



World Scientific News

An International Scientific Journal

WSN 103 (2018) 211-222

EISSN 2392-2192

Business management in the context of sustainable development on the example of SITECH

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ABSTRACT

The study presents the concept of functioning of enterprises in accordance with the principles of sustainable development. The essence of the concept of sustainable development as an element of business management was explained, limiting the negative effects of the impact of destructive economic activity on the environment. Social, environmental and economic activities applied in the Sitech company were indicated.

Keywords: Business management, sustainable development, management in the context of sustainable development

1. INTRODUCTION

Organizations of the 21st century face many challenges that arise from the numerous changes taking place in the global economy as well as global politics, the economic and social situation of the country and the factors determining Poland's participation in the European Union. One of the assumptions is shaping the manager's pattern and emphasizing the importance of the role it plays. Each enterprise needs management staff with appropriate management skills to function (Guthrie, J., 2001, pp. 27-41.). In the period of increasing globalization and technological progress, more and more attention was paid to the future and living conditions of future generations. Currently, a future-oriented approach is required in

particular from business managers (Chen, Huang, 2009, pp. 104-04). This applies mainly to large corporations, which are required to implement the concept of sustainable development and its implementation in business. Increasingly, one can observe a departure from enterprise management oriented solely on profit and internal benefits and the transition to multidimensional management, which is becoming an appropriate practice by organizations.

The ability to create and implement innovations becomes a major challenge for managing organizations (Easterby-Smith, M., Crossan, M., Nicolini, D., 2000, pp. 783-796).

The concept of sustainable development assumes satisfying the needs of modern generations without compromising the ability to meet the same needs in the future. Full implementation of the concept of sustainable development means ensuring the sustainability of the natural environment and preserving for the future generations all natural resources and other economic resources in the best possible condition (Hall, J. K., Daneke, G. A., Lenox, M. J., 2010, pp. 439-448.). Observing emerging trends and phenomena in the modern economy, it can be noticed that more and more often societies, as well as organizations, focus their attention on the protection of the natural environment, the effective use of natural resources and use of well thought-out and responsible marketing activities (Chematomy, 2001, p. 15).

Rational management in business contributes to sustainable development, thereby preserving or even improving the ability of future generations to meet their future needs (Trojanowski, 2013, p. 150). Sustainable development is a concept that assumes striving to raise the standard of social life while reducing human impact on the environment and modifying social values. The goal and at the same time the effect of sustainable development is the increase in the quality of social life (Steurer, R., Langer, M. E., Konrad, A., Martinuzzi, A., 2005, pp. 263-281.). The environmental aspect becomes an important element in business management, which is why the ideas of sustainable development appear more and more often in contemporary organizations.

2. MANAGEMENT OF THE ORGANIZATION IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT

The term organization means: order and logic in any field of activity or in the collection of objects or concepts. The most commonly used definition of the organization is formulated by T. Kotarbiński, according to which the organization is a kind of a whole and such a whole, all components of which contribute to the success of the whole.

Organizations are human teams with a common goal that can be implemented using configurations of various types of resources that should be managed in an appropriate manner. Management is a process that leads to the intended goals. Management was defined by F.E. Kast and J.E. Rosenzweig as a process of coordinating collective efforts to achieve organizational goals by people, using techniques, in organized structures, based on designated tasks (Meyer, J. P., Stanley, D. J., Herscovitch, L., Topolnytsky, L., 2002, pp. 20-52.).

Management is implemented by managers (managers) through several key functions such as (Bowditch, J. L., Buono, A. F., & Stewart, 2007, p. 20). A primer on organizational behavior. Wiley.):

- planning,
- organizing,
- conduction,

- motivating,
- control.

All functions are important for achieving and maintaining an "organizational balance" both within the organization and in the organization's relations with the environment (Meyer, J. P., Stanley, D. J., Herscovitch, L., Topolnytsky, L., 2002, pp. 20-52).

Currently, management is undergoing many changes. It can be observed that one moves away from the management model in an economic context, aimed solely at profit, and moves to a new dimension that takes into account the social and environmental aspect. Management is an interdisciplinary concept, based on key principles, planning, organizing, directing and controlling. Management is a process that adapts the organization to changes in the environment, which ensures its constant development and further functioning. Management is related to society in the context of solving and detecting organizational and coordination problems. According to the definition of S. Sudoła, management can be understood as an important factor of development, being a practical, purposeful and conscious action of people aimed at introducing rationalizing changes in the current functioning of social and economic reality.

Sustainable development can be defined as the development of a society that should not negatively influence the development of future generations. The idea behind this concept is to ensure such a state of the natural environment, so that the long-term development of society can be realized. Sustainable development refers to the following factors (Kemp, R., Loorbach, D., & Rotmans, J., 2007, pp. 78-91.):

- environmental protection,
- rational management of natural resources,
- transition to a low-carbon economy,
- popularization of renewable energy sources,
- economic growth,
- fair distribution of the benefits of growth,
- financing and supporting pro-ecological initiatives,
- moving away from environmentally unfavorable attitudes of consumers and producers,
- health and education protection.

In recent years, one can observe concern about the state of the natural environment, which is why a significant goal is to shape an appropriate relationship between society and the environment, as well as the need to solve many problems occurring in the sphere of both economic and social. Sustainable development refers to many issues related to environmental protection as well as social issues. The concept of sustainable development is often combined with business management (Cooke, 2007, pp. 241–270) Sustainable development of an enterprise should be understood as social and economic development of the enterprise enabling current implementation of aspirations and achieving profits without disturbing the possibilities of pursuing aspirations and making profits in the future. Such development of the enterprise should be considered in a long-term perspective and should contribute to the organization's success in the future. Also, achieving a current competitive advantage can not prevent it from being achieved in the future.

3. SUSTAINABLE DEVELOPMENT STRATEGY IN SITECH COMPANY

SITECH Ltd. is a renowned company belonging to the Volkswagen group. Specializes in the production of metal car seat racks for selected car models of such brands as: Volkswagen, Audi, Volkswagen Commercial Vehicles, Skoda, Seat and Porsche. As a result of continuous development, SITECH acquires new projects, thus creating new jobs. In a modern research and development center, research is conducted on new technologies, combining metals and plastics, and on the use of new production materials. SITECH Sp. z o. o. sets the highest quality standards and meets the needs of the most demanding customers, ensuring the highest level of safety and comfort for car users. A coherent and clear vision of the company's development, appropriate investment decisions and high competence of employees have made it one of the most modern production plants in Poland (<http://www.sitech.com.pl/O-firmie.html>, access 20.05.2018).

Table 1. Sustainable development activities at SITECH

SITECH Sp. z o.o.		
Aspects	Declarations (concerning declared and unconfirmed activities of company's involvement in implementing sustainable development or selected aspects of it)	Activities (refer to the actual involvement of the company in the implementation of sustainable development or selected aspects of it)
Integrated activities	<ul style="list-style-type: none"> - Development of environmental and energy policy, which aims to promote pro-ecological activities and attitudes in production and in everyday life - The company declares that sustainable and responsible development is a key element of the adopted strategy - Formulating the vision of Social Responsibility in the following way: "Sustainable and responsible development is the foundation of our everyday business practice, on the basis of which we shape our plans for the future. We act responsibly for our employees, business 	<ul style="list-style-type: none"> - Active participation in the environmental program "Think Blue Factory" (this is a strategy that aims to promote proecological activities and attitudes in production and in everyday life by creating environmentally friendly solutions and products .The main goal of the program is to act consciously for sustainable development - Promoting pro-ecological and pro-social behavior among employees and the local community (quarterly meetings with the crew, meetings promoting sustainable development organized for the local community, communication and cooperation with the Marshal Office, Provincial Inspectorate for Environmental

	<p>partners, the local community and the natural environment. "</p> <p>- The company declares undertaking actions for social responsibility, which focus on three basic areas: economy, ecology, society</p>	<p>Protection, Starost, Gmina Office, Ministry of the Environment)</p> <p>- Raising the awareness of partners about responsible development (regular meetings with partners, development of products in cooperation with the client, including in addition to the client's requirements also environmental aspects (eg reduction of CO2 emissions and implementation of new, more environmentally friendly technologies).</p>
<p>Economic area</p>	<p>- Striving for financial stability, which allows for effective investment in new projects and implementation of advanced technologies.</p> <p>- Care for the development of the company through the acquisition of new projects and the development of modern technologies</p> <p>- Improvement of production processes by reducing production costs and ensuring the highest quality of products that enables maintaining existing customers and acquiring new ones by competing with quality</p> <p>- Striving to reduce production costs through the implementation of modern technologies</p>	<p>- Implementation of "Industry 4.0" (The concept of the integration of machines, systems and the introduction of changes in production processes, improving production efficiency and reducing production costs, industry 4.0 applies not only to technology, but also new ways of working and the role of people in industry)</p> <p>- Heat recovery from compressors (savings in PLN 172 000 PLN / year)</p> <p>- Introduction of internal transport with electric drive (savings in PLN 165,000 PLN / year)</p> <p>- quality management standards implemented in accordance with the technical specification for industry Automotive ISO / TS 16949, ISO 9001, ISO 14001, BS OHSAS 18001 and AEO.</p> <p>- Creation of a technological department divided into two divisions:</p> <ul style="list-style-type: none"> • New projects • Technology Team <p>The purpose of the department is to implement new technologies that</p>

		<p>reduce operating costs and improve the quality of products</p> <p>- The company carries out tasks to raise awareness in the fight against corruption and to prevent its negative effects. The company gives employees a special "Anti-Corruption Guide" that shows how to avoid these types of threats. The organization has its own internal regulations: instructions "Prevention of conflicts of interests and corruption" and "Invitations and gifts for employees of SITECH Sp. z o.o. and third parties ". A Compliance Officer was also appointed.</p> <p>-The company has rules that apply to avoiding conflicts of interest and corruption, conduct in business contacts, handling information, or environmental protection. The company ensures that business partners become familiar with the Group's compliance requirements.</p>
<p>Social area</p>	<ul style="list-style-type: none"> - Elimination of poverty - Ensuring work in which human resources are put in first place - Supporting activities related to the protection of life and health of employees and the local community - Providing high-quality education - Supporting the local community and local suppliers 	<ul style="list-style-type: none"> - Implementation of the Local Sourcing project as part of cooperation with suppliers. Its aim is to increase turnover and the number of local suppliers, to provide goods and services to about 75% of local suppliers (turnover of local suppliers accounts for 48% of turnover of all suppliers, and over 52% of expenditure for services has been dedicated to cooperation with local, domestic suppliers) - SITECH provides salaries on average a few percent higher than the average salary in the Lower Silesian Voivodship, employees outside the basic salary have the opportunity to get additional financial benefits, eg in the form of an annual bonus,

		<p>performance bonus or team bonus, as well as a bonus on holidays or in form of school supplement for children.</p> <p>- The company offers a rich package of social benefits for employees, including:</p> <ul style="list-style-type: none">• jubilee award,• school allowance,• annual bonus,• Christmas bonus,• holiday allowance,• team bonus,• employee pension schemes,• presence bonus,• a bonus for results <p>- SITECH takes actions to protect the health of employees (24-hour medical care is provided in the outpatient clinic, employees have the opportunity to benefit from a package of diagnostic, laboratory and vaccination tests)</p> <p>- The employer provides the crew with physiotherapeutic consultations aimed at diagnosing postural defects and preventing disorders of the musculoskeletal system. Physiotherapy treatments are 80% co-financed by the employer</p> <p>- In 2016, the company organized 6 preventive actions for the health of employees. Shares include access to diagnostic and laboratory tests as well as consultations with specialist doctors</p> <p>- The company attaches great importance to ensuring safe working conditions, a reflection of this is the implementation of health and safety policy (this policy primarily assumes permanent identification of possible threats to health and life of employees</p>
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		<p>in the production process, elimination of detected threats and constant control. The said document also constitutes a commitment of the company to the continuous minimization of the risk of accidents at work) and BS OHSAS 18001 (Occupational health and safety management system)</p> <p>- As part of the "SITECH I am safe on the go" project, the company educates children in early school and school age how to safely travel by car, how to properly fasten seat belts. SITECH Sp.z.o.o. attaches great importance to health and safety. The company wants to use its knowledge and experience to educate not only employees, but also the local community. Building a socially responsible attitude was the foundation for the project "SITECH I am safe on the road" for an educational and awareness campaign about safe car travel. The campaign is directed to children from primary schools (grades 1-3) and kindergartens.</p> <p>-Classes consist of conversations about safe traveling. The practical part shows the correct fastening of seat belts on simulators with the participation of children. The most frequently used errors are also discussed, and in the final phase of the class a film presenting the effects of car driving without seat belts is presented. Thanks to these meetings, SITECH can have a real impact on the safety of children traveling. The action is carried out in cooperation with with the Poviát Police Headquarters in Głógów and Września (1700 children trained as part of the campaign)</p>
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		<ul style="list-style-type: none"> - Signing a letter of intent on cooperation with the School Complex in Chocianów (the company offers students support in the process of vocational education) - Cooperation with two universities from Wrocław: University of Economics and Wrocław University of Technology. SITECH also cooperates with other universities: the Lower Silesian School of Entrepreneurship and Technology, the Professional School of the Copper Basin and the State Higher Vocational School in Głogów. - Free internships and paid internships are organized as part of the "Start with SITECH" program.
<p>Ecological area</p>	<ul style="list-style-type: none"> - optimization of consumption of utilities, raw materials and fuels - striving to increase the reuse and recycling of materials used - implementation of the best available techniques and technological processes in the field of environmental protection - building a local partnership for environmental protection - employees' involvement in activities for environmental protection and improving their qualifications in this area - supporting pro-ecological initiatives 	<ul style="list-style-type: none"> - a 25% reduction in energy and water consumption, the amount of waste generated, CO₂ emissions, as well as the amount of solvents used compared to 2010. - Introduction of energy management system in accordance with ISO 50001 - The use of electronic document flow - Expenses and investments for environmental protection: <ul style="list-style-type: none"> • 144 thousand PLN - waste utilization • 2. 77 thousand PLN - testing and measurement of air emissions, noise emissions, water quality and wastewater • 3. 120 thousand PLN - activities that reduce the emission of gases to the air • 4. 630 thousand PLN - expenditure on significant investments aimed at reducing the impact on the environment - The use of heat recovery from

		<p>compressors used in the plant, resulting in a reduction of electricity consumption and free heat extraction</p> <ul style="list-style-type: none">- Reduction of waste by 7.5%, through the use of waste segregation system and reduction of consumed materials- Introduction of monitoring of the quantity and type of waste generated twice a week- Employees' education for ecology through an environmental guide issued, information campaign on the intranet, and organization of Quality and Environmental Days days- Carrying out pro-ecological activities in the form of actions and programs for children (forest clearing, tree planting, ecology and forest knowledge competitions)
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[Source: Own study based on: <http://www.sitech.com.pl/> access 25.05.2018]

SITECH Ltd. as a socially responsible undertaking, its activity is guided by law and international standards of behavior, thus contributing to sustainable development.

As a company operating in an international corporation, the company also sees the opportunity to actively participate in the implementation of the Sustainable Development Goals that have been adopted by the member states of the United Nations. These goals focus on the implementation of this idea through three dimensions: economic growth, social inclusion and environmental protection. SITECH Ltd. is also involved in the implementation of these challenges.

Among the Sustainable Development Goals adopted by the UN, there are problems and tasks that affect SITECH's activities and are consistent with the strategy adopted by the Company. Among the adopted goals, there are many challenges that are directly relevant to the activity of SITECH ltd. internationally (<http://www.sitech.com.pl/CSR/Cele-Zrownowa%C5%BConego-Rozwoju.html> , 20.05.2018).

They are mainly:

- improvement of health and hygiene,
- attention to high quality of education,
- striving for equality,
- taking care of economic growth,
- construction of innovative infrastructure,

- combating climate change.

5. CONCLUSIONS

Globalization of the international economy, increase of international exchange, greater freedom of movement of capital, people and goods contribute to the creation of social and environmental problems. The company's drive to maximize profits or increase market share often occurs in violation of social and environmental values. The state of the natural environment is more and more often anxious in recent years, therefore it is important to shape the right relation of society to the environment and natural resources. This affects the need to develop a flexible approach to the relationship between man, the economy and the environment. The concept of sustainable development is useful in this respect. It assumes the integration of political, economic and social activities aimed at satisfying needs, taking into account the natural balance.

Contemporary society is characterized by a high level of consumption. This is mainly due to the growing level of demand and changes occurring in the economy. Buyers of goods and services are becoming more and more demanding. They are looking for offers for the sale of goods and services that will satisfy their expectations and needs to the highest possible extent. Consumer societies in many countries do not pay much attention to environmental and social problems, which are becoming a serious threat that can lead to irreversible destruction of resources and natural resources. Increased consumption contributes to the increase in demand for various goods. Enterprises in order to meet the growing demand produce a larger number of products, which is associated with the need to provide raw materials, energy, water, and fuels. The global threats of modern humanity are not limited to excessive consumption. In the social dimension, poverty, hunger and unemployment also belong to the most serious problems of modern humanity. Among environmental hazards, pollution of the natural environment and excessive exploitation of natural resources are a significant problem. The factors mentioned above make the concept of sustainable development more and more often considered by enterprises

Achieving the company's financial goals must take into account social and ecological aspects that are the main area of interest for sustainable development. The need to design marketing processes taking into account the concept of sustainable development also developed. Therefore, organizations face a difficult task to develop projects to balance economic goals with the protection of the natural environment and social aspects (Trojanowski, 2015, pp. 239-240). It is also necessary to shape pro-ecological attitudes and behaviors among the employees of the organization, which affects its positive perception and image (Renwick, Redman, Maguire, 2015, pp. 1–14).

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