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Faculty of Business and Economics

CSR strategies in the Edwards company in the Czech Republic and Germany

Diploma Thesis

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Abstract

Hemerková, V. CSR strategies in the Edwards company in the Czech Republic and Germany. Diploma thesis. Brno: Mendel University, 2016.

The main objective of this diploma thesis is to analyse current CSR situation in multinational Edwards company in the Czech Republic and Germany and propose recommendations for the Czech Republic in order to increase awareness about Corporate Social Responsibility. The literature review includes main CSR principles, dimensions and definitions together with main benefits which CSR concept brings. Also implementation process, CSR norms, guidelines and standards are presented. The part Results contains an identification of Edwards company and analysis of interviews and two questionnaires. Based on the findings of survey, there are proposed recommendations for the Czech Republic. The recommendations and outcomes of interviews and questionnaires are then commented as a whole in discussion and finally they are summed up in conclusion.

Keywords

Corporate social responsibility, CSR, Edwards company, competitiveness

Abstrakt

Hemerková, V. Společenská odpovědnost firmy Edwards v České Republice a Německu. Diplomová práce. Brno: Mendelova univerzita v Brně, 2016.

Hlavním cílem této práce je analýza společenské odpovědnosti v mezinárodní společnosti Edwards, v České Republice a Německu, a následné navržení doporučení pro Českou Republiku, s cílem zvýšení povědomí o společenské odpovědnosti. Literární přehled obsahuje hlavní principy, aspekty a definice společenské odpovědnosti, společně s výhodami, které společenská odpovědnost přináší. Praktická část obsahuje popis společnosti Edwards, analýzu šesti rozhovorů s vedením společnosti a dotazníková šetření. Následná doporučení jsou navržena na základě výsledků průzkumu. Rozhovory a dotazníková šetření spolu s doporučeními jsou komentována a analyzována jako celek v diskuzi a poté shrnuty v závěru.

Klíčová slova

Společenská odpovědnost firem, CSR, Edwards, konkurenceschopnost

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1 Introduction

In today's economic and social environment, issues related to social responsibility and sustainability are gaining more and more importance, especially in the business sector. Business goals are inseparable from the societies and environments within which they operate. While short-term economic gain can be pursued, the failure to account for longer-term social and environmental impacts makes those business practices unsustainable.

Businesses worldwide are increasingly worried about the impact of their business activities on society. They also recognize that the world they live in presents a growing amount of demands, pressures and risks that are not signalled through markets or the traditional political processes on which they have relied for a very long time. Thus, many have implemented into their operation the so-called corporate social responsibility (CSR) that aim to balance their operations with the concerns of internal and external stakeholders such as employees, customers, suppliers and business partners, labour unions, local communities, non-governmental organizations and governments. CSR is a complex phenomenon, emerging as the interface between enterprises and society. Social and environmental consequences have started to being weighed against economic gains and short-term profit against long-term prosperity by the businesses in order to maintain long-term sustainable growth and development. (Polášek, 2010)

For Czech people as well as Czech companies, ethical and corporate social responsibility issues are relatively new. Since 1989 (fall of the communist regime) corporate social responsibility has made a great progress and found a solid ground among Czech companies and entrepreneurs.

Czech and international organizations play very important role in supporting CSR – they set the standards, disclosure the information about the companies and award them with prizes. Among Czech organizations there can be included Ministry of Human Rights and Minorities, Ministry of Labour and Social Affairs, Ministry of the Environment, Ministry of Industry and Trade, Business Leaders Form, Association of Fair Business, Czech Society for Quality and others such as Top Responsibility Company, Price of Health and Environmental Safety, and National Award for the CR. Among international organizations, which influence the behaviour of firms in CR the most, can be included United Nations Organization, European Commission, International Labour Organization, International Institute for Sustainable Development, International Organization for Standardization (ISO), CSR Europe and many others.

This thesis is focused on corporate social responsibility in the company Edwards in the Czech Republic and Germany. The introduced CSR implementation concept can enrich Edwards company and brings also competitive advantages for it.

2 Objectives and Methodology

2.1 Objectives

The objective of the thesis is to analyse current CSR situation in the multinational Edwards company in the Czech Republic and Germany with the aim to suggest recommendations for the Edwards company in the Czech Republic and hereby improve competitiveness of this company in political and economic integration process. The recommendations are based on the analysis of the current use of CSR in company in the Czech Republic in comparison with Germany and two questionnaires. A partial objective is to find out the depth of knowledge and awareness of CSR in Czech Republic and Germany, which activities they consider as CSR activities, what they consider to be benefits of CSR activities, whether they report CSR activities, whether the attitude to CSR is the same from the point of view of employees and managers.

2.2 Methodology

The diploma thesis is divided into two main parts – Literary review and Results. In order to achieve objectives of the thesis an extensive research is going to be done.

Literare review provides with theoretical view on given issues. It also clarifies terms connected to corporate social responsibility focused on its evolution and current state. Emphasis is placed on theoretical approaches to CSR, its benefits and implementation process. Norms and standards concerning CSR are introduced. The logical scientific methods which appear in the thesis include an inductive-deductive approach which is based on concluding basic conclusion based on information about details respectively from general conclusion into more concrete view.

In the part of the thesis Results, qualitative and quantitative research has been done. Qualitative research has been done on the basis of interviews. Totally six interviews were performed mainly with management of company. Three interviews were realized at the branch in Brno and next three interviews at the office in Germany. People for interviews have extensive experiences in socially responsible activities, university degree and multi-years working experiences. Before conducting of interviews topics were prepared. List of topics is presented in Appendix B. Concentration of respondents on concrete social responsible areas provide me with the most reliable information. The evaluation of interviews was done on the basis of coding, categorization and subsequent interpretation of theory. The book "Coding Manual for Qualitative Researchers" from Saldana served me as a model for my analysis of interviews.

Quantitative research has been done on the basis of two questionnaires *A* and *B*. Both questionnaires are presented in Appendix C and D. The questionnaires are needed for meeting objectives of thesis. The questionnaires were distributed online to 156 employees in Brno. Before the questionnaires were distributed to all

employees, the form was sent to independent people to complete it in order to eliminate shortcomings. The first one was aimed at Satisfaction and Engagement of employees. The questionnaire has been already completed in several countries but not yet in the Czech Republic. It was focused on these five areas: Performance and Development, Feeling valued and Respected, Senior leadership and Governance, Collaboration and Teamwork and Work-life balance. The questionnaire was available online from 24.11. 2015 to 27.11.2015.

The questionnaire B consisted of 8 questions, which either confirm or disprove two hypotheses: more than 50% of respondents believe, the company is socially responsible; more than 70% of respondents actively participate in environmental activities of company. The questions for this questionnaire were created on the basis of six interviews. Other objective of the questionnaire is suggestion of recommendations for improvement of CSR in the Czech Republic.

In the final part of the thesis, the chapters Discussion and Conclusion serve as a summary of the key findings and facts, and reveal the final interpretation about the correctness of hypothese. The recommendations for CSR activities at the Edwards company are summarised as it has been the main objective of the thesis from the beginning.

At the very end, there follows the list of used sources, so called References. In the Appendix, Implementation framework, Topics for interviews, Questionnaire A and B and Transcription of interviews are presented.

3 Literature review

3.1 Definition of Corporate Social Responsibility

The concept of corporate social responsibility becomes nowadays the indivisible part of activities of many companies. Although it is very difficult to find only one definition, the name of the concept refers about its content itself. Corporate social responsibility is based on voluntariness and concerns the behaviour of the company beyond the legislation. Its aim is to make companies more concerned about future, concentrate more on long-term prior to short-term goals and to produce on the level of optimal profit. Different organisations have framed different definitions - although there is considerable common ground between them.

Mallen Baker (2004) has the following definition of CSR: corporate social responsibility is about how companies manage the business processes to produce an overall positive impact on society.

Fig. 1   Diagram by Mallen Baker (Baker, 2004)

Companies need to answer two aspects of their operations: the quality of their management - both in terms of people and processes (the inner circle) and the nature of, and quantity of their impact on society in the various areas. Outside stakeholders are taking an increasing interest in the activity of the company. Majority looks to the outer circle - what the company has actually done, good or bad, in terms of its products and services, in terms of its impact on the environment and on local communities, or in how it treats and develops its workforce. Out of the various stakeholders, it is financial analysts who are predominantly focused - as well as past financial performance - on quality of management as an indicator of likely future performance. (Baker, 2004)

Putnová defines CSR as such behaviour of companies which takes into consideration the needs of its internal and external environment in order to generally help overall improvement of the society within and beyond its commercial action. (Putnová, 2004)

The World Business Council for Sustainable Development in its publication Making Good Business Sense by Lord Holme and Richard Watts, used the following definition. Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. (World Business Council, 2004)

The association Business Leaders Forum brings definition seeing CSR as a voluntary commitment of companies to behave responsibly to environment and society in which they make business. CSR accepting companies are voluntarily setting high ethical standards, trying to minimize negative impacts on the environment, maintain good relationships with its employees and support region in which they live. Similar point of view have Blowfield and Murray (2011) who emphasized the obligation to the surroundings of a company and extend the explanation of social factors that should be included. They are using the term corporate social responsibility as an umbrella that captures the variety of ways in which business' relationship with society is being defined, managed and acted upon. Based on this fact CSR composes of the responsibility of a business in the context of wider society, definition and negotiation of these responsibilities and their management and organization. (Business Leaders Forum, 2012)

The CSR definition used by Business for Social Responsibility is: Operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. (Business and Economics, 2004)

The European Commission has the following definition: A concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. (European Commission, 2012) Nevertheless in a renewed EU strategy 2011-14 for Corporate Social Responsibility the European Commission puts forward a new definition of CSR as the responsibility of enterprises for their impacts on society. Commission sees the prerequisite for meeting this responsibility in respecting applicable legislation and collective agreements between social partners. Companies should integrate social, environmental, ethical, human rights and consumer concerns into their business operations and business strategy in close collaboration with their stakeholders, aiming at maximization of shared value creation for owners, shareholders and other stakeholders, and identification, prevention and reduction of their possible unfavourable impacts. The complexity of CSR integration depends on factors such as the size of the enterprise and the nature of its operations. (Eur-Lex, 2011)

Authors Benn and Bolton highlighted the fact that since the amount of several definitions is large, some writers have concluded that a single definition is hard to catch. Nevertheless, there is a broad agreement that social and

environmental responsibility is the core business issue, no matter how it is defined. (Benn, Bolton, 2011)

3.2   Extent of corporate social responsibility

The triple bottom line (TBL) is an accounting framework that incorporates three dimensions of performance: social, environmental and financial. This differs from traditional reporting frameworks as it includes ecological (or environmental) and social measures that can be difficult to assign appropriate means of measurement. The TBL dimensions are also commonly called the three Ps: people, planet and profits. We will refer to these as the 3Ps. (Hall, 2011)

The first person, who introduced triple bottom line concept was in 1994 John Elkington, the founder of a British consultancy called SustainAbility. His argument was that companies should be preparing three different (and quite separate) bottom lines. One is the traditional measure of corporate profit—the "bottom line" of the profit and loss account. The second is the bottom line of a company's "people account"—a measure in some shape or form of how socially responsible an organization has been throughout its operations. The third is the bottom line of the company's "planet" account—a measure of how environmentally responsible it has been. (The Economists, 2009)

According to Benn and Bolton, a common feature of the triple bottom line framework is the measurement and reporting of corporate performance in economic, social and environmental outcomes. (Benn, Bolton, 2011)
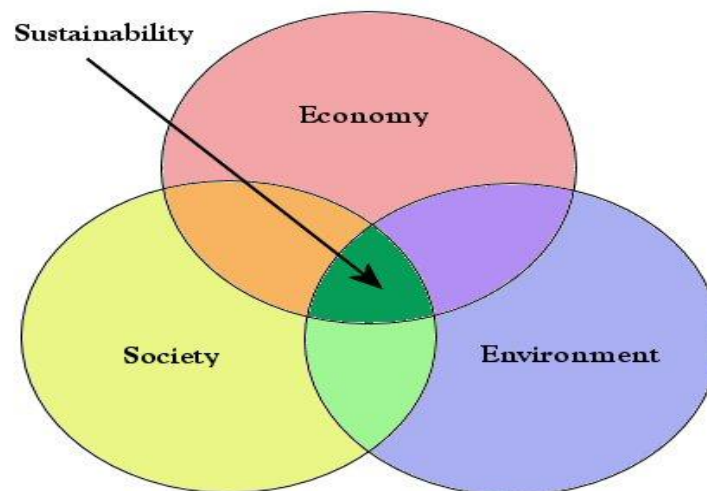
Fig. 2   The triple bottom line (Hall, 2011)

Each dimension of corporate social responsibility covers concrete actions, ways of business, set of rules and behaviour (Adámek, 2013). Together with authors Kuldová (2012), Mullerová, Šimek (2012) and Crane and Matten (2010) highlighted characteristics of individual dimensions.

3.2.1   Economic dimension

Economic sphere emerged from economic growth models which showed that continuous growth of the business will eventually decrease the standards of living. Therefore the business activities should be carried out in such way so they don't jeopardize the future generations by present actions. This dimension covers the agreement on requirements connected to principles of managing and control of an organization, observance of agreements and data protection, action against bribery, fighting cartel agreements and misuse of confidential information, pursuit of quality relationships with suppliers, investors and customers through the implementation of specific programs and maintaining company's transparency. (Kuldová, 2012)

3.2.2   Social dimension

Social dimension is connected with the businesses spreading into developing countries where the social situation is worse than in developed countries. The idea of positively influencing the social community around the company was the first sign. Then the activities were   embraced also within the company. Into this dimension belongs firm's philanthropy, employee policy, support of education, employment of minorities, gender equality policy, work-life balance and outplacement policy. (Mullerová, Šimek, 2012)

Prskavcová et al. (2008) adds that social dimension can be divided into two parts – internal and external. The former is called the social policy of the company; the latter is devoted primarily to philanthropy, altruism and cooperation with local community.

3.2.3   Environmental dimension

The main concern in the environmental perspective are non-renewable resources of energy, materials etc. Every company can generate such an activity which can harm the environment. Therefore each company should identify also impacts of its operation on environment. In environmental dimension, companies should pay attention to considerate ecologic company culture, reduction of negative impact on environment, ecologic production, careful treatment of natural resources and investment into ecological technologies. (Kuldová, 2012)

3.3   Evolution of corporate social responsibility concept

There is an impressive history associated with the evolution of the concept and definition of corporate social responsibility (CSR). Over the decades, the concept of corporate social responsibility (CSR) has continued to grow in importance and significance. The roots of CSR certainly extend before World War II. During the 1950s, there was bare discussion of linking CSR with benefits for businesses themselves. The primary focus was on businesses' responsibilities to society and doing good works for society. Theodore Levitt closed out the 1950s by warning the business world about the dangers of social responsibility (Levitt 1958).

In spite of Levitt's warnings, CSR would grow in popularity and take shape during the 1960s, driven largely by the social movements that defined the times, especially in the US, and by the forward-thinking academics who were attempting to articulate what CSR really meant and implied for business. In the US, the most important social movements of the 1960s included civil rights, women's rights, consumers' rights and the environmental movement. Formal definitions of CSR began to proliferate in the 1970s, and the overall trajectory was towards an emphasis on CSP (Carroll, 1999). The 1970s was the decade in which corporate social responsibility, responsiveness and performance became the centre of discussions. Ackerman (1973) and Murray (1976) argued that what was really important was not that companies were 'assuming a responsibility', but that companies were responding to the social environment. Frederick (1978) formalized this distinction by differentiating corporate social responsibility (CSR1) from corporate social responsiveness (CSR2). CSR1 emphasized companies 'assuming' a socially responsible posture, whereas CSR2 focused on the literal act of responding or of achieving a responsive posture towards society. In the mid-1970s, an emphasis on CSP more clearly emerged. In 1980's companies became more responsive to their stakeholders. New alternative concepts and themes of CSR have been developed such as corporate social performance, corporate citizenship, business ethics, public policy, stakeholders management etc.. Thomas M. Jones as one of the main contributors of that decade described an analogy with the political process, meaning that the appropriate process of CSR should be fair and all interests of stakeholders should be heard. He also shifted the focus from CSR conceptualization to the process of its implementation and illustrated how a firm could engage in a decision-making process of CSR that should constitute CSR behaviour. In 1981 Freeman triggered thinking around stakeholders theory. In his book Strategic Management: A Stakeholders approach is extending scope of stakeholders theory by proposing the new definition of stakeholders who were according to him "any group or individual who can affect or is affected by the achievement of organizations objectives." He also recognized the growing importance of ethics (Leite, 2011).

In 1991 Carroll adjusted his four-component definition of CSR and changed the voluntary component for philanthropic (Adámek, 2013). This new version called CSR pyramid (see Figure 3) shows the hierarchy of individual aspects of CSR. We can see that the basic role in the company is the economic responsibility - be profitable. 1990's were according to Carroll (1999) not about unique contributions to definition of CSR. CSR concept served as a base point and the major themes had been business ethics, stakeholder's theory, corporate citizenship and corporate social performance. In 1991 Donna J. Wood revised the CSP model and made one more comprehensive. She pointed out that it is necessary to distinguish three levels when talking about CSR: institutional, organizational and managerial. From these levels imply different responsibilities and CSR activities. (Leite, 2011)

Carroll's Four Part Definition

Ethical Responsibilities

Social Responsibilities

Legal Responsibilities

Economic Responsibilities

Fig. 3   Caroll's CSR Pyramid (Kuldová, 2012)

3.4   CSR approach in the Czech Republic

At the beginning in the Czech Republic the impulse of most companies was to focused purely on philanthropic donations. Over the time, a number of companies have steadily been growing and nowadays companies are engaged in a remarkable range of activities. The harmonization of Czech law with EU legislation, and the Czech Republic's accession to the European Union, contributed to major advances in the promotion of CSR. As long ago as 1998 the Czech Republic adopted rules for the introduction of Eco-Management and Audit Scheme (EMAS), and prepared the first National EMAS Program. The program was updated in 2002. In order to fully participate in this program, companies are obliged to, among other things, introduce an environmental management system which contributes to the continuous improvement of their environmental conduct. The milestone in building foundations of CSR was August 2003, when the Sustainable development Council of the Czech Government was established as a standing advisory body of the Government for sustainable development and strategic management. (Adámek, 2013)

Increasing interest in CSR and a trend in implementation of CSR is reflected also in surveys of the Business Leader's Forum. In 2004 in the survey 76% of surveyed companies claimed to be involved at least in one CSR activity. In 2007 it was almost 90%. (Business Leader's Forum, 2004)

As CSR is gaining its popularity among entrepreneurs, some non-governmental organizations have been focusing on building partnership between profit and non-profit organizations in the area of corporate philanthropy, corporate volunteerism, social marketing and environmental protection. In 2007 the Ministry of labour and Social Affairs created a new website on CSR, to inform

users about the concept of CSR in the European Union. (Czech Ministry of Labour and Social Affairs, 2012)

A lot of companies in the Czech Republic, which have decided to behave responsibly to its surroundings, use various tools through which the public is informed about their activities. Transmission of this information through websites, annual reports or press release, is frequent. One of the company's options how to inform its partners that the company engages itself in social responsibility and associated activities, is through certification. There are several certificates that relate to various aspects of social responsibility or a social responsibility in general. Most popular types of certifications used in the Czech Republic include some standards, which do not have certification character, however they are very important for business subjects for implementing elements of the CSR in their activities. In the Czech Republic, there are currently implemented the following types of certifications and standards e.g.: ISO 26000, ISO 9001, ISO 14001, AAA 1000 AccountAbility, Global Reporting Initiative, Environmental Management Audit Scheme, United Nations Global Compact. There is also the National quality policy organizing project of the National program of conformity assessment for management system of corporate social responsibility, which has also the certification character. (Abramuszkinova Pavlikova, Kuřitkova, 2013)

3.5 Development of CSR in EU

We can say, that the EU's relationship with corporate social responsibility begins in June 1993, when European Commission President Jacques Delors makes an appeal to European business to address Europe's structural problems of unemployment, restructuration and social exclusion. He invites enterprises to adopt a European Declaration against Social Exclusion. As a reaction on this appeal, in 1995 the president Delors and 20 business leaders sign the European Business Declaration against Social Exclusion, which calls for the development of an European Network for the exchange of information and experience. One year after in 1996, the European Business Network for Social Cohesion was formed (later renamed CSR Europe). Its purpose was to create a space for men and women in business to share experiences, develop solutions and engage in a smart policy dialogue with the EU in order to enhance corporate social responsibility within their organizations and beyond. (CSR Europe, 2014)

The turning point of EU action in the field of CSR was the adoption of the Lisbon strategy in March 2000, which aimed to transform the EU by 2010 to the most competitive and dynamic economy, capable of sustainable economic growth with more jobs and greater social cohesion. The Green Paper from 2001 is important in the field of CSR as well. The aim of this book was to open a debate about the concept of CSR and lay the foundations for building a CSR strategy within the EU. (Abramuszkinova Pavlikova, Kuřitkova, 2013)

From the initiative of the European Commission came into existence other projects like CSR Business Marathon – a conference which in 2001 took place in

Athens. In 2002 European Multistakeholder Forum has been established which purpose was exchange of opinions and experiences in relationship with CSR with several involved groups. One of the important initiatives was establishment of European Alliance for CSR in 2006 which followed from previous discussions with business representatives and other involved groups and also from European Multistakeholder Forum and tried to further develop wider acceptance of corporate social responsibility among European businesses, hence support innovation potential and competitiveness of Europe. (Kunz, 2012)

In 2010 the Lisbon strategy has been replaced by Europe 2020 strategy. Europe 2020 puts forward three mutually reinforcing priorities: smart growth - developing an economy based on knowledge and innovation, sustainable growth - promoting a more resource efficient, greener and more competitive economy, inclusive growth - fostering a high-employment economy delivering social and territorial cohesion. (European Commission, 2010)

Enterprise 2020 is CSR Europe's initiative to address European and global challenges to achieve smart, sustainable and inclusive growth. Enterprise 2020 has become the European movement for companies committed to developing innovative business practices and working together with their stakeholders to provide solutions to existing and emerging societal needs. An enterprise in 2020 will effectively combine Good Governance and Accountability together with Social Innovation in all aspects of its operation. Whereas the first pillar is an opportunity to improve economic, social, and environmental performance; the second pillar strives to deliver innovative products and services to customers and workplace innovation to employees and workforce in general. (CSR Europe, 2014)

Fig. 4   Enterprise in 2020 (CSR Europe, 2014)

In 2011 the European Commission has published a new policy on corporate social responsibility for years 2011-2014. By taking steps to better meet their

social responsibility, enterprises can help themselves and help society as a whole. The European Commission's new strategy on corporate social responsibility aims to create conditions favourable to sustainable growth and employment generation in the medium and long term. The European Commission has put forward a new, simpler definition of corporate social responsibility as "the responsibility of enterprises for their impacts on society". The Commission then goes on to define, in generic terms, what an enterprise should do to meet that responsibility. The new policy also puts forward an agenda for action covering 8 areas, such as enhancing the market reward for CSR, and better aligning European and global approaches to CSR. (European Commission, 2011)

In 2015 in Brussel the meeting on CSR strategy 2015-2019 was held. Key proposal is to move from „compliance to innovation "in Europe's future CSR strategy. CSR Europe elaborated upon key proposals: balance CSR "compliance" and "innovation", to support the development of new sustainable products and services which meet societal needs, put employees and the provision of skills and jobs for Europe's youth at the heart of future CSR actions, adopt a pragmatic strategy on sustainable supply chain and business and human rights, use future European CSR Awards to humanise European CSR strategy at the local level, support capacity building on transparency with a European Action Plan on Integrated Performance and Reporting to ensure effective implementation of the EU Directive on the Disclosure of Non-Financial Information. (CSR Europe, 2014)

3.6   The importance of Corporate Social Responsibility

There exist a lot of opinions about corporate social responsibility, some of them are in favour of CSR, on the other hand, some arguments are against it. Now we will define the benefits and costs of this approach. A strategic approach to CSR is increasingly important to a company's competitiveness. It can bring benefits in terms of risk management, cost savings, access to capital, customer relationships, human resource management, and innovation capacity. It also encourages more social and environmental responsibility from the corporate sector at a time when the crisis has damaged consumer confidence and the levels of trust in business. Through CSR, enterprises can significantly contribute to the European Union's treaty objectives of sustainable development and a highly competitive social market economy. CSR underpins the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth. (Business Leaders Forum, 2012)

Authors Blowfield and Murray (2011) see the impact of the CSR concept on international level and as well as on individual business. If we look at the global point of view few challenging areas would have risen. We cannot assume that CSR will be answer to all of the world's current issues, but it could assure benefits and better condition in some fields, hence increasing corporate responsibility is being linked to many of the biggest appeals around the world which are following: responsiveness to climate change, addressing of the consequences of globalization, increase of the effectiveness of internal corporate governance, upholding of

international human rights, increasing justice and equity, especially in the poorest countries, fight with corruption and poor governance, achievement of stable and sustainable economic growth

James Epstein-Reeves, who is a Chicago-based expert on corporate social responsibility said: Corporate social responsibility is not going to solve the world's problems. CSR is a way for companies to benefit themselves while also benefiting society. He identified six reasons, why companies should embrace CSR:

- **Innovation -** innovation is a huge benefit to a company and society. For example: Using the "lens of sustainability" as McDonald (Unilever Global VP) de scribed it, Unilever was able to innovate new products such as a hair conditioner that uses less water. Without sustainability, the company's research and development efforts possibly wouldn't have led to such a product
- **Cost savings -** one of the easiest places for a company to start engaging in sustainability is to use it as a way to cut costs (less packaging, less energy)
- **Brand differentiation**
- **Long-term thinking** - CSR is an effort to look at the company's long-term interest and ensuring that the company's future is sustainable
- **Customer engagement** –In 2008, Walmart ran a campaign designed to raise awareness about the environment and the product choices consumers could make. Using CSR can help you engage with your customers in new ways. Since the message is about something "good," it can often be an easier way to talk to your customers
- **Employee engagement** - if your own employees do not know what is going on within your organization, you are missing an opportunity. Companies can create a cross-functional, global Sustainability Working Team to help create a strategy for sustainability (Smith, 2012)

Srchová sees the main benefits of CSR in higher reputation of company, better company image, higher attraction for investors, good reputation and strong position in market, distinguish from rivals, increasing employees´ productivity and loyalty, attraction for quality and talented potential employees, decreasing expenses on risk management, direct financial saving – ecological behaviour, better relationships with local society and public institutions. (Srchová, 2008)

CSR does not bring advantages only to big companies, small and medium sized companies can also gain some advantages. They are: easier recruitment of employees and business partners, good public relations, possibility of getting contacts and information from society and from main business partners.

3.6.1   Measurement of CSR benefits

CSR could be seen as an investment in the assets of the company. It is possible to measure them by indicators over the long-term period. It brings financial profit to the company.

Tab. 1   Measurement of CSR benefits

Asset	Evaluation by indicators	Long-term measurement aspects
Good corporate reputation	Questionnaires Brainstorming Reaction in media	Strengthening market position Possibility of new business opportunities Possibility to gain environmentally friendly and sensitive customers
Customers satisfaction and faithfulness	Interviewing customers Number of repeated orders Number of complaints	Turnover increasing Strengthening market position
Company flexibility	Number of product or services modifications Added value of products or services	Expanding products Increasing of market portion
Employee qualifications and satisfaction	Interviewing employees Number of absences Number of qualified employees	Higher employee motivation, content and performance Lower employee fluctuation
Environmentally friendly company culture	Energy consumption Proportion of recycling waste Quantity of exhaust Quantity dangerous materials used	Possibility to gain huge contracts Possibility to gain environmentally friendly customers Increasing eco-efficiency

Source: Srchová, 2008

3.6.2   Critique of CSR

One of the most famous critics and opponents of the CSR concept was Milton Friedman. In the New York Times Magazine, September 13, 1970 Friedman considered CSR as "fundamentally subversive doctrine" and said that "the only social responsibility of business is to increase profits." His statements were based upon the classical economics of Adam Smith and the basic pillar of CSR – stakeholders. Stakeholders are owners, shareholders and managers as their employees are required to directly manage enterprise in order to maximize profits. Friedman stated that there is only one social responsibility of business - the use of resources and the creation of activities aimed at increasing profit of owners. In the

book Capitalism and Freedom, Friedman writes: "There is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so as long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud." (Friedman, 1970)

Another person, who criticized a concept of CSR was Michael Hopkins (professor of Corporate & Social Research at the University of Middlesex in London). He argued there are seven statements against CSR. (Hopkins, 2007)

- CSR lacks a universal definition, everyone seems to have their own concept of definition
- CSR is just part of public relations plan to cheat an increasingly sceptical public
- CSR is just another word for corporate philanthropy and the contribution that a business directly makes to the welfare of society is to viewed as largely independent of its probability
- CSR is misleading as it diverts attention from key issues, it is a curse rather than a cure
- CSR ignores development economics and its concerns with capitalism and neo-liberalism and it is just a way to introduce socialism through back door
- The social responsibility of business begins and ends with increasing profits, CSR is an unnecessary distraction
- CSR is a sham because companies cannot be left to self-regulate

Among other critiques we can mention as well authors Blowfield and Murray who consider CSR activities as restricting the free functioning of the market acting against the primary objectives of the business as a result of preferring rather societal interests at the expense of the business. CSR is according to them too specialized on particular area and doesn't consider key aspects of a business in today's society. It should therefore accept a new course (Kuldová, 2012).

3.7   CSR implementation

Implementation of corporate social responsibility is a process, which consist of several phases. There is no universal method for pursuing a corporate social responsibility approach. Each firm has unique characteristics and circumstances that will affect how it views its operational context and its defining social responsibilities. Each will vary in its awareness of CSR issues and how much work it has already done towards implementing a CSR approach. A well-designed CSR implementation framework integrates economic, social and environmental decision making throughout a firm from the board of directors to front-line officials and supply-chain partners and is therefore intimately connected with effective corporate governance. A properly governed firm can reap optimal benefits for itself

and its shareholders, and in turn for those who are affected by the firm's activities. At all levels of a firm, inadequate direction and control of its activities and assets can endangered its very ability to operate. (Hohnen, 2007) The process of implementation consists of four phases: plan, do, check and improve. In the picture (see Annex A) there is a broad framework for implementing a CSR approach that builds on existing experience as well as knowledge of other fields, such as quality and environmental management. The implementation framework is a complex process composed of individual implementation steps. Each step contains several tasks and relating measures. The framework follows the "plan, do, check and improve" model that underlies such well-known initiatives as those of the International Organization for Standardization (ISO) in the areas of quality and environmental management systems. The framework is also intended to be flexible, and firms are encouraged to adapt it as appropriate for their organization. (Hohnen, 2007)

1. The first phase: planning

This phase begins with the assessment of CSR. This means setting a continuous planning process which is based on the actual needs of the community, previously conducted by the enterprise to determine the company's policy and approaches concerning the adoption of societal approach of social responsibility, the factors related to it, and the accompanying effects on society. This shall also include determining and revising administrative and/or legal requirements, in addition to other requirements endorsed or signed by the enterprise, as well as setting internal performance standards. The planning process also includes setting a program to realize the enterprise's objectives within the framework of social responsibility (action plans), that addresses roles, responsibilities, resources, timeframes, priorities, and procedures required to realize objectives, in addition to performance measurement indicators to enable the enterprise to follow up and assess the level of objective realization. By accomplishing the CSR assessment, the information base for second task is being built. The second task is development of CSR strategy. A CSR strategy is a road map for moving ahead on CSR issues. It sets the firm's direction and scope over the long term with regard to CSR, allowing the firm to be successful by using its resources within its unique environment to meet market needs and fulfil stakeholder expectations. A good CSR strategy identifies the following: overall direction for where the firm wants to take its CSR work, the stakeholders and their perspectives and interests, a basic approach for moving ahead, specific priority areas, a time line for action, responsible staff, and immediate next steps, and a process for reviewing and assuring outcomes

In this phase company should decide whether it will pursue a careful or dynamic strategy of CSR development. Following a CSR strategy helps to ensure that a firm builds, maintains and continually strengthens its identity, its market, and its relationships. The CSR team should now have the information it needs to ask management for an informed decision on how the firm should proceed. (Hohnen, 2007)

3.7.1   The second phase: doing

This phase refers to setting social responsibility goals and objectives, and drafting plans and programs purposed for realizing such goals and objectives through building and developing administrative structures directly connected with implementing social responsibility plans, determining roles and responsibilities along with delegating powers, providing resources, and training employees to guarantee raising their awareness on social responsibility. Action plans for social responsibility must be designed in a manner that guarantees systematic intertwining with other corporate regulations, so that they effectively conform to and integrate with current management regulations. Such integration will help the enterprise to create balance, and find solutions for possible overlaps, whether internally, at the enterprise's operations level, or externally, at the communication and activities execution priorities level. (Social Security Investment Fund, 2010)

Paul Hohnen described the second phase as follows: After planning there follows a realization phase of CSR implementation. It is as well composed of two tasks. The first one is development of CSR commitments. CSR commitments are policies or instruments a company develops that indicate what the firm intends to do to address its social and environmental impacts. The development of commitments must come from discovered information within assessment of CSR and from formulated CSR strategy. Like any good policy, clear commitments are a vital component of any firm's efforts to be transparent, accountable and credible. (Hohnen, 2007)

Next task connected to second phase is implementation of CSR commitments. It consists of eight steps which are again shown in Annex A. A firm that effectively implements its commitments is not only less likely to run into problems, but may be more favourably looked upon when problems do arise. Engagement of stakeholders and discussion with them is important in all phases of the implementation. For this part, the most important is the engagement of employees and partly suppliers. Therefore we have to strengthen their awareness of CSR direction, strategy, engagement, activities and performance of a firm in this field through several communication channels. (Hohnen, 2007)

3.7.2   The third phase: checking

Within the third phase of implementation, there is only one task – reporting and verification of progress connected with three steps. In the CSR field, proof of CSR progress is crucial to a firm's success. CSR is in fact about improving firm's performance. As such, reporting, verification and assurance are very important tools to measure whether the change has actually taken place, giving involved parties an opportunity to see how well the firm is meeting its commitments and what is the impact. Reporting is communicating with stakeholders about a firm's economic, environmental and social management and performance. It should address how societal trends are affecting a firm and, in turn, how the firm's operations are affecting society. The verification of progress is a form of measurement that can take place in any number of ways: internal audits, industry

and stakeholder reviews, and professional third-party audits. As suitable standards for this area International Institute for Sustainable Development sees Global Reporting Initiative and UN Global Compact (Hohnen, 2007).

3.7.3   The fourth phase: acting

The last phase which International Institute for Sustinable Development call „Act" is based on evaluation and improvement of the overall progress of a firm's CSR approach and forms the basis for improvement and modification. Evaluation is based on learning which created sustainable ad-vantage. They do not just simply achieve objectives; they are constantly improving their approaches to CSR. An evaluation should involve stakeholder engagement, including comments and suggestions from management, CSR coordinators, managers and committees, employees and outside stakeholders. Evaluation determines whether the current CSR approach is achieving its objectives and whether the implementation approach and overall strategy are correct (Hohnen, 2007).

The implementation process can be simply summarized in following steps. Based on analysis a company identifies key stakeholders and begins a dialogue with them. Use this dialog to identify the basic values and goals associated with different groups of stakeholders. Consequently, it is necessary to choose activities that will lead to the fulfilment set objectives. Alternatively identify CSR activities which are already undertaken and extend them suitably. The final step is the implementation of continuous monitoring and evaluation of CSR, for which it is necessary to identify indicators for the achievement of targets in each area (Steinerová et al., 2012).

3.8 Guidelines, norms, standards

Through the globalisation of the economy, companies are increasingly involved in a network of international chains of suppliers and customers. Various international standards and guidelines on corporate social responsibility have been developed in recent years. All of them aim to provide practical rules on how corporate social responsibility can be implemented in business organisations in an international context. A standard (or norm) implies that companies can and should achieve a uniform output, while a guideline is providing a set of guiding principles. (Cramer, 2005)

3.8.1   ISO 14001

The ISO 14001 provides practical tools for companies and organizations of all kinds looking to manage their environmental responsibilities. ISO 14001:2015 and its supporting standards such as ISO 14006:2011 focus on environmental systems to achieve this. The other standards in the family focus on specific approaches such as audits, communications, labelling and life cycle analysis, as well as environmental challenges such as climate change. By obtaining this certification standard by an independent third party company proves that it is aware of the environmental

aspects of its business activities and its emphasis on improving the environment through its environmental policy. (Naden, 2015)

3.8.2   ISO 26000

ISO 26000 provides guidance on how businesses and organizations can operate in a socially responsible way. The standard was launched in 2010 following five years of negotiations between many different stakeholders across the world. Representatives from government, NGOs, industry, consumer groups and labour organizations around the world were involved in its development, which means it represents an international consensus. This means acting in an ethical and transparent way that contributes to the health and welfare of society. ISO 26000 provides guidance rather than requirements, so it cannot be certified to unlike some other well-known ISO standards. Instead, it helps clarify what social responsibility is, helps businesses and organizations translate principles into effective actions and shares best practices relating to social responsibility, globally. It is aimed at all types of organizations regardless of their activity, size or location.

Marks & Spencer, leading UK-based multinational retailer, champion sustainable business with ISO 26000: by introducing ISO 26000 to our largest suppliers, we ensure our allegiance to more ethical standards. (Quality Management System, 2013)

3.8.3   ISO 9001

This certifications means, the organization is committed to total quality management; a customer focus, a continually improving process approach implemented throughout the organization, critical processes and their interactions are understood and documented. All of these quality management system facets are verified by an independent third party who understands ISO 9001 QMS as well as the industry in which the organization operates. Once an organization is certified, it can communicate to customers, prospects, and to the world that they have a quality management system that meets the requirements of the ISO 9001:2008 QMS Standard. An organization can put this information on web sites, brochures, and other materials. (Quality Management System, 2013)

There exists lots of reasons, why company should introduce ISO 9001, we mention the most important 5 arguments for implementing it: Quality Management System improves organizational effectiveness, customer satisfaction, compliance, organizational culture and documentation. (Quality Management System, 2013)

3.8.4   SA 8000

The SA 8000 standard is an internationally recognised reference norm in the field of social responsibility.   The standard is used for certification as an independent assessment of the organization's ability to perform the requirements, its customers, whether it fulfils regulatory requirements, and the organization's own requirements

with respect to its working environment within the effective functioning of all processes and incessant improvement of the management system. It is the most recognised international criterion for socially responsible management of human resources. SA 8000 is the first social accountability standard for retailers, brand companies, suppliers and other organizations that also focuses on the global supply chain. SA 8000 certification is available through an extensive network, IQNet, which involves 50 countries. It is based on international standards relating to working conditions, which are contained in the International Labour Organisation convention, the Universal Declaration of Human Rights and the Convention on the Rights of the Child. The main focus of the SA 8000 standard is to improve conditions around the world. There is a little empirical evidence available to indicate whether the companies that have received the SA 8000 certificate offer a significantly better working environment in terms of safety, health, freedom of association or fair practices. There is also little knowledge about this standard on the part of customers and society. Obstacles for some companies to SA 8000 certification include the application cost, the fee for accreditation and the soft competences needed to apply the standard. SA 8000 certification is primarily used by larger, more profitable companies and that it has a positive impact on firm growth but not on firm profitability. The certification is particularly important for companies expanding into new markets because such a certification is frequently required by state institutions for tendering for public contracts and is also important for supply-chain management of large multi-national firms in international value added chains. (Ambramuszkinová Pavlíková, Basovníková, 2016)

3.8.5   AA1000 AccountAbility

The AccountAbility Principles Standard provides a framework for an organisation to identify, prioritise and respond to its sustainability challenges. Standard AA 1000 aims to contribute to the individual activities of the company management were more transparent. Standard focuses primarily on the social pillar of CSR and covers the areas of planning, accounting, auditing and reporting, and stakeholder involvement. It includes both the determination of CSR strategy, identification of key stakeholders, as well as a code of ethics, the choice of individual CSR indicators and reporting. (Kunz, 2012)

3.8.6   Global Reporting Initiative (GRI)

The Global Reporting Initiative is an independent institution whose mission is to develop and disseminate globally applicable sustainability reporting guidelines that help organisations to report on the economic, environmental, and social dimensions of their activities, products, and services. The aim of the *GRI Guidelines* is to assist reporting organisations and their stakeholders in articulating and understanding contributions of the organisation to sustainable development through their reports. G4 is the latest version of GRI's Sustainability Reporting Guidelines – the core document in its Reporting Framework. GRI was founded in Boston in 1997. Its roots

lie in the US non-profit organizations the Coalition for Environmentally Responsible Economies (CERES) and the Tellus Institute. (Global Reporting Initiative, 2013)

3.8.7   Environmental Management Audit Scheme

EMAS is a voluntary environmental management system based on a harmonized scheme throughout the EU. Standard EMAS was established by the European Parliament and Council Regulation No. 761/2001 and is intended for the states of the EU. Its objective is to improve the environmental performance of organizations by having them commit to both evaluating and reducing their environmental impact and continuously improving their environmental performance. Key elements of EMAS are performance, credibility and transparency. (Europa, 2015)

3.8.8   London benchmarking group (LBG)

LBG is the global standard for measuring and benchmarking corporate community investment. The LBG model provides a comprehensive and consistent set of measures for corporate community investment professionals to determine their organization's contribution to the community, including cash, time and in-kind donations, as well as management costs. The model also captures the outputs and longer-term impacts of community investment projects on society and the business itself. (London Benchmarking Group, 2013)

3.8.9   United Nations Global Compact

Program Global Compact introduced by the United Nations is a voluntary initiative for the company with the main aim of consolidating business activities all over the world to support the broader goals of the UN, which are for example the fight against poverty and care for limited resources. Thus, the UN has defined 10 principles in the areas of human rights, labour, environment and anticorruption policy, which should be under this initiative respected by companies. (United Nations Global Compact, 2014)

Human rights
1. Firms should support and respect preservation of internationally declared human rights; and
2. Firms should ensure that they are not the accomplice of violation of human rights

Labour
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. Businesses should uphold the elimination of all forms of forced and compulsory labour
5. Businesses should uphold the effective abolition of child labour

6. Businesses should uphold the elimination of discrimination in respect of employment and occupation

Environment

7. Businesses should support a precautionary approach to environmental challenges
8. Businesses should undertake initiatives to promote greater environmental responsibility
9. Businesses should encourage the development and diffusion of environmentally friendly technologies

Anti – Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery

4 Results

4.1 Characteristics of Edwards company

Edwards is a leading developer and manufacturer of sophisticated vacuum products, abatement solutions and related value-added services. The products are integral to manufacturing processes for semiconductors, flat panel displays, LEDs and solar cells; are used within an increasingly diverse range of industrial processes including power, glass and other coating applications, steel and other metallurgy, pharmaceutical and chemical; and for both scientific instruments and a wide range of R&D applications. Edwards has over 4,200 employees - operating in approximately 30 countries worldwide - engaged in the design, manufacture and support of high technology vacuum and exhaust management equipment.

The company was founded in 1919 in London. In the Czech Republic has a presence from 2006, where primary production, services and also administrative support is situated. Edwards joined the Atlas Copco Group in January 2014. Atlas Copco is a Swedish based conglomerate with 140 years of engineering and innovation. It is a leading provider of industrial productivity solutions to a wide range of sectors including process and manufacturing, electronics, renewable energy and petrochemical industries. (Edwardsvacuum.com, online, 2014)

Products

Edwards is the world leader in Exhaust Management Solutions. Their goals lie far beyond the destruction of toxic and global warming gases, which impact our environment. They are application experts who understand customers' processes, and develop solutions focused on maintaining productivity and lowering risk. Their products are designed to meet the specific requirements of existing and developing processes. The main products, which company produce are: semiconductor, flat panel display, solar and LEDs. (Edwardsvacuum.com, online, 2014)

Exhaust Management Solutions

- Low cost of ownership - Green Mode energy savings
- Leading edge manufacturing facility - Purpose built manufacturing facility in Clevedon, UK
- Committed to quality - Commitment to world class standards ISO9001, ISO14001, Kaizen
- Research and development - On site laboratory for development of next generation exhaust management products
- Unrivalled applications expertise - Edwards applications expertise leads the way for semiconductor wafer, LCD, flat panel display, compound semiconductor and solar cell manufacture

- Integrated systems - Faster, cheaper installation with improved cost of ownership capability and improved safety
- Global service support - Over 940 trained service personnel world wide

4.1.1   Edwards branch in Brno and Munich

Branch in Brno has been running since 2009 and it is called FSC (Financial Services Centre). It's goal is to centralize accounting and financial processes from the United Kingdom, Europe and United States. Employees have mainly university degree with economic focus. Spielberk Office Centre is a home for Edwards Shared Services. There is a space for up to 160 staff.

Branch in Munich has been running since 2007. In addition it's goal is a production of vacuum pumps and other devices.

FSC Brno key objectives

FSC Brno key objectives are mainly adding value - timely and reliable management information, maintaining efficient and effective internal control environment, secondly partnering internally – actively being involved in projects and supporting business decisions, being seen as trusted reliable partner, thirdly improving customer satisfaction –continuous measurement of quality, Quality week initiatives, fourthly doing more for less – working smarter driving operational efficiencies and finally building sustainability by developing people – culture of high performers, Graduate scheme, leadership trainings, language courses, on jobs trainings, secondments, building knowledge base and documentations, generate subject matter experts and policy designers.

4.2 Interpretation of the results of interviews

4.2.1   Methodology

The development of corporate social responsibility in the company is mainly influenced by the head office in the United Kingdom. However branches in the Czech Republic and Germany have their own visions, missions and plans that are mainly under the patronage of managers of the financial centre.

The interviews were performed for the purpose of meeting the aim of the diploma thesis. Transcriptions of interviews are enclosed in Annex E. The group of respondents consisted of six workers, five of them were men and one was woman. The group was relatively homogeneous regarding age and education. Three interviews were performed in Brno and three in Munich. Details can be seen in the table below.

Tab. 2   Composition of respondents

RESPONDENT	BRANCH	POSITION	AGE	EDUCATION
1	Munich	Senior Manager for Safety and Sustainability	52	University degree
2	Munich	Manager of Quality	49	University degree
3	Munich	Manager of a branch	55	University degree
4	Brno	Member of social committee	39	Secondary education
5	Brno	AP specialist	53	University degree
6	Brno	Country Leader Czech Republic	54	University degree

Source: Author's work, 2015

I carried out the data by method of semi-structured interview, which is one of the qualitative methods, when the interview is partially prepared. The interviewer has prepared only general questions. The questions are adapted on the basis of development of interviews and openess of respondents. Interviews were conducted at the company, it was the most comfortable environment for all of them. When publishing information about results of my research not any data for identification of participants were used.

When the interviews were performed, coding, categorization and following interpretation of results had to be implemented. To codify is to arrange things in a systematic order, to make something part of a system or classification, to categorize. Coding is thus a method that enables you to organize and group similarly coded data into categories or families beacase they share some characteristics. The categories' propositional statements are then compared with each other to discern possible relationships to create an outcome proposition based on their combination. When the major categories are compared with each other, you begin to create theory. (Saldaña, 2013)
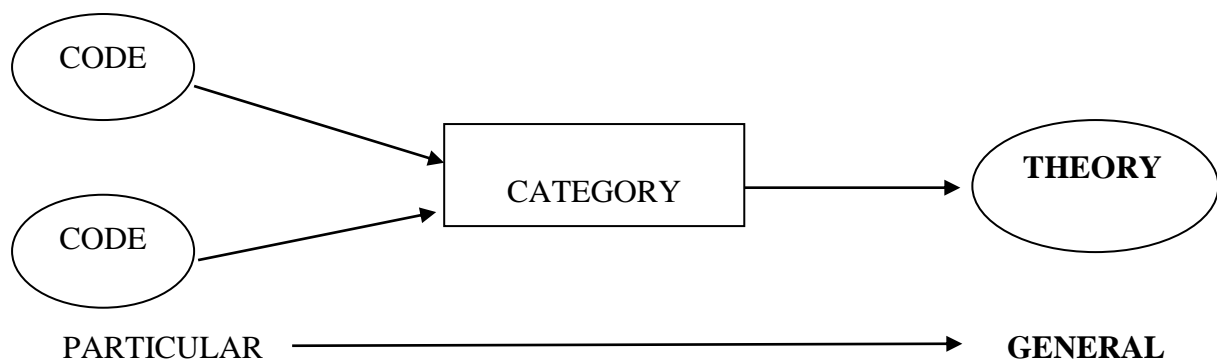
Fig. 5   A codes - to theory model for qualitative research (Saldaña, 2013)

The categories can be plotted as a tree diagram for a visual "at a glance" representation of the phenomena or process. The deliberate linking or weaving of codes and categories within the narrative is a heuristic to integrate them semantically and systematically. Saldaña reminds us of the integrated nature of the theory-building process by advising that we "do not categorize and then connect, we connect by categorizing". (Saldaña, 2013)

4.2.2   Analysis of inteviews using coding and categorization

The following analysis of interview data brought ten major categories, that clustered under three major themes. One major theme was ENVIRONMENT, and their related categories were: Defining importance of environment, Supporting projects and activities, Recommendation for improving and Future goals. Under the theme EMPLOYEES, the categories were: Defining as an employee, Maintaining staff, Company volunteering and Offered benefits. The third theme was QUALITY, and it is related categories were: Meeting of target and Improvement.

Tab. 3   Major themes and related categories

First theme: ENVIRONMENT
Defining importance of environment
Supporting projects and activities
Recommendation for improving
Future goals
Second theme: EMPLOYEES
Defining as an employee
Maintaining staff
Company volunteering
Offered benefits
Third theme: QUALITY
Meeting of target
Values: not always fulfiled

Source: Author's work, 2015

In the following tables each category together with their codes is presented and described.

Tab. 4   Coding and categorization of Environment

Category 1: DEFINING IMPORTANCE OF ENVIRONMENT
ENVIRONMENTALLY FOCUSED COMPANY: THE MOST IMPORTANT THING
FUNCTIONAL COMPANY: FOCUS ON ENVIRONMENT
IMPACT ON ENVIRONMENT: POSSITIVE
Category 2: SUPPORTING PROJECTS AND ACTIVITIES
PROJECTS: GREEN COMPANY, WATER FOR ALL
ENVIRONMENTAL ACTIVITIES: RECYCLE; „THINK BEFORE YOU PUT THE RUBISH INTO THE BIN"
TRANSPORTATION: SEA SHIPPING
FACTORY: ENERGY EFFICIENCY
SUPPORTED PROGRAMS ON EVIRONMENT: PEDOMETRES
Category 3: RECOMMENDATION FOR IMPROVING
RECOMMENDATION: FOCUS ON AIR CONDITIONING IN HOT COUNTRIES
RECOMMENDATION: HIGHER VISIBILITY OF GREEN MODE   REDUCTION OF IMPACTS BY GREEN MODE: NOT SO SUCCESSFUL
Category 4: FUTURE GOALS
FUTURE TARGETS: OBJECTIVES, GOALS, STRATEGY, MEASUREMENT

Source: Author's work, 2015

In the first category related to environment it was found out, company is environmentally responsible and sees huge benefits in this acting. Customers are increasingly demanding. As awareness of the global scale of environmental problems grows, they are looking for companies to present them with purchasing decisions which can be taken without compromising the future. The labor market also provides incentives for CSR. Most employees want to feel good about the company where they work, and want to be able to tell their children they are working to make the world a better place. One way how companies try to attract and retain the best employees is by making environmental commitments that are aligned with these employees' environmental values.

In the second category it was discovered, that company is engaged in wide range of environmental projects and activities by which the company demonstrates that it really behaves responsibly to environment. Company is a part of the projects Green Company, Water for all or Pedometres.

In the third category there were identified several gaps, which company want to improve in the future. The company mainly requires solving the problem with air-conditioning in hot countries. By 2020, air conditioning consumption in the world will be 10 times its 2005 level.

The fourth category is focused on company's future targets: reduce carbon emission by 20%, reduce carbon emissions due to transport by 20%, no increase in water use, no increase in waste, increase product energy efficiency by 20% and recycle/recover.

Tab. 5   Coding and categorization of Employees

Category 5: DEFINING AS AN EMPLOYEE
EDWARD'S EMPLOYEE: FOUR VALUES: TEAMWORK, TRUST, INNOVATION, PRECISSION
Category 6: MAINTAINING STAFF
QUALIFICATION: HIGH REQUIREMENTS
EDUCATION: THE MOST IMPORTANT THING
PLANNING OF DUTIES: PERSONAL PERFORMANCE DEVELOPMENT REVIEW
RELATION WITH UNIVERSITIES: VERY GOOD
ECONOMIC CRISIS: NEGATIVE ATMOSPHERE
RESEARCH OF SATISFACTION: NOT PERFORM
Category 7: COMPANY VOLUNTEERING
CHARITY AND SPONSORSHIP: FINANCIAL AID OF 120 CHILDREN
ACTIVITIES: PROCEED GOING TO CHARITY
Category 8: OFFERED BENEFITS
BENEFITS: WIDE RANGE OF POSSIBILITIES
FUTURE: RECOGNITION PROGRAMME

Source: Author's work, 2015

In the fifth category related to employees four core values were defined and each employee has to meet them.

The sixth category, which is the largest one, contains besides other things requirements for employees. The main requirements are qualification and development of employees. The company puts emphasis on good relations with universities to prepare students as potential employees. The negative thing is ongoing economic crisis, which creates bad and stressful situation at workplace and does not contribute to positive atmosphere. Employees are afraid of lossing their job, they are expected to work more, saving of money at workplace is necessary.

The seventh category is company volunteering. Employee volunteering is a very good for company and for workforce. Employees who volunteer through work are twice as likely to rate the corporate culture as positive, feel loyal and proud to work for the company, be satisfied with career progression and be satisfied with their employer. In free time employees organize various events whose profit providing support to handicapped children.

In the eighth category it was found that offered spectrum of benefits for employees is broad and employees are satisfied with them. Employees' benefits have been proven to improve productivity. Employees are more effective with they are assured of security for themselves and their families. Company wants to keep highly qualified staff that is the key driver. Company tries to provide not traditional and limited programs, because companies with very traditional benefits may find it more difficult to find and keep different types of employees.

Tab. 6   Coding and categorization of Quality

Category 9: MEETING OF TARGET
ACHIEVEMENT OF GOALS: EDWARDS QUALITY POLICY
DELIVERY : ON TIME, EVERY TIME
QUALITY CERTIFICATES: YES
Category 10: IMPROVEMENT
VALUES: NOT ALWAYS FULFILLED

Source: Author's work, 2015

The third major theme quality included two categories, namely Meeting of target and Improvement. In order to achieve objectives, Edwards Quality Policy has to be fulfilled. The certificates of quality are absolutely necessary. The certificates help company with ensuring needs of customers and other stakeholders while meeting statutory and regulatory requirements related to a product. Not fulfilment of values (precision, right from me, customer satisfaction and continual

improvement) is one of disadvantages of company. Meeting of all these values is a future target of company.

Conclusion of analysis of interviews

In the major theme ENVIRONMENT was identified an importance of a role of environment in CSR in social responsible activities. Managers of company attach weight to environment, which is proved by several projects, in which employees are actively involved. There were detected several areas in which company is not so successful and need to fix their attention on those failed areas.

In the second major theme EMPLOYEES it was defined an employee of Edwards company, company's requirements on employees, his/her benefits and volunteering activities. The economic crisis appeared to be the darker side of this theme.

4.3   Analysis of the results of questionnaire (A)

The questionnaire *A* is focused on five areas: Performance & development, Feeling valued & respected, Senior leadership & Governance, Collaboration and Teamwork and Work-life balance. The survey was conducted in several countries, however not in Brno. Each area containes several questions, which were evaluated. The list of questions is enclosed in Annex C. The questionnaire has been created by Edwards company. Author used it for meeting objectives of thesis and following comparison with Germany. The questionnaire was sent to 156 employees, who completed it from 24/11/2015 to 27/11/2015. Total 120 of questionnaires were fulfilled, it means almost 77%. Thirty-six employees did not complete the questionnaire for a variety of reasons: holiday, business trip, busyness or antipathy.
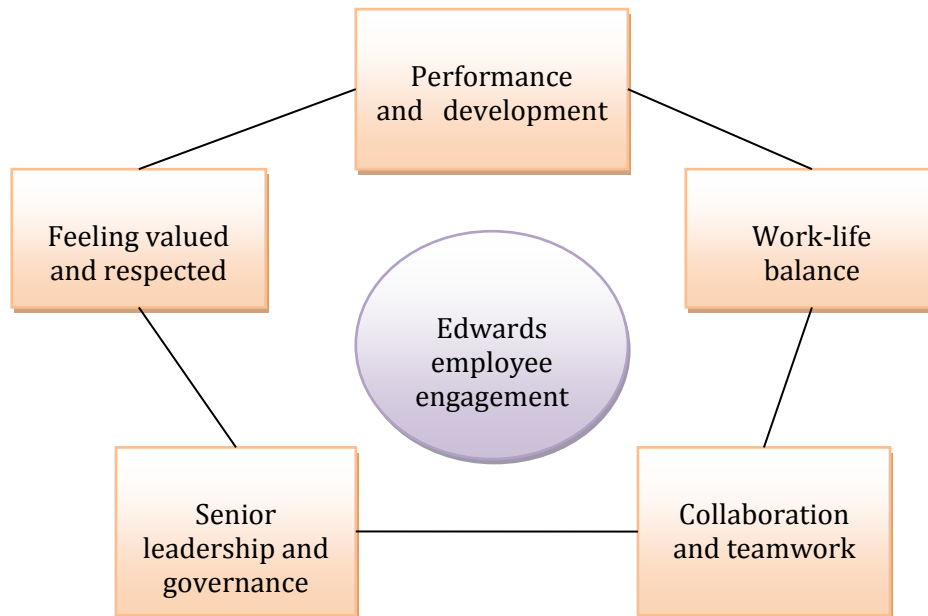
Fig. 6   Five areas of questionnaire (Own research, 2015)

Performance & Development

Tab. 7   Results of questionnaire Performance and Development

QUESTIONS 1-4	YES	NO
I have clear, measurable work objectives.	62%	38%
I think, that my performance is evaluated fairly.	51%	49%
I receive regular and constructive feedback on my performance.	46%	54%
I have sufficient opportunities to improve my skills in job.	52%	48%

Source: Author's work, 2015

The results for the topic Performance and Development show that almost two thirds of respondents have clear objectives and autonomy to do their jobs, however 54% of employees still report they do not have regular and constructive feedback and 51% of employees do not feel that poor performance is dealt with effectively.

Feeling valued and respected

Tab. 8   Results of questionnaire Feeling valued and respected

QUESTIONS 5-7	YES	NO
My manager treats me with respect.	76%	24%
I am treated with respect and fairness in this organisation.	67%	33%
In the last year, while working in the company, I have not experienced discrimination, bullying or harassment.	81%	19%

Source: Author's work, 2015

Employees are increasingly respected and valued over time, hovewer there is still a perception that more can be done, specifically in terms of being treated with respect by the company. To bring back old fashioned manners, respect for each other, and thank you at the end of the day goes a long way and does not cost much.

Senior leadership and governance

Tab. 9   Results of questionnaire Senior leadership and governance

QUESTIONS 8-10	YES	NO
Overall I have confidence in the leadership within organisation.	56%	44%
I believe the senior management team has a clear vision for the future of this organisation.	58%	42%
I feel confident about the future success of Edwards company.	74%	26%

Source: Author's work, 2015

There is a good confidence in the leadership, however over a quarter of respondents are unsure about the leadership team; vision for the future. Management has been focusing on the short-term visions. They are failing to provide long-term visions to employees. Senior leadership need to be more visible and accessible. They need to engage with the workforce to get their visions and strategies across. It is important to discuss with employees.

Collaboration and teamwork

Tab. 10   Results of the questionnaire Collaboration and teamwork

QUESTIONS 11-12	YES	NO
The people I work with are willing to help each other even if this means doing something outside their usual activities.	70%	30%
Teams within my department collaborate and work well together.	68%	32%

Source Author's work, 2015

Teamwork is strong within the immediate work groups and departments with 70% employees willing to help colleagues outside their usual jobs.

Work-life balance

Tab. 11   Results of the questionnaire Work-life balance

QUESTIONS 13-14	YES	NO
I am able to strike the right balance between my work and home life.	65%	35%
I can meet the requirements of my work without regularly working excessive hours.	53%	47%

Source: Author's work, 2015

Work-life balance seems to be good but 35% of employees feel they struggle to get work-life balance right. There are sections where there are many team members and good cooperation is maintained, some sections have only a limited number of staff and are always overloaded. This is because of the poor balance in business allocation.

4.3.1   Comparison of the results of survey in Munich and Brno

Tab. 12   Results of survey in Munich and Brno in percentage

Questions	Munich; YES/NO		Brno; YES/NO	
1	71%	29%	62%	38%
2	**79%**	**21%**	**51%**	**49%**
3	50%	50%	46%	54%
4	63%	37%	52%	48%
5	80%	20%	76%	24%
6	85%	15%	67%	33%
7	86%	14%	81%	19%
8	62%	38%	56%	44%
9	67%	33%	58%	42%
10	78%	22%	74%	26%
11	**61%**	**39%**	**70%**	**30%**
12	**62%**	**38%**	**68%**	**32%**
13	**85%**	**15%**	**65%**	**35%**
14	**86%**	**14%**	**53%**	**47%**

Source: Author's work, 2015

If we look at the table we found out the biggest differences between questions related to work-life balance area. Respondents at the branch in Munich are able to carry out their duties within regular working hours. Respondents in Brno are having more difficult time finding balance in their lives because there have been cutbacks or layoffs where they work. They are afraid it may happen to them, so they are putting in more hours. The next question: „I think, that my performance is evaluated fairly" was also answered differently. Almost half of respondents in Brno feel, the performance is evaluated unfairly. 79% of respondents in Munich believe in fairly evaluated performance. In area Collaboration and teamwork respondents at Brno branch feel bigger help from their colleagues when they are in trouble, departments better cooperate with each other. Collaboration and teamwork make an important contribution to the success of business initiatives like quality improvement, product development or customer service. To create effective teamwork across your organization, manager needs to break down any department barriers to collaboration so that manager can draw on the best people. He/She

needs to set clear objectives and define working relationships so that members can work as a cohesive team, and he/she must provide tools that support efficient collaboration. (Linton, 2015) Other differences in answered questions are insignificant.

4.4   Analysis of the results of questionnaire (B)

To fulfil the goal of my thesis this questionnaire was formed. In order to be able to answer two hypotheses the respondents were asked to answer 8 questions (see Annex D). The hypotheses either confirm or disprove the statements: more than 50% of respondents believe, the company is socially responsible and more than 70% of respondents actively participate in environmental activities of company. Out of 156 employees, to whom the questionnaire was presented, 112 complete answers were received (72%). The questionnaire (B) was available to each employee for 10 days. The employees were briefly informed about the purpose of the survey and their anonymity was guaranteed. A majority of respondents were aged 28-40. Not suprisingly, a great majority were females. More than 50% of all respondents have university degree in Economics. All the respondents stated they are full-time employees. In the following graphs and tables, the results are presented.

In the fisrt question they were asked for responsible behaviour of company.
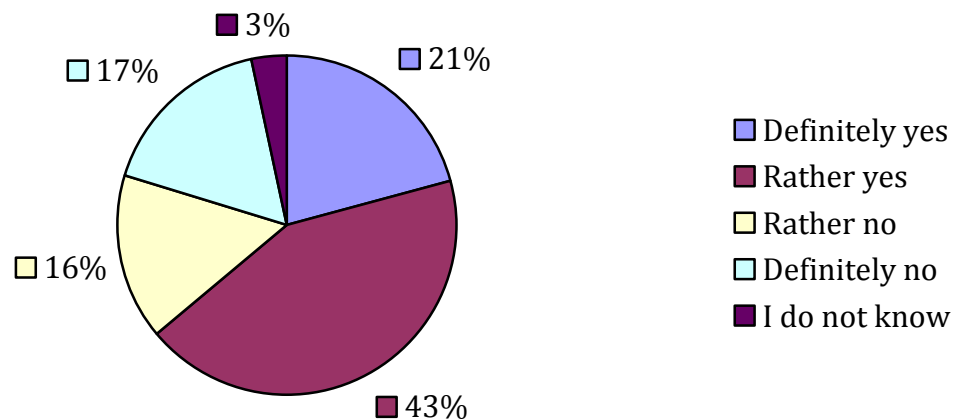

Fig. 7   Responsible behaviour of company (Author's work, 2015)

Almost two thirds of respondents suppose their company is socially responsible. Socially responsible company at least means company which is responding to critical social problems and acts in the social interest, and is not damaging society. About one third of respondents do not consider company being social responsible.

The second question was related to awareness of respondents about CSR behaviour of company.
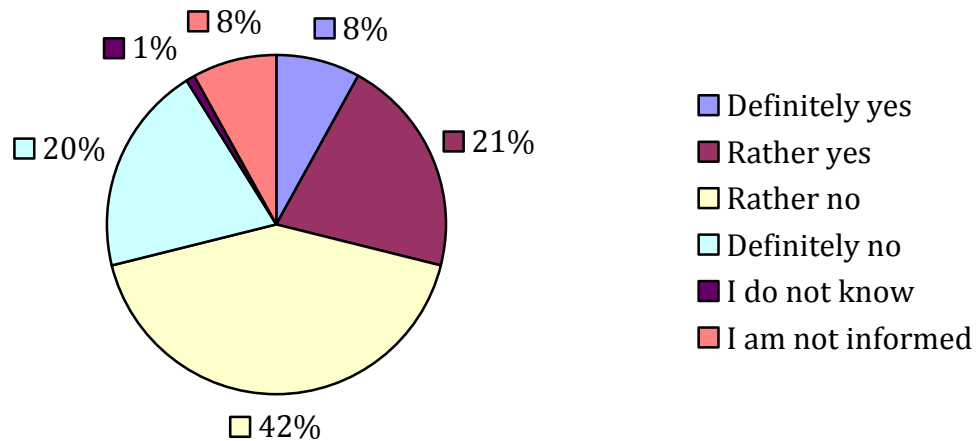

Fig. 8   Awareness of respondents about CSR behaviour of company (Author's work, 2015)

Almost two thirds of respondents feel that they are not informed abour CSR activities. Getting employees on board through a successful internal programs and other social initiatives are very important and should be succeed. Company Edwards should promote CSR activities internally and inform all employees about them. The company should explain to them, who or what it targets and benefits of getting involved. The company should inform employees consistently, concretely and coherently about CSR initiatives, including projects specifics and successes. The company Edwards do not communicate the details and extent of CSR initiatives clearly and consistently. Only one third of respondents are aware of their company's CSR activities and projects.

In the third question respondents were asked for attractiveness of CSR when asking for a job in company Edwards. 72% of respondents do not consider socially responsible activities of Edwards company important when asking for a job. Although the topic of corporate social responsibility becomes more and more important, respondents do not consider CSR behaviour as a key factor when asking for a job.
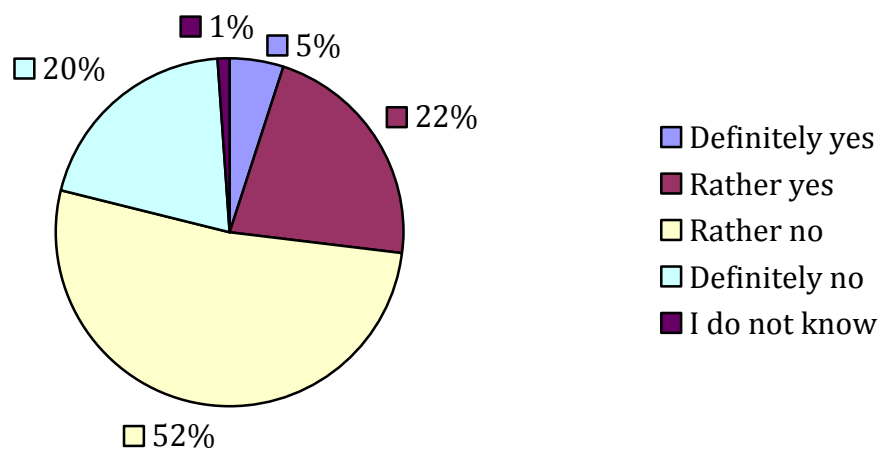
Fig. 9 Attractiveness of CSR when looking for a job (Author's work, 2015)

In the forth question respondents were asked about getting involved in activities for improving environment.
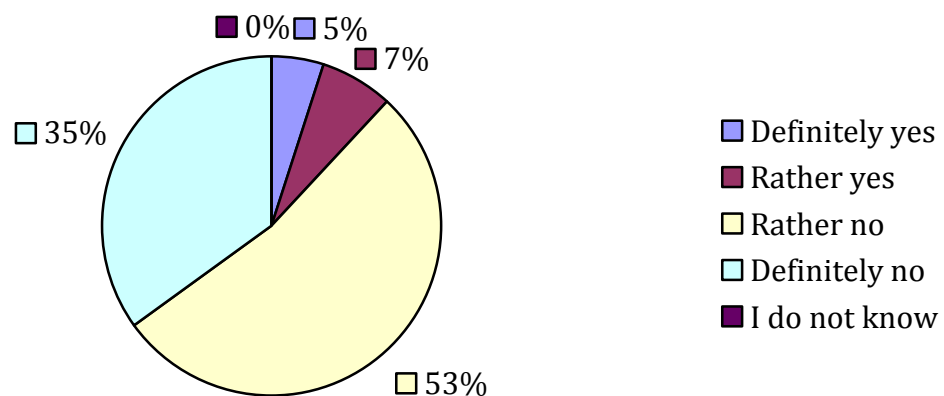
Fig. 10 Involvement in environment-friendly activities (Author's work, 2015)

Environmental policies and strategies are becoming a common feature of the corporate landscape. By the way success in corporate social responsible behaviour of company is defined as employee who are aware of the environmental objectives and targets of the company and who is involved in environment-friendly activities. Surprisingly, 88% of respondents are not involved in environment friendly activities. This number is surprising. "Employees are actively involved in environmental activities", it was said in interview. After asking employees, the opposite was showed.

In the fifth question respondents were asked for marking the environmental activities, which should be implemeted in the company Edwards. Using recycled material and installation of water savers appear to be the most demanded and suitable environmental activities. Water savers are applicable to all types of standard water taps, showers and toilets. It is possible to change water flow per minute repeatedly to 4,6,8,10,12 or 14l/min. Water savers save about 70% of water and energy - the company's expenses are also reduced. The recycling of materials such as glass, paper, plastic and electronics, has been introduced at the company. Recycling of a material would produce a fresh supply of material – for example, used office paper would be converted into new office paper.
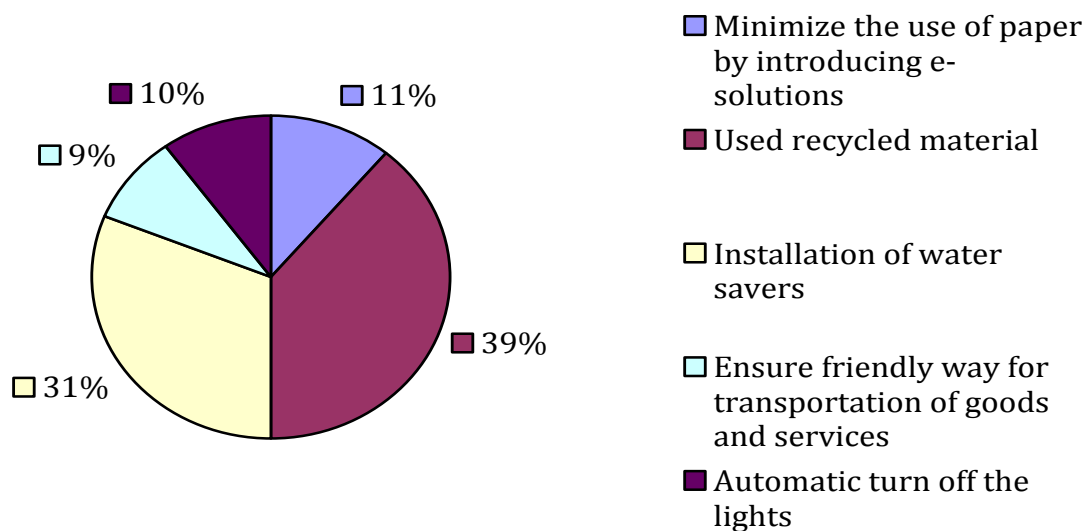

Fig. 11   Implementation of environment activities (Author's work, 2015)
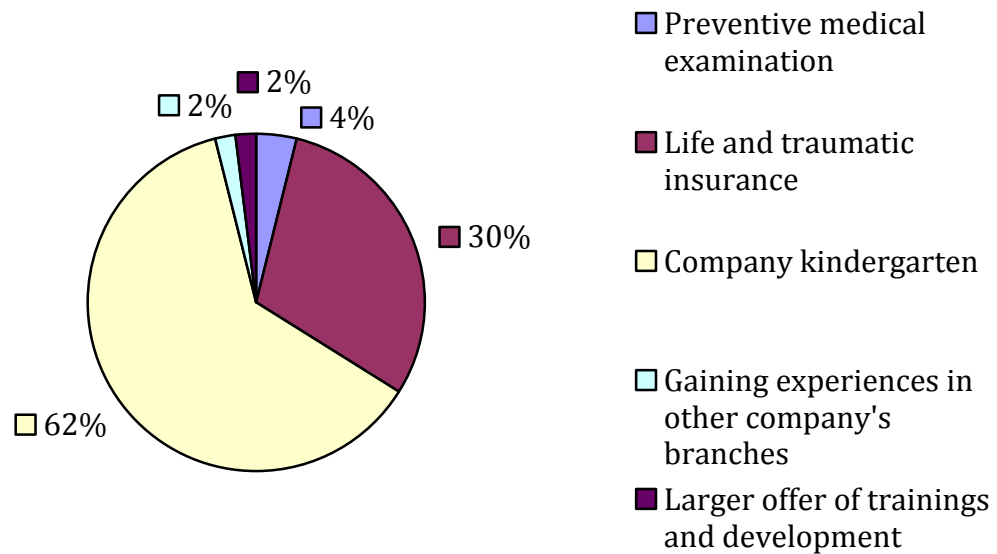
Fig. 12   Missing activities at the company (Author's work, 2015)

In the sixth question, related to employees, respondents were asked to determine possibilities, which they are missing at company. From the results of the sixth question it was proved, the company kindergarten would be useful for two thirds of respondents. The company Edwards should have implemented a range of initiatives to support employees in reconciling family and career including company kindergarten. The issue of company kindergarten has become very topical in recent years. Company kidergartens present a new oportunity in the Czech Republic of combining professional career and high-quality child care. Women employees of company Edwards will return earlier to work from parental leave, which will be a great benefit for a company too. 30% of respondents are missing life and traumatic insurance.

        The seventh question was focused on employees's perception of economic crisis. 70% of respondents confirmed that the current economic crisis affects socially responsible activities at company. Economic crisis are times that are likely to be characterized by uncertain business environment. Both organizations and each party in a society try to avoid the effects of crisis. It is a mistake for organizations to reduce their CSR projects and activities. In order to cope with economic downturn, organizations need to focus on providing society's need. CSR projects and activities could provide the social support needed by organizations and society to overcome the down turn. CSR is more demanded in times of financial crisis. (Zengin, 2010)
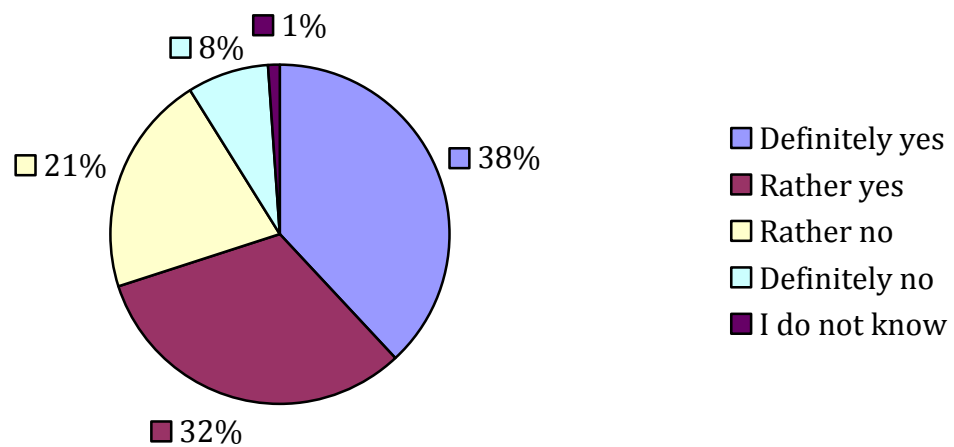
Fig. 13   Influencing of CSR activities by economic crisis (Author's work, 2015)

The last eighth question from the questionnaire was related to willingness to work for one day/ year as a volunteer. 91% of respondents would actively participate in activities for helping people. To inform and protect employees, the company has to provide sufficient information on its goals, policies and rules. It has to have proper insurance for volunteers. Company Edwards could engaged in the activities, including monetary donation, product and goods donation and other various unique supporting programs. Edwards' employees would like to engage in activities of assistance in affected areas. They would like to help people and communities in difficult circumstances.
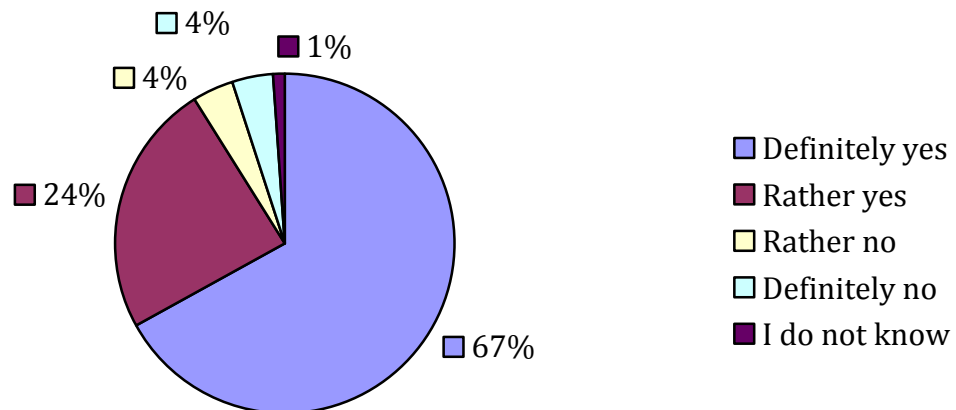
Fig. 14   Willingness to work as a volunteer for one day (Author's work, 2015)

4.5   Recommendations for Edwards company in the CR

This part of the thesis is dedicated to recommendations and ideas how to improve corporate social responsibility in the company Edwards in the Czech Republic. Recommendations are based on the qualitative and quantitative research executed by author in company Edwards in Munich and Brno. Munich has a comparative advantage in terms of CSR. In Brno, there are still some things to improve. The country Germany was chosen as country of European Union with highly developed CSR. Some of the major aspects to work on are mentioned below.

4.5.1   Awareness of employees about CSR activities

Employees of Edwards company are not informed about CSR activities. Company does not communicate the detalis and extent of CSR initiatives clearly and consistently. Only 29 % of employees surveyed were even aware of their company's CSR programmes. Company should increase employee proximity to CSR. Inform employees consistently, concretely and coherently about CSR initiatives, including program specifics, rationales and successes.

Social responsibility without communication of the concept loses its meaning. Employees should know about company's social responsible activities. Annual reports about socially responsible activities performed will contribute to the improvement of company image and also help a company to gain a competitive advantage.

The company could publish a CSR report, about activities at their branch, every year in early January. The report should include a summary of the socially responsible activities of the previous year. There should be information about the

topic and areas in which a branch is involved. The CSR report should include information about all project and activities completed in the previous year and planned activities for the following year.

4.5.2 Company kindergarten

From the results of questionnaire it was found out that 62% of respondents would welcome company kindergarten. Various companies have turned to kindergarten, interesting in setting up their own company kindergarten. This model is very popular in Western countries. A great advantage of running a company kindergarten is an early return of the parent to work. For the employees it will be great and extra benefit. Children as young as 18 months could be admited to kindergarten nursery school. It will bring lots of benefits for company: it is a way how to maintain talented and experienced employees, the costs of training new employees will decrease, it will increase company's prestige, employee mitovation and loyalty.

Calculation of costs

Calculation of costs is very complicated and time - consuming. The goal of my thesis is not the analysis of the foundation of company kindergarten, but I try to calculate estimated operating and investment costs for the idea of Edwards company. The visitation of kindergarten in Moravský Krumlov served me as a source for the calculation.
Estimated costs per one year are set out in the following tables:

Tab. 13   Estimated operating costs and calculation in CZK

Estimated costs	Indicator	Monthly	Annually
Salary	Pedagogical worker	19 000	228 000
	Pedagogical worker	19 000	228 000
	Cleaning lady+Serving lunch	13 000	156 000
	Director	28 000	336 000
	Economist	30 000	360 000
	Total	**109 000**	**1 308 000**
Social insurance 25%		**27 250**	**327 000**
Health insurance 9%		**910**	**117 720**
Total wage costs		**146 060**	**1 752 720**
Consumption of material and energy	Books, print		5 000
	Consumption of water		6 000
	Consumption of gas		55 000
	Consumption of energy		50 000
	Total		**116 000**
Travel expenses	**Total**		**3 000**
Repairs and maintaining costs	**Total**		**18 000**
Services	**Post**		**1 000**
	Telecommunications		**30 000**
	Training and education		**4 000**
	Other services (Waste disposal…)		**70 000**
	Rent		**480 000**
	Total	**206 227**	**585 000**
Total operating costs 2 474 720			

Source: Author's work, 2015

Tab. 14   Estimated investments costs and calculation in CZK

Cost's category	Concrete item	Pieces	Price/piece	Total
Equipment of bedroom	bed	20	920	18 400
	mattress	20	1000	20 000
	bedlinen	40	300	12 000
	Wardrobe for bedlinen	1	13 000	13 000
Total				**63 400**
Equipment of a dining room+kitchen	tables	5	3 300	16 500
	chairs	20	920	18 400
	dishes	30	100	3 000
	microwave	1	3 000	3 000
	dishwasher	1	12 000	12 000
	fridge	1	10 000	10 000
Total				**62 900**
Equipment of toilets ansd bathrooms	batch meter	4	200	800
	mirror	1	2 000	2 000
	holders for toilet paper	4	150	600
	Sets for towels for 20 children	1	13 200	13 200
	Total			**16 600**
Equipment of changing room	cabinets for 20 children	1	25 000	25 000
	chairs	2	300	600
	Total			**25 600**
Game equipment	**Total**			**100 000**
Administrative equipment for staff	**Total**			**45 000**
Technology	**Total**			**30 000**
Total investment costs 343 500				

Source: Author's own work, 2015

Tab. 15   Monthly costs for running company kindergarten in CZK

Cost/month	Amount
Operating costs/month	206 226
Total costs/20 children	206 226
1 child	10 311
Revenue	Amount
Fee/1child	1 500
Fee/20 children	30 000
Costs for company/1child/month	8 811
Costs for company/20children/month	**176 220**

Source: Author's work, 2015

The table shows estimated monthly costs after deduction of fee (školkovné). We received the amount of 8 811 CZK/child, 176 220 CZK/20 children. The question is, what are the ways how to repay these costs: own finance, apply for a financial grant or postpone running of company kindergarten.

The European Social Fund (ESF) is one of the three structural funds of the European Union. It represents a key financial tool for realization of the European Employment Strategy. Responsible authority for managing asistance from the ESF in the Czech Republic is Ministry of Labour and Social Affairs, which is also the managing authority of the Operational Programme Human Resources and Employment. In our case we are interested in Operational Programme Human Resources and Employment, project Equal opportunities and social integration – Harmonization of work and family life. Preparation of project with applying for grant is a long and time-consuming process therefore majority of companies use specialized companies to make applications for them.

4.5.3   Involvement of employees into environmental activities

All over the world, companies handle their waste differently. Some common methods of managing waste include recycling. Almost 88% respondents do not get involved into environmental activities.

Company should put higher emphasis on engagement of employees into environmental activities – reports, articles, videos. Concerning new environmental action, water saver appears as the most suitable one. Company Watersavers is young company developing dynamically. The company operate not only on the Czech market but they also export in many European, African and Asian countries. They offer a range of water savers with protective elements agaivts stealing. Water savers are applicable to all type sof standard water taps, showers and toiltes. The company Watersavers created a price suggestion for company Edwards.

Estimated costs are set out in the following table.

Tab. 16   Estimated costs for watersavers

Costs associated with the project realisation	One – time costs in CZK
Savers for 2 showers, 10 wash basins, 10 toilets	10.235 CZK

Source: Author's work, 2015

By this measure company save 67.500 CZK per year.

4.5.4   Company volunteering program

The best way to find yourself is to lose yourself in the service of others. Company volunteering is an excellent and inexpensive forum for skills building and leadrship training, so company can be sure that employees have the oportunity to stretch their talents. (Scott, 2011)

Company Edwards can leverage from employee volunteers when trying to have a possitive impact in the communities where they operate and do business. Corporate volunteerism provides great benefits to a community while generating business value in the form of increased employee engagement and opportunities for team building. 91% of respondents would like to help other people within company volunteering. The Volunteer Centre RATOLEST in Brno provides services for people interested in volunteering in Brno and helps to put them in contact with organisations which involve volunteers in their activities. Volunteer Centre is focused on social services for endangered children, seniors, disabled people or people with mental illness. The company Edwards can actively participace in such Volunteer Centre. Ratolest Brno realizes project called "Avalanche of volunteerism". The aim of this project is connection of profit and non-profit sector through the concept of Corporate Social Responsibility, concretely in the form of company volunteering. The project is supported by grant from Iceland, Liechtenstein and Norway. Ratolest Centre can provide all information for Edwards company. They

help with setting company volunteering for free. They advise how to motivace emloyees and arrange free consultaion for them.

4.5.5   ISO certifications

ISO certifications means some kind of quality label for a firm. Studies showed that a company benefits from ISO certification by increase in sales since it is some kind of a sight for customers about company's quality.   Company has implemented following Quality, Environmental and Safety Management System Standards: ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

Company can benefit from the implementation of ISO 26000. ISO 26000 improve their sustainability - economically, socially and environmentally. Company with ISO 26000 act on its own priorities, develop its unique corporate responsibility programs and become model for others. By adopting ISO 26000 company can identify paths to innovation, reduce long-term risk and increase competitiveness.

If a company Edwards would like to implement ISO 26000, firstly, six stages of the process should be completed by management team.

Your Current picture	Evaluation for the seven core subjects	Engaging your stakeholders	Plans for improvement	Public reporting	Claiming Credit

Tab. 17   Implementation stages of ISO 26000 (Schmidt, 2015)

In the first stage, the company should describe its business, what they do, what they produce and sell, who they employ, where they are located and who their business partner are (suppliers and customers). After that, they should explain what social responsibility means for them.

In the second stage evaluation for each of the Seven Core Subjects should be done. They have to evaluate their situation for each of the ISO 26000 seven core subjects: Organizational governance, Human rights, Labor practises, Environment, Fair operating practises, Consumer issues and Providing healthy and safe products. After answering these core subjects, they have to answer, which CSR programs and activities they have already established.

In the third stage, the company has to negotiate with its stakeholders in order to achieve the best cooperation. After evaluation of company situation, and engaged stakeholders in discussion, creating plans for action toward improving corporate social responsibility is necessary.

In the fifth stage Public reporting the management team should write a report that honestly and accurately describes company's current situation on corporate social responsibility. The report should identify CSR achievements, establish credibility, describe involvement of stakeholders and explain plans for improvement.

After completing these steps, company Edwards become an implementer of ISO 26000. Company communicates this fact with customers, people and stakeholders. ISO 26000 is not for certification purposes, is extremely sensitive to any uses of the name ISO 26000. Company can say: "[Business name] recognizes ISO 26000 as a reference document that provides guidance on social responsibility". (Schmidt, 2010)

5 Discussion

In general, the research was done on the presumption that in the Czech company CSR activities are not so developed as in German company. This presumption has been confirmed by interviews and questionnaires in qualitative and quantitative research.

The thesis was focused on the CSR strategies in the Czech Republic and Germany. The main objective of the thesis was to analyze current CSR situation in the multinational company in both countries with the aim to suggest recommendation for the Czech Republic. The qualitative and quantitative research was done both to answer the objective of the thesis and answer two hypotheses.

The first research was based on data obtained from interviews in which participated six people from multinational Edwards company from the Czech Republic and Germany and its purpose was to examine current state of CSR in company at branches in Brno and Munich. The survey brought up several interesting findings.

In two dimensions (environmental, social) of CSR the Germany had the better results. Their environmental and social activities are at very high level. As a leading developer and manufacturer of sophisticated vacuum products, the branch in Munich takes great care to respect the environment and employees. Protecting the environment is one of their key challenges. The branch has a responsibility to operate sustainably, while securing the "green" future for as many people as possible. The branch invests in their most valuable resource – their employees. Their aim is to provide employees with the best working and living conditions. Employees receive favorable benefits. The branch promotes equal opportunities for all employees. Age, gender and disability are not barries to joining them. A lot of nationalities are represented among their employees. The diversity of cultures and ways of thinking is a core strenght. Employees embrace the principles of the Code of Conduct. These principles are applied by everyone in their day-to day work, help to present and promote ethics policies, especially in the areas of free competition, anti-corruption and respect for human rights. Assistance for disabled children is the next positive of the branch. About the branch in the Czech Republic we can say, it behaves socially responsible, but there are several gaps. As positive compare with Germany the introduction of Social Commitee appears. This improves the social environment of the workplace at Brno branch. The introduction of Social Commitee in Brno is a great strategy for strengthening a company culture. Having a strong company culture differentiates the branch from the competititon. Other positive, highly development of employees seems valuable. Internationally certificated training in the field of accounting known as ACCA is a great opportunity for development of employees. Employees can increase their value at the market and more career opportunities are opened for them either at home or abroad. Not good financial situation affects the CSR activities within the company negatively.

The second research was based on data obtained from questionnaire (A) survey in which participated 120 employees from Brno. Its purpose was to

examine five areas of employee engagement. As a comparison, the branch in Germany, which have CSR on a very good level, provide us with their results. The survey brought us interesting findings.

From the first area Performance and Development, only 51% of respondents think, their performance is evaluated fairly. Compared with Germany (79%), the number is low. Regular and constructive feedback of performance from management can increase the number. Concrete expectations of management for every employee should be presented. The management should be specific as possible. This will help employees understand not only their duties but also how to accomplish them. From the second area, Feeling valued and Respected, 67% of respondents from Brno are treated with respect and fairness in the company. Compared with Munich it is about 20% less. In the workplace, people should treat each other the way they would like to be treated themselves. Respondents in Munich feel, their workplace is free of verbal abuse, threats, sabotage and bullying of any kind. Jobs should maximize the fulfillment and development of the people doing them and should minimize drudgery and stagnation. Employers that make promises to their employees about pay, benefits, promotions and responsibilities should honor those promises. In the third area related to Senior leadership and Governance, answers from respondents were almost uniform. In both branches respondents have high confidence in management and believe in the future of company. In the forth and fifth area the biggest differences were found out. In average 69% of respondents from Brno are satisfied with collaboration and teamwork within the branch, in Munich it is about 61% of respondents. Majority of employees in Brno are working together to make one goal or one project happen, although each individual within the team is doing different type of work to help the group as a whole. It follows, that in Brno branch, teams have a good leaders. Without a good leader, teamwork and collaboration will not be so successful. Also good communication and sharing of ideas is highly developed. In the fifth area Work-life balance, in average only 59% of respondents from Brno are able to strike to right balance between work and home life. In Munich 86% of respondents are able to find the balance and fulfil the requirements within the regular working hours. Make time for our families and fun is very important. Positive emotions enable us to be more resourceful, flexible and open, which means, employees are better at solving problems. Employees with high work-life balance are more effective and useful at work.

Employee engagement survey shows higher engagement of respondents in Munich. Only in one area related to Collaboration and Teamwork, respondents in Brno are more engaged.

The third research was based on data obtained from questionnaire (B) survey in which participated 112 employees from Brno. Its purpose was to confirm or disprove two hypotheses. The first one: more than 50% of respondents believe, the company is socially responsible. The second one: more than 70% of respondents actively participate in environmental activities of company. Last but not least aim was to find recommendations for improvement of CSR activities in the Czech Republic. 62% of respondents believe in socially responsible behaviour

of Edwards company. It follows that the first hypothesis can be confirmed. The same percentage of respondents would like to be informed about CSR activities in branch. By informing employees about CSR activities, the branch reduces the information gap between itself and its employees. Informed employees about CSR reward the branch in higher effort in CSR activities. Unbelievable 88% of respondents are not involved in environmental activities. From interviews with management it arises that employees are actively involved in such activities. The exact opposite of answers were found out in questionnaire. Unfortunately the second hypothesis has to be disproved. Either the management wants to give a good account of themselves or employees are not very interested in protection of environment and do not need to perform any environmental activities. Management should better motivate employees for involvement into environmental activities. At Brno branch respondents welcome installation of water savers and using of recycled material. Installation of water savers and using of recycled material were marked by majority of respondents as desired activities. Two thirds of respondents are missing company kindergarten. The company kindergarten contributes to better work-life balance, which is not very good according to respondents. Both mothers and fathers can combine a career with family live. The branch in Brno should think about more family-friendly working arrangements, e.g. flexible working hours, teleworking or flexitime. 91% of respondents would like to work as a volunteer for one fully-paid day in a year. The question is, whether the number would be as high, if the day was not paid by firm.

After analysis of all responses, the hypothesis can be confirmed. Some answers of management and respondets vary. Especially in terms of employee's involvement into environmental activities and harmonization of work and home life.

Based on the fact that the research confirmed the presumption that Corporate Social Responsibility is more developed in Munich, several recommendations for branch in Brno have been suggested.

The research could be further extended to the other branches in Europe, the better comparison could be performed.

6 Conclusion

Main goal of this diploma thesis was to chart current situation of CSR in multinational Edwards company in the Czech Republic and Germany, and propose recommendations how could the branch in Brno improve CSR practises.

To reach the goal of the thesis first part – a literature review of Czech and foreign sources has been performed to obtain theoretical basis for the research. CSR historical evolution has been described in the context of world, in the Czech Republic and in the European Union. Main CSR principles, dimensions and definitions have been presented together with main benefits which can CSR concept bring. In detail implementation process and individul CSR norms, guidelines and standards have been presented. To be objective, CSR critique has been presented as well. In the second part own qualitative and quantitative research is presented. The research made a picture of the current state of CSR at branches in Brno and Munich. The rate of questionnaires return have been 74.5% which is quite high number for generalizing results.

The conclusion based on research conducted can be made. It can be observed that in comparison with Munich, the branch in Brno has still to learn in the CSR field, however they are on the good way. Bad situation is mainly in the field of not informing employees about CSR activities and their not involving into environmental activities. From the three dimensions perspective branches in Munich and Brno are not lagged behind in all three domains, although in Brno there are several gaps which are needed to improve. The branches in Brno and Munich have its missions, strategies and objectives in the context of corporate social responsible activities. Each of them has a different approach. The author believes that both branches should think about their socially responsibility strategically and pick few areas on which they focus. In order for CSR strategies to be succesfull and effective in the long run, the branches and company must understand the process, and actively manage the constant changing environment.

Corporate social responsibility is a modern way of management with emphasis on sustainable development which is an up to date widely debated topic in society. CSR is on the other hand just normal everyday work, nothing exotic, nothing costly - only if taken from the right perspective. Today's society and stakeholders mainly require responsible behaviour of companies towards environment, transparency, more information from the companies, therefore also smaller branches within big multinational company have to start doing something they may not have done before to keep the current trend and not get lost in the competition. If an organization decides to implement CSR it should be able to evaluate this implementation. It means measure implemented activities and further periodically evaluate.

The aim of the thesis was to analyze current CSR situation in multinational company with the aim to suggest recommendations for the Czech Republic. The

aim of the thesis was fulfil, a research in the field of CSR strategies was beneficial and bring new findings important for company.

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Annex

A The process of implementation CSR

Implementation framework

When? (Conceptual phase)	What? (Task delineation)	How? (Checkpoints on the journey)
Plan	1. Conduct a CSR assessment	• Assemble a CSR leadership team; • Develop a working definition of CSR; • Identify legal requirements; • Review corporate documents, processes and activities, and internal capacity; and • Identify and engage key stakeholders.
	2. Develop a CSR strategy	• Build support with CEO, senior management and employees; • Research what others are doing, and assess the value of recognised CSR instruments; • Prepare a matrix of proposed CSR actions; • Develop ideas for proceeding and the business case for them; and • Decide on direction, approach, boundaries and focus areas.
Do	3. Develop CSR commitments	• Do a scan of CSR commitments; • Hold discussions with major stakeholders; • Create a working group to develop the commitments; • Prepare a preliminary draft; and • Consult with affected stakeholders.
	4. Implement CSR commitments	• Develop an integrated CSR decision-making structure; • Prepare and implement a CSR business plan; • Set measurable targets and identify performance measures; • Engage employees and others to whom CSR commitments apply; • Design and conduct CSR training; • Establish mechanisms for addressing problematic behaviour; • Create internal and external communications plans; and • Make commitments public.
Check	5. Assure and report on progress	• Measure and assure performance; • Engage stakeholders; and • Report on performance, internally and externally.
Improve	6. Evaluate and improve	• Evaluate performance; • Identify opportunities for improvement; and • Engage stakeholders.
Cross-check: One cycle completed		Return to plan and start the next cycle.

B Topics for interview

Topics will be focused on:
- Quality

- Social responsibility

- Economics

- Environment

- Social questions

- What do you imagine, when I say „ corporate social responsibility"

- Who cares about CSR activity?

- What is your policy quality management?

- Safety and health protection during work

- Your mission, vision and strategy

  o strategic initiatives

  o ethical aspects

  o compliance with laws

- Your employees

  o Principles of corporate culture

  o Equal employment oportunity

  o Education of employees

  o Employee awareness

  o Benefits, incentive programs

- Educational program + cooperation with universities

- Corporate volunteering

- Suppliers and customers

  o Customer code

- Environment

- Public activities

C Questions in questionaire A

Performance and development

a) Do you have clear and measurable work objectives?

Yes
No

b) Do you think that your performance is evaluated fairly?

Yes
No

c) Do you receive regular and constructive feedback on your performance?

Yes
No

d) Do you have sufficient opportunities to improve your skills in your job?

Yes
No

Feeling valued and respected

e) Does your manager treat you with respect?

Yes
No

f) Are you treated with respect and fairness in your organization?

Yes
No

g) Do you have any experience with discrimination, bullying or harassment?

Yes
No

Senior leadership and governance

h) Do you have confidence in the leadership within organization?

Yes
No

i) Do you believe, the senior management team has a clear vision for the future of this organization?

Yes
No

j) Do you feel confident about the future success of Edwards?

   Yes
   No

Collaboration and teamwork

   k) Do people I work with are willing to help each other, even if this means doing something outside their usual activities?
      Yes
      No
   l) Do teams in Edwards collaborate and work well together?
      Yes
      No

Work life balance

   m) Are you able to strike the right balance between your work and home life?
      Yes
      No
   n) Are you able to meet the requirement of your work within regularly working   excessive hours?
      Yes
      No

D Questions in questionnaire B

1. Do you think Edwards includes social and environmental aspects into the company's strategy, therefore is socially responsible?

   Definitely yes
   Rather yes
   Rather no
   Definitely no
   I do not know

2. Are you informed about CSR activities of the branch on web pages, in company's newsletter or annual reports?

   Definitely yes
   Rather yes
   Rather no
   Definitely no
   I do not know
   I am not informed

3. Do you consider the responsible behaviour as one of the condition that had to be fulfilled by Edwards to be an attractive choice for you?

   Definitely yes
   Rather yes
   Rather no
   Definitely no
   I do not know

4. Are you involved in activities for improving environment?

   Definitely yes
   Rather yes
   Rather no
   Definitely no
   I do not know
   I am not involved in environment-friendly activities

5. Which environmental non-costly activities do you think should be implemented in the company?

   Minimize the use of paper by introducing e-solutions

Use recycled material
Installation of water savers
Ensure friendly way for transportation of goods and materials
Automatic turn off the lights

6. From the following options please select those you are missing at the firm and you would like to use them. You can select more answers.

    Preventive medical examination at workplace
    Life and traumatic insurance
    Company kindergarten
    Leave the country to other branches for the purpose of learning
    Larger offer of trainings and development

7. Has the global economic crisis affected somehow socially responsible activities of your company?

    Definitely yes
    Rather yes
    Rather no
    Definitely no
    I do not know

8. If you have an opportunity to work one day per year for community as a volunteer (fully paid), are you interested in?

    Definitely yes
    Rather yes
    Rather no
    Definitely no
    I do not know

E Transcription of interviews

Q: Questioner
R1-R6: Respondent one – six

Respondent 1; 22/10/2015; Munich; Environment

Q: What is your position within corporate social responsibility?

R1: *Senior Manager for Safety and Sustainability.*

Q: Can you please tell me about your role?

R1: *I cover a number of areas, environmental management, product safety and environmental performance and supply chain sustainability.*

Q: These days, most large, multinational companies claim to be environmentally focused and promote sustainability; how important is this?

R1: [1,2] *Very important, we have to focus on economic performance, or we don't have a company at all, but equally as important is our effect on the environment and society.*

Q: Can you please tell me about the key activities, that contribute to impact on the environment?

R1: [3] *Our impact on the environment is possitive, thanks to the impact of our abatement system on global warming gases. Our abatement business has been treating gases from the semiconductors, solar cell, LED and flat panel display industries.* [4] *Our own footprint can be further reduced by the use of Green Modes – most Edwards vacuum pumps and abatement systems have been green Mode enabled since 2004 but very few customers have actually implemented this feature -* [5] *the problem is typically the non-availability of suitable signals form process tools to indicate when they are not actually processing wafers. My colleague has co-chaired a SEMI committee to draw up a set of standardised signals to communicate tool idle state – when finalised this will allow more Green Mode deployment thanks to simpler signalling. Full implementation of Green Mode could save 33,000 tons of carbon monoxide emissions annually. I know, there are also activities, that contribute negatively to the environment – energy usage of our products, the energy of our factories consume, and the transportation of our products around the world. Our engineers are constantly trying to develop new ways of reducing the energy usage of our products, which our customers want too.* [6] *We are trying to be more energy efficient in our factories, and also to use sea shipping as opposed to air where possible –* [7] *air has 40 times greater emissions than sea freight.*

Compared to other industries, I can say, that our factories are quite energy intensive. I think, that is due to the kind of manufacturing we carry out, plus lots of our sites are in hot countries so air conditioning plays a part – [8] these areas we can focus on trying to improve.

Q: Do you have some aims or targets to the future?

R1: *Yes, we have specific OGSM.*

Q: Sorry, what do yoy mean by OGSM?

R1: [9] *Objectives, Goal, Strategy and Measurement. These targets we want to achieve by 2020.*

Q: Can you be please more concrete about these targets?

R1: *Reduce carbon emission by 20%, reduce carbon emissions due to transport by 20%, no increase in water use, no increase in waste and recycle/recover 100%, increase product energy efficiency by 20%.*

Q: What about your branch, what environmental activities pursue?

R1: [10] *Our motto is: We can't bury the problem any longer, we have to recycle! In the past most waste has been landfilled, but landfill capacity is runnig out fast and it is no longer the best environmental solution, so we are doing our best: swap plastic drinks cups for reusable, use recycling bins, pay attention to recycling bin labels and separate our waste, we are thinking before we print, we also write in our magazine, which is called connectED – recycle your copy of connectED magazine when you have finished with it.*

Q: What can your employees do to help your company to be more environmentally responsible? Do exist some special activities for them?

R1: *We can all think about the resources we use in our everyday jobs, whether that's turning our equipment off when we are not using it, turning lights off, or simply using the correct waste bin at all times. I say, we have to minimise the rubbish we create, and think before we put it in the bin!*

I asked employees, sitting in the office, what are they doing to reduce their impact on the world's natural resources?

I have a simple philosophy, which is to be more responsible – as much my home life is filled with sustainable solutions and soon I will have a green roof (made from grass and plants) which supports biodiverzity, wildlige and energy conservation.

Basically doing small actions that can make a great impact, like turning off the lights that are not beign used, low water usage to wash the car, walking instead of using the car to buy groceries. The most important thing is to set a good example to our children so it becomes a habit.

I cycle to work and I take public transport instead of driving. It might not sound like a lot, but I believe if everyone made small changes in their day to day lives the impact on out planet would be enormous.

I walk instead of using car for short distances, and I try to use water and energy efficiently. I'm always looking for recycled versions of products that I normally use and teach my children about how important this is.

At the office I always turn off the computer at the end of the day to conserve power. At home, we unplug device that we do not need to use and I have also changed my regular bulbs to more eco-friendly bulbs. I always use biodegradable clearing products as they have fler impacts on soil and water, and také my own bags to the store so I won't use a plastic or paper bag

Respondent 2; 22/10/2015; Munich; Quality

Q: Can you please tell me, what is your position in context of coporate social responsibility?

R2: *Well, I'm manager of quality.*

Q: Can you specify your role?

R2: *It's hard to say by few sentences. I coordinate the activities required to meet the quality standards. I monitor and advise on the performance of the quality management system, produce data and report on performance, measuring agaits set standards.*

Q: What is your quality policy management?

R2: *You know, to achieve our goals, all employees are required to follow the Edwards Quality Policy. [26] Through this, we will strive to deliver defect-free vacuum equipment, exhaust management systems and services on-time, every time. [27] Our values are: precision, right from me, customer satisfaction and continual improvement. We are empowered to challenge people and instances where we feel quality isn't being met or where steps are adding no value – without fear or repercussion. We say, that quality is judged not by me but by my customer.*

Q: Do you have some quality certificates?

R2: [28] *We have Environmental and Safety Management System Standards: ISO 9001:2008 and 18001:2007. We have also Corporate Quality Team.*

Respondent 3; 22/10/2015; Munich, Employees

Q: You are a manager of a whole branch, am I right?

R3: *Yes.*

Q: So the corporate social responsible activites relating to your employees are mainly under the patronage of you?

R3: *We can say and after that HR section looks after our employees.*

Q: I read, that when I meet an Edward's employee, it is a person, who advocate certain values? Is it true?

R3: ☺ *How we work is as important as what we do. [13] We are better together. Success comes from collaboration: getting the best out of each other and supporting one another - TEAMWORK. Confidence in each other. We earn and give trust through our actions. We make promises and keep them and are open and honest about waht we do – TRUST. We innovate every day. We create solutions for customers through small changes as well as major breakthroughs – INNOVATION. Excellence always – PRECISION. In May, we awarded our colleague, because we have received lots of possitive feedback from co-workers, but mainly from customers. He/ She is a leading example, with high level of engagement, team working and customer focus. I am proud to have such good people in my team.*

Q: What training, benefits or educational programs do you oraganize/have for your employees?

R3: [14] *Our employees receive meal vouchers every month, spa vouchers and vitamin packs every six months, they can learn one foreign language – English, Spanish, Italian, Russian, flu vaccination for free. [15]For our employee we will have a new recognition programme, which has been initiated as a direct feedback with the aim of building and recognition culture and part of a number of action plans making our company a great place to work. The foundation for the Recognition Programme is our Company values: teamwork, trust, innovation, precision, customer focus, quality, safety, continuous improvement. [16] We also organised a day with students attending, and held a series of talks and competitions – with prizes at the end of the day for the best of them. The aim of the day was to improve relations with the University as a potential customer and to promote the Edwards brand, as a company and possible future employer to the students. The event was well supported. We were delighted to have this opportunity to spend time with students. There has been great feedback from this event, from both the University and us, we hope to make it an annual event.*

Q: What is your approach to sponsorship and charity?

R3: [17] *I am proud of all the great initiatives our people get involved in to support the communities in which we live and work. Our people visited the charity, to see what difference our money would make to the children. The charity helps around 120 disadvantaged children, aged between 6-16 years, and aims to support their growth, helping them integrate into society and the job market. The charity provides them with education, sports facilities, meals and clean, warm water for showers.*

Q: What do you think, why are social responsible activities so important for you? Why do you implement CSR activities?

R3: [18] *Well, our continued commitment to integrating corporate social responsibility into our business supports our ability to generate sustainable long-term value, and enhances delivery on our strategic objectives. We strongly believe that high standards of responsibility are not juste compatible with, but positively support, growth and business efficiency. Embracing such policies and behaviours helps us to develop more valuable relationships with our stakeholders.*

Respondent 4; 27/10/2015; Brno; Social Committee

Q: You are a member of social committee, what does this membership involve? I read, that if you want to create social committee, you have to create some team, organize it and follow some meetings…

R4*: When I came into the company, I want to start a social committee, so I asked management if it will be okay and they agreed. They also allowed us to meet and organize events during working hours. Also my colleagues wanted to sign up to be on the committee. All our activities are voluntary and we don't receive money from company. Once a month we have a meeting with our committee.*

Q: How many members include committee?

R4: *8-10 members*

Q: What social responsible activities your committee perform?

R4: *A lot ☺. I will appoint the most recent.*
On the 28th June, our employees held traditional annual sports day where the local CVC team competed with finance in a wide range of activities including squash, petanque and sack race. The event was available for non Edwards family members and   friends. [19] Every year we organize Flea market – if you have stuff at home that just takes up place and you have no need for and not the heart to throw it away, you can go to flea market and get rid of something. Next for example Christmas market. Money, which are collected throughout the year are donated to a single charity. We

have also an auction for tickets to Hrady 2015 festival. In order to decide, where money will flow at the end of the year, we asked employees to vote for 6 charities: SOS Children's Villages, Hope OS, Mole – Endowment fund for children oncology, Lama Centre and Special Kindergarden, Special Primary School and Practical School Brno. We had a great response from a lot of people. The winner of the vote and the charity fund that our Edwards office supported in 2015 was Mole – Endowment fund for children oncology.

Respondent 5; 27/10/2015; Brno; Environment

Q: What is your job role?

R5: *I work as an acount payable specialist but I am involved in projects relating to environemnt.*

Q: What kind of projects do you mean?

R5: [11] *Well, our branch is involved into project, which is called Green company – solving of problem of electro-waste and batteries. The project solves the collection and transport of electronic equipment, batteries and cartridges, CDs and DVDs directly at the company. Our goal is mainly environmental protection. The project also brings us advantages such as saving of finance, administration savings...*

Q: I heard, that you supported your employees not to using a car to work, by distributing them pedometers. The more steps they walked, the better...

R5: [12] *Yes, this action was within Safety and Health Week 2015. In particular our pedometer challenge was well received and the winner was our colleague who, along with normal active working day, took a weekend trip to the national park Slovensky raj in Slovakia and achieved an astonishing 119 037 steps. We are planning more health updates and initiatives.*

Q: Do you participate on other projects?

R5: [11] *Edwards employees in our branch have decided to join their counterparts in Atlas Copco CEE Division and start contributing to the Water for All project. People have always been contributing to various charities here but there has never been a possibility to do it in such an efficient way – Atlas Copco offers to double each contribution given to the Water for All scheme. This is a great opportunity to do the right thing and help those who need it most. Atlas Copco is currently cooperating with us to set up appropriate funding channels*

Respondent 6; 27/10/2015; Brno; Employees

Now I am speaking to manager of whole branch.

Q: *What is the most important thing for development of your employees?*

R6: [20] *We mainly put emphasis on qualification and competences of employees mainly in three areas: business background – global view to process and system, cross cultural competencies, which include the mentality and behaviour close to English and American culture. Our aim is to eliminate „čecháčkovství" – such as envy, rivalry and passivity. And the third area include technical competences, personal skills and leadership. Of course we cooperate with universities, allow working for part-time work agreements, we enable interships for students.* [21]*What is really interesting for our employees is something like Plan, which is called PPDR – Personal Performance Development Review. This plan include objectives and development plan of each employee for the next year, which are determined by employee together with his or her supervisor. Then every six months these plans are evaluated and implemented*

Q: What kind of benefits, training, educational programs do you offer for your employees?

R6: [22] *Most important for us is education of our employees. We offer them development and education in the form of single, multi-day or long term courses, seminars and certifications. As an example I can mention working with Excel, SAP, Access, trainings focused on business process improvements, communication, assertiveness, time management. language courses. I'd like to highlight an offer for our employees to get internationally certificated training in the field of accounting known as ACCA - Association of Chartered Certified Accountants. ACCA consists of 14 exams, which are really difficult and the preparation is very time consuming. But employees can increase his/her value at the market and more carem opportunities are opened for him/her ether at home or abroad.*

Q: Now the company is facing with economic crisis, affects this crisis somehow your employees?

R6: [23] *Yes, unfortunately it's true. The spendings are limited mainly on education and development of employees, motivational programs and we have to apply all sorts of regulation such as hiring freeze – ban on accepting other employees, it means if for example a woman goes to maturnity leave, no other employee can come for her place as a compensation. As a consequences of these measures, existing staff is under higher workload, stress, tension and at workplace there is negative atmosphere.*

Q: Edwards employee experience should include five opportunities, that can help the level of engagement and improve the employee experience. Did you do at your branch any kind of survey, which will declare, that these values are valid also between Edwards employees in Brno?

R6: *No, not yet at our branch.*