### Social Aspects of Urban Logistics in the Context of CSR

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Changes in the economy are affecting the development of urban areas, as well as the attitudes and awareness within them. An important issue today is that of social aspects which not only relate to the essence of urban logistics, but also constitute one of the elements around which the concept of corporate social responsibility oscillates. This article addresses the relationships and common areas occurring between urban logistics and the concept of corporate social responsibility from the point of view of social factors.

Keywords: city logistics, Corporate Social Responsibility, the social dimension.

#### 1. INTRODUCTION

City logistics is a relatively new concept. The changes taking place in the economy are affecting the development of logistics management within agglomerations. They have also contributed to increased awareness and attitudes of citizens. Issues faced are not only that of increased traffic as a result of the improvement of living standards of the population, but also other aspects of ecology related to the development of a city and its municipal economy. Therefore, an important element in the field of urban logistics is the relationship between economic, environmental, and social factors. Awareness is also seen in terms of how we choose our place of residence, namely attractiveness of the area. infrastructure and road communications with urban areas. Other aspects related to the environmental and spatial planning of the city, which influence the perception of the urban society, also have a significant impact. Social aspects are also a topic of interest in the concept of Corporate Social Responsibility (CSR). This concept, although generally addressed to businesses, is also reflected in city logistics. Dependence and mutual interests, as well as the relationship between these two areas, will be the subject of interest in this article. The aim of the study is to present the relationship between urban logistics and the concept of corporate social responsibility from the perspective of social aspects. The article was developed based on a study of domestic and world literature.

# 2. SOCIAL ASPECTS OF THE CONCEPT OF CORPORATE SOCIAL RESPONSIBILITY

In the literature of recent times, a lot has been written about Corporate Social Responsibility (CSR). The development of this concept is undoubtedly associated with an increase in people's awareness. They are the target group of companies, as consumers of their goods. Thus, the consequence of this phenomenon is increased attention devoted by staff to managing the corporate image and the organisation's impact on the environment, the local community, and the wider region. It also affects action in the field of ethics and charitable activities. According to Friedman, "there is only one single kind of social responsibility from the world of business - to use its resources and take action in order to increase their own profits to the extent that it remains compatible with the rules of the game ... [and] participate in open and free competition without deception and fraud<sup>1</sup>." Friedman drew attention to

13

<sup>&</sup>lt;sup>1</sup> J.A.F. Stoner, R.E. Freeman, D.R. Gilbert Jr., *Kierowanie*, PWE, Warszawa 1997, p. 114.

the economic performance and legal activities of corporations. S. Young, in turn, defines CSR as "a strategic and long-term approach based on the principles of social dialogue, transparent relationships and seeking win-win solutions; It also achieving a sustainable profit while forming strong relationships with all stakeholders (...). It is also conducting business in a way that respects ethical values, law, respect for employees, society and the environment, as well as allowing contribution to sustainable development by working with these factors in order to improve the quality of life for all citizens<sup>2</sup>."

Enterprises are not only subject to rights and duties, but also to responsibility in economic, legal and social terms<sup>3</sup>. M. Gableta<sup>4</sup> states that the processes leading to the integration of employees from the company should be part of building a competitive advantage. More information can be seen at the convergence of the wider stakeholders of the company. The aim of social responsibility is thus mitigating the eternal conflict between business and society.

"The concept of corporate social responsibility boils down to specific skills in the social environment and natural spheres5." A.B. Carroll distinguishes four levels corporate of ethical responsibility: economic, legal, philanthropic. The author notes that the foundation of business operations in accordance with the concept of corporate social responsibility is its financial stability and generation of profits. Attention is then paid to the legal and ethical aspects, which means proceeding according to all established standards, formalized in the form of regulations and ethical standards imposed by society. Only then you - the company - take up philanthropic activities by supporting and helping

<sup>2</sup> S. Young, *Etyczny kapitalizm. Jak na powrót połączyć prywatny interes z dobrem publicznym*, Metamorfoza, Wrocław 2005, p. 75.

others in need. The implementation of these aspects, in this order, can lead to the functioning of the unit in accordance with social responsibility.

It can be concluded that social responsibility involves several basic dimensions that influence the perceptions of business and activities of the society, as well as the organization's effect on the environment. These are the dimensions of: social, economic, environmental, ethical. A synthetic approach is shown in Figure 1.



Fig. 1. The areas of interest in corporate social responsibility

Source: own work.

Any organization, for its effective operation, should take into account the implementation of its basic purpose and the ability to bring a certain added value. Providing opportunities and basic functioning is important and affects all activities, including in the field of corporate social responsibility. Through their basic functioning and economic stability, businesses provide jobs and through achieving higher levels are able to support society. The social aspect is very broad in its sense, since it concerns not only employees, as the internal stakeholders of an enterprise, but also the inhabitants of the cities in which the company operates, as well as their wider regions, provinces etc. The activities of enterprises and other organizations also influence the environment by production of various types of waste, air pollution, etc. This aspect is related to ethical action, not only in terms of the environment but also in terms of employees and society in both the broad and sense.. Thus, aspects of responsibility may relate not only to enterprises, organizations and other entities, but also to cities. Corporate social responsibility also affects the new management area, which is that of city logistics. Efficient and effective city management can bring many benefits, both tangible in the form of savings, as well as in intangible assets - the satisfaction and comfort of existence in a given locality.

<sup>&</sup>lt;sup>3</sup> A. Sokołowska, *Spoleczna odpowiedzialność małego* przedsiębiorstwa – przejawy i dylematy, "E-mentor", nr 5(32)/2009, p. 1.

<sup>&</sup>lt;sup>4</sup> M. Gableta, *W kierunku opercjonalizacji pojęcia odpowiedzialności społecznej w obszarze zatrudnienia*, [w:] H. Jagoda, J. Lichtarski (red.), "Kierunki i dylematy rozwoju nauki i praktyki zarządzania przedsiębiorstwem, Wyd. UE we Wrocławiu, Wrocław 2010, p. 73.

<sup>&</sup>lt;sup>5</sup> A. Adamiak, M. Nowicki, *Etyka i społeczna odpowiedzialność biznesu*, [w:] A. Zakrzewska – Bielawska (red.), "Podstawy zarządzania", Oficyna a Wolters Kluwer business, Warszawa 2012, p. 504.

## 3. THE ESSENCE AND FOUNDATION OF CITY LOGISTICS

With regard to the changes taking place in the economy at the turn of the century, a new research area has arisen - city logistics. The development of the urban sprawl, the associated increase in organizations population. businesses. institutions and the density of the road network significant problems pose in municipal management. Given that one of the features of logistics is universalism, the principles of logistics management, which are used in the management of enterprises, can also be transferable to city economies<sup>6</sup>. To understand the idea of applying the basic principles of corporate social responsibility to transportation logistics, it is first necessary to define and characterize the very concept of "city logistics".

Discussion of the assumptions of city logistics should begin with an attempt to define it.

M. Szymczak presented a definition of urban logistics based on the definition of logistics developed by the Council of Logistics Management. It states that "urban logistics can be defined as the process of planning, implementing and controlling flows:

- initiated outside and addressed to the city,
- initiated in and directed outwards,
- passing through the city,
- internal to the city,

and their accompanying information flows, designed to meet the needs of the city in the field of quality management, quality of life and development<sup>7</sup>." Another proposal which determines the essence of urban logistics is the definition formulated by J. Szołtyska. He states that "city logistics is generally processes to manage flows of people, goods and information within the logistics system of the city, according to the needs and objectives of the development of the city, with respect for the environment, given that the city is a social organization whose primary goal is to meet

the needs of its users<sup>8</sup>." Research into city logistics issues is deliberately structured around the flow of materials, integrated people information in the urban area. These problems include, for example, the problem of transport accessibility of the city, the supply chains of goods. water and energy supply agglomerations, waste water management, disposal and waste treatment, construction and maintenance of telecommunication networks and care for the environment of the urban area and the surrounding area<sup>9</sup>. In addition, one of the main tasks of city logistics is the creation of an urban transport system that will optimize travel time<sup>10</sup>. The development of flows in cities has a significant impact on the functioning of the residents and satisfaction with life in the city. Consequently, it appears to be important to meet the expectations of citizens by eliminating traffic congestion, ensuring optimum transport infrastructure, minimizing environmental impact, ensuring adequate public utilities etc. Cultural aspects, aesthetic perception and attractiveness of the place are also of significance. These aspects directly affect the number of people living in a given agglomeration, as well as the increase or decrease in the population of the area. Activities in the field of urban logistics and optimizing processes in the area are therefore of great importance.

City logistics is essentially the same processes that constitute the content of logistics in every dimension. Here transport, warehousing, customer service and storage can be replaced with equivalent functions<sup>11</sup>. The main difference, however, is the recipient of these processes and their added value, which in this perspective, is a non-financial benefit in the form of satisfaction of residents, the number of people living in the area, the attractiveness of the region, the perception of the town by tourists and the region's image overall. Only the indirect impact of these elements can in

<sup>&</sup>lt;sup>6</sup> J. Kaźmierski, *Zarządzanie logistyczne w rozwoju miasta i regionu* – *strategiczna rola centrów logistycznych*, Zeszyty Naukowe Uniwersytetu Szczecińskiego nr 453, Ekonomiczne problemy usług nr 8/2007, p. 95.

<sup>&</sup>lt;sup>7</sup> M. Szymczak, *Logistyka miejska*, [w:] E. Gołembska (red.), "Kompendium wiedzy o logistyce", PWE, Warszawa 2013, p. 312.

<sup>&</sup>lt;sup>8</sup> J. Szołtysek, *Logistyczne aspekty zarządzania* przepływami osób i ładunków w miastach, AE Katowice 2005, p. 105.

<sup>&</sup>lt;sup>9</sup> K. Witkowski, Aspekt logistyki miejskiej w gospodarowaniu infrastrukturą transportową miasta, Prace Instytutu Prawa i Administracji PWSZ w Sulechowie, "Studia Lubuskie" nr 3/2007, PWSZ Sulechów, Sulechów 2007, p. 203.

<sup>&</sup>lt;sup>10</sup> J. F. Ehmke, *Integration of Information and Optimization Models for Routing in City Logistics*, Springer, New York 2012, s. 1.

<sup>&</sup>lt;sup>11</sup> M. Szymczak, *wyd. cyt.*, p. 311.

some way help to increase the profitability of the region.

Urban areas are a focus for the economic and social potential of the country, hence their smooth functioning in turn determines the development of the both the region and the country<sup>12</sup>. From the point of view of the individual, catering for the needs of individual urban residents is crucial because of two phenomena - meeting their needs in favourable conditions and the need to overcome spatial constraints in order to implement these requirements<sup>13</sup>. The changes that have taken place in the economy, population growth and the welfare of society, have affected the expectation to effectively meet these needs. "Managing a city which is not just a place to live and work but also for leisure, shopping and access to culture - must have, besides an economic dimension, a social and environmental dimension<sup>14</sup>." Consequently, city logistics in this article will be considered through the prism of the economic, environmental and social dimension.

### 4. THE IMPACT AND RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND CITY LOGISTICS IN RELATION TO THE SOCIAL ASPECTS

The focus of city logistics flows is in urban areas. "The city is a common space, which belongs to the community living in it, having the right to guarantee the fulfilment of political, social and ecological conditions and at the same time assuming an obligation to mutual solidarity." City Logistics can be analyzed in the political, social and environmental sense. It should be stressed that in city logistics, a significant part is undoubtedly played by stakeholders, within these not only the authorities managing the city, but also other groups within society, for example real estate owners, infrastructure providers, the police, chambers of commerce, etc. 16 Therefore, how the

city operates will be affected by its stakeholders, and they will be recipients of the activities carried out in the field of city logistics. Similarly, stakeholders are the main recipients of corporate social responsibility. It is this group that experiences the effects of both positive and negative aspects related to the activities of various organizations, including businesses.

logistics and City corporate social responsibility have common areas of interest. It should be noted, however, that the social responsibility of business, although ultimately dedicated to business operations, is based on assumptions can be very easily applied to spatial management of the city, including city logistics. Given that business activity is generally concentrated in the large cities, it significantly affects their functioning. In addition, the assumptions of corporate social responsibility (CSR) should be transposed to the management of the city. In terms of social responsibility, this cannot be limited only to the activities of enterprises. There remain other areas of the economy which also negatively impact on society, the environment etc. Policy management of the city and the authorities is also associated with ethical activity in relation to the local environment, the functionality of urban development in the long term, etc. Furthermore, in the area of urban management, we can distinguish a number of consistent and effective actions which can be transferred from the perspective of business management the management to agglomerations. Confirmation of this thesis can be seen in the emergence of city logistics, which has many common denominators with the concept of social responsibility. The primary focus is, however, the social dimension, which in both cases is the core interest.

From the above illustration (Fig. 2) it can be seen that the converging areas of interest of city logistics and corporate social responsibility represent a social and environmental dimension. These are however, the two dominant areas; this does not mean that other aspects of the activities in the field of politics, economic basis, or ethics will have no impact on these two concepts; they all have an impact on both city logistics, and

<sup>&</sup>lt;sup>12</sup> K. Witkowski, *wyd. cyt.*, p. 203

<sup>&</sup>lt;sup>13</sup> J. Szołtysek, *Logistyka miasta – geneza, istota, perspektywy*, "Logistyka" nr 5/2010, p. 8.

<sup>&</sup>lt;sup>14</sup> K. Witkowski, wyd. cyt., p. 203.

<sup>&</sup>lt;sup>15</sup> J. Szołtysek, *Logistyka miasta – geneza, istota, perspektywy*, "Logistyka", No 5/2010,[za:] The European Charter for the Safeguarding of Human Rights In the City adpoting the stance of the European Charter of Local Autonomy

<sup>&</sup>lt;sup>16</sup> E. Browne, M. Lindholm, J. Allen, *Partnership among Stakeholders*, [w:] E. Taniguchi, R.G. Thompson, "City Logistics. Mapping The Future", CRC Press, Boca Raton 2015, p. 19.

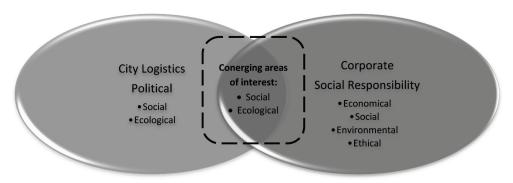


Fig. 2. Areas of interest of city logistics and corporate social responsibility. Source: own work.

corporate social responsibility. It seems, however, that the social dimension is the most common area of concern of these two concepts.

"Social responsibility is a set of obligations of organizations to protect and strengthen the social context in which they operate 17". It is also one of the basic goals of city logistics. It must be noted that the current social aspect of city logistics is beginning to emerge. responsibility will see, with time, an ever greater transfer of processes taking place within city logistics. City logistics is essentially the same processes that occur in the enterprise and concerns for example transport, information flows, customer service, waste disposal etc. These processes serve to meet the needs of society, and also affect the attractiveness of the town and its perception by incoming people such as tourists etc.

The social dimension is important in both urban logistics, and corporate social responsibility. The

assumptions of corporate social responsibility can be transferable to the field of city management, especially logistics processes. The idea of this concept and its broad spectrum of interests affects its versatility. Through observation of the action in the field of city logistics, signs of the application of corporate social responsibility can be seen. These measures may be taken unknowingly, but perfectly fit into the base concept of CSR. Most often they relate to the social dimension. In this regard, the integration between the two concepts is the most visible. Taking into account only the social dimension of interest of city logistics and corporate social responsibility, we can determine three levels of consciousness and the progress of the measures undertaken by the management. These are presented in the figure below (Fig. 3).

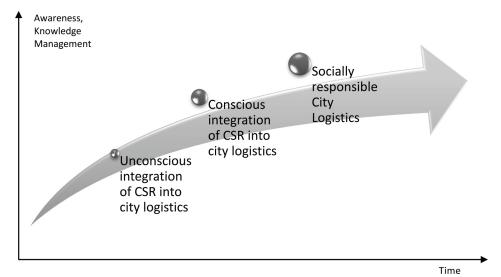


Fig. 3. Integration of CSR and city logistics through the mainstream social prism Source: own work.

<sup>&</sup>lt;sup>17</sup> R.W. Griffin, *Podstawy zarządzania organizacjami*, PWE, Warszawa 2004, p. 117.

The lowest level is taking action in the field of corporate social responsibility by managers in order to optimize the effects in the context of city logistics. The next, higher stage is the conscious use of the assumptions of the concept of CSR. The highest level is the identification of city logistics with corporate social responsibility, especially in the social dimension.

Actions taken in the integration of city logistics and corporate social responsibility in the social dimension will manifest itself in::

- perceptions of society, especially as the local client
- taking care of the local environment as a place of relaxation and rest,
- increasing the efficiency of the movement and transport of people and goods,
- reduce the nuisance associated with collection and disposal of waste,
- development of green areas,
- coordination of processes between different entities that have an impact on customer service, which is the local society,
- organization and activities in providing recreational and cultural projects for the public,
- development activities and creation of good working conditions for administration and organization associated with the implementation of the principles of urban logistics,
- taking care of the comfort of living in a given location.

The social dimension is a mainstream interest in both of these concepts. The benefits of integrating the concept of corporate social responsibility and city logistics are felt to the greatest extent by the city inhabitants. It will foster the perception of the city, its attractiveness, competitiveness, and will affect its successful development.

### 5. CONCLUSIONS

The changes taking place in society are affecting many areas of life. The importance of intangible assets, and attention to different benefits is growing and an increased awareness can be seen. Poland's economy is growing, and with the perspective of time, new targets are being implemented by municipal administrations, whilst society can be seen to have different demands to those of the authorities and other entities forming

their immediate surroundings. These changes have contributed to the emergence of city logistics. In urban administration, we can also interpret this as meaning measures providing implementation of the concept of social responsibility, within this those elements which are of interest in city logistics. Consequently, we can talk about the integration and interaction of corporate social responsibility and city logistics. These relationships are discussed in this article. Economic development is essential to the development of cities; behind this lies the manner of city management. In the field of urban management, more and more provinces and municipalities will, over time, be penetrated by methods, techniques and management approaches ultimately intended for companies. Authorities. local governments, agglomerations and various organizations should borrow and seek knowledge from what has already proven so versatile. Hence, many of the concepts, systems and management methods can be transferable to the field of city management and the management of non-profit organizations, although the purpose of the activity of these entities is quite different than in companies where the value added in most cases is the profit.

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Date submitted: 2015-06-23

Date accepted for publishing: 2016-06-10

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