Employee’s perception of corporate social responsibility – Evidence from the Czech Republic

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Employee’s perception of corporate social responsibility – Evidence from the Czech Republic

Abstract. The importance of social responsibility has an everymore prominent position. This is since the world is increasingly interconnected and globalization is constantly moving forward. The aim of the paper is to analyse the activities of social responsibility of a selected company: Bosch, and then propose specific recommendations for further development of the company. It is based on analysis of company reports, interviews with managers and a questionnaire survey. The Bosch Group is a leading global supplier of technology and services. We focused on the plant in Jihlava, in the Czech Republic. The findings show that most employees know the concept of CSR and perceive it as a positive matter and want their employer to behave according to this concept. According to them, the greatest attention should be paid to the social pillar. The survey shows that the employees know the values of the company in which they work. In terms of communication with employees with regards to the activities of CSR, it is at a high level. Finally, recommendations are proposed, including ones concerning problems with transport, eco-labels, communication and employee support.

Keywords: corporate social responsibility, employee satisfaction, a Czech company.
Introduction

The idea of corporate social responsibility began to take shape as early as the 19th century when employers start taking an interest in their employees beyond the usual requirements of the time; however, this behaviour was not yet called social responsibility. The turning point came in the 1950s when Bowen first tried to define CSR in his book *Social Responsibilities of the Businessman* (Carroll, 2009). Since then, various authors have attempted definitions, but none of them is generally accepted (Kašparová, Kunz, 2013; Barauskaite, Streimikiene, 2021). The topic of social responsibility is constantly evolving and there are more and more possibilities and areas for its application, it only depends on the companies themselves how they use this “opportunity” to their advantage. There are several definitions and recommendations regarding social responsibility, as such, it is a broad topic that is not fully defined and it is up to each business entity to implement it in this regard. Activities related to social responsibility are supported by the European Union, which promotes the ideas of this concept and sees it as having huge potential in the future (Kašparová, Kunz, 2013). As stated by the National Information Portal on CSR (2015), social responsibility is not significantly regulated in the Czech Republic (Vrabcová, Urbancová, 2021).

Today many companies carry out activities related to social responsibility, trying to contribute to the well-being of the whole society, which they influence by their behaviour. However, perhaps understandably, companies want this initiative not to be one-sided and expect activities in this direction to return to them in the form of good financial results. It is important to reconcile the social and environmental activities of the company with the business’s purpose and values (Rangan et al., 2015; Ahmed et al., 2020). The aim of the paper is to analyse the activities of social responsibility of the selected company, Bosch, and then to propose specific recommendations for the further development of the company. This work is based on the analysis of company reports, interviews with managers and a questionnaire survey.

Theoretical background

The authors have been trying to define CSR for several decades. As a result, many definitions describe the broad scope of social responsibility (Kunz, 2012). Š. Hronova and V. Kunz (2015) state that a short definition can be simple but misleading, and that a long definition can be more precise and descriptive. According to A. Dahlsrud (2008), some of them are focused only on a certain area and thus hinder the development and implementation of the concept. These areas are environmental, social and economic areas, as well as stakeholders and volunteers.
According to F. Manni and A. Facci (2020), activities on the topic of social responsibility are defined differently, but we can divide them into certain areas. The basic concept of social responsibility is based on three pillars, the so-called triple bottom line – economic, social and environmental pillars, which can be described as the 3P – profit, people, planet (Pavlík et al., 2010). K. Pícha (2012) mentions that approaches to social responsibility include relations to sustainability and sustainable development, which form the basis for fulfilling aspects of CSR.

No generally accepted standard includes measures for these three areas, this can be considered a strength because it can be adapted to different projects and situations (Slaper, Hall, 2011). Each company adapts the concept to its own needs. It is mainly about improving its reputation with its current and future customers and the public (Zadražilová et al., 2010; Eger, Suchánek, 2020). For the economic pillar, making a profit is one of the main goals of companies. This profit then allows companies to finance their activities (Kunz, 2012). It also focuses on the economic value that the company provides to the environment in a way that includes sustainability and thus supports future generations (Alhaddi, 2015). Companies in this area maintain positive relationships with their stakeholders and pay attention to business transparency. Within the economic pillar, the company’s activities are monitored as to how they have an impact on the economy at the local and global levels (Steinerová et al., 2008; Dušková, 2021). The economic area focuses mainly on the requirements of stakeholders, which include owners, shareholders, investors, customers, suppliers, consumers, business partners or the public sector (Zadražilová et al., 2010; Tecl, 2014; Suchý, 2015; Dytrt, 2015; Sherwood, 2019; Westland, 2019; Tetrevo a Patak, 2019).

The social pillar includes the relationship between the company and its employees. How the company takes care of its employees, what working conditions they have and what opportunities it provides them (Kunz, 2012). The company also influences society, the standard of living of citizens, through their health and education to cultural development (Steinerová et al., 2008). It also seems essential that society’s CSR initiatives exceed consumer expectations (Schramm-Klein, Zentes, 2008). V. Kunz (2012) includes in the social area activities such as work-life balance, outplacement, equal job opportunities, benefits, the fight against mobbing and sexual harassment, job diversity, job rotation, health and safety, medical examinations, a friendly environment where employees do not have to be afraid of expressing their opinion, and a respect for human rights. Various authors deal with this topic and, for example, M. Steinerová et al. (2008) include activities related to corporate giving and volunteering, social integration, care for the quality of life of citizens in the field of cultural or sports activities, employment development, and infrastructure.

Moving onto the environmental pillar. In this area, companies should pay attention to the economic use of natural resources, their protection, investment in clean production and technology, be environmentally friendly and reduce their
negative impact on this area (Sommerauerová et al., 2016). The environmental area is becoming increasingly popular and necessary in the 21st century. Caring for this area also goes hand in hand with the company’s financial success (Savitz, 2013). The company must pay attention to the activities it carries out within the company, those that go outside and affect its surroundings, and eliminate the activities that have a negative effect. It is also essential to inform the surroundings in case of any problems (Kunz, 2012).

With the proper functioning of the CSR concept, the company also builds good relationships with its stakeholders. It gains these good relationships and trust by constantly cooperating with key stakeholders (Steinerová et al., 2008). Stakeholder theory is constantly evolving and therefore it is increasingly difficult today to decide who are still stakeholders and who no longer belongs to this group (Kunz, 2012). Among the stakeholders, we can include all those who have both positive and negative influences on the company. Approaches to individual stakeholders may vary, depending on their importance and the activities that are targeted at stakeholders by the company (Tetřevová et al., 2017).

**Methodology and data**

To fulfil the goal of the paper, the socially responsible activities of Bosch Diesel are have been analysed. The Bosch Group is a leading global supplier of technology and services. It employs around 403,000 people worldwide. The Czech Republic has several independent subsidiaries. Our attention was focused on the plant in Jihlava. It is the largest production plant in Jihlava, producing diesel injection pumps, and at the same time the largest employer in the Vysočina Region. Furthermore, based on the company’s internal and external documents, the authors have performed a detailed content analysis; these documents contain information on social responsibility and the various activities that Bosch performs. In order not to rely only on the analysis of documents, a manager who takes care of this area in the company was also interviewed. To determine the social responsibility and the current state of activities, a questionnaire survey with employees was also conducted. The self-administered and structured questionnaire is used as an instrument for primary data collection and to gather data that could be used to evaluate the respondent’s beliefs, knowledge, attitude, and behaviour regarding the study variables.

The questionnaire was distributed to 200 employees and 176 of them were returned, representing a return of 88%. The questionnaire, with 23 questions, is divided into several parts. At first, we focused on classical general socio-demographic issues. Other parts of the questionnaire examine how respondents perceive CSR and whether they know what this area means or consider it important.
The following section focuses on the individual pillars of CSR and what impact they have on employees. Here we found out which activities within the individual pillars are important for employees and to what degree. The last part is dedicated directly to Bosch Diesel. Here it is ascertained whether the respondents know the surveyed company and have a relationship with it. What are the attitudes and opinions on social responsibility in the company and to what extent do the activities affect them, or what effect do these activities have on the respondents?

The following research questions (RQ) are set:
- RQ1: How do the respondents perceive CSR?
- RQ2: How important are the individual activities of the CSR pillars for the respondents?
- RQ3: What is the attitude of respondents to CSR in Bosch Diesel?

**Results and discussion**

Of the returned 176 questionnaires, 106 were completed by men and 70 by women. Employees aged 40–49 most often answered, the least represented group was ≤ 20. Most respondents have worked at Bosch Diesel for 16 or more years, which is very good in terms of staff turnover. The next highest number of respondents indicated 11–15 years of employment. From these results, it can be concluded that the employees of Bosch Diesel are faithful.

**RQ1: How do respondents perceive CSR?**

CSR activities are not associated only with benefits, but can also be perceived negatively. For this reason, employees are presented with general questions regarding their perception of CSR. The most frequent answer to the question of whether they know what CSR is was answered by 61.30% of the respondents. Furthermore, 38.70% of respondents answered that they did not know or that they were not sure.

After the definition of CSR was reconsidered, respondents were asked whether they perceived social responsibility negatively or positively. Respondents could answer on a scale from definitely positive to negative. Nobody answered negatively and only 6%, ie 10 respondents, perceive social responsibility rather negatively. We can therefore say that most respondents perceive social responsibility positively.

Based on the results of RQ1, most respondents know what to imagine under the term social responsibility, although the concept is very broad and each person could have imagined something different under this concept, the basis of the concept is the same according to the authors. Those respondents who have some idea of
what CSR means then perceive this concept positively, however, a small proportion of respondents perceive CSR as a negative issue. This negative opinion of CSR can be found in literature, purported by such authors as Milton Friedman, who was one of the biggest critics of corporate social responsibility. It is important for most respondents that their employer behaves socially responsibly because as employees they are among the main stakeholders and are part of the company. CSR affects them very much, for example, the way the employer treats them and whether it respects all their rights; what working conditions they have and whether there is any dialogue between employees and employers. Furthermore, most employees think that CSR gives companies a competitive advantage. Competitive advantage is important for companies because it determines what companies offer their customers and other stakeholders, being able to offer a little extra than their competitors. It is something that no one else offers and at the same time it makes the company exceptional. In social responsibility, companies can realize themselves in any direction, because there are no limits to this concept. Companies can focus on an area from any pillar that suits them in meeting their strategic goals.

**RQ2: How important are the individual activities of the CSR pillars for the respondents?**

Respondents were given a list of socially responsible activities to evaluate. First, we asked the respondents which pillar companies should focus on the most. They could choose one or more answers, so there were a total of 287 answers across the individual pillars. The social pillar which received the most answers was the economic pillar, 69% of employees answered in this way, i.e., 122. The environmental pillar received 10% less and the smallest number of answers, i.e., 35% of respondents. However, even if the environmental pillar received the least votes, it does not mean that companies should not be interested in the environment, on the contrary, today this area is very topical and environmental care is part of the strategies of some companies.

The following questions were devoted to the importance of activities in individual pillars, where respondents were given a list of individual activities and further decided according to their preferences on a scale from 1 (least important) to 4 (most important). Table 1 shows the individual activities and their distribution according to which pillar they fall into. The most important activity within the economic pillar for respondents is “innovation and sustainability”, option 67 was chosen by almost 67% of respondents. “Respect for human rights and the prohibition of child labour” is the most important in the social pillar. According to the respondents, the most important within the environmental pillar is “protection of natural resources and the elimination of negative impacts on the environment”. According to the respondents, the most important activity
within all pillars is “Respect for human rights and the prohibition of child labour” from the social pillar. The second place is occupied by the activity “Protection of natural resources and the elimination of negative impacts on the environment” from the environmental pillar. In third place is again an activity from the social pillar “Work-life balance (harmonization of personal and professional life).” According to the respondents, another important activity is “Waste Management”, which concerns the environmental pillar. Only the activity “innovation and sustainability from the economic pillar” took fifth place. We can see that all three pillars are included among the five most important activities. At the other end of the scale, the respondents consider “Outplacement (professional help from the employer to dismissed employees)” to be the least important activity: almost 35% of respondents described this activity as unimportant. Respondents identified “Donations and volunteering” as the second least important activity, ie almost 31% of employees. The third least important activity for the respondents is “Corporate governance – the way of corporate governance.” Another activity of little importance is again from the economic pillar, namely “Relations with owners, shareholders and investors”. Respondents identified “Minimization of traffic load” as the fifth least important activity. As we can see here, all three pillars of social responsibility are included among the least important activities.

Table 1. Importance of activities in individual pillars

<table>
<thead>
<tr>
<th>Activities</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Average</th>
<th>Order in pillars</th>
<th>Ranking overall</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>In %</td>
<td></td>
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<tr>
<td>1</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avoid corruption, behave ethically and be</td>
<td>4.5</td>
<td>4.5</td>
<td>25.6</td>
<td>65.4</td>
<td>3.52</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>transparent in supplier-customer relations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate governance</td>
<td>4.0</td>
<td>19.3</td>
<td>40.9</td>
<td>35.8</td>
<td>3.09</td>
<td>7</td>
<td>22</td>
</tr>
<tr>
<td>Supplier-customer relations</td>
<td>2.8</td>
<td>9.1</td>
<td>45.5</td>
<td>42.6</td>
<td>3.28</td>
<td>5</td>
<td>17</td>
</tr>
<tr>
<td>Relations with owners, shareholders and investors</td>
<td>3.4</td>
<td>14.2</td>
<td>52.3</td>
<td>30.1</td>
<td>3.09</td>
<td>6</td>
<td>21</td>
</tr>
<tr>
<td>Intellectual property (patents, copyrights,</td>
<td>2.8</td>
<td>7.4</td>
<td>43.2</td>
<td>46.6</td>
<td>3.34</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>trade secrets, etc.)</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Innovation and sustainability</td>
<td>4.0</td>
<td>3.4</td>
<td>26.1</td>
<td>66.5</td>
<td>3.55</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Fair competition</td>
<td>6.3</td>
<td>10.2</td>
<td>30.7</td>
<td>52.8</td>
<td>3.30</td>
<td>4</td>
<td>16</td>
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Table 1 (cont.)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Work-life balance</td>
<td>4.0</td>
<td>1.1</td>
<td>25.0</td>
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<tr>
<td></td>
<td></td>
<td>Human resources development (qualifications, education)</td>
<td>3.4</td>
<td>2.8</td>
<td>35.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Outplacement</td>
<td>3.4</td>
<td>30.7</td>
<td>35.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Benefits for employees</td>
<td>2.8</td>
<td>10.2</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equal job opportunities</td>
<td>2.8</td>
<td>4.0</td>
<td>34.7</td>
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<td></td>
<td></td>
<td>OSH</td>
<td>3.4</td>
<td>5.2</td>
<td>38.6</td>
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<tr>
<td></td>
<td></td>
<td>Donations and volunteering</td>
<td>3.4</td>
<td>26.1</td>
<td>42.6</td>
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<tr>
<td></td>
<td></td>
<td>Care for the quality of life of citizens</td>
<td>3.4</td>
<td>10.8</td>
<td>42.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Respect for human rights and the prohibition of child labour</td>
<td>2.3</td>
<td>1.7</td>
<td>17.6</td>
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<tr>
<td></td>
<td></td>
<td>Diversity of work and friendly environment</td>
<td>2.3</td>
<td>4.0</td>
<td>32.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Protection of natural resources and the elimination of negative impacts on the environment</td>
<td>3.4</td>
<td>0.6</td>
<td>20.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environmental policy of the company</td>
<td>2.8</td>
<td>5.7</td>
<td>47.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>International standards (regulating the impact of business on the environment)</td>
<td>4.0</td>
<td>9.6</td>
<td>43.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environmental investments and measures</td>
<td>2.3</td>
<td>5.1</td>
<td>42.0</td>
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<tr>
<td></td>
<td></td>
<td>Waste management</td>
<td>1.7</td>
<td>4.6</td>
<td>26.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Safety when handling various substances</td>
<td>3.4</td>
<td>8.0</td>
<td>26.7</td>
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<tr>
<td></td>
<td></td>
<td>Minimization of traffic load</td>
<td>4.5</td>
<td>13.1</td>
<td>45.5</td>
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</tbody>
</table>

Sources: own calculation.
The results show that companies should focus primarily on the social and economic pillars of social responsibility. Based on the respondents’ answers, it is important to focus primarily on the social pillar, which mainly concerns the area around employees. Companies should try to keep their employees satisfied and thus achieve their loyalty, and thus avoid large fluctuations, i.e., employees will then work for the company for many years. Satisfied employees also create a competitive advantage. According to employees, the environmental pillar is the least important for companies, but because of today’s global pressures, companies must also take it into account and address environmental activities.

**RQ3: What is the attitude of respondents to CSR in Bosch Diesel?**

The aim of this last part of the questionnaire survey was to find out the attitude of the respondents (employees) towards their employer Bosch. The authors wished to determine how social responsibility seem to them and whether they are somehow affected by these activities. Furthermore, it was important to know in what way they were affected.

The survey shows that most employees know the values of the company in which they work. In terms of communication with employees, the message of CSR is successful. According to the results, employees are informed through various channels that are available to all employees in the company. For the most part, employees feel part of the company, so the company can make its employees feel important and useful at every level of the company. If employees do not have this feeling, it can lead to resignation and thus increased turnover, which companies try to avoid. As for the individual claims, the results are more than favourable. The overall attitude of employees towards the company is very favourable. It was also found that the employees themselves behave socially responsibly in their work and personal lives. Most, however, on their initiative. It follows that employees perceive social responsibility very positively and understand this area as an important part not only of their employment but also of their personal life.

**Recommendations**

CSR at Bosch Diesel is at a very high level as throughout the Bosch Group. CSR activities have been a tradition in the company for many years. However, in this section, we will suggest to the company some recommendations that could be used for the further development of CSR activities.

Based on analysis of company documentation, it was found that the company states that it wants to reduce the burden on the environment, in among other ways, through the transporting of employees to work, but does not state how it wants
to achieve this. Whenever shifts change, the traffic situation is very critical and congestion often occurs. Therefore, we would recommend that the company create a plan for carpooling, where employees working the same shift would carry other co-workers who live in the same direction and at a similar distance. These co-workers could take turns if they own a car or share transportation costs. This should help to improve the traffic situation and also reduce the burden on the environment.

As part of its reports, the company constantly emphasizes the efficient use of materials and the protection of natural resources. It focuses mainly on efficient production, but we also recommend the company to use products with the label “environmentally friendly service” or the label “environmentally friendly product”, which are intended for offices and administrative services. As part of the introduction of this eco-label, the company reduces its negative impact on the environment and at the same time helps to save energy, water and reduce waste. The company could use these products in newly renovated offices, where it purchased equipment with such a designation.

As part of the questionnaire survey, allegations were made regarding the information flow, both concerning that which the company provides about its activities and internally towards employees, as being of a low quality. Therefore, we would recommend increasing the communication flow, for example by holding more frequent meetings or various employee training events. Furthermore, as part of CSR communication, it could create simple promotional material that would contain clear and understandable information about various activities of the company. It could include the company’s mission, the values and principles on which it is based, and brief information from individual areas of CSR. This material would be available to employees on shelves in the corridors and to the general public during open days or various events organized by the company for the general public. Another way to strengthen the message and increase the public’s perception of corporate social responsibility, is by promoting these activities in various media, such as radio advertising campaigns or through promotion on social networks. Through the questionnaire survey, it was discovered which activities are most preferred by employees, so it is recommended that the company focus on them:

● Respect for human rights and the prohibition of child labour – this point is the most important for employees according to the results. It is enshrined in the Code of Ethics and the company’s values. If employees are not sufficiently familiar with the code of ethics, we recommend that the company carry out training that would lead to greater awareness of employees, as well as some leaflets or information on bulletin boards, the most important points describing this code would suffice.

● Protection of natural resources and the elimination of negative impacts on the environment – employees are also interested in this area and the protection of natural resources is a very important activity for them. Therefore, it would be appropriate here for the company to submit reports on this topic.
- Work-life balance (harmonizing personal and professional life) – this activity can attract new employees and keep existing ones happy. We recommend focusing the activity on those employees who for some reason cannot work, due to family, health, study or other problems. The company states in its reports that it strives to create an attractive work environment for its employees by introducing changes towards a work culture that takes into account individual interests. Therefore, we recommend supporting them in all activities within their development, as they would imagine. However, it also depends on their occupancy, which the employer must take into account. The supervisor should find out what activities are of interest and, based on an agreement, a solution could be found between the employees and the employer. These activities would lead to employee satisfaction and thus to their loyalty.

**Conclusions**

Bosch Diesel has a great influence and can affect its stakeholders and the company’s surroundings with its activities. The aim of the paper was to analyse the activities of social responsibility of the selected company, Bosch, and then propose specific recommendations for further development of the company. It was based on the analysis of company reports, interviews with the manager and a questionnaire survey.

Even though the company deals with social responsibility and is interested in everything that is happening around this area, it mustn’t allow itself to be appeased by the current situation, where CSR is at a high level. They must constantly monitor the trends around them, this can lead to an increase in the level of CSR in the company. Several factors can affect the company and its activities within CSR, so it is necessary to monitor all events around them, both the paths that lead to achieving its goals or the situation behind the company, where it can monitor other companies and industries. Furthermore, they can bring inspiration and impulses that would revive current practices. As this is a very large area, the company can implement strategies in any direction and any pillar of CSR. Social responsibility can also be associated with costs, but it can also be associated with benefits if done correctly. As part of the questionnaire survey, employees stated that they see CSR activities as positive, which also brings competitive advantages.
References


Employee’s perception of corporate social responsibility...


