Russian Coal Companies Ecological Responsibility Practices as a Social Development Harmonization Factor in the Globalization Context

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Abstract. In recent years globalization has created a new set of challenges and imperatives for industrial business, one of the most significant of which is greening. Indeed widespread environmental pollution increases many social groups interest. In the article the authors analyze Russian coal enterprises corporate management socio-environmental practices as a tool for regional social development harmonizing in a globalizing context. From the position of intellectual dynamics corporate social responsibility phenomenon substantial features are analyzed. Evolution features of Russian entrepreneurs socially responsible management practices reception are shown. Ecological aspect of management and environmental protection significance and vitality are justified in a view of the increased man-caused damage caused by coal industry enterprises. Environmental practices implemented features characteristic by the coal business in the openness and transparency world context are clarified. The list of advantages obtained by coal enterprises in the case of target groups environmental interests and needs satisfying is determined. It’s proved that greening becomes a modernization driver of coal business, as a result of which it is integrated into all business processes of enterprises. In conclusion, study main results are summarized.

1 Introduction

Globalization dynamism, diversity and multidimensionality create new challenges and imperatives for all business entities most powerful of which in their specific weight relate to ecological field [1]. This area of enterprises responsibility is becoming in demand thanks not to individual initiative groups, for example environmentalist movements and parties but because of the environmental sensitivity world and all mankind future literal dependence. In fact, many global corporations have united in their aspirations to save the environment. Obviously, natural resources are not infinite and their exhaustion cannot be stopped at anyone’s request or command. The most urgent environment preserving problem was put on the agenda for those industries in which in comparison with most business areas
economic development technogenic option predominates. They also differ in more aggressive nature consumption of non-renewable natural resources and environmental pollution degree corresponding to this ecological and economic development type.

Coal industry is one of such industries from which new environmentally oriented models and principles for its activities are expected implementation since modern business development in an evolutionary manner requires compliance with current standards [2]. Today, in many countries coal industry long-term prospects are associated with transition to restructuring the industry and its organizational and industrial architecture subsequent modernization.

Approaching to this article problem statement the authors believe that environmentally responsible behavior principles enshrined in the Russian coal industry enterprise relevant documentation not only contribute to their products promotion in foreign markets but because of innovative approach to environmental exploitation, they are determinants of smoothing out contradictions that arise a large number of interested social groups.

2 Theory

Being quite serious players in the Russian economy structure coal enterprises have long taken on social development locomotives role not only for individual cities but also entire regions. In fact, coal business competitive nature is also oriented towards certain political realities formation. Exerting a negative external effect on regional living environments, coal companies realized the need for regular positive relations with their target groups, which include a fairly wide and diverse range of stakeholders: from their own personnel and authorities at various levels to media and environmental initiative communities [3].

Socially responsible business behavior initial mention dates back to the 50 years of the 20th century. By the way, just then thanks to H. Bowen there is a conceptualization of this idea [4]. Also in the regulatory and targeted coverage the framework and key areas of such businessmen’s behavior for improving society are represented. In turn, M. Friedman in 1970 came up with corporate egoism theory recognizing that profit and use of resources by companies according to their production needs can be possible only by socially responsible business [5]. Nevertheless even in such a work an imperative applicable to responsible behavior is found which in institutional theory [6] is interpreted as the desire to win open and free competition without deception and fraud is impossible without responsible projects at their own expense implementation.

Enterprise management conceptions that take into account social factor importance for success have undergone an impressive evolution in less than a century. Corporate social responsibility phenomenon dialectics which can be observed in a consistent contextual analysis of thematic works of foreign researchers, leads to its logical development and many connotations emergence and many additional directions introduction among which environmental initiatives have taken a significant place since the 20th century end for modern social development [7; 8].

Corporate social responsibility philosophy reception like everything foreign was evaluated extremely ambiguously. Barriers habitual for the Russian entrepreneur’s mind literally connected with anything as well as intentions towards speedy material well-being, have generated numerous discussions in the 90s of the last century. The main issues seemed to these practices essence need and regularity of their implementation, potential long-term gain, list of target groups and driving forces as well as the need for state regulation of this activity. The last point has a fairly close relationship with corporate governance environmental aspect in Russian realities. In particular, environmental protection legislation imperfection in terms of responsibility for violations and stereotypical representations of Russian management about companies and following environmental imperatives economic
growth incompatibility in a rather long historical retrospective indicate the choice of a business to pay for environmental damage [9, 10].

However in recent decades many large industrial enterprises have realized that environmental aspect implementation in corporate governance practices is one of success criteria not only commercial but also non-financial which they present in an open form and is defined as «social reporting». Among many items contained in such reports there is environmental protection. It’s noteworthy that every year people can see a steady increase in the number of published reports which is seen in such a trend as globalization of information. It’s characteristic that now government bodies are also interested in increasing demand for products exported by coal enterprises [11; 12; 13].

Regional realities and an innovative approach to production processes ecological well-being interdependence consequence is not only economic growth but also mentioned social success which has a synergistic effect and is presented in Russian coal companies reputation and competitiveness increasing form.

**3 Results and discussion**

Regardless of coal business management previous representations about solving environmental problems feasibility to date we note conservatism overcoming in their thinking and also in innovation inertia. Coal enterprises competitiveness does not mean their zero level of emissions which is a priori unattainable but implies a voluntary nature of implemented environmental measures.

Today, globalization processes intensification as well as economic relations established market nature requires coal companies to coordinate their activities taking into account all interested groups needs and regional sustainable development is becoming a strategic management integral part. In addition to usual profit for entrepreneurship the gain in the modernity context is a company image perception positive assessment. Practice confirms that more criteria organizations meet the stronger the effect of both positive and negative assessments of its reputation. In many ways this can be proved by complexity of coal business which is becoming a various monitoring options object.

The world experience of transparency in environmental initiatives implementation indicates an increase in company's brand popularity and attractiveness among target groups. As an example, one can imagine that coal companies environmental and economic activities regular coverage by various new media a prominent place among which is the Internet amid growing unpredictability of the world will induce a potential employee to make a choice in favor of such a company than to deal with unknown. Environmental solutions are constantly expected from coal mines today; therefore, interested groups wider coverage is possible due to concern for the health of personnel and the public some of which project such projects to take into account all mankind interests [14, 15].

Greening becomes the corporate governance driver in terms of indicators variety and is actually integrated into coal companies all business processes. The analyzed social direction is realized both in formal and informal aspects. Moreover the second of them according to modern institutional theories and studies is more effective. In fact the formal side affects requirements established by state regarding compliance with environmental legislation that is somewhat outdated for the present. Annual social report publication also may be attributed here. However it’s a regular nature of informal interaction with a large interested parties representatives number that gives a greater social effect than following administrative instructions. Environmental programs reviews being developed and regular communications with public strengthen reputation through permanent coal enterprises results visualization.
Of course part of interested groups is able to provide economic benefits to coal companies but it should be borne in mind that social factor becomes primary and interactions with target audience become regular. At the same time it’s very important to classify results presentation in areas specified by social groups: public, government, investors, media, etc.

4 Conclusions

Conducting by coal enterprises their activities according to previous century environmental expectations and standards in the globalization realities seems archaic and impossible since it prevents them from entering the world market with their products. Corporate social responsibility new principles formation for coal enterprises a priori implies directions pluralism for ensuring sustainable development of those regions in which they directly carry out their activities. Investments in environmental conservation are becoming an effective tool for improving and further strengthening coal companies business reputation.

To harmonize social development management of coal companies is moving from linearity which was environmental initiatives unchanging annual set to a combination of activities as well as expanding environmental activity areas. Coal enterprises environmental responsibility problems have long gone beyond the academic discussions and forced measures scope. Coal business practice aimed at achieving high performance becomes unthinkable without initiatives to preserve the environment. In addition dialogue between coal enterprises management and target groups removes from the agenda an independent discussion by local communities of such acute social problems as territories arrangement, human community new forms search etc.

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