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IDENTITY OF INDUSTRIAL ENTERPRISES IN THE CONTEXT OF CREATING SUSTAINABLE SHARED VALUE I. – CORPORATE IDENTITY[*]

1 Corporate identity

Each company presents itself in its neighbourhood through its activities, such as recruitment and release of employees, product manufacturing, services and sales promotion through advertising etc. A summary of the ways in which an enterprise presents itself for getting to know and differentiate from others is called **Corporate Identity** (CI) [5].

CI includes history, philosophy and vision, people belonging to the enterprise and ethical values [9]. Practically no entity can exist without identity, because it would not have its own identity. It is not easy to find out what constitutes the identity of a particular entity [5].

The importance of identity for managing the company and all its activities, we should see particular in [1]**:** *1. complexity and systemic creating it - it means that the creation of identity should be based on knowledge of the internal structure of the company, its origin and genesis of values, vision, mission and goals; 2. business presentation originality, uniqueness and specificity; 3. stabile, long-term exposure inside and outside, which gives the company credibility both to its own employees as well as external stakeholders, the public and interested parties; 4. emphasizing the crucial role of customers; 5. framework of any announcements and the company activities, which just identity adds a unique clarity and interpretability for the final beneficiaries; 6. uniform visual style, which facilitates, accelerates and streamlines any form of communication and promotion of the company.*

The importance of CI reflects in various situations [3]**:** *1. changes in the social environment and changes in the public opinion, which the company is responding to (e.g. emphasis on environmental protection); 2. fundamental changes in the market, products change, their role in increased competition; 3. a change of top management in the enterprise, or when management does not set clear responsibilities, managers are afraid to decide; 4. the restructuring of the company, e.g. mergers, or new strategic orientation of the company; 5. CI does not correspond to the current position of the company or the company image is too restrictive and does not allow flexible adaptation to market relations; 6. a rapid growth of the enterprise, e.g. trade expansion to other countries; 7. the company has problems with staff, fails to occupy the place by qualified people or is dependent on external*

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experts; 8. communication in the enterprise is not right, the enterprise does not have a clearly defined communication strategy; 9. the enterprise leads to misunderstandings and quarrels, problems are not addressed, but postponed, due to poor internal communication.

Philosopher Epictetus said [10]**:**

„In the human mind, the reality appears in four ways: 1. things either are what they appear to be; 2. or they neither are, nor appear to be; 3. or they are, and do not appear to be; 4. or they are not, and yet appear to be. It follows that what we see can sometimes be misleading!!!"

The enterprise should strive to create an integrated, individual, identical, that is for the enterprise a typical image that corresponds to its objectives. **External visual presentation is in fact convincing only if it is identical to the internal structure of the elements of CI.** CI is thus a purposefully shaped strategic concept of the internal structure of components, their functioning and external presentation of a particular enterprise. The decisive factor for the CI of is the enterprise vision [5].

1.1 Elements of Corporate Identity

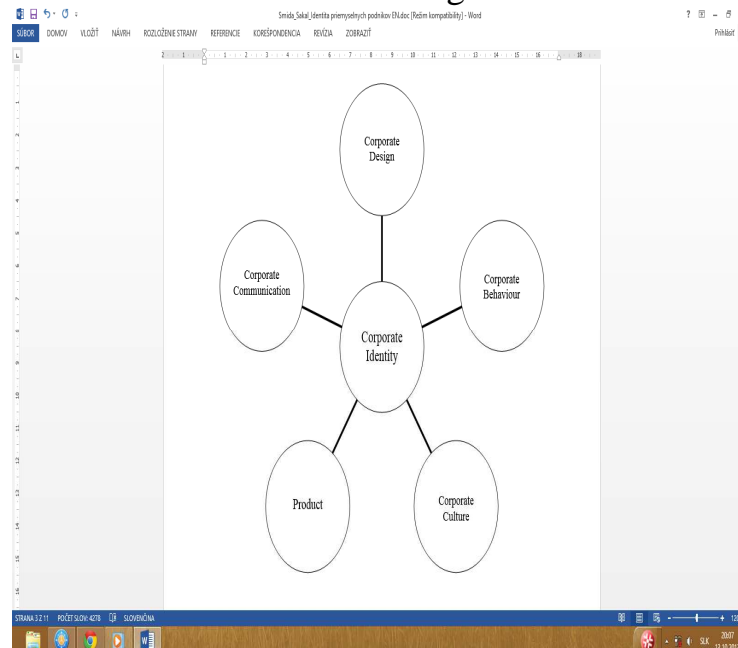The basic elements of CI are shown in Fig. 1.

Figure 1 - Elements of Corporate Identity, according to [5, 9]

It is necessary to interconnect the various elements of CI and systemically merge them with other elements of the company, later to have CI positive impact on the business development. Public expression of corporate identity is the image of the company.

Corporate design is a set of visual constants that are used in communication both inside and outside the company in particular. This includes [9]: *name of the company and method of its presentation; logo as identifying abbreviation; brand for visibility and product differentiation; font and colour; business graphics, graphic orientation; clothes workers; packages graphic, gift articles and other elements according to the business field.*

Corporate Communication represents all communication tools, all complex forms of behaviour by which the undertaking communicates with the external and internal environment. Corporate Communication includes [9]: *public relations; corporate advertising; human relations; investor relations; employee communications; government relations; university relations*.

Corporate Culture reflects a certain character of the enterprise, the overall atmosphere, climate, influencing inner life thinking and behaviour of business collaborators. Corporate Culture in brief includes [9]: *business and collaborators interaction outside the company; relationships between employees, their thinking, behaviour patterns, the overall company climate, habits, ceremonies, what is considered as the pros and what the cons and values shared by a majority of employees.*

Corporate Behaviour depends on the accepted standards and patterns of behaviour and reflects a basic value orientation in the company, which is the core of corporate culture. This is reflected in the company's activities in relation to external and internal environment. The typical behaviour style must be reconciled with the established organizational design and also with the contents and form of Corporate Communication [5]

Products in terms of meeting needs we understand as the essence of the company existence. In terms of good marketing, products should be clearly identifiable (design, colour, trademark, etc.) and come from the same well recognizable producer [9].

2 Creating sustainable shared value

The concept of **creating shared value** (CSV) presented by Michael Porter and Mark Kramer is the concept aimed at *linking social and economic development,* what leading the authors to define through the concept a new era of capitalism. The concept is based on the principle of policy making and doing practices, which allow creating economic value for the enterprise and social value for society at the same time by addressing the needs and problems. CSV is based on previously overlooked opportunities that are given by re-conceiving new customer needs, products and markets, the new definition of productivity in the value chain and enabling the development of local clusters [2, 6]

The perspective of corporate sustainability is hidden in trust that cannot be created by a great image. A prerequisite for the success is mutual support among all stakeholders, which reveals the philosophy of entrepreneurship and possible pursuit of quick enrichment.

The priority of CSV concept is value creation, allowing the company to expand its operations. The declaration of responsibility by the company is not necessary. Responsibility is an integral part of CSV. This is reflected in the activities of the company, whose broader operation requires support from the government and NGOs.

The only possible solution to comprehensively cover all the activities of any company from the perspective of CSR is **implementation of the measures in accordance with social responsibility throughout the value chain.** Their actions remain to individual companies, how they will use the potential of their employees in

favour of their own SD. Voluntary approach by CSR reflects the ability of a particular enterprise knows how effectively promote own objectives with the help of stakeholders which finally led to the improvement of competitiveness. It is a complex process of reshaping the current enterprise activities to create value tempting for the customer so in order the company makes sustainable profit. The company can achieve sustainable production of aggregates by modifying the Porter value chain, Fig. 2.

Figure 2 - Modified Porter value chain, according to [7]

In accordance with the definition of CSR, companies must have available procedure involving into their **business and main strategy** questions relating to the social, environmental, moral, human rights and consumer requirements. The aim of this process must be creating shared value between owners / shareholders, other stakeholders and society as a whole, **in such way that it is possible to find, prevent and mitigate the negative effects resulting from the operation of the enterprise** [4].

As stated by Jean Stead and Edward Stead, currently the companies draw on traditional linear view of the value chain, created by Michael Porter in 1980. In order to do so, enterprises have been responsible for developing and maintaining a fair and respectful workplace and society and able to transform renewable energy and sources of products, **it is necessary to conclude the value chain.** Conclusion of the value chain in the cycle represents the orientation of "cradle to cradle" and at the same time becomes a challenge, due to which come to the fore issues of ecological and social efficiency [8].

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