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APPLICATION OF SOCIAL RESPONSIBILITY IN THE WOOD PROCESSING BUSINESSES

The paper describes the basic principles of the Corporate Social Responsibility (CSR) and the significance of its application in the wood processing businesses.

Keywords: wood processing businesses, business ethics, Corporate Social Responsibility (CSR)

Introduction

Due to the world globalisation, when the boundaries in the industrial world tend to fade away more and more often, a gradual confrontation must necessarily occur as well, not just in the area of professions and languages but also in the cultural, religious and ethnic area with the goal of economical and social development of particular country. The role of corporations in the society has significantly changed in recent years. In order for a corporation to be successful in the long term or even permanently in today's global world it must meet new expectations of its surroundings. One of these expectations is, without any doubt, its responsible behaviour towards the society in which it operates.

The corporate social responsibility involves all activities that go far beyond the maximum legitimate requirements, as well as activities adopted by the corporations when seeking for understanding and meeting expectations of all interested parties in the society.

CSR begins to find application in all types of corporations. Considering the large emphasis on quality of the surroundings and of the society being placed in the application, CSR implementation in the wood processing businesses is the

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right direction when enhancing a company's competitiveness and its acceptance by its surroundings.

Wood processing businesses perform their activities with regard to the safety and health of their employees and with emphasis on the environmental effect on the society.

The attributes indicated are a significant and dominant element of the CSR application.

For this reason, it is opportunely to ask also the following question: To what extent and with what benefit is it possible to apply the CSR requirements in the wood processing industry? I will try to answer this question in my paper.

Fundamentals of the Corporate Social Responsibility

The Corporate Social Responsibility (CSR) is meant as an initiative based on freewill and having no precise limits. The European Union Green Paper (2001) defines corporate social responsibility as a voluntary integration of social and environmental concerns into everyday operations of businesses and as interactions with the corporate stakeholders.

Businesses with their activities and operations affect not only interests of stakeholders (owners, shareholders, employees, suppliers, customers, etc.) but they also directly or indirectly affect the quality and living standards of all inhabitants of the areas where they operate.

Although the most significant scope and principle of CSR is to meet all interested parties' needs, it is not possible to ignore the fact that it is always important to start with oneself, inside one's own business, with own employees, suppliers, customers and, last but not least, with one's own clients.

Therefore, CSR is not only a way towards a moral development but also towards an economic development of the business as well as towards a profit increase, production expansion, modernisation of machinery and technical equipment, improvement of production technologies, research and development of new products, cost reduction and, above all, towards achieving higher satisfaction of all interested parties through loyal, qualified and motivated staff, but also it is a way towards the increase in credibility of all interested parties.

CSR does not include just individual activities or occasional gestures and neither is it a marketing-driven initiative or an initiative presented as a part of public relations. It involves an entire complex of policies, practices and programmes that are integrated at all decision levels of the corporation and into all their commercial activities.

CSR can be regarded from the following perspectives:

Customer – confidence in the quality of the product,

Employee – confidence about good care given by the corporation (emphasis is placed on occupational health and safety),

Public – confidence that the corporation is concerned about its good future (protection of human rights, environmental care, development of regions).

CSR consists of three basic pillars (areas) often referred to as 3P:

- Profit (economic pillar),
- People (social pillar),
- Planet (environmental pillar).

Application of CSR in the wood processing industry

Opportunities and benefits of CSR application in the wood processing industry can be regarded on the basis of the three pillars (areas) described in tab. 1.

Economic pillar – includes mostly activities comprised by the quality management requirements and also by ISO 9001:2000 standard requirements. Supplier and customer relationships, customer relationships and quality assurance of products and services are concerned. A new approach from the point of view of CSR is rejection of corruption, observance of ethical code, intellectual property protection and principles of corporate volunteer management. Concerned activities are these that involve changes in attitudes and approach of leaders and subsequently, following the example of the leaders, those of other employees and interested parties. This results in a new corporate culture with respect for the whole society including its surroundings, the region, and the state. Thus it is necessary, in application of this pillar in the wood processing businesses, to focus on the leaders themselves and on their attitudes towards all activities.

Environmental pillar – the wood processing industry is oriented towards activities whose outputs have the minimum possible environmental effects on the society. Environmentally friendly production is fully respected and preservation of natural resources is a priority in the wood processing; investments are made into environmentally friendly technologies, and recycling is being adopted when creating the products' life cycle as well as after their use. Among others, legislative requirements as well as environment and ecology law, which define strict criteria, are fully observed during production.

Social pillar – this pillar focuses on employees and on the relationship with the external environment (the corporation's behaviour towards its surroundings).

Table 1. Three basic CSR pillars and their principles [Petříková 2007]**Tabela 1 Trzy podstawowe filary CSR i ich zasady [Petříková 2007]**

CSR economic pillar <i>Ekonomiczny filar CSR</i>	CSR social pillar <i>Spoleczny filar CSR</i>	Environmental pillar <i>Środowiskowy filar CSR</i>
Principles of corporate volunteer management, ethical code <i>Zasady społecznego zarządzania firmą, kodeks etyczny</i>	Corporate philanthropy and corporate volunteering <i>Filantropia firmy i jej działania społeczne</i>	Ecological production, products and services <i>Ekologiczna produkcja, produkty i usługi</i>
Rejection of corruption <i>„Nie” dla korupcji</i>	Employee policy, health and safety of employees, education, retraining <i>Polityka względem pracowników, BHP, edukacja, ponowne szkolenia</i>	Preservation of natural resources <i>Ochrona zasobów naturalnych</i>
Intellectual property protection <i>Ochrona własności intelektualnej</i>	Equality between men and women <i>Równość płci</i>	Investments into environmentally friendly technologies <i>Inwestycje w technologie przyjazne środowisku</i>
Supplier and customer relations <i>Relacje dostawca-konsument</i>	Rejection of child labour <i>„Nie” dla pracy dzieci</i>	Environmentally friendly corporate culture (recycling, energy saving etc.) <i>Ekologiczna kultura firmy (recykling, oszczędność energii itd.)</i>
Customer relationship <i>Relacje z klientem</i>	Human rights <i>Prawa człowieka</i>	
Quality and safety of products and services <i>Jakość i bezpieczeństwo produktów i usług</i>	Employment of minority and endangered groups of population <i>Zatrudnianie pracowników z mniejszości społecznych i grup zagrożonych</i>	

Benefits from application of the social responsibility principles

By supporting the basic CSR principles a new level of relations between the business sphere, state authorities, organisations and non-governmental organisations as the citizens' representatives is reached.

It is typical for CSR that corporations are voluntarily trying to behave better towards people and towards their surroundings. Corporations do not maximise their profit at all costs but rather choose the way of optimisation.

Inclusion of CSR as a strategic investment into the basic business strategy and into the management principles can have a positive effect on the corporation, the environment and also on the community where the corporation operates and, at the same time, improve its image and economic results. This method does not focus only on current profit generation and on the present position of a particular corporation but also on building up the corporation's position in the future.

Benefits from application of CSR principles in wood processing businesses:

- Strengthened credibility,
- Long-term sustainability of the corporation's development,
- Increased loyalty and productivity of employees,
- Build-up of reputation leading to a strong position in the market,
- Differentiation from the competition (competitive advantage),
- Opportunity for innovations,
- Reduction of risk management costs,
- Dialogue and building up a relationship of trust with the surroundings and the resulting mutual understanding,
- Direct financial economies related to ecological practice.

In this context, corporations should be particularly aware of significance of their own transparency towards their surroundings. They also develop cooperation with schools, which is motivated by the above mentioned effort to acquire quality staff; in some cases it involves carrying out joint research tasks. To a certain extent, involvement in favour of environmental protection is regarded as important.

So far the today's consumer has been interested mostly in availability of goods, their parameters, and price. So far they have been very little concerned about who is the producer of goods, what conditions they are produced in, how the producer behaves towards social and natural environment. This indicates, in contrast to developed countries, an insufficient development of the social culture and social involvement of customers.

Conclusion

Application of CSR principles is an important point of departure for a successful progress of the corporate competitiveness, for an improvement of the corporate culture, satisfaction of employees (including establishment of a safe working environment), creation of social programmes aimed at achieving high quality of life, development of environmental attitudes for sustainable development and satisfaction of regions and of the entire society.

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ZASTOSOWANIE SPOŁECZNEJ ODPOWIEDZIALNOŚCI W PRZEMYSŁE DRZEWNYM

Streszczenie

Omówiono zagadnienia z zakresu etyki biznesu, przedstawiono koncepcję CSR – społecznej odpowiedzialności przedsiębiorstwa (*Corporate Social Responsibility*) z wyraźnym ukierunkowaniem na przemysł drzewny.

Słowa kluczowe: przemysł drzewny, etyka biznesu, społeczna odpowiedzialność przedsiębiorstwa (CSR)