think it is a charity activity. In consideration of the results obtained from the survey carried out in 2003, the number of the respondents (55% in 2003 vs. 15% in 2010) who regarded CSR activities as the enterprise's obligations such as adequate and timely payment of salaries decreased, similar to those who view them as observing current legal regulations (33% in 2003 vs. 20% in 2010).

The precondition for the effectiveness of the CSR strategy is its implementation at all levels of organizational structure. However, the survey also demonstrated that only 20% of the enterprises had formalized CSR strategy; other 20% planned to implement CSR principles in the nearest future, whereas 25% of the enterprises studied did not plan implementation of this strategy in the nearest time.

It should also be emphasized that only 11% of the enterprises that participated in the study had a person responsible for CSR and 54% of them did not even appoint a person with at least partial scope of responsibility in terms of CSR. 28% of the enterprises declared that CSR was included in the highest level of the structure while the same number of the respondents indicated that this activity was assigned to the managers of medium and lower level, typically in PR or marketing departments.

³ P. Żołądkowski, *Nieodwracalny trend*, "Personel i Zarządzanie", 2011, No. 4, p.30

⁴ M. Grzybek, *Lider(ka) CSR*, "Personel iZarządzanie", 2011, No. 2, pp. 18 - 19

The above presented survey exhibits discrepancies between the declaration of the managers studied in terms of CSR concept and a formal CSR strategies in the enterprises they work for. Assigning CSR responsibilities to the managers of medium or lower levels or including them in the highest level of the corporate structure does not ensure the effective and complex implementation of the principles of social responsibility.

The basic factors which cause that the enterprises decide to implement CSR are: building image and trademark for the enterprise (76%), creation of better relations with local communities (74%), long-term profitability (56%) and increasing the company value (42%). Less essential factors include: corporate requirements (34%), pressure from public opinion (25%) and consumer expectations (20%). Only 8% of the respondents indicated the factor of expectations of investors or employees.

According to the managers who participated in the study, the two aspects of benefits of implementation of CSR concept can be distinguished:

- 1) firstly: improved organizational culture
- 2) secondly: improved image and reputation of the enterprise in the outside environment.

It should also be emphasized that managers also appreciate the effect of CSR strategy on human resource policy through recruitment and holding the best employees and increased motivation among both managers and other employees.

The survey also showed that the enterprises that implement CSR often choose its simplest forms, which include e.g. financial support, material support and implementation of common projects with non-governmental organizations. The number of the enterprises which use a form of volunteering almost doubled. This new trend in personnel management is gaining more popularity, particularly because the year 2011 was celebrated as the International Year of Volunteers ⁵.

CONCLUSION

Apart from its positive effect through promotion of the positive image, implementation of CSR projects allows for realization of the projects which are important to the society while using employees' commitment. Undoubtedly, this is one of the tools to help increase non-financial motivation and improve the dignity-based aspect of work. The essential role is also played by leaders and managers, who should stimulate employee's commitment and charity initiatives performed by their employees and take part in these activities, setting a good example.

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⁵ M. Grzybek, *Lider(ka) CSR*, "Personel i Zarządzanie", 2011, No. 2, p. 18 - 19

4. Żołądkowski P.:*Nieodwracalny trend*, "Personel i Zarządzanie", No. 4, p.30, 2011, ISBN 32 90 37

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