

THE SUSTAINABLE DEVELOPMENT STRATEGY – A CASE STUDY OF KOMPANIA PIWOWARSKA S.A.

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Abstract. Enterprises have to search for a balance between the economy and the objectives set by the company. Achieving goals is related to the selection strategy. The strategy is a way to create value for stakeholders. The choice of strategy is conditioned by various factors. One of them is the responsibility of the social aspect. Corporate social responsibility is linked to the idea of sustainable development. Sustainable development provide quality of life on the available level of civilization. This development is not limited development opportunities of future generations. This is achieved by the rational management of resources with regard to caring for the natural environment. Sustainable development is a global strategy. The article contains selected study results of the company with the brewing industry. Among other things, indicated internal and external barriers to implementation the sustainable development. The company's own research conducted in the period December 2014 – February 2015.

Paper type: Research Paper

Published online: 31 August 2016

Vol. 6, No. 4, pp. 299–307

DOI: 10.21008/j.2083-4950.2016.6.4.2

ISSN 2083-4942 (Print)

ISSN 2083-4950 (Online)

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Keywords: *corporate strategy, sustainable development, corporate social responsibility*

1. INTRODUCTION

The strategy of the organization is the way in which it intends to create value for shareholders, customers, communities, aiming to create valuable long-term assets (Kaplan & Norton, 2011, pp. 22–23). The strategy sets out what the company wants to get. While the identified operations decide how to implement adopted plans (Robert, 2006, p. 68). According to K. Obłój: “strategy it is something what has a fundamental impact (...) the success or failure of the company “ (Obłój, 2007, p. 19). Managers have to solve problems connected with the meaning of existence of the company, with the future vision of the operation (markets, products) and the dominant business model (Obłój, 2007, p. 19). Figure 1 shows the basic strategic choices.

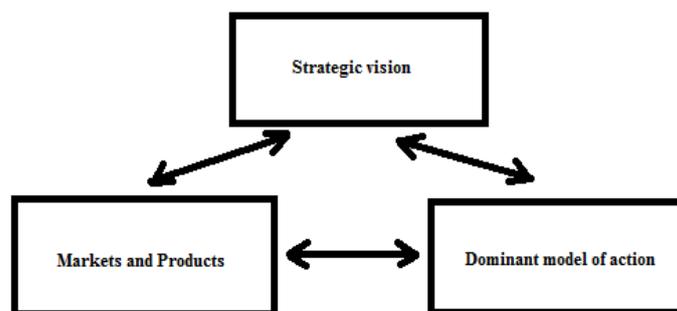


Fig. 1 The basic strategic choices (Obłój, 2007, p. 19)

Business strategy or concept of action (Robert, 2006, p. 94) is among others sustainable development, which should take the form of a general strategy of the company or to be with it tightly integrated. It is very important. For this obliges the environmental pollution (Folke, Carpenter, Elmqvist, Gunderson, Holling & Walker, 2002, p. 438), as well as EU guidelines, the international documents and ideas on environmental protection, among others: the Brundland Report (World Commission on Environmental and Development, 1987), and the concept of sustainable development – the Earth Summit in Rio de Janeiro 1992 (document Agenda 21) and in Johannesburg, 2002 (Jodkowska, 2011, p. 53).

Sustainable development is defined as the bloom, which does not diminish the opportunities for the development of future generations. This is the concurrent fulfillment of criteria: economic, environmental and social on strategic and operational level (Jaźwińska & Wyrwicka, 2014, pp. 32–33). Management of available resources have to be economical and effective, to lead to the elimination of waste of time and to the recycling of manufactured products. It is important to prevent excessive emissions of harmful substances or their total elimination (Wyrwicka & Jaźwińska, 2015,

p. 5855). Sustainability as a concept is global and should be taken into account by all types of organizations, regardless of the type of business.

Sustainable development also applies to the supply chain. It is a key element of corporate responsibility (Grzybowska, 2012, p. 26). “Sustainable Supply Chain is the management of raw materials and services from suppliers to manufacturer/service providers to customers and back with the improvement of the social and environmental impacts explicitly considered” (Grzybowska, 2012, p. 26).

Significant number of the enterprises (organizations) implement environmental management systems in accordance with ISO 14001 or EMAS (acronym Eco-Management and Audit Scheme), which active fulfillment of the requirements leads to lower costs of doing business in the long term and to improve the image of the company (Matuszak-Flejszman, 2009, p. 418; Jaźwińska, 2013, pp. 57–58). Development of ecological improvement of this way are the criteria for sustainable development, which is reflected in social responsibility. Corporate social responsibility is also respect for moral and ethical principles (Aras & Crowther, 2010, p. 22). "Corporate Social Responsibility is a holistic approach, which is focusing on social relations from the economical viewpoint" (Paliwoda-Matiolańska, 2009, p. 40). There is a problem with profits of companies in the context of efficiency and social responsibility, and a better way of serving society (Paliwoda-Matiolańska, 2009, p. 41). The idea of corporate social responsibility assumes functioning in accordance with socially accepted norms. The essence is the unity of actions: social, ethical and environmentally-friendly (Zimniewicz, 2014, p. 90). Hierarchical arrangement in Figure 2 shows the successive stages of improvement of enterprises in implementing the ecological and socio-economic priorities. The highest standard is the corporate social responsibility, as a pattern in social activities.

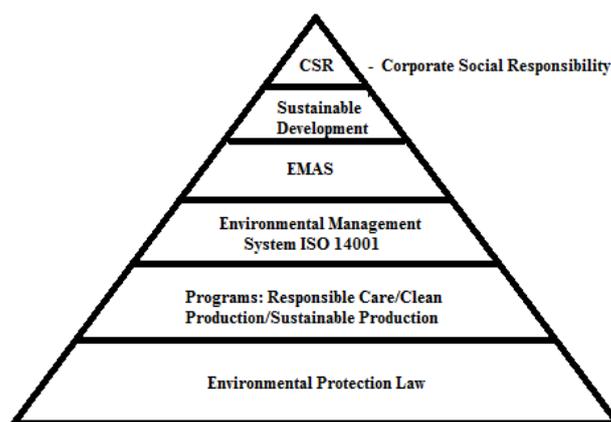


Fig. 2 Hierarchical arrangement of corporate social responsibility in the context of sustainable development (own elaboration)

For the sustainable development strategy, which is associated with corporate social responsibility, was developed a system called GRI Reporting (Global Reporting Initiative). Companies pursuing sustainability assumptions are preparing a report that is made available to all interested parties (Medel, Garcia, Enriquez & Anido, 2011, p. 414).

2. SUSTAINABLE DEVELOPMENT – THE QUALITY OF LIFE

Modern organizations existing in the conditions of a changing environment and increasing customer demands are trying to stay ahead of the competition by applying solutions to help in the formation of competitive advantage. The competitiveness of enterprise gives rise to compete with the best in the industry. Environmental and social activities, which are being increasingly valued by consumers may lead to strengthening the image of the company. Also important is the local sustainability policies and diagram of operation (Norton, 2006, p. 39). The question therefore arises whether the implemented strategy for sustainable development affects the competitiveness of businesses? What is the sustainable development in practice? What barriers can result in inhibition of sustainable development of the company?

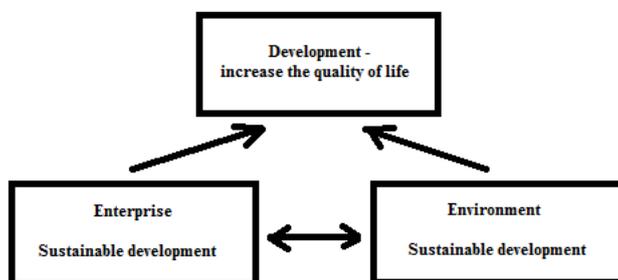


Fig. 3 The relation: enterprise – environment in the context of sustainable development (Own elaboration based on Jaźwińska & Wyrwicka, 2014, p. 39)

The desire to improve operations and products is one of the permanent goals of the enterprise. Improving should lead to the achievement of quality and produce a competitive advantage. With regard to the concept of sustainable development it is implemented through the adaptation in company and compatibility with the environment (Jaźwińska & Wyrwicka, 2014, p. 39). This involves with penetration of sustainable development aspects from out the company to the company and vice versa – from the company to environment (Fig. 3). This is mutual development.

The result of the implementation of the idea of sustainable development is the increase of the quality of life, both on a social and individual standard.

3. THE STUDY OF SUSTAINABLE DEVELOPMENT IN KOMPANIA PIWOWARSKA S.A.

Between December 2014 – February 2015 D. Jaźwińska conducted a study on sustainable development and corporate social responsibility in Kompania Piwowarska SA. The scope of research:

- Employees of the company,
- Sustainable development and corporate social responsibility,
- Poland,
- December 2014. – February 2015.

The questionnaire with questions had been sent to the employees of Kompania Piwowarska SA (N = 2565). Reimbursement was received from 256 employees, representing together 10%. The questionnaire was developed using a system SURVIO and sent by email to respondents. The study was used, among others, to gather responses to the following questions:

1. What elements of the sustainable development strategy determine its practical application?
2. What are the barriers (if any) in the implementation of sustainability criteria?

Table 1 Key elements of sustainable development - an indication of the respondents;
Source: Own study based on the research

% of respondents	Components of sustainable development	Importance
67.70	Timely payment of wages	
56.30	Safe working conditions	
46.90	Equal opportunities of development employees	
40.20	Recycling of packagings	
38.70	Rational use of natural resources	
36.70	Reduce the cost of water consumption	
36.30	Reduce the cost of energy consumption	
34.40	Use of waste	
28.90	Taking care of a healthy lifestyle workers	10
28.90	Motivating employees to implement the strategy	
28.10	Using the best technology	
23.00	Cooperation throughout the supply chain /value	
22.30	Reduced fees for use of the environment	

For the purposes of this publication, were selected some of the results of research of its own. It should also be noted that in the case of employees of Kompania Piwowarska S.A. sustainable development and corporate social responsibility are identical practical significance.

When asked which of the study elements of sustainable development are the most important (Table 1), respondents indicated the timely payment of wages (67%), taking care of safe working conditions (56.3%) and equal development opportunities to all employees (46.9%). Respondents evaluated the elements listed in the study on a scale of 1-least important to the 10-most important.

The received responses indicate the strength of the social aspect of sustainability criteria. This confirms the importance it attaches to the implementation of corporate social responsibility which, as confirmed by the study ranks the first place in the hierarchy of needs (Figure 2). Further attention is paid to ecological and economic problems (recycling, the cost of water and energy consumption). Indications demonstrate environmental awareness of company's employees. Another problem that was raised in the study, is that there were obstacles / barriers that may hinder the implementation of activities related to sustainable development and corporate social responsibility.

Most indications (73.80%) received the internal barriers associated with the mentality of employees (lack of ecological and social thinking) costs of implementation (60.50%) and the lack of involvement of employees (52.70%) – Table 2. Respondents chose any number of barriers listed in the questionnaire.

Table 2 Internal barriers to the implementation of actions for sustainable development and corporate social responsibility; Source: Own study based on the research

%	Internal barriers
of respondents	
73.80	Mentality of employees (lack of ecological and social thinking)
60.50	Costs of implementation
52.70	Lack of involvement of employees
45.70	Resistance to change
44.90	Technical and technological shortcomings
39.50	Imperfect system of communication between departments / Employees
29.30	No ideas for development
20.30	Reporting costs
5.90	Other
1.60	Lack barriers

The responses indicate human factor (way of thinking) as the most important barrier that may be a possible barrier to the effective implementation of the sustainable development strategy. The assumption seems to be purely hypothetical, because own observations indicate a high involvement of employees in the practi-

cal fulfillment of environmental and social criteria and economical. Kompania Piwowarska S.A. is for many years at the forefront of socially responsible companies, and strategy of sustainable development is a priority strategy for the company. In 2014 the company took third place in the eighth edition of the Ranking of Responsible Companies (<http://odpowiedzialnybiznes.pl/>, 2015).

The most important external barriers standing in the way of sustainable development, according to the respondents are lack of interest (cooperation) from stakeholders (47.70%), legislation (45.30%), competitive struggle in the sector (43.80%) and lack of demand products (drop in profits) – 43.00% of responses (Table 3). The respondents could indicate any number of barriers mentioned in the study.

Table 3 External barriers to the implementation of actions for sustainable development and corporate social responsibility; Source: Own study based on the research

% of respondents	External barriers
47.70	Lack of interest (cooperation) from stakeholders
45.30	Legislation
43.80	Competitive struggle in the sector
43.00	The lack of demand for products (decrease profits)
36.70	Taxes, duties
27.70	Political conditions
25.40	Lack of access to new technologies
15.60	Climatic conditions (weather changes)
12.90	Acquisitions (eg. Suppliers)
5.10	Lack barriers
2.70	Other

The responses indicate on issues of cooperation with other entities as a factor that can cause inhibition in implementing the concept of sustainable development outside the direct influence of the company. It is an important element, because joint actions bring positive effects for all the participants of projects and strengthen the preferred ideas. It is noteworthy that none of the barrier has obtained values above 50%. The research barriers shows that the greater barrier to the implementation of the strategy for sustainable development / corporate social responsibility are the internal conditions.

4. CONCLUSION

The mentality of employees, their remuneration and providing safe working conditions affect for the efficiency of the sustainable development strategy in

Kompania Piwowarska SA. This reflects the aspirations of workers to stabilize the business and the socio-economic development. K. Adamiecki wrote that "(...) the desire of employees to increasing earnings is not contrary to the high profits enterprises" (Adamiecki, 1923, p. 131). Sustainable development in its assumptions helps realize these goals.

The use of good practices, the reduction of operating costs, rational management, and implementation of innovations in products, services, whether management methods improves the quality of life and business activity. Research showed that the use of sustainable development in practice can be effective if it overcomes the barriers identified in a permanent way.

ACKNOWLEDGEMENTS

A heartfelt thank you to employees of Kompania Piwowarska, who completed a questionnaire.

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BIOGRAPHICAL NOTES

Magdalena K. Wyrwicka is an associate professor and a dean for exact science in the Faculty of Engineering Management at Poznan University of Technology in Poland. As a PhD in technical sciences (her work applied to implementation of automation), she studied the issues of human resource management and small and medium size enterprises' management in Wirtschaftsuniversität in Vienna which constituted the basis for her postdoctoral degree in the scope of management science and it centred on a range of problems connected with organizing an enterprise's development. She is a licensed teacher of German REFA (Verband für Arbeitsgestaltung, Betriebsorganisation und Unternehmensentwicklung) in the elementary scope and production planning and control. She is in contact with economic practice. She is an author and a co-author of more than 150 publications. Her scientific research concentrates on premises concerning the development of a company and companies' networks. Since October she has been managing a project called "Foresight 'Wielkopolska's Economic Networks' – scenarios of knowledge transformations supporting an innovative economy" in the scope of an Operational Programme of an Innovative Economy. A project's realisation is scheduled till the end of 2011.

Dorota Jaźwińska is a doctoral student in the Faculty of Engineering Management. She is a graduate of Poznan University of Economics. She graduated from faculty Management, specialization Corporate Management. Her research interests are related to the competitiveness of enterprises and the development of enterprises. She is an author and a co-author of several publications about sustainable development, management and EMAS (Eco-Management and Audit Scheme). She has several years of practical experience in various industries.

