MANAGING CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

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Abstract: In business environment, corporate social and environmental responsibility is becoming increasingly an important issue. In today's world there are many components to consider when managing corporate social and environmental responsibility. The most dangerous are: air, water and soil toxifcation, climate change, exhaustion of resources (oil, water, forests), destruction of biological diversity and extermination of animal and plant species, environmental noise pollution, unmanaged waste; which overcome the potential of nature to purify and renew itself. There is no recipe for actualizing corporate social and environmental responsibility. However, the companies should be aware of this fact and accordingly, we may observe that the long term survival in the 21st century depends on wise leaders of companies and learning organizations who would manage CSR and environmental responsibility as an imperative. It is important to take into account philosophical aspect of such kind of managing, where the main questions are: what is the responsibility of the companies that generate long-term competitive advantage and what is type of implication of such success on the environment, society and the consumers. By adopting social and environmental responsible practices, company achieves better performance, reputation and overall commitment. It generally has a positive effect on company's support for the environment, adoption of corporate environmental responsibility and green practices. Governmental support strongly creates the effect of green management and encourages policies that are supported by financial aid and technical resources. The meaning of a corporate social and environmental responsibility concept of companies is a conscious ethical investment based on innovations and moral upgrading of managing. Such approach can be seen as an investment for sustainable value creation. The main aim is long term gain. The great social capital and environmental safety can be obtained through such kind of managing approach. It is important to underline that high and middle management can upgrade their ethical approach by managing corporate social and environmental responsibility with high integrity and deep respect for the environment, in order to avoid irreparable form of exploitation. That is the new way of doing business by implementing the understanding for specific needs of different environments, which involves elaborating the new responsible business models. It can be concluded that responsible development of sustainable innovations has to be done in order to respect positive socio-economic, ethical, political and environmental features and differences. Traditional, PR-seeking corporate and environmental responsibility is no longer enough in 21st century, because the paradigm of human survival is inseparable from our global ecosystem. Proactive corporate social and environmental responsibility jointly brings harmony to the whole society.
Keywords: Green management, Corporate social responsibility, Environmental corporate social responsibility, Green practices, Ethics

INTRODUCTION

Corporate social responsibility (CSR) defines a company's voluntary actions to remedy different social and environmental post-actions of its business operations.[78] In regard to global environmental problems, business started to recognize environmental protection as an important part of corporate social responsibility. Consequently, environmental protection has begun to have a significant influence on corporate thinking. Broadly speaking, environmental corporate social responsibility is concentrated on the company's eco activities as well as the prevention or minimization of negative environmental problems that is caused by the same companies. Some authors believe that environmental corporate social responsibility should add the areas of corporate governance, credibility and environmental performance.[79] Different measures include reduction of energy consumption, control of pollution and even green energy-saving plans. Green IT human capital and Green IT structural & relational capital refer to company's tendency to shape products and services that meet the real needs of the customers.[80] The use of green IT systems enables companies to deliver better energy efficiency

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and save energy, which leads to competitive advantage. Beside that, company has a possibility to increase its "green image" within the whole business, to reduce costs and gain an important differentiation in the industry. Precisely speaking, thankful the corporate social and environmental responsibility, company strengthens brand value and brand awareness as well. Through society and environment company contributes to the whole economic development. Company's engagement with corporate social and environmental responsibility, often softens negative public opinion in regard of some unethical business activities. Gaining competitive advantage lies on proactive communication with consumers and has two main elements – social and environmental responsibility. Corporate social and environmental responsibility includes business activities adopted by the companies that go far beyond regulations in order to support positively to the whole society. Moreover, it becomes crucial ingredient for the company's success that vividly shapes higher value for its employees and shareholders. Employees support of CSR as a feedback brings respect, reciprocity, justice and good organizational structure.[81] Corporate social responsibility, which is seen through various social expectations, emphasizes that firms have an ethical responsibility to behave with the society and environment with the respect. Social expectations focus on how companies treat their societal and environmental obligations. But at the same time some authors think that governmental influence is stronger in a field of green management than in incremental product innovation.[82] Also, a firm with higher capacity will easily implement strategic environmental policy. Market orientation and organizational support are essential elements of corporate environmental strategy.

1. CORPORATE RESPONSIBILITY FOR SOCIETY AND ENVIRONMENT

Corporate social and environmental responsibility is a concept that is under the competence of the companies, considering responsibility for the impact of their business on other companies, all interested sides and environmental situation as well as on interests of society. CSR represents responsibility in wider sense than law regulations and standards obligations, because the company uses much higher - ethical standards along with respecting the law. It can be concluded that the company on its free will uses systematically additional measures in order to make better life quality for local society and for its employees. Corporate social and environmental responsibility implies ethical and ecological concerns, compassion and humanness referring not only to people but to animals and nature as well. The law does not oblige all of the abovementioned types of responsibilities, but all of them have a crucial impact on the life of society. CSR is a concept with many definitions and practices. The way it is understood and implemented differs greatly for each company and country.[83] Accordingly, it can be stated that the managing corporate social and environmental responsibility is substantially important for preservation people's life and health as well as for preservation of our ecological system as a whole. Environmental responsibility of businesses is closely tight with managing of CSR, which means that socially and environmentally responsible oriented businesses have consciousness and motivation to take part in different organizational schemes which minimize or decline the negative impact on environment. These schemes involve the rational use of natural and energy resources, as well as paying attention to the recycling process. Camilleri (2017) concludes that the protocol must be created in order to prevent and not allow different kinds of accidents during production process and in order to protect ecological diversity and biological species from disappearing.[84] At the same time in order to preserve historical and cultural heritage adequate measures must be taken. Coombs and Holladay (2012) divided social and environmental responsible companies into two groups. There are companies that are solving ecological problems in order to get additional profit. For example they might use some low cost materials in their production process with the goal to increase the profit from their manufactured products. Other type of companies is the one that manages corporate social and environmental responsibility in order to strengthen its positive image which is giving them possibility for additional profit.[85] It can be concluded that destructive human actions towards nature lead to disappearing of ecosystems, climate change and global warming.

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2. MANAGING BUSINESS BY USE OF ECOLOGICAL STANDARDS

The most dangerous ecological consequences of managing business without use of ecological standards are: spreading oceans on earth, disappearing of islands or parts of the continents, lack of drinking water resource, ecosystems destruction etc. It is important to underline that managing of corporate social and environmental responsibility is in extremely close connection with society in whole. There was an example of that connection occurred in January 31, 2019 in Belgium. 'Tens of thousands of children marched in Belgium, the fourth such protest in what has become a weekly routine, demanding urgent action on climate change'.[86] Parents and grandparents joined demonstration of 15.000 children in Liege. 'The young marchers had the backing of a coalition of 3,450 Belgian scientists who wrote an open letter warning that current policies will lead to a disastrous 3 degree Celsius rise in global temperatures.'[87] Similar strikes occurred in Switzerland, Germany, Scotland, USA and Netherlands attracting thousands of students. 'The inspiration for all of this is a 16-year-old girl from Sweden, Greta Thunberg. In August 2018, during Sweden's hottest summer on record, she refused to go to school. Instead she began a lonely protest on the cobblestones outside the parliament in Stockholm, with a simple message: adults were failing to deal effectively with climate change, so the next generation had to make its voice heard.' She personally addressed World Economic Forum in Davos, where she staged sit-down strike.[88] Accordingly, it can be concluded that socially and environmentally responsible companies must take all this in consideration. It is necessary to make a long term environmental and social evaluation in managing company's activities, as well as to provide the insurance in a case of harming ecology or social environment. This means that in the event of a violation of social or environmental responsibility, the company must pay the penalty and organize cleaning and restructuring of harmed place. Such companies must be certified on International Ecological Standard (ISO) 1400 about ecological management and they have to use the most innovative technologies in order to provide effective management of corporate social and ecological responsibility.[89] It is important to have monthly and annual reports of CSR and environmental preservation measures. It is also useful to oblige on International Ecological Standard (ISO) 1400 with the aim of auditing of management quality system of social and environmental responsibility. For example, such kind of auditing is important and obligatory for licensing of business related to environment.[90] Managing corporate social and environmental responsibility is taking place in developed countries. Unfortunately it is highly neglected when companies from developed countries open their production in poor countries. It has been proved that some firms engage in corporate social and environmental responsibility, only in order to focus their attention of their targeted public from their unethical acts such as exploiting their workers with law salaries or unsuitable working conditions, tax avoidance, environmental degradation, pollution above the limits. Typical negligence of environment protection could be seen on example of French company 'Bollore', oriented on agribusiness in Africa. 'Bollore' is practically monopolizing agribusiness in African countries: Cameroon, DR Congo, Guinea, Ivory Coast, Liberia, Nigeria etc. (43 countries in total). The company gained control of not only plantation of cocoa, cotton, coffee, oil palms, but also they control large part of Africa's transport infrastructure − shipping industry, railways, ports infrastructure and maritime. Also, 'Bollore' has spread its business on Africa's oil industry. Such monopolization would not be possible in any of the Western countries. The company is claiming that it is committed to sustainable politics in their business, including conservation of natural resources and biodiversity.[91] The reality is different. Bolloré Group's investment malpractices have been reported from several countries including Cameroon, Cambodia, and Liberia, resulting in discontent among local populations. In 2010 the company was accused of negatively impacting the livelihoods of natives and for water and air pollution (Sherpa et al; 2010).[92] Company's complete malpractices lead to dispossession and loss of livelihoods for

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thousands of people in Asia and Africa. We can conclude that extraction of natural resources in Africa by 'Bollore' group of companies puts Africa and its people in enormous ecological and social danger, which can be irreparable. This is an example of disregarding of managing corporate social and environmental responsibility by such kind of conglomerate as 'Bollore', which is one of the greatest dangers for massive destruction of Africa's countries by neocolonial politics. There is an evident need of supporting corporate social and environmental responsibility concept both by government and companies. Japanese company Hitachi engaged in sales of energy-saving products, forest protection activities and continuously providing health support to its employees. Konica-Minolta through their CSR concept provided safe products, contributions to the workers and society.[93] Above-mentioned company is the example of responsible company focused on employees, consumers and the environment that makes the full contribution to the society.

CONCLUSION

It can be concluded that managing corporate social and environmental responsibility implies complex kinds of concepts, philosophies and practices. Unfortunately, corporations that declared themselves as social and environmental responsible in developed countries, most often show quite different approach of doing business in poor countries. This mismatch leads to extinction of natural resources and biodiversity, as well as to massive pollution of air and water. It seems possible that at the same time CSR is focused on profit in order to enable the growth of the company and that provides all the necessities for the organization. The conclusion is that the real conscious culture of managing corporate social and environmental responsibility is far from ideal in 21st century's corporations, which are still highly oriented on profits by any cost. However, that cost can be destructive for the world society as a whole. Corporation's leadership is the one which is responsible, not only for gaining profits but for the improvement of the society, when they are true to their mission of managing corporate social and environmental responsibility as a really important task for the survival of the society and our planet. Government is responsible for the promotion and initiatives for the corporate social and environmental responsibility and for incorporating ethical responsibility within companies, rather than enforced it by law. Furthermore, that means responsibility for the whole community and the environmental system.

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