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CORPORATE SOCIAL RESPONSIBILITY OF TRANSPORT COMPANIES ON THE LABOUR MARKET

Abstract

Being a socially responsible company brings about many benefits but is also a challenge. Therefore, every company, especially a transport company should generate organisational behaviour on an internal and external labour market which are positively verified by its current and potential employees. They are the ones who care about the existence of the enterprise and its economic condition. Therefore, the goal of this paper is to present the challenges of corporate social responsibility which determine the freedom of organisational behaviour of transport companies on the labour market.

Keywords: corporate social responsibility, CSR, labour market, enterprise, transport sector

Introduction

The economic globalisation processes, development of transport infrastructure, increase of the population and the mobility of the people are the main factors which determine the importance of the transport sector. Entities in that sector are expected to provide an increasingly high standard of services while handling the increasing efficiency pressure. Competing on the global markets, they are forced to look for ways of creating advantage. It can result not only from technological, informational or financial advantage but also from a competitive advantage of the quality of the human capital at the company's disposal.

High quality of the human capital determines the company's ability to create various types of the roots of competitive advantage, such as the creation of the relations with the environment, the quality of products and processes, the acquisition and use of information, etc. Most of all, it allows to successfully adapt the instruments appropriate to a given competition strategy through the construction of competitiveness potential, especially important for transport companies. It only seems natural that on such a dynamic market there is a demand for a well-educated staff.

An increased labour demand is accompanied by the changes on the supply side of the labour market. The labour market of the transport sector evolves in a quantitative and qualitative way. This process is a reason behind many challenges for all the entities on the market, especially for the employers who are forced to look for better ways of shaping the employment structure while managing the well-being of the employees.

As a result, transport companies start to introduce the ideas of corporate social responsibility (CSR) in their activity. Certainly, being a socially responsible company brings about many benefits but is also a challenge. However, CSR doesn't just boil down to wide scale and trumpeted up charity actions. Every company should generate organisational behaviour on an internal and external labour market which are positively verified by its current and potential employees. They are the ones who care about the existence of the enterprise and its economic condition.

Therefore, the goal of this paper is to present the challenges of corporate social responsibility which determine the freedom of organisational behaviour of transport companies on the labour market.

Corporate social responsibility is based, among others, on the creation of proper relations between the employer and his employees. The labour policy of the companies is determined by the increased significance of the employee in the current economy. It affects both the employee, treated as a partner-stakeholder, who affects the organisation and its development possibilities but also the company who carries out the social responsibility policy. Therefore, a moral and social contract between the employer and the employee is necessary to regulate the organisational behaviour on the labour market.

1. Corporate social responsibility as a challenge for transport companies

The essence of corporate social responsibility and its rules has its roots in the theory and practice starting in the fifties of the 20th century. It is based on the assumption that every company exists in a wider sociological context as a part of a society, not as an autonomic being. This puts pressure on the resulting problems and shows a diverse perception of social responsibility by economic entities. Three perspectives can be identified (Nakonieczna, 2008, pp. 18–21):

- ethical;
- economic;
- social-business relations.

The ethical dimension of the social responsibility points out the moral responsibility of the company and its obligations in regards to clearance of its activity to the society. The company should be responsible to the internal and external stakeholders. Such an organisation should face the needs and expectations of its internal and external customers, respect them and strive for them. Both sides are responsible for their actions (Zbiegień-Maciąg, 2002, pp. 217–218). An ethical attitude of a company requires the ability to foresee and handle the consequence of its actions while also respecting the social good, even if it requires sacrificing short-term profits (Minus, Ed., 1995, p. 37).

The economic perspective tends to put the economic responsibility at the base of CSR. This aspect was noticed especially by A.B. Carroll (1993, pp. 32–35), where four degrees of corporate social responsibility were identified: economic and legal which are required by the society, ethical which is expected and philanthropic which is desirable. In this view, the economic responsibility is the most important one. The company should be profitable in order to survive and only then it can think about other responsibilities. Therefore, the economic responsibility is said to be fundamental as are the existential needs of a human being. The other degrees of the social responsibility are secondary obligations which are based on the economic responsibility.

The third perspective concentrates on the character of the relations between the business and the society. In this view, the corporate social responsibility is treated as a natural occurrence, which is a consequence of strong relations between the companies and the society. Companies, which are open systems, need to take into account the interactions with the environment, which through the feedback mechanism, affects their functioning. One can say, that the corporate social responsibility is a natural consequence of these relations (Nakonieczna, 2008, pp. 20–21).

Corporate social responsibility is therefore a holistic approach, which focuses on the social relations from an economic point of view (Paliwoda-Matiolańska, 2009, p. 40). This approach is a result of negotiations with the company's stakeholders. The main problem is to establish which entities the company is responsible for and to what extent. It is necessary due to different interests, rooted in different objectives carried out by the groups (Figure 1). A success in these actions allows a stable and permanent growth of a company, while creating beneficial conditions for an economic and social growth (Paliwoda-Matiolańska, 2009, p. 77). Companies which are socially responsible can and are willing to balance out the interests of various group in order to create economic value which is socially desirable¹.

Employees are one of the most important stakeholder groups in the transport companies. Proper relations with the employees plays a key role in economic activity, especially from the perspective of a socially responsible company. Used CSR standards lead to a better upkeep and motivation of the employees (Figura, Michałowska, 2016, p. 31).

¹ The European Commission defines corporate social responsibility in a similar way, by pointing out its ecological aspect. It is defined as a concept of voluntarily including the social and ecological aspects by the economic entities in their trade and in relation to their stakeholders. See: (*Green Paper*, 2001, p. 6).

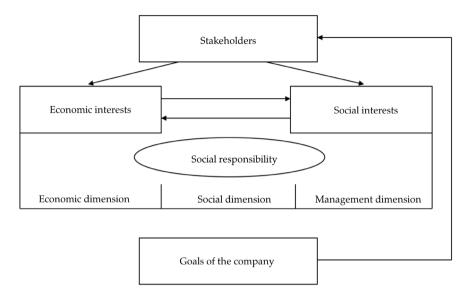


Figure 1. Corporate social responsibility from the point of view of stakeholders and their preferences

Source: (Gableta, 2003, p. 96)

This is crucial in the provision of transport, haulage and logistics services. The customer expectations increase in this sector, leading to an increase demand for high quality labour. It determines the transport companies' ability to create other sources of competitive advantage, such as the creation of the relations with the environment, the quality of products and processes, the acquisition and use of information, etc. Most of all, it allows to successfully adapt the instruments appropriate to a given competition strategy through the construction of competitiveness potential (Frejtag-Mika, Ed., 2006, p. 136). However, competitiveness is a dynamic process and the acquired advantage is relative. Therefore, the transport companies should find a way of adapting to the environment in a better way than their competitors, that are affected by similar conditions. Competitiveness on the labour market is crucial, which can be seen as a concentration of will and activities on the acquisition and upkeep of engaged staff, who have the competences necessary to increase the effectiveness of the organisation. Such a potential allows an effective competitive battle on the transport market. It goes without saying that there is a correlation between an increase of the employees' qualifications (regardless of the position in the hierarchy) and the competitiveness level of the company (Adamkiewicz-Drwiłło, 2010, p. 353).

Corporate social responsibility can be, and usually is, an answer to the corporate needs for the relations with the employees. It is also a challenge as the transport companies' behaviour is verified on the labour market in regards to its social responsibility, thus creating the freedom for socially acceptable behaviour.

2. Organisational behaviour of transport companies on the labour market

Current labour market is characterised by significant dynamics and changes of behaviour of both the supply and demand part of the market. Employers, regardless of the sector, want to fulfill their economic goals, while minimizing the risk and are looking for such employees who will want to fulfill certain expectations. At the same time, the employees are becoming more and more demanding towards the entities for which they provide their labour. This market game plays out in the regulatory conditions which affect the transport companies in a different way.

The companies in this sector generate organisational behaviour which is an identification of particular decisions made by these entities². While providing a certain knowledge they are also a source of useful information on the acceptable activity on the labour market. This market can be described as a way of verifying the effectiveness of economic entities as it points out which organizations have a chance to operate in the long-term and punishes the ones, which didn't create effective activity mechanisms and have therefore lost the chance for further activity (Fryca, 2007, p. 8). It is especially important on the transport market (the mechanisms are particularly visible on the road transport market). When a company makes a certain decision it has to take into account not only the opinions of the customers or suppliers but also the current and future employees. Shaping a positive image of an employer can be considered a basis for the acceptable behaviour on the labour market, which is also socially responsible.

The image of the employer, that is the reputation shaped in the conscience of current and potential employees, based on their personal experience and the information provided by the employer and reaching the employees (Baruk, 2009, p. 10) requires a deliberate formation. There are two main groups of recipients of that image: current employees which form the supply side of the internal labour market and the people outside the organisation, which function on the external labour market. In both cases, specific organisational behaviour of the companies generated on both of the labour market segments can be identified (Figure 2).

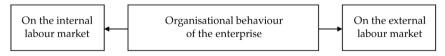


Figure 2. Areas of organisational behaviour of the enterprises Source: (own elaboration)

Companies, while making decisions regarding the employment, do so while under the influence of certain regulators: regulatory attributes of the labour market, regulatory activity of the company in regards to the legal conditions of the provision of labour and the work policy, which sometimes reduce the freedom of choice.

Organisational behaviour of the transport companies and the importance of the appropriate decision making processes are described, among others in: (Szałucki, 1999, p. 25).

At the same time, economic entities adapt to the sector specifics, especially to their financial potential. It is worth noting, that the external regulations strongly affect the need to adapt the internal regulators, especially at the human resources level. This can lead to a socially responsible behaviour which is rooted in obeying the rules put forward by the socioeconomic system in which the companies function. However, this pressure can be interpreted by these entities in a different way, which leads to differences in the formation of internal conditions of the employment. As a result, companies behave differently on the labour market, not always in a socially responsible manner. This differentiation also happens within the same sector – not all of the transport companies behave in the same way – therefore the behaviour is not entirely affected by the sector specifics.

The observed organisational behaviour on the labour market is dependant mostly on the financial results of these companies (Figure 3). It is hard to care about the employment in the conditions of bad or decreasing financial condition of the enterprise. Such a situation enforces savings and remedial actions, which do not go together with an above average care for the employees. Hence, the majority of socially irresponsible behaviour shown by companies in such a condition.

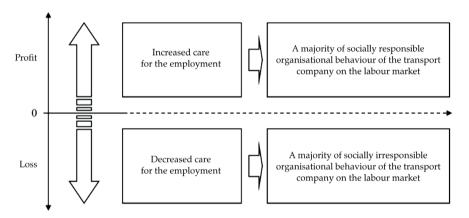


Figure 3. Simplified relations between the financial result of a transport company and its organisational behaviour on the labour market Source: (own elaboration based on: Gableta, 2003, p. 93)

What is more, the companies with low profitability are often unable to generate a financial surplus which would allow a reinvestment of capital. A strive for a spectacular profit often leads to a reduction of employment and activities in the personnel area to a bare minimum. On the other hand, a declining financial situation can result from additional activities towards the employees in the conditions which are not beneficial enough.

M. Gableta (2003, p. 93) points out that only once a proper financial result has been achieved, there is a basis for a care for employment. At the same time, it has to be accompanied by a belief that such, socially responsible behaviour, will result in an economic, beneficial result, if analysed in the long term.

Based on that, there are two directions of the formation of socially responsible organisational behaviour on the labour market: socially responsible and socially irresponsible (Figure 4).

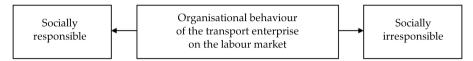


Figure 4. Characteristics of organisational behaviour of the transport companies on the labour market
Source: (own elaboration)

The former are characteristic to the companies which have the regulatory conditions suitable for a care for employment, which engage their staff in socially responsible activities, while understanding why it is important to do so. Their good financial condition supports such a direction and their extent is often broadened while still being engaged in socially responsible initiatives.

Socially irresponsible behaviour is a second kind of the companies activity. Such behaviour is characteristic for the companies with bad or declining financial condition, which decrease the extent of their activity in the social area, thus caring less about the employment. However, a bad financial condition only partially justifies the creation of regulatory conditions which provoke socially irresponsible behaviour. The second reason might be a low awareness of the necessity of socially responsible behaviour and their benefits.

3. Characteristic of organisational behaviour of transport companies on the labour market

Organisational behaviour of transport companies are generated both on the external and the internal labour market. From the point of view of the company image, the organisational behaviour of the company on the internal labour market are the source of knowledge on the company for the potential employees. They should therefore be treated as primary and a reason for the structurisation, thus justifying a wider research.

A moral and social contract which exists between the employer and the employee which allows to fulfill the goals of both groups is the basis for the regulation of organisational behaviour on the internal labour market. The condition of the employee can be treated as a common and synthetic field of interest. Reaching a certain physical, mental and social capacity is the goal of both the employer and the employee. It conditions the attitude and therefore the behaviour of the entities on the labour market of the transport sector.

A search for activities which are beneficial for the employees allows to identify the areas of formation of socially responsible organisational behaviour in this sector, which are visible on the internal labour market. Three areas which are especially important are presented in Figure 5.

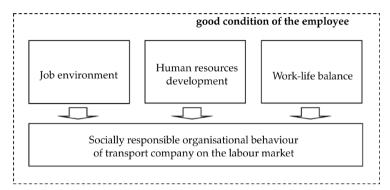


Figure 5. The areas of socially responsible organisational behaviour of transport company on the internal labour market Source: (own elaboration)

Among the identifiable socially responsible behaviour of the transport companies, there is the behaviour in regards to the job environment. This is a diversified field of potential activities and thus requires a more careful reference to the social acceptable attitudes of the employers. Each of them can be attributed with a set of standards which determine the work environment functioning. However, the socially responsible behaviour has to be a result of deliberate regulations in that area. They have to go beyond the duties of the companies and be based on facultative, above average social obligations towards the employees.

Only then can they bring expected benefits, that is the positive attitudes of the employees: honesty and job engagement as well as the willingness to take part in the formation of a socially responsible company.

One can say, that in the case of transport companies, a safe and healthy work environment are just the beginning. In this sector, among others, the following behaviour can be treated as socially responsible³:

- a provision of technically and socially sound work environment, which is important not only due to personal safety but due to employees' comfort – e.g. the activities of the PIOMAR company, which upgrades the fleet and provides training on work safety and has also prepared procedure for threat signalling; on the other hand, HSF Logistics Polska provides the employees with WiFi connection, television room, fully equipped kitchen, social bedroom, gym, arcades and delivers the drivers to their labour place;

Many examples of organisational behaviour of transport companies can be found in the articles on the good practices of corporate social responsibility. At the beginning of 2018, an organisation called TLP prepared a report which describes the following companies: Przedsiębiorstwo Wielobranżowe "Wega A" sp. z o.o., PIOMAR sp. z o.o., XPO Logistics, KRONE, HSF Logistocs Polska sp. z o.o., DARTOM sp. z o.o., DKV Euro Service, Grupa Raben, IVECO, TARGOR-TRUCK sp. z o.o., VOLVO Polska sp. z o.o., Maszoński Logistic, Renault. Based on: http://tlp.org.pl/csr-spoleczna-odpowiedzialnosc--biznesu/.

- a care for the health of the employees and their knowledge on healthy lifestyle as introduced by the Raben Group in the form of a Healthy Week (a programme promoting a healthy lifestyle), dietician lectures, sport classes (fitness and running during Rabeniada) or canoeing for the employees of WEGA A company; on the other hand the TARGOR-TRUCK company has its own football team and promotes healthy lifestyle by aiding the construction of external gyms next to the parking lots, petrol stations, workshops and motorway stops;
- a partner-like approach to the employees along with engaging them in the dialogue on the improvement of the work environment for example the activity of the companies in regards to the trainings which the employees demand such training is often organised on demand;
- a care for internal communication, especially in relation to the expectations of the company towards the employees in regards to the ethical standards while also taking into account the information from the employees by the managers – in many companies there are communication forms such as newsletters, in which publisher regularly can inform the employees on the activities within the enitities (e.g. Transport GADUGAGU in WEGA A); "A quarter of an hour for us" in XPO Polska is a series of team meetings during which crucial problems are discussed;
- a creation of friendly work environment and avoiding conflict based on different interests – e.g. an introduction of ethics, anti-mobbing and anti-discrimination codes (such behaviour is formalised by TARGOR-TRUCK);
- a care for an equal care for the employees regardless of their age, gender or religion – e.g. the actions of the WEGA A company towards the equal opportunities of men and women in regards to their positions and salaries but also being audited in regards to the ethical practices towards the respect for the human rights and the equality of all the employees as proven by a high value of the SEDEX index (XPO Logistics Europe); KRONE and TARGOR-TRUCK appreciate the effort and integrate disabled people.

The second area in which socially responsible organisational behaviour of transport companies is visible on the internal labour market is the human resources development. Two dimensions can be pointed out in this field: direct and indirect. Beyond any doubt, in the direct dimension, the CSR policy requires to train the employees on the idea of social responsibility and the organisational ethical standards⁴. The employees can identify themselves with the direction chosen by the employer if they have an appropriate, up-to-date knowledge. However, the personnel development, is mostly a personal need, which lies in the interest of a socially responsible company. Therefore, effective actions towards the provision of personal and professional development as well as the provision of clean rules and real promotion possibilities indirectly affects a greater effectiveness of the companies in the introduction of socially acceptable practices. Thus, it can be an area of diverse socially responsible behaviour of transport companies.

It is easier for the companies which have formalised ethical codes, e.g. there are such codes in a few public transport companies in Poland: http://www.km.kolobrzeg.pl/o-firmie/kodeks-etyczny-pracownikow?showall=&start=1; http://www.mza.waw.pl/spolka-mza/informacje-o-spolce/kodeks-etyki-mza; https://www.kmplock.eu/www/kodeks-etyki/.

Having a job is no longer a value itself, and the ethics, both in the professional and in personal life grows in significance. Therefore, one more area of socially responsible behaviour of the transport companies on the internal labour market should be mentioned, that is the work-life balance. It is particularly hard to maintain in the case of professional drivers in the road cargo transport. They often leave the country for many days which doesn't facilitate the upkeep of family bonds. Therefore, the vacation policy has to be created consciously and employees should be integrated, also by organising family meetings. The respect for the time which the employee spends with his family is a valuable thing. Thus, this area is also considered when looking for solutions which should be beneficial for the companies which introduce their concepts of social responsibility.

The ability to create pride and work satisfaction as well as the feeling of belonging in an enterprise is the result of the efforts towards the good condition of the employees, which characterises only some of the transport companies. Their socially responsible behaviour is dependent on the purposeful actions towards the formation of internal regulation systems in a prosocial way. Some companies lack that ability, they are in a bad financial situation or they formulate their primary goals in a different way. Ultimately it leads to behaviour which can be read as socially irresponsible. A bad financial position is a problem which affects mostly the small transport companies and which leads to a lack of investment in new and safer vehicles. This means that the companies force their drivers to use vehicles which are not entirely operational and which don't meet the ecological norms.

There is a lot of areas in which immoral actions can be observed, which leads to a bad condition of the employees and therefore a weak identification with the employers which blocks any effective actions in the field of CSR. The three most important areas are shown on the Figure 6.

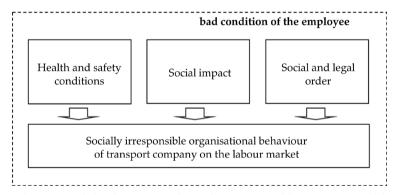


Figure 6. The areas of the formation of socially irresponsible organisational behaviour of transport company on the internal labour market Source: (own elaboration)

The health and safety conditions are especially important among the identified socially irresponsible behaviour of the companies. In the transport sector, as is the case in the other sectors, employers often disregard even the most basic

standards and conditions resulting from the external and internal regulations. Such a lack of respect for human and professional rights doesn't support the formation of a positive image of the employer. Building work relation from the position of force, employing based on a part-time contract, based on unstable civil contracts (in case of a work organisation typical for the work contract) are especially negative. Forcing the employees to work overtime without an additional pay, endangering their health and life due to a disregard of health and safety regulations and many other practices are unacceptable from the point of view of CSR in the transport sector.

There is a long list of unethical behaviour towards the employees which are visible in the area of social impact, which should be treated as socially irresponsible. They include (Paliwoda-Matiolańska, 2009, pp. 115–119):

- mobbing at work;
- sexual harassment;
- blackmailing, sabotage and theft at work;
- invigilating the employees;
- bribery;
- discrimination at work;
- slavery.

Both creating the conditions which support these actions and their acceptance by the managers is unacceptable. Such behaviour of the transport companies usually have their roots in the organisational culture which supports pathology and motivational systems which enhance the socially irresponsible behaviour on the internal labour market.

Also, the actions which disregards the basic human rights have to be treated as socially irresponsible. They are visible as the rules which are focused on the behaviour on the internal labour market which leads to a social and legal order without the primary respect for these rights. The most important employee rights, which are a result of human dignity and which are described in the papal teaching are⁵:

- a respectable and just salary;
- protection from discrimination, e.g. due to family responsibilities;
- worktime and workload suitable for the capacities of the employee;
- sunday and holiday vacation;
- a safe and healthy work environment;
- a right to unionise and many others.

A lack of respect for these rights has to be treated as a lack of social responsibility.

Conclusions

Formulation of relations with the potential and current employees leads to a number of challenges resulting from the idea of social responsibility of a transport, haulage and logistics activity. Not all of the companies handle these challenges.

A wide analysis of the employee rights resulting from the human dignity, based on the papal encyclicals is presented by M.A. Zigarelli. See: (Zigarelli, 1993, pp. 75–82, in: Rybak, 2004, p. 159).

The ones who try and introduce the CSR ideas expect to receive benefits from these actions. The introduction of CSR practices should lead to a stable employment, a higher job satisfaction of employees and their families, an image of good employer, a possibility to avoid legal or publicity conflicts and thus achieving a high market position.

The research has shown that the transport companies face the challenges of the socially responsible business in a number of different ways which leads to a diversity of observed behaviour in regards to their characteristics, direction and strength. There were also examples of socially responsible behaviour among the identified behaviour.

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