

Andrzej Chodyński, Adam Jabłoński, Marek Jabłoński

### FRIENDLY PRACTICES IN GLOBAL BUSINESS AND POLISH CONDITIONS

#### Introduction

The notion of globalization refers to different perspectives. From an economic standpoint, not only does globalization create chances for companies, but also threats, among others connected with natural environment pollution resulting from thier business activities. An effort to limit those negative phenomena is realization of assumptions of Environmental Corporate Responsibility undertaken by the companies on the global market.

The following factors influence globalization of the goods and services markets<sup>1</sup>:

- Market factors connected with standardizing customers' needs and an increase in the importance of a global customer, as well as creating distribution channels,
- Cost factors referring to global profits of scale, logistics issues, high costs of product development, fast changing technology,
- Governmental factors, among others: trading policy, creating comparable technical standards, the issues connected with customs tariffs, nontariff barriers, subventions, homogenous marketing regulations, deregulatory activities, as well as privatization and denationalization, and
- Competition-related factors connected with existence of global competitors as well as global strategic alliances; they also refer to the issues of export and import and an increase in the turnover of the world trade.

<sup>&</sup>lt;sup>1</sup> G. S. Yip, Strategia globalna. Światowa przewaga konkurencyjna, Warszawa 1996.

Alluding to market factors, the standardization of the quality concerning environmental feature can play an important part in the emerging global product. Taking the cost factors into consideration, one should pay attention to the impact on the environmental aspects which appear there and which concern the realization of the logistic standards. The actions minimizing costs connected with logistic processes bearing in mind the influence of those processes on the natural environment are vital. Governmental activities can refer to recommendations concerning the necessity to meet environmental standards and can also focus on setting environmental standards within that range. Finally, use of the possibility to increase the role of environmental aspects can lead to building a strategy which will ensure entrepreneurs competitive advantage, among others the one based on environmental innovations which can show up in products in offer and current technologies. Transforming those general theoretical assumptions into practice, it is essential to know best environment-friendly practices concerning the various above-mentioned ranges.

#### Environmental corporate strategies on the global market

Within global integration, the following strategies are indicated as the basic ones<sup>2</sup>: An international strategy adapted by companies with low pressure on decreasing costs and not very sensitive to the needs of local markets,

- Multinational strategy, multilocal strategy distinguishing themselves by adjusting products and marketing actions to particular countries, without an influence of the pressure on the costs; it is connected with decentralization,
- Global strategy is a result of the pressure on the costs as well as no response to the requirements of the local customers; it is characterized by the presence of product standardization,
- Transnational strategy is a consequence of strong pressure on the costs as well as sensitivity to the local needs: it is treated as a combination of multinational strategy and global strategy.

The realized strategies involve evolving processes of companies' internationalization. As part of these processes, in case of MNC – multinational corporate, the centralization of management concerning natural environment favours the environmental approach. It refers mainly to companies working in industries of high environmental hazard. In case of American MNS corporations, approximately 70% of them use global standards whereas only 30% local ones. Decisions concerning programmes connected with natural environment are usually made on the level of corporation. However, allocation of financial resources for environment-friendly activities is mostly made by particular business units<sup>3</sup>.

<sup>&</sup>lt;sup>2</sup> D. G. McKendrick, *Global Strategy and Population – Level Learning: the Case of Hard Disk Drives*, "Strategic Management Journal" 2001, Vol. 22, 4, p. 307–334.

<sup>&</sup>lt;sup>3</sup> M. J. Epstein, M.-J. Roy, *Implementing a Corporate Environmental Strategy: Establishing Coordination and Control within Multinational Companies*, "Business Strategy and the Environment" 2007, Vol. 16, No. 6, p. 389–403.

Within realization of particular strategic plans internationalization motives play a vital role. Among them one indicates a motive of natural environment protection. Having in mind the aspects of environment responsibility, this motive should be in favour of realization the companys' strategy, especially the ones which going beyond current legal norms within the scope of the environment protection build their competitive advantage. Building such an advantage is possible pursuant to an increase of environmental awareness of all stakeholders. Yet the environmental motive can unfortunately be connected with lower requirements concerning natural environment protection in the country of the investment<sup>4</sup>. However, accomplishing such an approach is contrary to the rules of environmental responsibility which forces the companies to apply the highest environmental standards.

# **Environment-friendly practices on the background of the implementations of undertakings on international markets**

Environmental aspects also refer to an international exchange. The Pollution Terms of Trade Index (PTTI) can be an example. It shows the levels of pollution connected with producing and exporting goods of the value of US\$1 in comparison to the effect connected with import of goods of the values of US\$1, but having been produced aboard. In this way one can determine how much the international goods exchange can influence the pollution of the natural environment in its territory, or in the third party. Bearing in mind the protection of natural environment some restrictions in international trade are imposed. It is assumed that there are about 200 legally binding multilateral international agreements concerning the natural environmental protection. Moreover, it is assessed that there are 50-80 rules, standards, procedures and programmes referring to international effects of subjects in particular fields, including environmental aspects<sup>5</sup>.

Realization of activities on the global market does not refer to typical forms of foreign trade i.e. export and import, but to a significant extent it concerns the realization of foreign direct investments (FDI). Environmental criteria can be applied when you are driven by kinds of foreign direct investments that have been carried out, projects with different environmental arduousness as well as most probable geographical areas where the investments are worth carrying out. As far as FDI kinds are concerned, the following are distinguished: searching for natural resources, searching for markets, improving efficiency and searching for strategic resources (among others, technology)<sup>6</sup>. In each of these kinds environmental as-

<sup>&</sup>lt;sup>4</sup> Handel zagraniczny. Organizacja i technika, ed. J. Rymarczyk, Warszawa 2005, p. 31.

<sup>&</sup>lt;sup>5</sup> E. Kośmicki, *Dylematy zrównoważonego rozwoju w warunkach globalizacji gospodarki*, [w:] *Zrównoważony rozwój. Od utopii do praw człowieka*. Bydgoszcz 2005.

<sup>&</sup>lt;sup>6</sup> J. Franc-Dąbrowska, M. Porada-Rochoń, *Bezpośrednie inwestycje zagraniczne – perspektywa międzynarodowa*, "Przegląd Organizacji" 2010, 4, p. 28–32.

pects can be indicated. For example, searching for natural resources is connected with risk, e.g. natural environment degradation, and the kind of technology can influence the environmental threat to the particular area. As far as projects are concerned, the business services constitute the biggest share (app. 15%). Activity which might pose a threat to the natural environment amounts to as much as about 40% (among them the following industries: the engineering, electronics, chemical, and food, pharmaceutical, electrical, non-ferrous metals, mineral products, production of plastic and rubber, transport services). Bearing in mind geographical areas of future expansion within FDI, what has its environmental determinants, Middle and East Europe, China, India, Russia and West Europe are considered to be the most attractive regions for the realization of FDI. The problem is that along with FDI, technologies of highest environmental qualities should be directed.

Environment-friendly behaviours of companies on the international markets should support best practices. Voluntary initiatives and environment-friendly practices can be carried out in three planes<sup>7</sup>:

- Connected with planning and organizing, in a form of environment management systems,
- Operational practices referring to changes in production and operational systems concerning products and processes, along with their designing,
- Information practices (reporting) within the following ranges of activities: financial, social and protection of the natural environment.

Environment-friendly practices are often applied by corporations acting on the global market which use them also on the regional and local level. Some of these can be the property of companies operating only on local markets or in market niche on a global scale. Best practices can be considered as a sign of the competences owned by an organisation. It is worth paying attention to the fact that making use of best practices, also environment-friendly ones, is connected with effective knowledge management, and shaping best practices refers to the realization of the knowledge management strategy<sup>8</sup>. Best practices also concern environmental safety of companies pursuant to the process approach in the organisation<sup>9</sup>. Best environmental practices determine the possibility of realization business models concerning the concept of business sustainability<sup>10</sup>, <sup>11</sup>. This concept includes a necessity of the balance between economic, social and environ-

<sup>&</sup>lt;sup>7</sup> J. González-Benito, Ó. González-Benito, *A Review of Determinant Factors of Environmental Proactivity*, "Business Strategy and the Environment" 2006, Vol. 15, 2, p. 87–102.

<sup>&</sup>lt;sup>8</sup> A. Chodyński, Wiedza i kompetencje ekologiczne w strategiach rozwoju przedsiębiorstw, Warszawa 2007, p. 41, 106, 111.

<sup>&</sup>lt;sup>9</sup> A. Chodyński, A. Jabłoński, M. Jabłoński, *Strategia bezpieczeństwa ekologicznego przedsiębiorstwa*, [w:] *Zarządzanie rozwojem przedsiębiorstw i regionów. Wybrane aspekty ekologiczne i społeczne*, ed. A. Chodyński, Kraków 2008, p. 49–59.

<sup>&</sup>lt;sup>10</sup> A. Chodyński, Sustainable business – przydatność koncepcji w sytuacji kryzysu, [w:] Współczesne zagadnienia zarządzania. Przedsiębiorstwo – biznes – region, ed. A. Chodyński, Kraków 2009 (in print).

<sup>&</sup>lt;sup>11</sup> A. Jabłoński, Model zrównoważonego biznesu, [w:] ibidem.

mental purposes, on the base of assumptions of Triple Bottom Line. Taking into consideration the CSR assumptions (Corporate Social Responsibility), grounding on an environmental factor determining the building of the competitive advantage on the global market, the ECSR concept was created (Environmental Corporate Social Responsibility)<sup>12</sup>. Its realization requires implementation of best environment-friendly practices.

## Best environment-friendly practices in corporations and local companies operating on Polish market

#### Environmental responsibility and ECSR

Companies operating on today's market should observe the rules of social responsibility and create business based on the 3xE system, i.e. Ethics, Economics and Ecology. The third factor stimulates development of environmentally responsible companies. Environmental Responsibility is a really wide notion and requires observing a wide range of rules and standards. It particularly concerns observing the environment protection regulations and laws as well as realization of actions within improving business effectiveness measured by its environmental results.<sup>13</sup>

Environmental social responsibility can be pondered from an economic point of view because on one hand, it constitutes a new plane of marketing activities which transforms them into marketing that is both social and involved, and on the other hand, it ensures identifying and then meeting the needs of different stakeholders. At the same time, one should bear in mind the fact that responsible business should be treated as a sign of coexistence of companies and society. By combining all these elements it can be stated that recently the environmental responsibility has been becoming a significant source of competitive advantage, but it also helps to build the value of the company. However, there are some threats to observing the rules of environmental responsibility as one of factors of Corporate Social Responsibility. It results from the fact that there can be more and more supporters of the thesis that undertaking such tasks by mangers, i.e. not directly connected to the aim for which the company was set up (creating value for shareholders), is irresponsible as it means spending the investors' money on a different activity. Simultaneously requiring such an activity from entrepreneurs can be treated as additional taxation on the company. However, one shouldn't treat these two concepts separately. Implementing the rules of Corporate Social Responsibility supports creating value for the shareholders as it protects the operating activity from negative incidents which

<sup>&</sup>lt;sup>12</sup> A. Chodyński, A. S. Jabłoński, M. M. Jabłoński, ECSR (Environmental Corporate Social Responsibility) jako współczesna koncepcja biznesu, [w:] Społeczne i ekologiczne aspekty zarządzania, red. A. Chodyński, Kraków 2007, p. 183–191.

<sup>&</sup>lt;sup>13</sup> A. Jabłoński, M. Jabłoński, A. Primus, M. Spytkowska, *Ekologiczna, społeczna odpowiedzialność biznesu (Environmental Corporate Social Responsibility). Raport przedsiębiorstw i gmin odpowiedzialnych ekologicznie*, EFOE, Katowice 2010.

can potentially decrease the value of the company. Implementation of the environmental responsibility can be based on the following assumptions:

- Building a model of sustainable business as a platform of the dialogue between stakeholders,
- Model of sustainable business is understood as a copy in a particular place and time of a business structure of connections between factors guaranteeing meeting current inner and outer needs of all the stakeholders which enables current reaching competitive advantage by the company as well as it constitutes a creation of a future platform of growth and development of the company providing continuity of running a business.<sup>14</sup>

Redefining the business value so that it includes the analysis of the stakeholders' needs towards building sustainable value of the environmentally responsible organization.

- Eight areas of building a sustainable value can be enlisted:15
- Analysis of current situation,
- Anticipation of future expectations,
- Determining aims,
- Working out initiatives building value,
- Working out a business analysis,
- Creating value,
- Confirmation of results and drawing conclusions,
- Developing skills in building sustainable value.

Designating purposes connected with the sustainable value based on the rules of Sustainability Business:  $^{16}$ 

- Positive influence of the company,
- The brand and reputation positively perceived,
- Environmental processes in accordance with the planned environmental effect. Reaching acceptable financial results,
- Realisation of multidimensional measurements,
- Implementation of successful and effective strategy of competitiveness.

A clear answer to the fundamental question: Can a responsible company functionate better, can a well-functioning company be more responsible?

- Testing successful business scenarios,
- Work and growth,
- Looking for and eliminating gaps in the area of the sustainable development of a company on the basis of quota analysis.

Redefining the roles of stakeholders and their relations with the business by determining an influence of the company's activities on the value for the stake-

<sup>&</sup>lt;sup>14</sup> A. Jabłoński, Modele biznesu w sektorach pojawiających się i schylkowych, Tworzenie przewagi konkurencyjnej przedsiębiorstwa opartej na jakości i kryteriach ekologicznych, Dąbrowa Górnicza 2008, p. 19.

<sup>&</sup>lt;sup>15</sup> C. Laszlo, Firma zrównoważonego rozwoju, Jak wypracować trwałą wartość z uwzględnieniem efektów społecznych i ekologicznych, Warszawa 2008, p. 159–205.

<sup>&</sup>lt;sup>16</sup> J. Burchell, *The Corporate Social Responsibility Reader*, London and New York 2008, p. 111–118.

holders as well as determining the influence of the stakeholders on the value for the shareholders.<sup>17</sup> To that purpose one should deal with making maps of stakeholders' relations, a reproduction of stakeholders' agreements, identification of stakeholders' expectations, deciding on a kind of the stakeholders' power as well as monitoring them, and constructing a matrix of priorities.

#### Firma Bliska Środowisku /Company Close to the Environment

One of environmental programs available on the Polish market, which allows to determine what way companies realize the rules of Social Corporate Responsibility in reference to the environmental aspects as well as to what extent they meet the requirements of the environment is a contest "Firma Bliska Środowisku".

The main aim of the programme is a voluntary self-esteem of the companies later verified by experienced auditors and enabling its economic subjects to communicate its environmental sensitivity and achievements in the area of realization of the environmental strategy to the wide whole of the stakeholders.

The basic idea of the programme is promoting the rules of the sustainable development by creating effective and successful strategies built on the basis of environmental criteria realized on the level of companies. Simultaneously, the programme is an attempt to start relations on the environmental plane between the stakeholders shaping economic development in the regions. The ones managing the environment and taking advantage of it, who obey environmental requirements in their behaviours, shape their 'environment-friendly image' on the level which is acceptable by all the stakeholders.

The organizers of the programmes assume that the participants, who voluntarily undergo the verification in a form of an audit including all the functions and levels of an organization, want to demonstrate that they shape their business activity by:

- Promoting and observing the rules of sustainable development,
- Active cooperation of local governments and economic units for common environment-friendly actions,
- Building coherent, interdependent environmental strategies,
- Observing the rules of Environmental Corporate Social Responsibility,
- Promoting and creating active environmental sensitivity in the surroundings,
- Aspiring to excellence by applying innovative, environment-friendly solutions for products, processes and management systems,
- Being receptive to needs and listening carefully to the expectations of all your stakeholders.
- Creating environment-friendly undertakings in all your business activity areas,
- Competing based on a precisely selected combination of environmental criteria as indicators of the success on the market.

<sup>&</sup>lt;sup>17</sup> J. Adamczyk, *Społeczna odpowiedzialność przedsiębiorstw*, Warszawa 2009, p. 89–96.

The range of the programme involves legal and theoretical aspects of the ecology in an all-Poland and European dimension, i.e.:

- the degree of meeting legal requirements within the environment protection,
- the degree of application of the best techniques of environment protection,
- the degree of realization of the assumptions of the environment management systems,
- environmental sensitivity of the management and the staff,
- the degree of the realization of the investment undertakings good for environment protection (executed and planned ones),
- Company's image and reputation in the eyes of the local society in an environmental criterion.

### Report

On the basis of multidimensional practical experiences gained between years 2006–2008 while organising, running and managing the all-Poland contest and with use of theoretical discussions, a publication entitled *Ekologiczna, społeczna odpowiedzialność biznesu. Raport przedsiębiorstw i gmin odpowiedzialnych ekologicznie (Environmental Corporate Social Responsibility. The Report of Environment Responsible Companies and Municipalities)* was written.

Our experiences contained in the Report show theoretical assumptions and empirical analysis of the carried out researches provided with proper comments. The presented thesis, formulations and conclusions are based on the assessment of the case study of companies and municipalities which are characterized by the expectation of searching in environmental criteria of competitive advantages as well as a growth in the long-term value.

This study constitutes a collection of good practices in a range of environmental responsibility. The collected data on the environment-friendly actions of companies and municipalities were enclosed within the following frames:

- Company's profile/the Municipal Council,
- Technological and legal requirements,
- Requirements concerning business processes. Municipality's business activities,
- Requirements in reference to adapted strategy,
- The description of carried out investment undertakings,
- Most important achievements.

Important aspects regard for which a multidimensional analysis of all the prizewinners from the three editions of the contest "Firma Bliska Środowisku" was carried out, are:

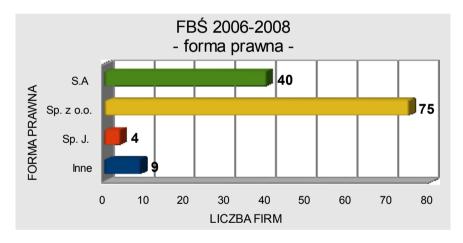
- Legal form of the awarded companies (Table, Fig. 1),
- The size of the company (Table 2, Fig. 2),
- A kind of the business activity run (Table 3, Fig. 3),
- Belonging to a particular sector (Table 4, Fig. 4).

Tab. 1. Total list of prizewinners from the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to the legal form

Legal form	FBŚ 2006	FBŚ 2007	FBŚ 2008	TOTAL NUMBER
				OF PRIZEWINNERS
Public Company	7	16	17	40
Limited Liability Company	22	28	25	75
Registered Partnership	2	1	1	4
Others	4	3	2	9
Total	35	48	45	128

Source: A. Jabłoński, M. Jabłoński, A. Primus, M. Spytkowska, *Ekologiczna, społeczna odpowiedzialność biznesu (Environmental Corporate Social Responsibility). Raport przedsiębiorstw i gmin odpowiedzialnych ekologicznie (The Report of Environmentally Responsible Companies and Municipalities)*, EFOE, Katowice 2010.

Fig. 1. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 - a division with regard to the legal form

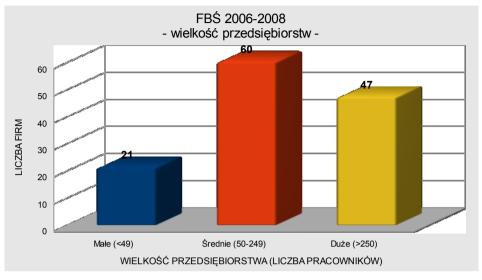


Source: ibidem.

Tab. 2. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008-a division with regard to the size of the companies

	FBŚ 2006	FBŚ 2007	FBŚ 2008	TOTAL AMOUNT
	FBS 2006	FBS 2006   FBS 2007   FBS 2008		OF PRIZEWINNERS
Small (<49)	5	9	7	21
Medium (50–249)	19	21	20	60
Big (>250)	11	18	18	47
total	35	48	45	128

Fig. 2. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to the size of companies



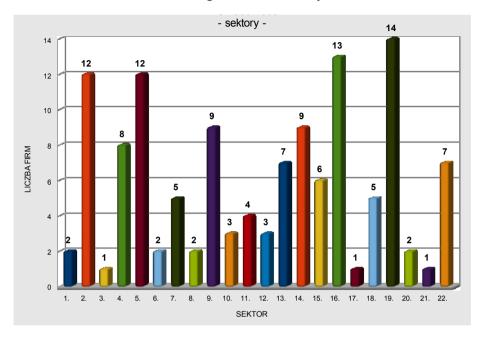
Tab. 3. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to the kind of business activity

	FBŚ 2006	FBŚ 2007	FBŚ 2008	TOTAL AMOUNT
	FBS 2006	FBS 2007	FBS 2008	OF PRIZEWINNERS
Production	11	13	12	36
Services	14	22	21	57
Trade	1	1	2	4
Production	5	5	6	16
and services	3	3	6	10
Production and trade	1	2	1	4
Production, trade	1	3	2	6
and services	1	3	2	
Trade and services	2	2	1	5
total	35	48	45	128

Tab. 4. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to the economy sectors

Item		FBŚ 2006	FBŚ 2007	FBŚ 2008	TOTAL AMOUNT OF PRIZEWINNERS
1	Banks and finances	0	1	1	2
2	Construction and building industry	3	5	4	12
3	Education	0	1	0	1
4	Power industry	1	3	4	8
5	Water supplies management	5	3	4	12
6	Mining	0	1	1	2
7	Trade	1	2	2	5
8	Hotels and restaurants	0	1	1	2
9	Chemical industry	2	4	3	9
10	Timber and furniture industry	1	1	1	3
11	Electronics industry	2	1	1	4
12	Petrochemical industry	1	1	1	3
13	Automotive industry	1	3	3	7
14	Food industry	6	3	0	9
15	Metal and alloys processing	3	2	1	6
16	Recycling and waste management	4	7	2	13
17	Telecommunications	0	0	1	1
18	Plastic	1	2	2	5
19	Public utilities	2	3	9	14
20	Logistics services	0	1	1	2
21	Medical services	1	0	0	1
22	Transport services	1	3	3	7
	total	35	48	45	128

Fig. 4. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to the economy sectors



Tab. 5. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008 – a division with regard to sector determinants

	FBŚ 2006	FBŚ 2007	FBŚ 2008	TOTAL AMOUNT OF PRIZEWINNERS	
Sectors working for	11	15	16	42	
the environment protection	11	13	10	42	
Sectors influencing					
the environment	8	13	11	32	
in an indirect way					
Sectors influencing					
the environment	16	20	18	54	
in a direct way					
total	35	48	45	128	

54 60 50 40 **ICZBA FIRM** 30 20 10 Sektor działa-Sektor oddziału-Sektor oddziałując negatyw nie jący na rzecz jący negatyw ochrony śrona środow isko nie na środow idow iska pośrednio sko w sposób bezpośredni **SEKTORY** 

Fig. 5. Total list of prizewinners the three former editions of "FBŚ" in years 2006, 2007 and 2008– a division with regard to sector determinants

### **Best practices**

Applying a proper environmental strategy is one of priorities in companies and constitutes a source to create the competitive advantage of the company/goods in the domestic, European and world market. Taking into consideration the character of the business activity, this process is analysed in reference to the 'Product Design' and the actions taken within its production, and its effect on the environment. Within a particular phase, the following stages are carried out: designing (analysing and completing the input data, the assessment of the project feasibility, and schedule of the project realization, coordination and approval of the documentation); implementation (manufacturing and trialling sample products); execution (making investment and start-up of the production; closure and archiving the documentation).

The process of planning quality/environment requirements involves: checking the requirements for the product (supervising Availability of Underground Waters and other significant environmental aspects); recognizing techniques and technologies for application (searching for suitable input material and technological solutions, determining environmental parameters of application and safety of the goods, distribution, competition (patterns and substitutes of other producers), de-

termining the possibility to adapt the goods after use, checking the requirements of the process: access to Economically Justified Applications of Best Available Technologies (BATNEEC), FMEA – according to the needs; the environment-economic analysis of the process (the effect of the applied substances/hazardous on the surroundings) (KChSN – the card of the characteristics of hazardous substances) during the manufacturing process, storing, transport, application, the energy-efficiency of the process, cost-effectiveness of the realization of the project (discounts methods)).

By determining optimal actions in the process of designing and developing products (on the base of planning reviewing verification, approving and updating of the Input and Output Data), one attempts to minimize the investment risk of the current projects and guarantee their profitability for the company.

Social actions:

- Trainings for employees,
- Information leaflets concerning the influence of the plant on the environment and its environment-friendly activities,
- Publication of environmental reports which shows the results of the activities,
- Environmental education programme for the young generation of the citizens of the municipality whose purpose is to educate the society within the range of, among others, the necessity to segregate the waste, and attention to the cleanliness of the nearby forests,
- Waste collection in schools,
- Campaign by voluntary bodies clearing the world, planting tress,
- Information and education campaign concerning the need to segregate the waste from the very beginning,
- Organising educational activities for schools,
- Charities supporting the public utility institutions such as PCK (Polish Red Cross), WOPR (Water Voluntary Emergency) schools, sick children, sports clubs, social welfare houses, centres for the disabled.

#### **Conclusions**

Environmental responsibility from a wider perspective shapes up an image of applied rules of Corporate Social Responsibility. Thus, on the basis of world experiences as well as an assessment of the directions of the management concept development, one can extend this notion with an additional component which clearly points at the factor distinguishing the companies for whom taking care of the environment is a key issue.

This way, one can formulate a definition of the ECSR concept – Environmental Corporate Social Responsibility which is connected with the following assumptions:

- ECSR is a concept of increasing the value of the company by the dynamics of using environmental criteria so as to meet the needs of the shareholders and stakeholders.
- ECSR is a platform for building an effective business model based on environmental criteria.
- ECSR is a source of creating environmental innovations for the sake of a long-term development and growth of the company.
- ECSR creates actions connected with the aspirations for the balance of the business needs between the shareholders and the stakeholders where the platform of the dialogue is connected with treating the ecology as a key factor of the success, investigating into critical processes with reference to their ecologization and development of bio-ecology (environment-friendliness) of the products.
- ECSR is a source of effective and successful use of a combination of material and non-material resources of the main factors of functioning by the company in the context of adopted environmental criteria (environment-friendly raw materials, environment-friendly machines, equipment, fixtures and fittings and other material resources of the company, knowledge about environment, environmental competence).
- ECSR is a kind of connector between the inner and outer surroundings (a comparison of factors concerning macrosurroundings, e.g. regulating, legal and political factors with reference to the inside of the company having an impact on the natural environment).
- ECSR is a guarantor of effective reporting standards of conduct for the stakeholders with reference to the internal functioning of the company (the laws of humans and nature, work and technology, working environment and natural environment, health protection and natural environment protection, etc.).
- ECSR is a platform for efficient use of intellectual property of the company (relational, organizational, innovative and human) in the aspect of increasing the social capital between all the stakeholders.
- ECSR is a source of decreasing the business risk of a company (an improvement on credit standing, improvement on business credibility, reduction in process risk of the company's strategic resources).<sup>18</sup>

It is inevitable for the development of this trend of corporate responsibility to provide proper environmental competences. These competences are treated as skills inevitable for coordinated involvement of resources so as to achieve the organization's purposes. The highest position in the hierarchy of the resources belongs to key competences as a unique combination of knowledge, technology and skills. The environmental competences built pursuant to environmental knowledge can emerge as environmental quality and innovation. They can be the basis for

<sup>&</sup>lt;sup>18</sup> A. Chodyński, A. Jabłoński, M. Jabłoński, Environmental Corporate Social Responsibility (ECSR) – koncepcja strategiczna budowy wartości firmy oparta na kryteriach ekologicznych, "Przegląd Organizacji" 2008, No. 3, p. 31.

environmental strategies of companies. The environmental competences that are created should be looked into from the aspect of cooperation with the surroundings and realization of the Social Corporate Responsibility.<sup>19</sup>

 $^{19}$  A. Chodyński, Wiedza i kompetencje ekologiczne w strategiach rozwoju przedsiębiorstw, Warszawa 2007, p. 14, 43.