Research on Corporate Social Responsibility (CRS) in Terms of Work Safety

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Abstract:

Purpose: *This survey aims to identify how corporate social responsibility (CSR) can contribute to supporting and developing OSH practices in an organization.*
Design/Methodology/Approach: *The survey adopts the employee perspective because the unit of analysis is employee perception. Based on a sample of 58 employees of a medical device company, the empirical analysis is carried out using a questionnaire. The statistical significance of the concordance coefficient was also tested.*
Findings: *Research results show that CSR activities contribute to supporting and developing health and safety practices in an organization. These results suggest that OSH managers can play a proactive role in supporting internal CSR by designing a safety culture. Codes of conduct have been confirmed to play an important role in the implementation of occupational safety rules. They can serve as part of a formalized implementation mechanism to strengthen the law.*
Practical Implications: *Greater efforts of companies in the field of internal CSR translates into a higher level of safety for their employees. Therefore, organizations need to develop and implement security practices that will contribute to promoting internal CSR as this will increase employee satisfaction. It has been confirmed that in each of the following standards and systems of workplace protection, the need to implement social responsibility in the field of occupational health and safety is developed.*
Originality/Value: *Promoting safety culture and practices through internal CRS activities will bring positive results for companies, increasing employee satisfaction. Accordingly, the article provides evidence on the significant impact of internal CRS on the development of occupational health and safety practices.*

Keywords: *Corporate social responsibility (CRS), occupational safety and health (OSH), safety culture, sustainable development.*

JEL Classification: *J28, M14.*

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1. Introduction

Corporate Social Responsibility (CSR) is defined by the European Commission as a concept whereby companies integrate social and environmental issues into their business activities and interactions with stakeholders on a voluntary basis (Zwetsloot and Starren, 2004). There are two main dimensions to the CSR concept: internal and external.

The internal dimension is analyzed within the organization and concerns issues such as health and safety, investing in human capital, quality management and change management, while environmental practices mainly concern the management of natural resources used in production (European Commission, 2001). On the other hand, in the external dimension, CSR goes beyond the company's framework to the local community and includes, apart from employees and shareholders, a wide range of stakeholders, business partners and suppliers, customers (Amponsah-Tawiah and Mensah, 2015).

Based on the analysis of the most commonly used guidelines and standards in the area of CSR, seven main areas of CSR towards employees have been identified: 1) remuneration issues, 2) occupational health and safety, 3) working conditions and social policy of the company, 4) labor relations and collective agreements, 5) work dignity and protection against discrimination, 6) individual employment relationships and internal communication, 7) enforcement of employee rights (Remišová and Búciová, 2012). CSR is related to occupational safety and health (OSH) in research practices (Koskela, 2014).

OSH is an important aspect of CSR because OSH is one of the indicators used to measure the overall progress of companies in CSR (Segal, Sobczak, and Triomphe, 2003), and many authors have proposed incorporating OSH practices into CSR (Cioca, Ivasnu, and Rus, 2014; Kawashita , Taniyama, Hwi, Fujisaki, Kameda, and Mori, 2005). According to Bautista-Bernal, Quintana-García, and Marchante-Lara (2021) "CSR and OSH research is considered to be in an evolutionary phase of rapid growth and still needs to be further explored." The need to implement social responsibility in the area of OHS results from the need to create working conditions favorable to the life and health of employees (Montero, Araque, and Rey, 2009).

Researchers who deal with the problem of the effectiveness of the health and safety management system in enterprises indicate the importance of using and developing measures of the level of development, implementation of internal processes, effectiveness of internal clients and economic efficiency (Pęgłło, 2005).

The following index is proposed for the identification of threats and admissibility of occupational risk at the workplace, the number of rectified irregularities in relation to the ones detected during the risk assessment process, the number of remediated non-compliance with the OHS rules by employees compared to those detected during monitoring, number of interventions in response to employees' reports, number of workplaces where the level of occupational risk has been reduced. Characteristic for them is that they require active involvement of employees in their creation (Smoliński and Solecki, 2015).

Summarizing the above issues, we can formulate the main question: "How can Corporate Social Responsibility contribute to the support and development of OHS practices in the organization?"

This article is structured as follows. The second part presents the basics of the CSR concept and the role of OHS in this concept. The third chapters show the place of health and safety in CSR standards. The fourth part presents a study conducted in a medium-sized enterprise in the medical industry. The last part contains conclusions and proposes further research directions.

2. CSR and OHS

The World Business Council for Sustainable Development defines CSR as "the continuous commitment of business to ethical conduct and contributing to economic development while improving the quality of life of employees and their families, as well as the local community and society as a whole." No international company can ignore social responsibility, no matter where they operate. Stakeholder theory is perhaps the most widespread CSR approach. A company's reputation is the stakeholder perception of the company's ability to create value for stakeholders compared to its competitors.

Based on the assumption of a stakeholder approach to CSR, in recent literature, companies' CSR practices are broadly classified into two categories: internal CSR practices and external CSR practices (Chapagain, 2021). For internal CSR practices to maximize value for the organization and its internal stakeholders, they must be positively perceived by employees and improve their level of well-being (Espasandín-Bustelo, Ganaza-Vargas, and Diaz-Carrion, 2020). Internal CSR covers work-life balance, occupational health and safety, training, equal opportunities, and diversity practices. According to (Koo and Ki, 2020), CSR is related to employee safety in two main ways.

Above all, workplace injuries have a negative impact on the company's reputation, reducing the effectiveness of CSR. Second, employees are important internal stakeholders that companies should include in their CSR activities.

Occupational health and safety (OSH) are a major topic of discussion on corporate social responsibility (CSR) as the well-being of employees is one of the main aspects of operating in a socially responsible manner (Calle, Sigcha, Guaman, and Siguenza-Guzman, 2021). According to (Koo and Ki, 2020), occupational health and safety takes into account work practices and aspects related to the well-being of social, mental and physical workers and assumes "the promotion and maintenance of the highest degree of physical, mental and social well-being of employees in all professions by preventing falling away from health, controlling risks and adapting work to people and people to their work" (ILO, 2019; WHO, 2019).

Currently, companies operating on the market, regardless of their size, pay too little attention to the assessment of the effectiveness of processes operating in the area of improving work safety. The necessity to implement the new standard, which is 14001,

constituting a framework for improving the level of safety of organizational units, and insufficient solutions in the process approach to activities in the field of continuous improvement of OHS, should force the organization to develop effective methods of researching proactive activities undertaken. The CRS concept is an environment that comprehensively strengthens such a focus in occupational safety.

Based on a literature study (Sujová and Cierna, 2016), the following common attributes of CSR and safety culture (especially OHS) have been identified: 1) are an inherent part of the corporate culture; 2) they are based on volunteering; 3) their implementation leads to the improvement of corporate processes; - they focus mainly on the employees of the organization; 4) are performed and promoted by managers of the organization; 5) require frequent and effective communication within the organizational structures of the organization; 6) their implementation and declared fulfillment increases the overall value of the organization in the eyes of the public, and thus creates a competitive advantage over entities that have not implemented such systems.

According to Cioca, Ivascu, and Rus (2014), CSR offers a number of opportunities to strengthen occupational health and safety. Opportunities offered by CSR are: 1) achieving better integration of OSH with business processes; 2) increasing the strategic importance of OSH; 3) developing and promoting innovative approaches; 4) Integration and involvement of new strong stakeholders; 5) integration of security approaches which have so far been developed separately.

A safe workplace is important to employees. Workplace accidents endanger mental and physical health, so socially responsible companies will invest more in workplace safety to meet employee expectations for a safe working environment.

3. OHS in CSR standards

Occupational health and safety in the past were based solely on rules and regulations, with strict safety requirements, mostly technical. Today, companies take OSH seriously as a social issue and consistently include it in their CSR strategy (Miethlich, 2019). Businesses benefit from improving their reputation by addressing health and safety topics beyond the law as well as where the law lags. Voluntary strategies eliminate the reputational risk of companies together with their stakeholders such as consumers, employees, and capital markets (Nikolaou, 2016). According to (Eccles and Krzus, 2010) regulations and solutions concerning health and safety and their relation to other social issues should cover at least the following categories of problems: 1) safety and health of employees; 2) human resource management; 3) maintaining the work-life balance of employees; 4) basic labor rights issues; 5) environmental protection; 6) profitability and productivity of business operations.

In creating a socially responsible strategy, organizations support themselves with international norms and standards, codes of good industry practice and requirements formally addressed by clients. Compliance with them is a prerequisite for further cooperation. OSH is considered in virtually all international frameworks and CSR standards.

ISO 26000 is an uncertified standard that was published in 2010. It gives organizations (not only businesses) guidance on how to become a responsible organization. The key aspects of the organization's activities, as well as the areas of responsibility, indicated below in ISO 26000, are as follows: 1) organization management; 2) human rights; 3) human resource management; 4) environmental protection; 5) fair market practices; 6) relations with consumers; 7) community involvement and development.

From the point of view of the impact of the implementation of CSR principles on occupational health and safety, the SA8000 standard is particularly important, as it is a voluntary set of rules and procedures protecting basic employee rights. In SA8000, we find management and certification guidelines focused on employees as stakeholders. Therefore, there is an explicit reference to health and safety in this standard.

Codes of conduct play an important role in the implementation of occupational safety rules. They can serve as part of a legal implementation mechanism to strengthen the law. The sources of codes of conduct include the following: 1) national legal systems; 2) practice and practice in a specific field; 3) core labor standards of the ILO; 4) recommendations of the ILO and OECD; 5) the general set of ILO principles.

Sedex, Supplier Ethical Data Exchange, is a membership organization for companies committed to the continual improvement of the ethical performance of their supply chains. Sedex enables member firms to effectively manage the ethical and responsible practices of their global supply chains, ensuring transparency by ensuring secure, robust, and user-friendly data exchange. Sedex focuses on four pillars: labor standards, health and safety, environment, and business integrity. As a growing membership organization, Sedex is a flexible platform, open to expansion in line with market developments and the evolving needs of members.

The goal of Sedex is to ease the audit burden for suppliers by sharing reports and making improvements in the supply chain. The Sedex affiliate group of auditors developed the Sedex Members Ethical Trade Audit (SMETA), which is the benchmark for social audit and reporting best practice. The criteria for such audits are the Ethical Trade Initiative (ETI) and national legal requirements relating to labor law, environmental protection and occupational health and safety.

The following aspects are assessed during these audits: 1) manner of employment (freedom of association, child and youth labor, compulsory work, discrimination, working time, remuneration, legal employment, cooperation with subcontractors, employment agencies, etc.); 2) health and safety conditions; 3) concern for the environment; 4) business ethics (confidentiality, corruption, bribes, the possibility of anonymous reporting of violations, etc.).

Social responsibility is one of the core values and concepts that form the American basis of the Baldrige for Performance Excellence criteria that apply to the Malcolm Baldrige National Quality Award. Issues of social responsibility are raised primarily in the

category of leadership of award criteria. Other elements of social responsibility relate to building a safe and supportive work environment.

Figure 1. Areas of improving the functioning of the organization's employees resulting from the concept of corporate social responsibility (CSR) in conjunction with the occupational health and safety management system (OH & SMS) based on ISO 45001
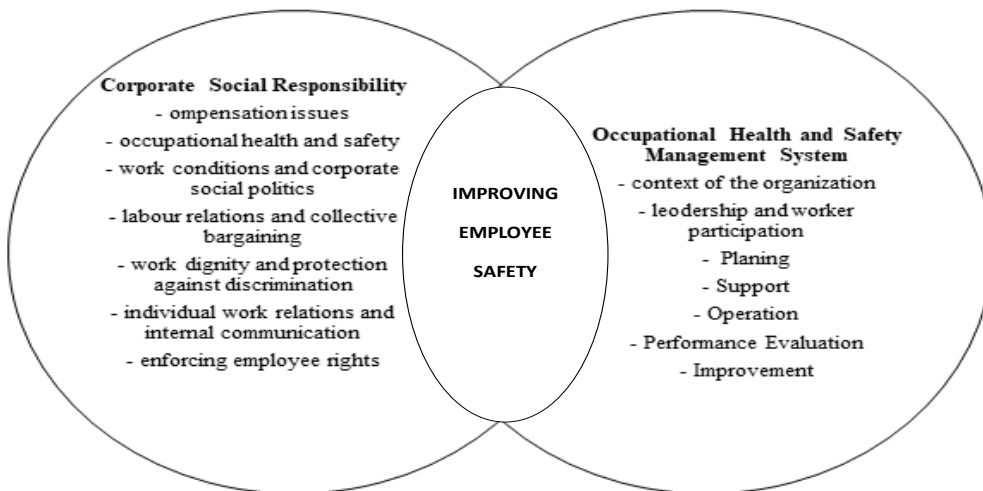
Source: Own work.

Each of the following standards and systems of workplace protection develops the need to implement social responsibility in the field of occupational health and safety (Figure 1), which results from the need to create working conditions favorable to the life and health of employees (Espasandín-Bustelo, Ganaza-Vargas, and Diaz-Carrion, 2020).

4. Verification of the Assumptions of the Research Problem

Responsible behavior towards customers is an area of CSR that directly translates into the company's condition and its development. Consumers' perception that a company is socially oriented is associated with a higher level of trust in the company and its products (Pivato, Misani, and Tencati, 2008). Therefore, customers of enterprises more and more often require their suppliers to provide evidence that their processes meet social standards. One of the forms of evaluation is the so-called community audit, and the most commonly used research method is the SMETA audit.

The subject of research is a medium-sized enterprise in the medical industry. The company cooperates with key clients of the medical industry and implements and improves the existing standards in accordance with the clients' requirements. One of the most frequently appearing requirements in recent years (apart from, of course, the requirements for manufactured products) is the consent to conduct audits assessing the degree of compliance with legal requirements, in particular in the area of labor law, employee health and safety and environmental management.

The company has been a member of the SEDEX organization for 6 years and is assessed according to the SMETA guidelines. Before the next SMETA audit (these audits are carried out three years apart), a study was carried out to assess the impact of the implemented CSR practices on the development and improvement of OHS practices. The survey was conducted among production workers using the questionnaire method. A questionnaire was developed to collect information. Each employee received a questionnaire consisting of ten questions:

Q1: Is the company you work for socially responsible?
Q2: Has the implementation of CSR principles in the company affected the compliance with legal requirements in the area of occupational health and safety?
Q3: Has the introduction of CSR principles in the company increased the number of training courses for employees in the field of occupational health and safety?
Q4: Is the OHS training provided by our company useful?
Q5: Is my approach to OSH proactive?
Q6: Can I anonymously report health and safety inconsistencies in my company?
Q7: Are health and safety non-conformities reported by employees analyzed and are improvement actions taken?
Q8: Are health and safety issues in our company related to activities for the natural environment?
Q9: Are our health and safety procedures friendly to new employees?
Q10: Is OSH in our company an important issue for managers?

All five-point items on the Likert scale questionnaire: 1 = Completely disagree; 2 = I mostly disagree; 3 = I agree a bit; 4 = I mostly agree; 5 = Totally agree was used to determine the degree of compliance. The set of data obtained from the enterprise was statistically assessed and the least significant factors were ranked (Table 1).

Table 1. *A survey conducted among production employees using a questionnaire method on the assessment of the impact of implemented CSR practices on the development and improvement of OHS practices*

Question	Workers average assessment	Standard deviation	Rank by the importance
1	2	3	4
Q1	4,36	0,609	6
Q2	4,34	0,63	7
Q3	4,81	0,434	2
Q4	4,86	0,345	**1**
Q5	4,64	0,482	3
Q6	4,61	0,525	5
Q7	4,63	0,61	4
Q8	3,86	0,629	9
Q9	2,78	0,852	10
Q10	3,93	0,61	8

Source: Own work.

Figure 2. *Graphical presentation of the average assessment of employees in relation to the ranking according to importance in assessing the impact of implemented CSR practices on the development and improvement of OHS practices by employees of the enterprise*
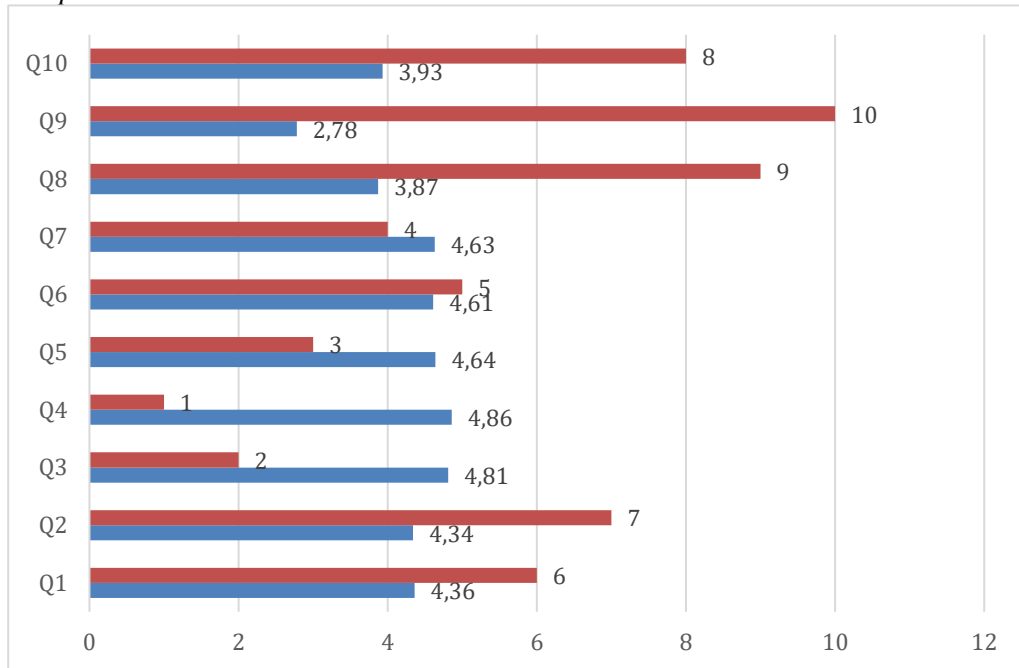
Source: *Own work.*

The results of the discussed studies, presented in Table 1, clearly indicate the overriding importance of the issue of creating relationships with employees (answers to Q9 in column 4, the highest value – importance 10). Simultaneously with the effect of developing the CSR concept, the organization is developing integrated occupational health and safety management, which results in linking economic goals with activities for the natural environment while maintaining the priority of health and safety issues (answers to Q8 and Q10 in column 4, value – importance 9 and 8).

It should be noted that the assessment of the areas of the company's activity important for CSR from the perspective of employees was mostly positive (Figure 2). This is indicated by values above 4. The areas for improvement concern the following aspects: health and safety procedures, their friendliness to new employees, linking health and safety activities with the environmental aspects.

However, to formulate general judgments based on the conducted research, it is necessary to ensure compliance of the assessments given by employees at an appropriately high level. When there are more than two ranks, the most used measure of preference match is the W. Kendall match factor, called the multi-order match factor. The order obtained in the study is of the weak type. This is because employees were asked to rate 10 questions on a scale of 1 to 5, so it was natural to associate some questions with the same rank.

Considering the above, when measuring compliance with the concordance factor, it is necessary to use the average ranking method. Testing the statistical significance of the concordance ratio consists in defining the null hypothesis H0: the convergence of employees' opinions is random (the rankings are not related to each other) and the hypothesis H1: the convergence of opinions is not accidental, and employees are competent. H0 is rejected when the calculated value is equal to or greater than the value read from the chi-square distribution tables for the degrees of freedom at the given significance level α. The results of the statistical analysis concerning the convergence of employees' opinions are presented in Table 2.

Table 2. *Static analysis results of employees' opinion concordance*

Number of questions	Number of workers	Kendall's W coefficient	Value χ_r^2	Number of degrees of freedom	Importance level α	Value χ_α^2
10	58	0,865	24,717	9	0,05	16,9190

Source: *Own work*.

The obtained results (Table 2), the coefficient W = 0.865 and $\chi_r^2 > 16.9190$ indicate that the employees' opinion concordance is very good ($0.81 \leq W \leq 0.95$) and it is not accidental. In this way, a general assessment of factors and their weights can be made, further analysis can be carried out and used to build models supporting decision-making regarding future development directions.

5. Conclusion

The issue of health and safety should be a priority in the company. Occupational health and safety are essential not only in connection with regulatory obligations, but also in terms of corporate responsibility. The ISO 45001 standard, which was developed taking into account the guidelines of the International Labor Organization, is nowadays the area that integrates the discussed problem. It provides guidance on how to improve health and safety performance, mainly to prevent injury and disease to workers.

Importantly, it can be used in any organization, regardless of its size, type, and nature. Indicates the activities in which it is required: 1) the employer to ensure the participation of employees in decisions and improvement activities; 2) creating an adequate communication system; 3) considering the views of interested parties in the organization of work (Kubasiński, Sławińska, 2019).

Improvement activities, i.e., proactive activities based on an active action strategy, play an important role in the systemic improvement of occupational safety. These are activities undertaken by enterprises aimed at creating a safe workplace and result from the principle of implementing mechanisms to stimulate a proactive attitude of employees towards irregularities and introduced changes.

The employee himself plays a superior role in improving safety in the organization. The commitment and motivation of employees at various levels of the company's operation is one of the key elements of the entire improvement process. The flow of information between individual units at different positions (permanent employees and top management) in relation to a specific problem and decisions made in relation to its purpose should be clear and understandable. In this aspect, open communication is immeasurably important, ie reporting by the employee of comments regarding the working conditions and undertaken or not, actions and responses to them by senior management. These requirements are implemented through the so-called feedback.

Strengthening the processes of consultation and participation of employees, as well as the leadership of the top management, in accordance with the guidelines of the new standard, constitute the basic condition for the implementation of tasks in the areas of CRS presented in the introduction to this article.

CSR improves the internal health and safety conditions, but also improves the image outside the organization. By integrating both concepts in organizations, there is a chance for its dynamic development. In both concepts, the starting point is in-depth knowledge of the context of the organization, so that significant risks and opportunities are taken into account in planning the management system. Thanks to this, comprehensive participation and consultation of employees takes place, which entails the development of communication and computerization systems.

The aforementioned areas of organizational development are integrated with the improvement of work safety conditions and the improvement of the image of the organization. CSR creates new health and safety perspectives, and each of them creates opportunities and benefits for the further strengthening and development of OHS.

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