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QUALITY MANAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

14.1   INTRODUCTION

From the 50s of the twentieth century, the world is developing the concept of quality management, which especially from the time when, in the 80s of the twentieth century the standards of ISO has become one of the most popular approach to managing an organization. At the same time, in recent years more and more likely many managers and scientist developed the concept of Corporate Social Responsibility and reporting of these practices [4], [5], [6], [27], [28], [30], [31], [32], [33]. On closer inspection, it turns out that these concepts have a lot in common, starting from the basic principles of standing in the ground, through the implementation of methods to use standardization.

14.2   SOCIAL RESPONSIBILITY AND QUALITY MANAGEMENT – THE BASIS

The founders of modern quality management and excellence in business, Crosby, Deming and Juran, believe that ethics, principles and respect for people are the key rules of conduct.

Deming in his 14 Principles advocate organizational climate, where the interests between managers, employees and customers are conducted in accordance with ethical principles. Juran spoke about the system consisting of the values, attitudes and behavior, individual and group, created within the organization that is necessary for organizational success. TQM should be recognized by focusing on people, manifested in the quality of life and satisfaction of employees [2], [19], [20], [22], [23].

Concepts based on the principles do not detract from gaining of profit but put more emphasis on sustainable results by valuing people and the environment. Summary of Deming's principles and social responsibility is illustrated in Tab. 14.1, while the common characteristics of quality management and social responsibility are presented in Tab. 14.2.

Quality Management concept is similar to the concept of corporate social responsibility, because it has ethical grounds as it has deemed necessary in the development of corporate social responsibility.

Tab. 14.1 Comparison of Deming quality principles and Corporate Social Responsibility

Deming principles	Corporate Social Responsibility
Create stability objectives and directions of development, management involvement.	Vision, core values, goals, responsibilities in relation to stakeholder management commitment.
Everyone learns a new philosophy.	Vision, values, goals should be clear to all stakeholders.
Remove the need for mass inspection as a means of achieving quality.	Transparency and accountability are essential to meet the requirements of global standards.
Unsubscribe from the practice of business management in only the price level.	Avoid the use of arbitration in wages and prices, focus on employees and suppliers offering products and services of good quality at a reasonable price that meet global standards.
Improve constantly and forever every process of production and service.	Improve constantly and forever responsibility.
Input the-job training.	Educate employees, enable stakeholders to dialogue, enter alternatives.
Learn and establishing leadership.	Learn and establishing leadership at all levels with all stakeholders.
Remove fear, create an atmosphere of trust and a climate conducive to innovation.	The same is true with respect to the stakeholders, create a climate of engagement, dialogue and innovation.
Destroy the barriers between departments and areas of work of the crew	Optimize working towards responsible practices and mutual interest to achieve a collective goal.
Eliminate slogans and inciting workers to overcome shortcomings and to higher levels of productivity.	Eliminate irresponsible practices within the system.
Eliminate quantitative performance norms, explore methods to improve and cancel the periodic evaluation of employees.	Establish a responsible vision based on fundamental values for continuous improvement, explore methods to enable continuous improvement of relations with stakeholders.
Remove barriers that rob the hourly employees of their right to be proud of their work.	Remove barriers that rob stakeholders dignity and responsibility.
Encourage learning, determine effective refresher training program related to work and serving as personal development.	Encourage learning and continuous improvement of the partnership, accountability and results to key stakeholders.
Take action to achieve this transformation.	Take action to achieve this transformation.

Source: Own elaboration based on: [9], [26]

It could be argued that the implementation of the concept of corporate social responsibility can proceed efficiently and in a shorter period of time through the use of existing processes and organizational change channels within the existing enterprise of total quality management. CSR is sometimes regarded as an extension of the science of total quality management (TQM). The development of CSR leads to more and more account of criteria relating to corporate social responsibility by the creators of the international rankings, awards and rankings in the field of quality management and competitiveness.

Tab. 14.2 Comparison of quality and responsibility

	Quality		Responsibility
Quality is	Always present to some extent. Customer and employees oriented. Defined by customer satisfaction. Required to create the conditions for quality management.	**Respon-sibility is**	Always present to some extent. Stakeholders oriented (in addition to customers and employees). Defined by the satisfaction of stake-holders. Required to create the conditions for the management of corporate social responsibility.
Quality manage-ment is	Multiple definitions. Maximize customer satisfaction. Focused on the measurement of qualitative and quantitative factors. Emphasis on continuous improvement through a system of feedback (feedback system information).	**Respon-sibility Manage-ment is**	Multiple definitions. Taking responsibility for the impact on stakeholders and interactive management of interfaces between them. Focused on the measurement of qualitative and quantitative factors. Emphasis on continuous improvement through a system of feedback (feedback system information).
Quality manage-ment has	Multiple possible approaches. Require the appointment of a plenipotentiary for quality. Holistic, systemic approach that requires full implementation for the effective functioning.	**Respon-sibility Manage-ment has**	Multiple possible approaches. Require the appointment of a plenipotentiary for social responsibility. Holistic, systemic approach that requires full implementation for the effective functioning.

Source: Own elaboration based on: [26]

14.3 SOCIAL RESPONSIBILITY AS A QUALITY MANAGEMENT SYSTEM EXTENSION

Problems of social responsibility are not directly referred to in ISO 9001 standard, but they are found in improvement models based on this standard. In the first place, it is worth paying attention to ISO 9004 standard. Paragraph 4.4 of the standard lists the interested parties, needs and expectations. Taking into consideration the issues of corporate social responsibility, it is worth paying particular attention to the examples of needs and expectations quoted in the standard, which include [14]:

- environmental protection,
- ethical conduct,
- compliance with the provisions of law and other regulations.

Corporate social responsibility issues have been included in the content of the standard, especially from the point of view of an organisation's attitude to the achievement of a lasting, sustainable success. Such a success is achieved by fulfilling the needs of not only customers, but all the interested parties over a long period of time. One of the stakeholders, being particularly important from the social perspective, is the previously mentioned customers [1], [3], [10].

Tab. 14.3 contains an evaluation of issues related to corporate social responsibility which are raised in particular normative documents. The scope of issues has been marked with the following symbols:

- "+" little,
- "++" medium,
- "+++" big.

The new version of the ISO 9004 standard as of 2010 contains numerous statements compliant with the principles of corporate social responsibility. The concept regarding the interested parties and the fact that an organisation should pay attention not only to the needs of customers, but also all the stakeholders, is compliant with the CSR concept. The ISO 9004 standard says that interested parties are entities or persons who contribute an added value to an organisation, are interested in the organisation's activity in another way or have an influence on the organisation's activity. The fulfilment of interested parties' needs and expectations contributes to achieving a lasting success of the organisation.

According to the standard, the needs and expectations of interested parties are in many cases contradictory. For this reason, an organisation should apply such measures as cooperation, negotiations etc. so as to reach a consensus in this matter.

A very important factor of corporate social responsibility is paying attention to the needs of people in an organisation and managing the organisation in such a way that their needs are satisfied. Regarding this issue, paragraph 4.2 of the standard in question says directly that an organisation should make sure that its people have a possibility of learning both to keep the organisation viable and for their own benefit. At this point, it is particularly worth quoting selected issues contained in paragraph 6.3.1 of the standard related to corporate social responsibility, where it is stated that people are the most valuable and crucial resource in an organisation. Therefore, it is necessary to make sure that the working environment encourages them to pursue personal development, to learn, share their knowledge and work in a team. It is recommended that people should be managed in a planned, transparent and responsible way from the ethical and social point of view.

Tab. 14.3 Standards concerning quality and environment management versus corporate social responsibility

Standard	Scope of issues concerning corporate social responsibility
ISO 9001:2008	None
ISO 9004:2000	+
ISO 9004;2008	++
ISO 14001:2004	++
ISO 19011:2010	+
ISO 10014:2007	+

Source: Own elaboration based on: [11], [12], [13], [14], [15]

Point 4.4 regarding the interested parties emphasises such issues as: environmental protection, ethical behaviour or observance of law regulations in relation to communities as well as transparency in relation to stakeholders. Another point of the standard

draws attention to the fact that when planning a strategy or policy, it is necessary to identify and determine the needs and expectations of the above mentioned interested parties. It is completely compatible with the concept of corporate social responsibility and, in a developed form, all these issues are discussed in specialist standards dedicated to CSR, which will be analysed in the further part of this publication.

In the case of the standard concerning environmental management [12], all issues which regard environmental policy, including in particular contamination prevention, comply with CSR principles. Also the process of environmental aspects' identification as well as determination of the ones that are significant and recommended to be treated by the organisation's environment management system as priority issues [12] is an important element compliant with CSR.

In a broad understanding of corporate social responsibility, which includes ethical issues, these problems are raised in the ISO 19011 standard. The auditing rules comprise among others: ethical conduct, reliability, confidentiality and prudence. It is assumed that auditors will act with diligence and audit findings will be precise and true. Ethicality is also quoted in the case of competences required from auditors [13].

Although, as written above, in standards concerning quality management the issues related to CSR are not extensively discussed. Mentioned standards provided a basis for specialist standards directly dedicated to these issues. The most frequently applied standards in this scope include: ISO 26000, SA 8000 as well as AA1000 or polish RESPECT index. Tab. 14.4 contains characteristics of the above mentioned normative documents.[2]

ISO 26000 provides guidance on how businesses and organisations can operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of society. The standard 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 organisations translate principles into effective actions and shares best practices relating to social responsibility, globally. It is aimed at all types of organisations regardless of their activity, size or location. 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 organisations around the world were involved in its development, which means it represents an international consensus.

The SA 8000 standard is the central document of Corporate Social responsibility System. It is one of the world's first auditable social certification standards for decent workplaces, across all industrial sectors. It is based on conventions of the ILO, UN and national law, and spans industry and corporate codes to create a common language to measure social compliance. It takes a management systems approach by setting out the

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[2] There are more standards concerning CSR, the above table presents three major ones. Readers interested in other documents can refer to publication [7], [8], where the majority of the most important normative documents related to CSR have been contained along with their characteristics.

structures and procedures that companies must adopt in order to ensure that compliance with the standard is continuously reviewed. Those seeking to comply with SA 8000 have adopted policies and procedures that protect the basic human rights of workers.

Tab. 14.4 Characteristics of major standards referring to CSR

Standard	Characteristics
ISO 26000	Defines social responsibility as responsibility of an organisation for the impact of the decisions it takes on the society and environment through transparent and ethical conduct. 7 principles of social responsibility: Responsibility – an organisation should be responsible for its impact on the society and environment. Transparency – an organisation's decisions and activities which influence the socjety and environment should be transparent. Ethical conduct – activities undertaken by an organisation should be based on the ethics of honesty, equality and integrity. Respect for the interests of stakeholders – an organisation should respect and take into consideration its stakeholders' expectations. Respect for law regulations – an organisation should accept and respect the regulations of the law in force. Respect for international standards of conduct – an organisation should respect international standards of conduct specified in the law regulations in force. Respect for human rights – an organisation should respect human rights, taking into consideration both their weight and universality. The standard is not subject to certification.
SA 8000	The standard is focused chiefly on human rights and relations with employees (it can be said that it elaborates on two areas referred to in the ISO 26000 standard). The standard specifies minimal requirements in the following scope: Children's work, Forced labour, Health and safety, Freedom of association and the right to collective negotiations, Discrimination, Disciplinary actions, Working hours. Remuneration. Management systems. The standard is subject to certification.
AA 1000	The standard is aimed at including social and ethical issues in the strategic management of an organisation and the fields of its activity. It is focused in particular on the stakeholders of an organisation. It takes into consideration 5 major stages of the management of relations with stakeholders: Planning – an organisation embark on the process. Defining the principles of responsibility. Conducting an audit and preparing a report. Implementation – process reinforcement. Co-operation with stakeholders – groups related to the organisation (customers, suppliers etc.).

Source : Own elaboration based on: [21], [24], [25], [34]

AccountAbility's AA 1000 series are principles-based standards to help organisations become more accountable, responsible and sustainable. They address issues affecting governance, business models and organisational strategy, as well as providing ope-

rational guidance on sustainability assurance and stakeholder engagement. The AA 1000 standards are designed for the integrated thinking required by the low carbon and green economy, and support integrated reporting and assurance. The standards are developed through a multistakeholder consultation process which ensures they are written for those they impact, not just those who may gain from them. They are used by a broad spectrum of organisations -- multinational businesses, small and medium enterprises, governments and civil societies.

We can say, standards relating to CSR can be considered to be an extension of standards concerning quality management. The quality management standard is a first step towards good integrated management system. But the improvements of the quality management or even integrated management system are not sufficient nowadays. We think CSR systems are extension of quality management system and there is a need for integration of these system toward one fully integrated management systems based on the principles of social responsibility.

14.4 SIGNIFICANCE OF CORPORATE SOCIAL RESPONSIBILITY FOR MANAGERS DEALING WITH QUALITY MANAGEMENT

On the basis of investigations in the field of parameterisation of the criteria of quality management systems' evaluation in Poland [29], it can be said that managers dealing with quality management (the ones who completed questionnaires in the research) consider CSR problems as insignificant. Factors related to social issues in the above mentioned studies had a weight of 4-5 on a 10-point scale. It is a very low value given the fact that issues which concern competitiveness, customer etc. Were evaluated on a level of 8-9 [29].

As shown by the studies, representatives of the examined organisations' management regard corporate social responsibility as an issue of little significance. This implies that for an organisation a market success is more important than fulfilling the needs of its employees or the society [17].

The phenomenon itself is not negative, as an organisation should in the first place be oriented to the customer. However, such an attitude may lead to problems with corporate ethics, which is particularly visible in the case of quality management systems certification. For example, K. Lisiecka draws attention to numerous negative tendencies which have been observed in this field in recent years, such as among others [17], [18]:
- lack of the knowledge of the idea and the meaning of quality standards,
- depreciation of certificates and their weakened credibility resulting from unprofessional implementation of the system and limited „managerial competences" of the consultants,
- lack of individual approach on the part of consulting companies,
- auditor's fear of revealing the inconsistencies of the system subjected to certification due to the fact that the audited clients are interested mainly in a positive evaluation of the system instead of an honest list of observations.

It seems that such little importance attached to the problems of CSR may become a barrier in the process of implementation of standards related to corporate social responsibility. It is one of the reasons causing that despite a development of this field in our country it is not as dynamic as it was in the case of other standardised management systems.

CONCLUSION

The concept of corporate social responsibility is paralleled to quality management in many points of view. From the Deming principles through basic concepts there are many similarities between them.

Corporate social responsibility makes it possible to supplement and expand basic issues contained in the ISO 9001:2008 standard as well additional instructions regarding the achievement of a lasting success with issues related to sustainable development, society and ethics. It is compliant with contemporary trends in management and classic concepts of quality management. We think that there is a need for development of integrated management system which can contain issues related to

ACKNOWLEDGEMENTS

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QUALITY MANAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

Abstract: *The paper presents the relationship between quality management and corporate social responsibility. We presented, in the paper, the most important relationships between these concepts. Were also examined issues related to the presence of Corporate Social Responsibility in a variety of standards for quality management and related matters. In addition, the publication has been the most important characteristics of CSR standards.*

Key words: *quality management, Corporate Social Responsibility, ISO 9001, ISO 26000, SA 8000*

ZARZĄDZANIE JAKOŚCIĄ A SPOŁECZNA ODPOWIEDZIALNOŚĆ BIZNESU

Streszczenie: *W publikacji przedstawiono relacje pomiędzy zarządzaniem jakością a społeczną odpowiedzialnością biznesu. Przedstawiono najważniejsze związki miedzy tymi koncepcjami. Dokonano również analizy obecności kwestii dotyczących Społecznej Odpowiedzialności Biznesu w różnych normach dotyczących zarządzania jakością I spraw pokrewnych. Dodatkowo w publikacji dokonano charakterystyki najważniejszych standardów dotyczących CSR.*

Słowa kluczowe: *zarządzanie jakością, Społeczna Odpowiedzialność Biznesu, ISO 9001, ISO 26000, SA 8000*

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