BUILDING ECOLOGICAL ORGANISATIONAL CULTURE IN THE MODERN ENTERPRISE – THE CASE OF HENKEL

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Abstract

Background. Changes taking place in the environment of contemporary enterprises cause that, undeniably, an increasing role in achieving success is played by running a business activity in a way which is environmentally friendly. Nowadays, more and more enterprises in their activities realise the idea of sustainable development, (in common with organisational culture), assuming the activity for the benefit of the protection and the improvement of the surrounding natural environment with simultaneous realisation of social and economic goals.

Research aims. The main research aim is to present the influence of ecological awareness in common with organisational culture on the growth effectiveness and prestige of a studied company.

Methodology. The key part of the paper consists of a case study of Henkel in Poland, as an example of an ecologically responsible organisation. The paper also includes a scientific literature review.

Key findings. In accordance with the assumptions, the ecological awareness brought about fame and recognition to the company for the pro-ecological activity, as well as many awards. Additionally, Henkel transformed its offices into environmentally-friendly offices. The main results show that being “eco” brings profits. The article is an introduction to further study of the given problem and it makes comparisons with other environmentally conscious companies.

Keywords: ecological awareness, organisational culture, environment, sustainable development.

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INTRODUCTION

The contemporary economic conditions cause that enterprises, more and more frequently, consider social and ecological issues connected with the development of the idea of sustainable development in everyday activity. This results from the fact that running a business activity in harmony with the environment constitutes one of the essential, or even necessary, conditions of remaining on the competitive market and further development on it. Therefore, an increasing number of enterprises begin to understand that the inclusion of the social aspect and, above all, the ecological one, supports the realisation of the strategy, and also affects the effectiveness of the company’s functioning (on the basis of numerous social online reports, e.g. 2011, 2014, 2015), and particularly, creating an organisational culture. A strong culture constitutes an essential feature of each enterprise, specifies the values the organisation and is driven by and considerably influences the behaviour of its employees. Therefore, while combining the organisational culture with pro-ecological activity, the ecological awareness of employees gain an essential meaning.

In the paper, the authors pay attention to the description of ties between creating of an organisational culture and ecological awareness of employees as the most important stakeholders of the enterprise in Poland. From this perspective, on the one hand, the essence and the features of organisational culture are discussed, whereas on the other hand, the process of creating ecological knowledge. Therefore, the aim of the paper is to indicate how ecological awareness affects one of the determinants of creating values and norms acknowledged in the enterprise, which affect the organisational culture. The thesis of the paper assumes that ecological awareness influences increasing of the enterprise’s value. The thesis formulated in this way has been supported by an analysis of the program “Mamy zielone pojęcie” (“We have a green notion”), realized by the Henkel company in Poland.
ECOLOGICAL AWARENESS AND
ORGANISATIONAL CULTURE

Each enterprise functioning on the competitive market consists of different personalities, teams, and units and it has its specificity and nature. All these factors influence the internal structure of the company and also its relationships with a wide range of stakeholders. Therefore, organisational culture, being the whole of assumptions, values, norms, attitudes, and ways of thinking, which influence man and the enterprise, creating its image in the environment, gain a particular meaning (Żemigala, 2007, p. 26). That is why, organisational culture is defined, among others, as a common set of meanings (Louis, 1985, pp. 73–93), central values (Barney, 1986, pp. 656–665; Broms & Gahmberg, 1983, pp. 482–495), assumptions (Dyer, 1985, pp. 200–229; Schein, 1985), and beliefs (Davis, 1984; Lorsch, 1985, pp. 84–102). Edgar Schein (1985) explains that organisational culture includes three levels of studying: the artefacts, proclaimed values, and basic assumptions. With regard to the assumptions of the ecological awareness, the organisational culture should enable and encourage certain behaviours of the company.

Among many concepts and approaches towards organisational culture it is possible to name two main approaches in order for understanding its essence. In the first one, it is one of the elements creating a coherent system, allowing for efficient functioning of the organisation, whereas in the other one, it is a metaphor of the organisation, the process which creates values, norms, and rules, which affect human actions, including organisational behaviour (Pocztowski, 2002, p. 60). Culture is also a system of orders, accepted and respected by employees. It is not possible to disagree with S.P. Robins, who states that “culture, by definition, is elusive, irrational, default and treated as given. However, each organization develops its own fundamental set of assumptions, presumptions, and unspoken rules which govern everyday behaviour in the workplace (...) by the time the employees know these rules, they are not treated as full members of the organisation” (Robins, 2004, p. 433).

It is possible to state that organisational culture constitutes a certain kind of management tool. To make this tool more effective, enterprises should use the synergic model of seven principles,
formulated by D. Sethi, including the elements such as: respect, responsibility and resources, risk taking, rewarding and recognition, ties, serving as the role model, and renewal (Sethi, 1998, p. 260). Nowadays, many enterprises take pride in their values and invest in them systematically. The most desirable elements of organisational culture are, among others, creativity, coherence (integrated goals), involvement of employees and entrepreneurship, CSR, flexibility, stability, openness to changes, encouraging diversity, or just public service. These values appeal to a wide range of recipients and they motivate to more effective work – both the president of the company, a marketing director, an accountant, or a specialist in a given branch will identify with them (Chudy & Łukasik, 2011, pp. 179–193). Recently, ecology has become a desirable element of organisational culture and along with the above, the pro-ecological aspects of running a business activity. This results from the fact that the progressive degradation of natural resources poses new challenges to enterprises. As M. Żemigala underlines, “only the managers being able to predict and look into the future, being driven in their activities by the principles of social and ecological responsibility, will be able to manage enterprises efficiently. This is organisational culture which offers the basic, common vision of the world and also the ethical support” (Żemigala, 2007, p. 47). Therefore, an important role in creating organisational culture is played by ecological awareness. This results from the fact that ecological awareness is a set of views, attitudes, values, and patterns of behaviour which intertwine.

Ecological awareness is specified by man’s attitude towards the natural environment, a set of the possessed information and opinions on the above, and also the system of values towards the above which man is driven by in his actions (Kielczewski, 2001, p. 163; Shrivastava 1995, pp. 936–960; Schleicher, 1989, pp. 257–281).

Ecological awareness is the concept consisting of many components of psychological, sociological, and economic nature. The basic element in the process of creating ecological awareness is the level of ecological knowledge, a sense of environmental risk, and access to ecological information. These three components create the system of ecological values, which influence the scope of ecological awareness. The appropriate level of ecological awareness affects the pro-ecological attitudes and behaviours, while simultaneously creating organisational culture (Seroka-Stolka & Brendzel-Skowera, 2011, p. 257).
Ecological orientation of the enterprise culture is the main reason for the appropriate concept of its activity. This means that enterprises, apart from profit maximising, which is the basis of their functioning, ought to take into consideration some social and, above all, ecological aspects of the business activity. In practice, this means combining economic goals with social and ecological ones, inscribed in the idea of sustainable development and, simultaneously, in the strategy of social responsibility. Otherwise, the enterprise is exposed to enormous ecological costs, and also it undermines the foundations of its own development, weakens the image and worsens its competitive position on the market. Therefore, enterprises should efficiently perform some pro-ecological activities with simultaneous harmonisation with its culture. Therefore, at this point, the question arises how to efficiently make employees aware in the area of ecology while at the same time affect the company’s present culture?

There are a lot of possibilities. Among them there are both the proven, standard methods and some innovative ideas. For example, most of today’s organisations reach for ISO 14001 certification to increase the awareness of being environmentally friendly. The valid and recognised worldwide standard – ISO 14001 “Environmental Management Systems” – supports activities related to environmental protection and pollution prevention in compliance with the needs of the organisation. The ISO 14001 environmental management system is a response to the challenges of the modern world and ecology. The main task of ISO 14001 is to support environmental protection and prevention of pollution in a way that takes into account the socio-economic needs (within the meaning of the concept of Sustainable Development).

Although, companies may use special training organised by external training centres, some enterprises, cooperating with them, develop some group and individual training plans for their staff. Another method of raising ecological awareness of the staff is the promotion of a healthy lifestyle. More innovative methods of strengthening ecological knowledge and increasing effectiveness of activities in this area include motivation programs. Their goal is to reward employees who are the most involved in pro-ecological activities. A good way to support ecological education are also internal information campaigns, which promote rational waste management and consumption of resources (water, electricity) among employees (Duda, 2012, p. 3). Organisations, which run their business with the principles of social responsibility for the natural
environment, may significantly bring about the improvement of the eco-image of the company. This means not only a better position of an employee with high ecological competences on the labour market, but also or even, most of all, economic benefits for the organisation. Employees characterised by high ecological awareness, resulting, among others, from high level of ecological knowledge, are able to take ecological challenges and include them in the activity of many organisations (Seroka-Stolka & Brendzel-Skowera, 2011, pp. 243–255). Therefore, creating of the ecological awareness and ecological culture become an essential requirement in the economy based on knowledge. Unfortunately, Polish business lacks a broadly understood care for the quality of life and the environment or rational use of shrinking natural resources.

CREATING ECOLOGICAL ORGANISATIONAL CULTURE – THE CASE STUDY OF HENKEL IN POLAND

The fundamental values of Henkel as the basis for creating organisational culture in the area of sustainable development.

The activity of the Henkel company, whose origins date back to 1976, mainly focus on building an optimum corporation culture, including business processes and social relations in accordance with the principles of sustainable development and social responsibility. The starting point for creating of an organizational culture is constituted by the five basic values of the company included in the Code of Corporate Sustainability, Vision and Values, i.e. (Vision and Values, Published by Henkel AG & Co. KGaA, 2011, p. 4):

“1) We put our customers at the centre of what we do,
2) We value, challenge, and reward our people,
3) We drive excellent sustainable financial performance,
4) We are committed to leadership in sustainability,
5) We build our future on our family business foundation.”

The presented values served the company to create the following codes of conduct, constituting an integral part of the Henkel culture, namely:

• Code of Conduct,
• Code of Teamwork and Leadership,
• Code of Corporate Sustainability.
The guidelines included in the above codes specify the principles, which all the employees of the corporation ought to follow, no matter what their role or position is. These guidelines, most of all, refer to clear rules of functioning, creating permanent partnership with the cooperatives and appropriate and friendly working conditions, by building transparency of working procedures and maintaining harmonious everyday relationships, based on cooperation and involvement of the employees. It is possible to state that these values, on the one hand, constitute a signpost of ethical behaviour for all the employees and, on the other, they are highly significant for the functioning of the company since they are based on creating appropriate economic relations and by means of the above also the social and ecological ones, while respecting the law of the country in which a business activity is started.

Among the fundamental values acknowledged by the Henkel company is the achievement of leadership in the area of sustainable development. While being convinced of the above, the Henkel company declared following the rules included in the Business Charter for Sustainable Development, proclaimed by the International Chamber of Commerce and they made a decision on the accession to the UN's Global Compact project and to the international program of chemical industry – Responsible Care (Code of Corporate Sustainability, Henkel, p. 3). Henkel in Poland respects the ISO 14001 standard in relation to Sustainable Development.

In view of the foregoing, Henkel Poland’s example was used as a case study of a responsible business in this article.

In 2012 Henkel Poland was awarded the “CSR Golden Leaf” in the Polityka 500 ranking list as a company which has adopted sustainability and social responsibility as the key elements of its business strategy. The CSR Leader List is a new initiative of the Polityka opinion magazine, accompanying the Polityka 500 ranking list of the largest Polish enterprises. The CSR Leader List is based on a survey of companies with revenues above PLN 250 million, regarding the issues of corporate social responsibility and sustainable growth in Polish enterprises. The survey, prepared by the PwC consulting firm, was based on the ISO 26000 standard which identifies the areas to be covered by socially responsible companies. The questions concerned such issues as corporate governance, human rights, attitudes towards the employees, environmental protection, customer care, business
honesty, and social involvement. 1200 survey forms were sent to the companies. 287 companies responded, out of which 229 had been listed in the Polityka 500 ranking.

Henkel is in the elite group of 12 companies awarded with the “CSR Golden Leaf” for which social responsibility is the key element of their strategic business activities” (http://www.henkel-cee.com/, 2012).

In 2015 Henkel Poland was awarded the “White leaves of CSR Policy” in the annual ranking of the largest companies in Poland, which run their business in the spirit of sustainable development and corporate social responsibility (http://www.henkel.pl/prasa-media/informacje-materialy-prasowe/, 2015).

As an enterprise aiming at responsible management of the limited resources of the Earth, it developed a long-term strategy of Sustainable Development by 2030. The motto of the strategy is “achieving more with less”, and its goal is to triple the value of production with reference to the amount of the used resources and generated waste (www.henkel.pl). The basis for the formulated strategy is constituted by two main areas of activities: the first one – ”more value”, and the other one – ”reduced footprint”, which, in turn, were divided into six basic areas of Henkel’s sustainable responsibility.

The first group includes such areas as: social progress, safety, and health and performance, whereas the second group includes the areas in which the enterprise aims at reducing the use of resources and, simultaneously, reducing the ecological footprint of its activity and products like: energy and climate, materials and waste, water, and wastewater. The pillar of the formulated strategy is Factor 3.

Factor 3 is a tool assuming that over the next 20 years the value created by Henkel will triple with reference to the footprint. This means tripling of the effectiveness of products and processes in the company. Depending on the situation on the market, the enterprise achieves this goal by tripling the value they create and leaving the footprint on the same level, or reducing the footprint down to one third of today’s value while delivering the same value or approaching from both sides, reducing input and improving output at the same time.

At this point it is necessary to underline that the activities of the company by 2030 were divided into five-year targets to make it possible to achieve the increase in the value of products with reference to the used resources.
Creating ecological awareness – the analysis of the project “We have a green notion”

With reference to the performed activities oriented towards environmental protection (e.g. use of rainwater, modernising the system of sewage treatment, reduction in carbon dioxide emission by 5.2 thousand tons, water by about 83%, and gas by about 12%) and strong attachment of the company to the concept of sustainable development, the idea came into being, which was later transformed into the project “We have a green notion”. The activities in the framework of this project were to transform Henkel’s offices into “green offices” and simultaneously the ones oriented to promoting pro-ecological attitudes and behaviour among employees.

The main goal of the project was, on the one hand, to transform Henkel’s offices in Poland into environmentally friendly workplaces and, on the other, theoretical and practical education of employees promoting pro-ecological attitudes, which were to make them the ambassadors of values superior for the company. Moreover, the expected results of the project’s performance were some financial savings and, which is also important, strengthening the company’s position on the market, as an enterprise operating in accordance with the principles of sustainable development and corporate social responsibility.

This project was introduced in the structures of the company in 2009 and was divided into four stages, including different ecological issues (Table1). At the planning stage, some goals were established that were clear and realistic to achieve at each stage with simultaneous creating of the company’s culture.

Table 1. Steps and activities of the project “We have a green notion”

<table>
<thead>
<tr>
<th>Step</th>
<th>Area</th>
<th>Activities</th>
</tr>
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<tbody>
<tr>
<td>I</td>
<td>Paper and wastepaper</td>
<td>replacing the printers with the ones printing on both sides; pointing out the place for wastepaper in each room; motivating employees to print only necessary documents</td>
</tr>
<tr>
<td>II</td>
<td>Use of water resources and waste management</td>
<td>providing educational materials urging to water and energy consumption only in the quantities needed at a given time, supplying office employees with drinking water in 1.5l bottles instead of 0.5l; placing bottle compactors in the kitchens</td>
</tr>
</tbody>
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III. Energy and waste

- Exchanging light bulbs for energy-saving bulbs;
- Fixing and sealing thermal installation;
- Spreading information reminding about turning off chargers and devices, not leaving equipment in stand-by position;
- Placing bottle compactors in the kitchens.

IV. Car use

- Passing educational materials concerning ecological driving, using public transport and cycling;
- Running eco-driving courses.

Source: the author’s own research based on the internal materials by Henkel.

At each stage of the performance of the project “We have a green notion” the company benefited significantly. By reducing expenditures on the maintenance of the company fleet, reducing the consumption of electricity, water, and wastewater emission, the company achieved some measurable financial benefits while simultaneously minimising the impact of the company activity on the natural environment. Therefore, taking into consideration the level of energy consumption (including electricity, coal, fuel oil, and gas), the company has been successively diminishing its use (Figure 1).

![Figure 1. Energy consumption in the Henkel company in the period of 2008–2011](source: the author’s own research based on Henkel’s internal materials.)

The performance of the project “We have a green notion” also brought about decreasing water consumption and also reducing wastewater production (Figure 2).
On the basis of the data presented in Figure 2, it is possible to state that similarly to the consumption of energy, due to the implementation of the project, significant reduction in the consumption of water and the level of the produced sewage were observed. In 2011, when compared to 2008, the consumption of water fell by 35% and, in turn, the production of wastewater dropped by 40%.

Apart from the activities listed above, the development of the project “We have a green notion” also focused on creating ecological awareness among the employees and using it in the performance of everyday duties. As Dorota Strosznajder, Corporate Communication Manager in Henkel Poland underlines "We are convinced that by this action our employees will regard Henkel even better, as a company which is socially responsible and pro-ecological and they will become the ambassadors of the key values which they will pass to their families, friends, and acquaintances" (www.henkel.pl). Therefore, the project development is inscribed in the process of creating the company’s ecological culture. To achieve this goal, and also to broaden ecological knowledge, Henkel applied ambivalent forms of marketing. On the walls of the offices posters encouraging two-side printing were hung, and also the employees were supplied with some eco-bags.

In the offices of the company some “stickers” with slogans promoting the action were also distributed, e.g. “It’s better to use an e-mail than paper on the desk.” Additionally, some balls made of creased paper symbolizing saving paper, and also some compositions made of blue balloons – symbolising water drops, referring to its saving were placed.
It is necessary to pinpoint that Our Earth Foundation provided some substantial support when creating the ecological awareness of the employees.

CONCLUSIONS

Dynamic changes taking place in the environment and also the increasing process of globalisation cause that the activity of the contemporary enterprise has considerable influence on the natural environment. Therefore, the approach of enterprises towards the issues of the protection of shrinking natural resources requires the involvement of not only the managerial staff, but also all the employees. Therefore, creating ecological awareness is really important. By means of ecological education employees create new habits and values, which affect their activities. Additionally, this amounts to norms and values rooted in organisational culture. Employees, who absorbed pro-ecological ideas and norms, create an ecological enterprise. The aware employees begin to pay attention to the impact of everyday activities at work on the natural environment.

The support of theoretical considerations referring to ecological awareness and organisational culture is the analysis of the obtained data and materials of the Henkel company, referring to the project “We have a green notion”. The activities undertaken by the company created appropriate ecological knowledge among the employees and also made them save energy and water. They also adopted some habits of conscious consumption of paper, e.g. by electronic documentation workflow. In accordance with the assumptions, the involvement in the action “We have a green notion” brought about fame and recognition to the company for their pro-ecological activity. Additionally, Henkel transformed its offices into environmentally-friendly offices. Moreover, despite considerable financial outlays, the company successively records lower operating costs, and also less impact of their activity on the environment.
REFERENCES


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BUDOWANIE EKOLOGICZNEJ KULTURY ORGANIZACYJNEJ W NOWOCZESNYM PRZEDSIĘBIORSTWIE – PRZYPADEK FIRMY HENKEL

Abstrakt

**Tło badań.** Zmiany zachodzące w otoczeniu współczesnych przedsiębiorstw powodują, że bez wątpienia coraz większą rolę w osiągnięciu sukcesu odgrywa prowadzenie działalności gospodarczej w sposób przyjazny dla środowiska. Obecnie coraz więcej przedsiębiorstw uwzględnia w swojej działalności idee zrównoważonego rozwoju (w połączeniu z kulturą organizacyjną) dla prowadzenia działalności na rzecz ochrony i poprawy stanu środowiska naturalnego, przy jednoczesnej realizacji społecznych i gospodarczych celów.

**Cel badań.** Głównym celem badania jest przedstawienie wpływu świadomości ekologicznej w powiązaniu z kulturą organizacyjną na wzrost efektywności i prestiżu badanej firmy.

**Metodologia.** Kluczowym elementem pracy jest zaprezentowane studium przypadku firmy Henkel w Polsce, jako przykładu organizacji odpowiedzialnej ekologicznie. Praca zawiera również przegląd literatury naukowej.

**Kluczowe wnioski.** Zgodnie z opracowanymi w artykule założeniami, świadomość ekologiczna przyniosła badanej firmie zarówno sławę i uznanie, jak i wiele nagród i wyróżnień. Ponadto Henkel przekształcił swoje biura w przyjazne środowisku. Wyniki badania pokazują, że bycie „eko” przynosi zyski. Artykuł jest wstępem do dalszych badań danego problemu i dokonania porównania badanej firmy z innymi firmami świadomymi ekologicznie.

**Słowa kluczowe:** świadomość ekologiczna, kultura organizacyjna, środowisko, zrównoważony rozwój.