

The Influence of MNEs on CSR in Poland



Bożena Dancewicz and Franziska Struve

1 Introduction

The objective of this chapter is to diagnose the condition of CSR in Polish branches of multinational corporations. However Poland does not belong to countries commonly referred to as poor, it neither belongs to the world's economic leaders. According to a study of the Global Finance Magazine Poland is the 48th wealthiest of 189 surveyed countries. The study is based on Gross Domestic Product (GDP) in relation to the Purchasing Power Parity (PPP). Thereby the ranking indicates a comparison of living standards and economic strengths across countries (see Global Finance Magazine 2017).

Polish society is at the stage of building its civic awareness. Also in this aspect it cannot be classified among the world's leaders. Therefore an attempt to answer the question what has to happen in order for the branches of multinational corporations to be willing to act in a socially responsible way in given circumstances may contribute to filling in the research gap. A diagnosis of the status of CSR in Polish branches of multinational corporations was presented along with own research results and a summary of the work. This research contributes to better understanding of the factors that led multinational corporations to prosocial behaviours.

B. Dancewicz (✉)
Nowy Dwór Mazowiecki, Poland

F. Struve
German Graduate School of Management & Law (GGS), Heilbronn, Germany
e-mail: franziska.struve@ggs.de

© Springer Nature Switzerland AG 2019

A. Długopolska-Mikonowicz et al. (eds.), *Corporate Social Responsibility in Poland*, CSR, Sustainability, Ethics & Governance,
https://doi.org/10.1007/978-3-030-00440-8_11

149

2 CSR in Poland: Current Status and Historical Development

Poland became a subject of world's economic activity relatively late, which is why Polish branches of multinational companies develop in a slightly different way than their parent organisations. This is also due to the national culture and the sum of specific historical events and applies especially to the concept of corporate social responsibility (CSR). The period after 1989 was characterised by deep transformation processes and rapid catching up on economic and social lags. Together with corporations, business knowledge and experience came along, which created a different economic reality and changes in people's mentality. The level of development of the civic society constitutes one of the conditions of conducting business in a socially responsible manner.

Based on the global Study of Gallup Inc. on Civic Engagement one of the most important challenges for global society will be the personal engagement beyond law of the citizens of each country. The study examines the citizen's willingness to invest time, money and assistance based on 1000 interviews conducted in 2015. Based on these three categories Poland reached a total score of 25 (scale of 0–100) and is therefore comparable with countries such as Zimbabwe and Saudi Arabia (see Gallup 2016: 13). Societies with higher standards of civic awareness monitor, assess and disapprove to a greater extent all kinds of professional misconduct. The expansion of international corporations and globalisation in the second half of twentieth century has given social responsibility a new meaning (Dancewicz 2016: 19–23).

When in developed Western countries civic ideas and ecological movements were maturing, Poland was occupied with regaining independence and struggling with basic existential issues. That influenced how Poles were setting their priorities. Traces of these economic and especially mental transformations are visible until now.

In Poland multinational corporations appeared relatively late, for historical reasons, which influenced their role in the local reality, including their approach towards CSR and its execution. The concept of CSR is relatively new—especially in vicegrad countries—but is rapidly spreading, based on the influence of MNEs as foreign investors and their integration to the European Union (EU) (Hąbek 2017). Because CSR in Poland is mainly driven by the influence of foreign investors it's influence on CSR disclosure was examined. “In fact, only foreign capital share has turned out to be important in the context of the environmental disclosure (Dyduch and Krasodomska 2017: 18)”.

2.1 *The Role of MNEs*

Progressive globalisation is an undeniable fact with Multinational Enterprises (MNEs/MEs) as an inseparable element of this process worldwide. “They (MNEs)

usually comprise companies or other entities established in more than one country and so linked that they may coordinate their operations in various ways. While one or more of these entities may be able to exercise a significant influence over the activities of others, their degree of autonomy within the enterprise may vary widely from one multinational enterprise to another” (Organisation for Economic Co-operation (OECD) 2011, p. 17).

The power multinational enterprises have sometimes makes them appear as “a global institution in terms of its power, authority, and relative autonomy (Ruggie 2017: 13).” This creates a concern of their uncontrolled further expansion.

Most laws consider only the separate entities of MNEs whereas only few consider the MNE as a whole construct. Therefore a difference between the legal regulations and the daily economic business practice appears. This difference is one of the key characteristics of MNEs and leads to a global governance gap (Ruggie 2017: 13; Piasecki and Gudowski 2017: 152). The behaviour of some multinational enterprises generates distrust, because MNEs often use their power to ask for exceptions or weaker regulations, especially in developing countries. In many cases developing countries have natural resources and cheap manpower, which attract multinationals to take advantage of. Which lead to the assumption that MNEs impose conditions that negatively impact the national sovereignty of developing countries (Piasecki and Gudowski 2017: 152).

Most research in CSR focuses on the theoretical exploration of the topic, of particular segments of socially responsible behaviours of corporations, such as protection of the environment, human rights and employee rights protection. There is relatively little attention given to examining factors that might prompt MNEs to realize socially responsible programs. Research conducted in less developed areas is rather directed at issues of breach of CSR rules (Dancewicz 2016: 104–114).

2.2 Evolution of CSR in Poland: Example of the Retail Market

Poland is based on its comprehensibly transition process into a market economy an interesting case for researching the evolution of CSR in a certain country without the usually already existing boundaries. Especially the branch of retailing seems to be interesting as they were very welcome on the one hand and criticized on the other hand.

“D(ue) to the fact that the retail market was not saturated at the beginning, consumers were only slightly protected by the law, and there were no institutions promoting the implementation of social responsibility standards by companies (Smigielska and Oczkowska 2017: 1).”

The early stage foreign retails in Poland sometimes lacked ethical standards which would be considered today as “immoral management”. This might be based on incomplete legal frameworks in the country as well as the faced challenge to meet

specific quality standards which appeared to be higher in Poland than abroad. Therefore CSR in Poland at least regarding MNEs applied on a voluntary basis might be a myth (see Smigielska and Oczkowska 2017: 7–11).

In this case three major developments can be highlighted:

- In 1991 the government set up The Foundation of the Polish Promotional Programme “Now Poland” with the aim to promote domestic production.
- In 1999 the Responsible Business Forum was set up. Its mission is promoting CSR activities and sustainable development. Since 2002, it publishes annual reports to highlight good practices of companies operating in Poland
- In 2000 the Office of Competition and Consumer Protection elaborated the Act on competition and consumer protection which defined the principles of the entire system of consumer protection.

It was observed that, when the retail market was not saturated, and there was a lack of legal regulations, only few non-governmental organizations as well as CSR-unaware consumers, multinational retailers did not take care of CSR, even though they were applying CSR practices in their host markets (see Smigielska and Oczkowska 2017: 11).

The fact that multinational retailers started to implement CSR standards when facing growing competition suggests that their attitude should be classified as a business case for CSR. This raises the question of whether activities should not rather be considered as a part of societal marketing. Societal marketing is defined as “delivering to the target consumers superior value in a way that maintains or improves the consumer’s and the society’s well-being” (Kotler and Armstrong 1996: 19).

In 2004 a study including Danone and Bayer examined the extent to which MNEs build social capital in Poland. Their conclusions included, but were not limited to the following findings: “Compared to the number of projects undertaken by overseas governments, the number of projects undertaken by European multinationals is small (around 7% of the government figure). Though MNC figure as a percentage of currently ongoing projects may be relatively higher. Many European MNCs in Poland demonstrate little or no social engagement. Of those firms that are socially engaged, their engagement tends to be at the national and local levels, mainly dealing with environmental and education issues (Jones et al. 2004: 25)”.

2.3 Corporate Social Responsibility

In contrast the concept of corporate social responsibility (CSR) is somehow a response to the lack of possibilities to use institutional fines internationally and the lack of self-regulatory activity of corporations. Literary sources provide various definitions and explanations of CSR (Danciewicz 2016: 46–48). For the purpose of this work, a definition proposed by B. Rok has been used, according to which CSR is ‘a long-term and strategic approach, based on principles of social dialogue and

search for solutions beneficial to everyone' (Rok 2012: 427). Although the assumptions of CSR have characteristics of soft legal regulations, they increasingly force enterprises to adhere to the rules of social coexistence. This is influenced, apart from the pressure from public opinion in Poland, by international institutions, non-governmental organisations, and corporations which are CSR leaders, such as Solidarity (polish trade union), Caritas Polska (see The Guardian 2011).

2.4 Stakeholder Approach to Tackle New CSR Challenges

Within Poland's transition process towards a market economy new problems emerged, such as non-effective law in the global dimension, uncontrolled, degenerating exploitation of resources. At the same time, social awareness increased, that resulted in disapproval of lack of responsibility from corporations' side. Mutual dependence of corporations and stakeholders marks out the area of benefits and losses resulting from this co-dependency (Freeman and Reed 2010).

As an example, there are the practices of CSR reporting within the Energy and Mining sector of polish companies. "CSR reports of Polish companies have similar structures at a very high level of analysis, but a more detailed study reveals much diversity in the approaches to the report's content. Even fairly similar companies may devote significantly different amounts of space to the same issue. The number of similar stakeholders varies, irrespectively of the company's size. Considerable diversity of reporting patterns results from the nature of CSR reporting, because it concerns highly entity-specific issues (Szczepankiewicz and Mućko 2016: 15)."

Showing the connection between stakeholders' expectations and the possibility to achieve its objectives by organisations is the reason that the stakeholder theory became the basis for formulating and developing ideas connected to socially responsible business (Damali 2008). Identifying stakeholders, their expectations and effectively managing them can be key factors for building the enterprise's value in the long run (Domagała-Korona and Herman 2006: 11). This becomes particularly meaningful in moments of crisis, where relying on company's reputational capital proves to be essential.

2.5 Role of NGOs in Polands CSR Process

A growing importance for monitoring the ethics of corporate actions is seen of -watch-dog organisations (Batko-Tołuć and Izdebski 2012) and spontaneous initiatives organised by social media users that publicise antisocial behaviours of corporations. Fierce actions of corporations trying to neutralise the effects of such initiatives indicate how damaging for the company's reputation they can be and how can they influence their economic results causing boycotts (Wyborcza 2017).

Apart from the company's key stakeholders there is the role of international and social organisations that monitor the way companies conduct business and that set out norms of conduct. As the development of new technologies advances, it becomes more and more difficult for companies to hide actions that are socially harmful (Dancewicz 2016: 239–255).

Non-governmental organisations (NGOs) are an important factor that influences the behaviour of multinational corporations. In Poland they have a long tradition (Szustek 2008). Nevertheless, due to the aforementioned circumstances, until 1989 they focused mainly on independence (*Solidarność*) and challenging economic conditions. The diffusion in civic values and initiatives from the Euro-Atlantic region impacted the formation of Poles' mind-sets. Poland joining the European Union was a milestone in NGOs' development in the country.

At that time also, non-governmental organisations whose interest was in corporate social responsibility started to emerge. Somewhat earlier, in 2000, one of the most active and opinion-forming organisation of this kind was created under the name of the Responsible Business Forum (RBF). The state of knowledge and interest in CSR at that time is reflected in the words of the Forum's founders: In year 2000 not many people in Poland heard about CSR and business ethics was associated with an academic discipline. However: Responsible Business Forum was not created in a void, but was a result of ideas coming from the countries of the West and changes in perceiving the tasks that business in Poland is faced with (Forum Odpowiedzialnego Biznesu 2015).

Responsible Business Forum (RBF) is responsible for shaping, analysing and promoting CSR in cooperation with academia, business, public administration and non-governmental organisations. Based on CSR reports they contribute to promoting good practice, and a high position in RBF's ranking means prestige for a corporation, which equals good reputation. Organisations like RBF set new standards and shape the attitudes towards CSR in branches of multinational corporations in Poland. Apart from publishing good practice it also condemns the malpractice that can negatively influence enterprise's reputation.

Since 2002 it publishes a report called 'Responsible Business in Poland', which is the biggest review of socially responsible business practice. Although each year the number of firms applying for their actions to be published in the report raises, they still make a small percentage of the whole number of business entities (FOB 2016). In 2016 total of 180 companies applied, whereas the biggest foreign investors in Poland amount to ca 2400, which means that only about 7.5% of major foreign investors are actively engaged in the communication of their local CSR activities (Polska Agencja Inwestycji i Handlu 2016).

2.6 Reasons to Engage in CSR: MNEs in Poland

A recent study on a sample of 60 reports from Polish companies listed on the Warsaw Stock Exchange examines (Dyduch and Krasodomska 2017).

The profit-maximizing rule of business does not explain the behaviour of many companies nowadays. Business executives recognize the importance of non-economic purposes. CSR disclosure is a response to the changes that have occurred in business operations in recent years and which consist in the growing belief that companies' social and environmental performance has an impact on their general performance (Dyduch and Krasodomska 2017; Piasecki and Gudowski 2017: 152).

Factors that affect the CSR disclosure among companies listed on the Warsaw Stock Exchange are "the company's size cannot be perceived unequivocally as a determinant of CSR disclosure (Dyduch and Krasodomska 2017: 18)" only the turnover has a direct positive impact on the disclosure of CSR. "They care for the maintenance of their good corporate image in order to acquire and retain the business partners' and customers' loyalty. They are also able to absorb extra costs of CSR disclosure (Dyduch and Krasodomska 2017: 18)".

The matter of responsibility in general does bring a number of dilemmas of ontological nature. This concept, according to literary sources, is recognised as an attribute of humanity (Krzysztofek 2015). Since enterprises are not human being, they do not possess moral sensitivity (Jędraszewski 1984: 370), It therefore does make sense to pose a question: what can lead corporations to execute the postulates of conducting business in accordance with social interest?

One of the factors that motivate enterprises to socially responsible actions is the fear of losing good reputation (Dancewicz 2016). The source literature shows the important role that reputation plays in increasing the value of the enterprise (Roszyk-Kowalska 2006; Dyduch and Krasodomska 2017: 18). Thus enterprises which in the past had reputational losses are more willing to engage in pro-social actions. They tend to more often consider social interests and expectations. They pay special attention to the declarations being in accordance with the execution of socially responsible programs. A clear gap between declarations and the execution of CSR policy can be one of the main reasons of reputation loss (Dancewicz 2016: 270–271).

Legitimacy theory seems to be the most relevant one for explaining CSR disclosure practices of Polish listed firms. "Polish firms report on CSR activities in order to respond to public pressures and build or sustain corporate legitimacy. Companies whose operations are harmful to the environment use CSR disclosures as a means to publicize their image and legitimize their corporate initiatives.

In addition, companies with higher turnover are motivated to devote more financial resources to initiatives promoting a positive impression of their performance. Corporate legitimacy is also related to public or social visibility. The positive influence of the inclusion in the RESPECT Index on CSR disclosures is proof that Polish firms that act in a socially responsible manner are capable of providing high-quality CSR disclosure. Companies under investigation report on CSR activities mainly to act and be seen as acting within the bounds of what is considered acceptable according to the expectations of society about how their operations should be conducted (Dyduch and Krasodomska 2017: 18)".

“One conclusion seems inescapable: in light of the multinational’s power, authority, and relative autonomy, the time-worn mandatory/voluntary dichotomy (of CSR and regulations) inhibits rather than advances our coming to grips with the challenges posed by corporate globalization (Ruggie 2017: 14)”.

Even though the concept of CSR is sort of a soft law, the consequences of breaching it can be as severe as if the institutional law was broken. The benefits of respecting the CSR guidelines and the disadvantages of not adhering to them are noticed by the business community. Also, more and more often the latter support fulfilling the civic duties by corporations. Thus, they not only set out standards of conduct, but also act as a guarantor of establishing a new order of rules for conducting business.

3 Examining the Engagement of MARS and Avon

3.1 Applied Methodology

The main objective of this work is to diagnose the situation of CSR in Polish branches of multinational corporations.

Therefore, the subject of the research is the way the CSR policy is implemented in Polish branches of multinational corporations. Hence the research problem has been formulated as: CSR in Polish branches of multinational corporations. The research has explorative character, because its objective is to deepen the knowledge required to understand the scope of the global CSR programs’ implementation in local branches.

Because of applied methodology and scope of research (two enterprises, ten interviewee’s sample) the research results can only be treated as an illustration of the assumptions used and it cannot serve as material for making any general conclusions.

The undertaken literature studies and the secondary sources analysis lets one formulate detailed objectives of the work. It is also possible to identify differences between the global and local approaches to CSR policies, which confirmed the validity of the undertaken research objective and influenced the choice of Polish branches of multicultural corporations for further exploration. Two Polish branches of MNEs have been examined, which helped to address the stated detailed research problems. Further qualitative research was conducted in the form of partially structured in-depth interviews. The research respondents were chosen based on a non-probabilistic sampling, i.e. on a purposeful one. The respondents were managers, external co-workers and representatives of local communities related to the enterprises being examined. The interviews were conducted in person by the author in July and August 2017. The main research problem, detailed research problems and questions are shown in Table 1.

Table 1 Main research problem, detailed research problems, research questions

Main research problem CSR in polish branches of multinational corporations	
Detailed research problems	Research questions
Setting scope of global CSR programme realised locally	Does the company have ethical code? Where is it published? Is there a department or person in the company responsible for CSR? How much autonomy does the polish branch have when creating and implementing the local CSR policy? Is a local CSR strategy being created?
Identification of factors that can encourage polish braches of MCCs to realise socially responsible programs	How can implementation of CSR policy influence firm’s operation?
Identification of lack of consequence in case of not implementing CSR programs	Can lack of CSR policy influence firm’s operation?

Source: Own elaboration

3.2 *MARS Case*

In Forbes’ ranking of America’s Largest Private Companies in 2016 Mars came 6th (Forbes 2017). This American corporation established in 1911 is a producer of sweets, beverages, ready meals, chewing gum and animal feed. It operates in 74 countries in the world, employing around 80,000 people. It prides itself on a 100-year tradition of family firm, for which the relationship with stakeholders is a priority and which constitutes the basis for mutual benefits. The asset of a family firm lays in its independence from stakeholders and stock market fluctuations, which favours running the business in accordance with chosen hierarchy of values. Mars indicates five rules as its basis of organisational culture and approach to business: quality, responsibility, reciprocity, efficiency, liberty. These rules sound laudable and correspond with the rules of socially responsible business. On the company’s official website there is a brief description on what stands behind the slogans (Mars 2018a).

On the website of their Polish branch not even a small note regarding the topic not be found. The only information the Polish customer gets is the mention of the values of the company. What exactly they mean and how they are put into practice remains a mystery, unless one takes as an explanation the following brief note: ‘The customer is our boss, quality is our work and a favourable price is our objective. Our firm’s domain is the highest quality in all aspects of work. Quality is an uncompromising standard of our actions and derives from our passions and pride of being part of the Mars community. High quality work, which is a result of our personal engagement, is the first factor of high quality brands and the source of our reputation because of high standards which we comply with (Mars 2018b).

It is worth noting that Mars has been present in Poland since 1992, in the form of three partnerships: Mars Poland, Wrigley Poland and Royal Canin Poland.

The company employs around 2500 people, and its products made in Poland are distributed in several dozen countries of the world.

In 2011 the company issued a document called 'Our principles in action', where the firm's objectives, the scope of their realisation and future commitments are presented. The document shows areas where Mars undertakes socially responsible initiatives globally (Mars 2018c).

Respondents who took part in the study (two managers of higher rank and three representatives of local communities) expressed their absolutely positive opinion about the firm. They highlighted the firm's ethical and socially responsible attitude. None of the statements indicated possible antisocial behaviours of the firm.

The local branch has a responsible person who takes care e.g. of the identification of needs of local communities and coordinating initiatives to fulfil them. Long term activities, like e.g. taking care of animal shelters are coordinated by people who take up these responsibilities through the employer's voluntary service (own research).

According to the respondents the Polish branch has a big autonomy in creating and implementing CSR projects. They independently create strategic plans in this area based on previously identified local needs. Apart from the plan for the whole department (One Mars), every factory that is part of the Mars Group creates its own CSR program. Also a margin is left in the form of budget for interim actions. 'We are proud that our company saves rain forests or sponsors the ecological farming of cocoa trees. Above all, however, we would like to create friendly work conditions and to be a *good neighbour*', explains one of the respondents. She talks with passion about the employees' engagement in the animal care: 'animals are defenceless. We feed dogs and cats in shelters and we also support guide dogs. We are aware that maintaining such a dog is costly and often a person in need cannot afford it'. 'We sponsor dog therapy for those who really need it', she adds. 'We want our factories not to bother people living nearby. We try our best to make sure our neighbours do not live in polluted environment. We also try to help build local infrastructure which would serve the locals' (quote from the interview).

According to the respondent: 'we want to make sure people are keen on coming to work. Maybe it will sound a bit pompous, but we want our employees to feel like part of the family. We are a family business after all' (quote from the interview). The other interviewees talked in a similar manner regarding the company. 'We would not like to show off, as corporate responsibility is a mere duty, rather than PR. Therefore when media or contests' organisers reach out to us we agree to engage, we rather do not seek for this ourselves, though' (quote from the interview). 'Sometimes we help people who would rather we did not talk about this for various reasons and we respect that' (quote from the interview).

Representatives of local communities also praised the company: 'One can't complain. They don't pollute, they help when needed. When there is a problem, they listen and help if they can (. . .), for example they built a road. On top of that they can give one a job' (quote from the interview).

Summarising the results of the research in the condition of CSR in the Polish branch of the international corporation of Mars, the following conclusions can be drawn:

- Discrepancies between the global and local implementation of CSR do not affect the level of corporate responsibility of the Polish branch
- It is assumed on the local level (as well as on the global one) that the role of ethical code is fulfilled by five rules, which are the basis of everything the firm does
- The Polish branch has strong autonomy in creating and implementing CSR policy, which provides it with flexibility in responding to local needs
- Attentiveness to work conditions and atmosphere has an impact on employees' attitude towards the company
- Attentiveness to maintaining good relationships with local communities helps to avoid conflicts and leads to a friendly attitude towards the firm
- Polish branch of Mars corporation approaches social responsibility as a duty rather than an obvious obligation or a marketing effort

3.3 Avon Case

The story of Avon company resembles the American dream. It was established in 1886 by a door-to-door salesman in the U.S. who realised that his female clients preferred smelling well to reading books. Therefore the mission of the firm is to understand and fulfil women's needs by providing them with cosmetic products and giving opportunities for professional development (Avon 2018a).

The company produces cosmetic products and organises their direct sale via multilevel marketing method. Currently it operates in over 70 countries, engaging over 6 million consultants (Avon 2018b). The company employs around 25,000 employees, reaches the yearly revenue of 5.7 billion dollars, and the recognition of the brand on the major markets amounts to 90% (Avon 2017, 2018c). The official Avon Products, Inc. website informs in detail about the principles the company follows in implementing the CSR policy. Apart from the core values and principles that the firm follows, the website also informs about the areas where the declarations about CSR are being fulfilled, e.g. environment protection, battle against breast cancer, fight against domestic violence (Avon 2018d).

3.3.1 Analyse of CSR Communication

Unfortunately, there is no reference to all that on the Polish website of the company. Typing 'CSR' into their search engine brings 0 results (Avon Poland 2018a). 'Social responsibility' gives only one result, namely the 'cosmetician with a pink ribbon' (Avon Poland 2018b).

In the 'About us' section there is a brief note about pro-social actions, referred to as charity, like fight against breast cancer and domestic violence (Avon Poland 2018c). Slightly below there is a list of awards that the company has got in the category of 'best employer' and information about implemented social campaigns in 2011. The Polish site does not publish the code of conduct that is available in Polish language on the global site (Avon Poland 2018d). Considering the role that the Polish branch plays in the global structure it seems to be rather a modest display of CSR implementation, while Avon operates in Poland since 1992 in form of three independent partnerships dealing with cosmetics sales, production and distribution all over Europe, and also with financial services.

Avon Poland is quite weakly represented in the rankings of corporate social responsibility. Although the company is shown rather in a positive way in the media, it was unable to entirely avoid ethical flaws. In June this year there was much media coverage of a case of a female employee who claimed on facebook that she got fired after being diagnosed with breast cancer (Newsweek 2017). In the context of the declared fight against breast cancer and supporting women suffering from it that incident undermined the firm's reputation. Despite their immediate reaction, the principles they claim they follow were questioned, which can have an impact on the Avon's reputation among women who are the firm's main stakeholders.

3.3.2 Special Insights from the Interviews

Further research was undertaken in the form of interviews with higher-rank managers (two persons), external collaborators (two persons) and clients (one person), in order to verify the findings from available secondary sources.

Managers highlight the differences in implementation of CSR policy by individual partnerships within the Avon Poland Group. According to them Avon Cosmetics mainly focuses on cosmetics distribution and implements global CSR programs. Among them the following projects: 'Pink ribbon', whose objective is to fight against breast cancer and against domestic violence towards women. As one of the respondents said: 'Empowering women and helping them in difficult situations is not an empty slogan. Educational actions and sponsoring the research will surely contribute to an earlier detection of the disease' (quote from the interview).

Another interviewee stated: 'A woman who experiences domestic violence should not be left alone. Avon not only leads programs against violence, but also gives women the possibility to become financially independent' (quote from the interview). Most of the respondents confirm this position, which indicates a serious recognisability of key projects, i.e. fight against breast cancer, and fight against violence towards women and supporting entrepreneurship among women. One of the respondents told a story from her life, where Avon played a key role: 'I didn't have adequate education, I was a single mother. I worked very hard, but couldn't accomplish much. Only Avon gave me such a chance (. . .) Maybe not everybody is suitable for this kind of work, but that is the case with any job (. . .) Today I'm in a position I couldn't even dream about' (quote from interview).

Although it is related to the business model of the company, it can be recognised that the mission of helping women is being fulfilled. All the respondents agreed that Avon's prosocial actions are valuable. Interestingly, however, people see them as charity rather than CSR. None of the respondents associated them with CSR. Neither has any of them, including the high-rank managers, was able to say anything about the CSR policy, despite the fact that a globally published CSR report is available for the employees (Avon 2015). Also nobody could say anything about the ethical code or rather the lack of its Polish version.

3.3.3 Evaluation of Avon's CSR Engagement in Poland

Differences in implementing CSR programs were pointed out by respondents when talking about the aforementioned Avon Cosmetics and Avon Operations. The latter is responsible mainly for cosmetics production in the factory in Garwolin. There, as interviewees have claimed, the main emphasis is put on actions supporting local communities: 'We care about good relationships with our surrounding. That is why we support local initiative (. . .) mainly by sponsoring' (quote from the interview). The interviews with the employees show that many actions are replications of central programs, yet they are presented as local initiatives. Despite the lack of awareness of the company's global CSR policy, the respondents highlighted the importance the company attaches to transparency and the vigilance towards corruptive behaviours. According to one of the respondents: 'We cooperate with non-governmental organisations, but we avoid the governmental ones. We do not want to be seen as trying to influence the public administration' (quote from the interview).

Summarising the result of the research in CSR condition in the Polish branch of Avon multinational corporation one can conclude the following:

- There is a low awareness there of what CSR and its role is
- Mainly the global projects of the firm are recognised and implemented (fight against breast cancer, fight against violence towards women, supporting women's entrepreneurship) and seen as charity actions
- The Polish branch modifies and enriches global actions adjusting them to local needs
- The company aims at treating its employees well and at creating developmental opportunities for them
- Despite useful pro-social actions disproportions between emphasising business and socially responsible actions are visible

3.4 Conclusions from Own Research

Research results based on the analysis of the condition of CSR in two Polish branches of the company show a low awareness of the explicit meaning of CSR

and its role from an employee perspective. Respondents often associate CSR with charity and sponsoring. Moreover, in their opinion social responsibility should result from responsibility for the nearest surrounding and its particular needs, and not from the need to fulfil some theoretical programs.

Review of global and local websites shows discrepancies in the approach to CSR policy. The websites of researched companies contain detailed CSR programs and ethical codes. The websites run by local branches mention that the company is socially responsible.

Some global programs are implemented locally. Polish branches are quite strongly autonomous in creating and implementing their CSR policies. The research shows that it is mainly used to create good relationships with the local community, which may mean that this is an important factor that motivates Polish branches of MNEs to pro-social behaviours. Research has not shown the Polish MBEs branches as particularly concerned with the likelihood of losing good reputation. Only Avon's quick reaction to the public opinion's protest about the sick employee dismissal can indicate otherwise.

The research has not indicated the awareness of the existence of a relationship between implementation of CSR policy and functioning of the firm. On the contrary, it has been shown that Polish market does not enforce efforts towards diligent CSR programs' implementation. That indicates lack of essential dialogue with stakeholders that would be helpful in recognising their needs.

4 Conclusions

The limitations of the research regarding its duration and applied methods do not allow one to draw general conclusions. They may only contribute to knowledge of the state of CSR in Polish divisions of international corporations and indicate direction of further exploration.

The research has heretofore given evidence for a steady growth of interest in implementation of CSR programs by Polish MNEs divisions, which can be seen in the growing number of published CSR reports (*Pięć lat raportowania...* 2012).

Despite the fact that there are many organizations, business-oriented as well as NGOs, that have long promoted running business responsibly, such as: Forum Odpowiedzialnego Biznesu, CSRinfo, RESPECT Index, the level of awareness and knowledge of CSR in Polish MNEs divisions is relatively low, which is shown by the research, and above all the still weak awareness of the importance of CSR in today's business (Kowalska 2015).

Among the corporate managerial staff still opinions are heard that CSR programs are costly and their implementation not fully justified (Tylec 2016), whereas the main points of focus for firms are environmental issues and charity.

"One conclusion seems inescapable: in light of the multinational's power, authority, and relative autonomy, the time-worn mandatory/voluntary dichotomy (of CSR

and regulations) inhibits rather than advances our coming to grips with the challenges posed by corporate globalization (Ruggie 2017: 14)”.

The discrepancy between knowledge, awareness and readiness to realize CSR programs between the headquarters and the Polish divisions can have multiple reasons. One of them may be the relatively low level of economic development as well as underdevelopment of civil society, but even more probably the Polish employees behave according to the international rules and regulations and as well do additional social and environmental friendly things locally, they just don't label it CSR, as it is for them natural. Similar behaviour can for example be observed in SMEs in Southern Germany.

Overall the engagement and especially the interviews showed that there is already a lot of engagement of multinational companies in Poland and that there only seems to be a lack of explicit communication that specific engagements are considered as CSR. But even if employees don't label actions as “CSR” it is even more important that there is local engagement according to those standards, which exists in Poland.

References

- Batko-Tołuć, K., & Izdebski, K. (2012). *Organizacje strażnicze w Polsce. Stan obecny, wyzwania, perspektywy*. Warszawa: Instytut Spraw Publicznych.
- Damali, J. (2008). A stakeholder approach to corporate social responsibility. A fresh perspective into theory and practice. *Journal of Business Ethics*, 82, 213–231.
- Dancewicz, B. (2012). Ethics and social responsibility across cultures (chapter 7). In M. Rozkwitalska (Ed.), *Intercultural management issues*. Warszawa: Difin.
- Dancewicz, B. (2016). *Zachowania etyczne w przedsiębiorstwach międzynarodowych a społeczna odpowiedzialność biznesu*. Łódź: SAN.
- Davis, K. (1977). Business horizon 1975 – Five propositions for social responsibility. In A. B. Carroll (Ed.), *Managing corporate social responsibility*. Boston: Little, Brown and Company.
- Domagała-Korona, B., & Herman, A. (Eds.). (2006). *Współczesne źródła wartości przedsiębiorstwa*. Warszawa: Difin.
- Dyduch, J., & Krasodomska, J. (2017). Determinants of corporate social responsibility disclosure: An empirical study of polish listed companies. *Sustainability*, 9, 1934. <https://doi.org/10.3390/su9111934>.
- Freeman, R. E., & Reed, D. (2010). Stockholders and stakeholders. A new perspective on corporate governance. In B. De Wit & R. Meyer (Eds.), *Strategy, process, content, context*. London: South-Western Cengage Learning.
- Gallup Inc. (2016). *Global engagement report*. Washington. Accessed June 25, 2018, from <http://www.shqiperiajone.org/sites/default/files/pdf/2016%20Global%20Civic%20Engagement%20Report.pdf>
- Global Finance Magazine. (2017). The world's richest and poorest countries. *Data collected from international monetary fund, world economic outlook database*. Accessed June 25, 2018, from <https://www.gfmag.com/global-data/economic-data/worlds-richest-and-poorest-countries>
- Hąbek, P. (2017). CSR reporting practices in Visegrad group countries and the quality of disclosure. *Sustainability*, 9, 2322. <https://doi.org/10.3390/su9122322>.
- Jędraszewski, M. (1984) Emmanuela Lévinasa filozofia Drugiego, *Przegląd Powszechny*, nr 12, s. 370.
- Jones, I. W., Nyland, C. M., & Pollitt, M. G. (2004). *Multinationals in developing communities: How EU multinationals build social capital in Poland*. WP 285 March 2004, ESRC Centre for Business Research, University of Cambridge.

- Kotler, P., & Armstrong, G. (1996). *Principles of marketing* (7th ed.). Upper Saddle River, NJ: Prentice Hall International Inc.
- Krzysztofek, A. (2015). *Rozważania o pojęciu odpowiedzialności*. Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu. ISSN 1899–3192 nr 401.
- OECD (Organisation for Economic Co-operation and Development). (2011). OECD guidelines for multinational enterprises. OECD Publishing, Paris. Accessed June 25, 2018, from <http://www.oecd.org/daf/inv/mne/48004323.pdf>
- Piasecki, R., & Gudowski, J. (2017). Corporate social responsibility: The challenges and constraints. *Comparative Economic Research*, 20(4). <https://doi.org/10.1515/cer-2017-0032>.
- Rok, B. (2012). Społeczna odpowiedzialność biznesu. In W. Gasparski (Ed.), *Biznes, etyka, odpowiedzialność*. Warszawa: Wydawnictwa Profesjonalne PWN.
- Roszyk-Kowalska, G. (2006). Reputacja jako kluczowa kompetencja przedsiębiorstwa. Prace Naukowe Akademii Ekonomicznej we Wrocławiu, nr 1141.
- Ruggie, J. G. (2017). Multinationals as global institution: Power, authority and relative autonomy. In *Regulation and governance*. Milton, QLD: Wiley.
- Smigielska, G., & Oczkowska, R. (2017). Retailers' responsibility towards consumers and key drivers of their development in Poland. *Administrative Sciences*, 7(3). <https://doi.org/10.3390/admsci7010003>.
- Szczepankiewicz, E. I., & Mućko, P. (2016). CSR reporting practices of polish energy and mining companies. *Sustainability*, 8, 126. <https://doi.org/10.3390/su8020126>.
- Szustek, A. (2008). *Polski sektor społeczny*. Warszawa: Uniwersytet Warszawski.
- The Guardian. (2011). *Poland's steady economic progress matched by growth in social inequality*. Accessed June 26, 2018, from <https://www.theguardian.com/world/2011/apr/06/poland-economic-progress-social-inequality>

Electronic References

- Avon. (2015). *Corporate responsibility report*. Accessed July 2, 2018, from <http://www.avoncompany.com/corporate-responsibility/about-cr/reporting/reports/2015-avon-cr-report.pdf>
- Avon. (2017). *Form 10-K report*. Accessed July 2, 2018, from <https://www.sec.gov/Archives/edgar/data/8868/000000886818000013/a2017form10-k.htm>
- Avon. (2018a). *Avon's history*. Accessed July 2, 2018, from <http://rep.avon.de/PRSuite/history.page>
- Avon. (2018b). *About Avon*. Accessed July 2, 2018, from <https://www.avon.de/uber-Avon/>
- Avon. (2018c). *Avon factsheet*. media.avoncompany.com/download/Avonfactsheet.pdf
- Avon. (2018d). *Values*. <http://www.avoncompany.com/aboutavon/history/values.html>
- Avon Poland. (2018a). <https://www.avon.pl/szukaj/wyniki?q=csr&cb=1429691627>
- Avon Poland. (2018b). <https://www.avon.pl/szukaj/wyniki?q=odpowiedzialno%C5%9B%C4%87%20spo%C5%82eczna&cb=1429691627>
- Avon Poland. (2018c). Accessed August 22, 2017, from <http://www.kariera.avonpolska.pl/pl/about>
- Avon Poland. (2018d). *Code of conduct*. Accessed July 2, 2018, from http://www.avoncompany.com/documents/ethics_and_compliance/Code_of_Conduct_Polish.pdf
- FOB. (2016). Raport „Odpowiedzialny biznes w Polsce 2016. Dobre praktyki”. Accessed July 2, 2018, from <http://odpowiedzialnybiznes.pl/publikacje/raport-2016/>
- Forbes. (2017). Accessed July 2, 2018, from <https://www.forbes.com/companies/mars/> and <https://www.statista.com/statistics/549091/largest-private-us-companies-by-revenue/>
- Forum Odpowiedzialnego Biznesu FOB. (2015). Początki FOB – grupa entuzjastów i trzy firmy. Accessed July 2, 2018, from <http://odpowiedzialnybiznes.pl/aktualno%C5%9Bci/poczatki-fob-grupa-entuzjastow-i-trzy-firmy/>

- Mars. (2018a). *Quality*. Accessed July 2, 2018, from <http://www.mars.com/global/about-us/five-principles/quality>
- Mars. (2018b). *Kim jesteśmy*. Accessed July 2, 2018, from <http://www.mars.com/poland/pl/about.aspx>
- Mars. (2018c). *Principles in Action*. Accessed July 2, 2018, from <https://www.mars.com/global/doing-our-part/principles-in-action>
- Newsweek. (2017). <http://www.newsweek.pl/polska/spoleczenstwo/avon-zwolnil-chora-na-raka-piersi,artykuly,411646,1.html>
- Polska Agencja Inwestycji i Handlu. (2016). *List of major foreign investors in Poland – 2016/2017*. Accessed July 2, 2018, from https://www.paih.gov.pl/files/?id_plik=30926
- Wyborcza. (2017). *Tiger drink advertisement*. Accessed July 2, 2018, from <http://wyborcza.pl/7,155287,22211114,1-sierpnia-tiger-reklamowal-sie-srodkowym-palcem-i-haslem-chrzanic.html?disableRedirects=true>