

CORPORATE SOCIAL RESPONSIBILITY FROM THE PERSPECTIVE OF COMPANIES PROVIDING EXPRESS COURIER SERVICES IN THE CZECH REPUBLIC

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Abstract

Purpose: Corporate social responsibility (CSR) has been lately an extensively discussed topic. CSR has influence on how customers see companies. This concept is important not only for customers, but also for other stakeholders such as are the following: investors, employees, the general public, media, the state and other. With the development of e-commerce social responsibility issues become more and more important for companies providing express courier services. The aim of this paper is to present and to compare approaches taken by the selected companies providing express courier services in the Czech Republic territory to CSR issues.

Design/methodology/approach: The theoretical background of this paper is based on foreign and domestic literature. Information published by the selected companies on their individual web pages is used in this paper. The focus of attention is approaches of the above-mentioned companies to CSR regarding their economic, environmental and social aspects and impacts. Content analysis and comparative analysis of publicly available information were selected to be the research methods for this research task.

Findings: This paper focuses on presenting the individual approaches of the selected companies to CSR. These individual approaches are compared on the basis of economic aspects, environmental aspects and social aspects and on the basis of those impacts that get the biggest attention from the individual selected companies.

Research/practical implications: This paper summarizes publicly available information about the individual selected companies' approaches to CSR. This collected information is analysed and compared with regard to important economic, environmental and social aspects and impacts of these companies. Programs that are implemented by the individual selected express courier services companies in accord with CSR are the subject of the research interest.

Originality/value: This paper summarizes and compares approaches of the selected companies providing express courier services in the Czech Republic territory to CSR issues. The experience gained in this research contributes to extending the knowledge in the area of CSR with regard to this type of companies that are becoming increasingly important thanks to growing significance of e-commerce.

Keywords: express courier services, corporate social responsibility, environmental aspects, social aspects

JEL Codes: M14, Q01, Q56

Introduction

Business entities both large and small and medium-sized companies regardless of their legal form and regardless of their industry sector significantly contribute to sustainable development of the entire society. Doing business in agreement with the sustainable development concept requires changes in all business processes and in the entire company management system. A whole range of measures and procedures must be introduced into company practice in order to achieve compliance with company goals in the area of sustainability. Doing business in compliance with sustainable development principles is characterized by the fact that the company is on the path towards sustainability; sustainability is the ultimate goal that the company strives to achieve (Dyllick and Hockerts, 2002). Currently sustainable business becomes the standard. Respecting this standard helps to change the perceived image of the individual business sectors and of individual companies in the eyes of the public and of other stakeholders.

This paper deals with the application of corporate social responsibility (hereinafter CSR) principles in selected companies providing express courier services in the Czech Republic territory. The main focus of our attention in this paper is primarily those CSR aspects that are the prime focus of attention of the mentioned companies.

1 Theoretical background and methodology

Business success depends primarily on economic performance of a company, but it is also influenced by the environmental performance and by company's approach to social problems. In the existing globalized and turbulent environment companies are influenced by whole range of trends. Various stakeholders influence company's success, however, their interests

are often different (Buchholz and Rosenthal, 2005). The CSR concept is based on a three-pillar concept of sustainable development (Elkington, 1998); the goal is such development of the business that provides for the balance between the three basic pillars: the economic, the environmental and the social pillars. According to Elkington (1998) this means to integrate the economic, the environmental and the social aspects into company's management. A lot of companies thus, on a voluntary basis (and beyond legal requirements) strive to integrate the environmental and the social perspectives into their business strategies and CSR principles are projected into company processes and general activities. The application of CSR principles must be however embedded into the company's strategic, process and value context. Corporate sustainability management strives to interlink the environmental and the social aspects with financial management and competitiveness and it also very narrowly related to external communication about CSR activities.

In recent years the CSR concept has proven to be an important and widely discussed topic both on the academic grounds and on the corporate level. CSR is not only a fashion trend or a fashion idea but it represents a total company approach (Wu, 2002; Scherer and Palazzo, 2011). CSR is defined as responsible business, as corporate conscience or corporate citizenship; it is a form of corporate self-regulation integrated into a business model (Wood, 1991). According to McCarthy et al. (2017) it represents involving actions that appear to further some social good, beyond the interests of the company and beyond what is required by law. Standard ISO 26000 defines CSR as the responsibility of the company for impacts of the company's decisions and activities on the society and the environment; this responsibility is closely linked with transparent and ethical behaviour of the company (ISO, 2010). This provides the maximum contribution to sustainable development since inside the company all three key sustainability areas are integrated. The concept is based on the assumption that company long term success is based on the balance between the economic, the environmental and the social performance (Rahardjo et al., 2013) that is in agreement with stakeholders' interests; the permanent dialogue with the stakeholders is a very important aspect.

With regard to the development of e-commerce CSR issues become more important also for express courier services. There is high pressure to improve the efficiency of logistics services due to rising operating costs and due to fierce of competition among carriers. Additionally, society asks for higher standards of environmentally friendly transport practices. This is also true for express courier services and logistics service providers that have to fulfil in-time delivery under multiple constraints (Kunkel et al., 2010).

The aim of this paper is to present approaches of the individual selected companies providing express courier services in the Czech Republic territory to CSR and to compare these companies based on the economic, the environmental and the social aspects and impacts that get the most attention by these companies. The selected research methods used are the content analysis and the comparison analysis here. These methods are based on publicly available information about CSR activities provided by the selected companies on their company web pages. Based on this information those CSR aspects are identified which are considered important by these companies. The classification of CSR aspects is based on recommendation provided by the GRI (2017) on sustainability reporting. GRI is an international, independent organization that helps businesses, governments and other organizations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others. GRI produces the world's most trusted and widely used standards for sustainability reporting, which enable organizations to measure and to understand their most critical impacts on the environment and the society. CSR aspects are divided into three areas. These three areas are: the economic area, the environmental area and the social area (see Table 1).

Tab. 1: CSR aspects

Economic area	Environmental area	Social area
Economic performance	Materials	Employment
Market presence	Energy	Labour/management relations
Indirect economic impacts	Water	Occupational health and safety
Procurement practices	Biodiversity	Training and education
	Emissions	Diversity and equal opportunity
	Effluents and waste	Equal remuneration
	Products and services	Non-discrimination
	Compliance	Collective bargaining
	Transport	Human right
	Supplier assessment	Local communities
	Grievance mechanisms	Anti-corruption
		Public policy
		Anti-competitive behaviour
		Customer health and safety
		Product and service labelling
		Marketing communication
		Customer privacy
		Compliance
		Supplier assessment
	Grievance mechanisms	

Source: GRI (2017)

In order to meet the defined objective we have executed first the content analysis, then the comparative analysis (comparison of published information with the GRI recommendations) and then we have executed the synthesis of the acquired pieces of knowledge.

2 Results and discussion

Companies active in the Czech market providing express courier services have been selected for this analysis. We have selected four companies that reported the highest sales in year 2014 and in year 2015. These companies are the following companies: Česká pošta, s.p. (hereinafter CP), DHL Express (Czech Republic) s.r.o. (hereinafter DHL), DB SCHENKER spol. s r.o. (hereinafter SCHENKER) and TNT Express Worldwide, spol. s r. o. (hereinafter TNT). Basic information about sales is presented in Table 2.

Tab. 2: Sales in selected companies providing express courier services

Company	Year 2014	Year 2015
CP	18 553 000 CZK	18 488 000 CZK
DHL	5 822 848 CZK	6 693 990 CZK
SCHENKER	4 558 273 CZK	4 813 517 CZK
TNT	2 484 929 CZK	2 460 512 CZK

Source: Česká pošta (2017), DHL (2017), DB SCHENKER (2017), TNT (2017)

CP provides a range of services in the area of processing information, payments and products both in the traditional manner and the electronic manner. It also guarantees the provision of universal postal services. Regarding express courier services CP offers service *Parcel Express* that is, under certain conditions, provided in the territory of the capital city Prague and in the capital cities of the individual regions (county towns). This service guarantees same day delivery to the addressee. CP communicates about its CSR activities primarily in its annual reports. Attention is given to employee care, to training programmes and to other educational activities, to sponsoring as well as to environmental protection (in particular in the area of emissions reduction). CP puts a lot of stress on the code of ethics, company values and cooperation with partner schools. For instance in year 2015 CP participated in a project focused on the prevention of breast cancer and melanoma.

DHL operates in more than 220 countries around the world and it employs more than 340 000 employees. DHL around the world offers express delivery services by means of air, road, maritime and rail transportation. It also operates in warehousing, packaging,

international delivery of mail and parcels. DHL offers domestic express courier services with various delivery methods. This service represents delivery of urgent shipments on the same day, or on the following day or for less urgent shipments delivery on a pre-agreed day. CSR is presented as an essential part of the corporate strategy. In agreement with the motto of the company “Living Responsibility” DHL focuses on environmental protection, it provides support in natural disasters management, it supports education and voluntary activities.

Company SCHENKER operates in 140 countries around the world. It provides integrated logistics solutions and it offers global forwarding services. It operates its services on international level and it provides road, rail, air, maritime freight. In the Czech Republic it has been active for 25 years in all regions. Regarding express services it offers express pallet transport around entire Europe. The shipment uploading is done in any Czech Republic place within two hours from order generation. The company strategy declares to strive for sustainable business from the economic and the social, but also the environmental point of view. In the environmental area it focuses on emission and noise reduction and on efficient use of natural resources.

Company TNT operates in total in 61 countries. It delivers goods and documents around the world. TNT focuses on express delivery. In this category it provides a couple of services. Service *Express* guarantees delivery of urgent shipments on next day, service *Special services* on the same day and service *Economy express* provides delivery of less urgent shipments while customers can order an exact delivery time. Another express service is *Night express*. Thanks to this service shipments can be delivered over night. This service uses night boxes so the recipient of the delivery does not have to be present in person. CSR is presented as an essential part of the corporate strategy. This company focuses primarily on health and occupational safety of its employees and on environmental protection where it focuses on CO₂ emission reduction.

Table 3 summarizes the results of research in accordance with the aspects of CSR to which the selected companies give attention on their web pages. It is obvious that these are the aspects considered important by the companies from their stakeholders' point of view. The classification of the aspects falling under the individual areas is based on the GRI recommendations. In each area there are marked those aspects that are communicated on the web pages by the selected companies (although the level of detail and the level of complexity of the provided information vary).

Tab. 3: CSR aspects

Aspects/Companies	CP	DHL	SCHENKER	TNT
Economic area				
Economic performance	●	●	●	●
Market presence				
Indirect economic impacts	●	●		
Procurement practice				
Environmental area				
Materials				
Energy		●	●	●
Water				
Biodiversity				
Emissions	●	●	●	●
Effluents and waste				
Products and services		●	●	
Compliance				
Transport				
Supplier assessment				
Grievance mechanisms				
Social area				
Employment	●	●	●	●
Labour/management relations				
Occupational health and safety	●			●
Training and education	●	●	●	●
Diversity and equal opportunity	●	●		
Equal remuneration				
Non-discrimination				
Collective bargaining	●			
Human right	●			
Local communities	●	●		
Anti-corruption	●			
Public policy				
Anti-competitive behaviour				
Customer health and safety				
Product and service labelling				
Marketing communication				
Customer privacy	●	●		
Compliance				
Supplier assessment				
Grievance mechanisms				

Source: Authors

It is clear from the results of this research that the selected companies see economic performance to be important. These companies inform external stakeholders about their long-term assets and about their current assets, about equity and about liabilities. They often

provide detailed information about their economic results and about their cash flows. Two companies (CP and DHL) also pay attention to indirect economic impacts of their activities, they inform about the extent and the type of investments into infrastructure and into service support. The companies do not find it important to provide information that can be classified under the GRI recommendation as *Market presence* and *Procurement practice* areas information.

All of the analysed companies pay a lot of attention to environmental aspects and impacts. With regard to the business sector these companies are interested primarily in providing emission related information. Three companies (DHL, SCHENKER and TNT) inform their stakeholders about consumed energy and they declare they strive to reduce energy consumption. DHL and SCHENKER pay attention to reducing the environmental impacts and they inform about measures taken to reduce such environmental impacts. None of the researched companies considers important to provide information about material consumption, about water management and waste management, about their influence on biodiversity, about compliance with environmental laws, about their supplier environmental assessment and about handling mechanism of grievance related to environmental aspects and impacts.

These companies consider the level of employment and training and education of their employees to be the most important social aspect. These companies understand the importance of their employees for the success of their business activities. They inform about the number of employees and about the company approach to employee education. Also from the additional provided information (related for instance to occupational health and safety, to diversity and to equal opportunities) it is clear they consider their employees to be important stakeholders from the CSR viewpoint. Local communities are also considered to be an important stakeholder in the CSR area by these companies. They pay attention to their activities' impacts on local communities and they present development programs. Two companies (CP and DHL) declare responsible approach to customer privacy data. All companies completely leave out social aspects: *Labour/management relations*, *Equal remuneration*, *Non-discrimination*, *Public policy*, *Anti-competitive behaviour*, *Customer health and safety*, *Product and service labelling*, *Marketing communication*, *Supplier assessment*, *Compliance and Grievance mechanisms*. Among the analysed companies it is CP that communicates the most about social aspects.

Conclusion

It issues from the results of this research that the selected companies providing express courier services pay attention to CSR aspects. It is primarily their employees, their customers and their local communities who are the stakeholders addressed by CSR activities. In their communication the companies stress primarily their economic performance, the management of their environmental aspects and impacts (mostly focused on emissions), company approach to employees and they declare efforts to co-operate with the local community. Given the significant development of e-commerce it can be assumed that CSR issues shall become more important for companies providing express courier services. This fact issues also from the Czech Republic's climate protection policy and from the objectives defined by the Czech Republic in the area of greenhouse gas emissions reduction (in the EU about one quarter of greenhouse gas emissions is originated in the transport sector and the transport sector is the second most significant source of emissions).

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