



*Edited by*

Katarzyna Bachnik · Magdalena Kaźmierczak ·  
Magdalena Rojek-Nowosielska · Magdalena Stefańska ·  
Justyna Szumniak-Samolej

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# CSR in Contemporary Poland

Institutional Perspectives  
and Stakeholder  
Experiences

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### *Editors*

Katarzyna Bachnik   
Hult International Business School  
San Francisco, CA, USA

Magdalena Rojek-Nowosielska   
Wroclaw University of Economics  
and Business (WUEB)  
Wroclaw, Poland

Justyna Szumniak-Samolej   
SGH Warsaw School of Economics  
Warsaw, Poland

Magdalena Kaźmierczak   
Poznań University of Economics  
and Business (PUEB)  
Poznań, Poland

Magdalena Stefańska   
Poznań University of Economics  
and Business (PUEB)  
Poznań, Poland

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# Introduction

The book *CSR in Contemporary Poland. Institutional Perspectives and Stakeholder Experiences* deals with selected aspects of corporate social responsibility (CSR) from the Polish perspective. Poland, as one of the countries from the former Eastern Block, has special conditions accompanying the development of corporate social responsibility. While Western European countries were developing along with the trend of capitalist assumptions, the experience of the Polish society was “enriched” and “biased” by socialist conditions. The subject of systemic transition is not discussed in this publication and stays in the background. However, the experience of the past years makes Poland a valuable point in the overall discussion on CSR. Being one of the developed countries makes Poland an interesting case. We decided to focus on the contemporary CSR in Poland, especially due to the fact, that after 1989—the year when the transition of the Polish economy had started, CSR was non-existent neither in the institutional concept nor in organizational culture and strategies. One could observe strong orientation toward liberal economy in 90s of the twentieth century and first decade of the twenty-first

century which was not accompanied by the parallel development and satisfaction of social needs and the social common good. The next decade of the twenty-first century brought new experiences and understanding of CSR concept.

Taking the above into account, the publication addresses common good in relation to economic success, to axiological-linguistic image of the world and to private limited non-profit companies. Those three domains set a broader context for more detailed considerations on institutional challenges and the involvement of key stakeholders. Research conducted and analyzed by the particular authors involve universities and small and medium-sized enterprises (SMEs). These organizations are of great importance to the implementation and development of CSR principles. On the one hand, they contribute to the dissemination of knowledge among future employees and employers, as well as to developing the aforementioned concept on a scientific field. On the other hand, one cannot downplay the perspective of SMEs when they account for over 90% of business entities operating on the Polish market. If SMEs form the most numerous group of business organizations, a need arises to adapt the principles and tools of CSR to the specific conditions in which this sector operates.

We hope that such a composition of selected aspects of the implementation of the CSR concept in Poland will be an interesting topic for further analysis and discussion among the readers of the proposed book.

The book consists of three parts. The first one is entitled: *Common Good and CSR—Ideological Perspective*. In this part the authors explain how the concept of corporate social responsibility has been evolving over time, however, the core values remain the same. The triple bottom line framework is valid. Organizations and institutions evaluate their performance in a broader tri-dimensional perspective that captures social, environmental (or ecological), and financial issues, to create greater business value. It is about the ways how organizations implement the CSR values in their operations that change. The evolution relates mostly to the ways how they decide what objectives to pursue (and how) and what projects to develop (and how). This chapter focuses on the former: on what remains unchanged but each paper tries to uncover some novel

ideas here by either grounding on solid theoretical foundations how particular values intertwine business practice or by addressing the challenges of understudied types of entities.

The first chapter *Economic Success or Social Well-Being* tries to answer the question of why the concept of social well-being is not present in the discourse of economists and indicate the effects of the dominance of the orthodox approach in the social discourse, ignoring the social and environmental context of economic practice.

The second chapter *The Need for Relational Ethics in the Axiological-Linguistic Image of the World of Respect Index Companies* proposes to extend the “axiological-linguistic world” of companies that are assessed in terms of social responsibility, of the discourse and the values that relational ethics offers. As a philosophical context, the concept of independent ethics and the reliable guardian of Polish philosopher, Tadeusz Kotarbiński, was referred.

The third chapter *Profit and Common Good in Polish Private Limited Non-Profit Companies* focuses on the private limited non-profit companies, assuming that these are the least identified in the literature and described in the law types of social enterprises. The analysis is conducted in the light of the findings of the social economy, the theory of social costs and the theory of social capital.

The fourth chapter is entitled *Identification of Social Irresponsibility Manifestations in the Social Responsibility Management System in a Small Enterprise—Importance, Place and Conditions*. The aim of the epistemological article is to recognize the possibility of identification of social irresponsibility manifestations in the social responsibility management system.

The final chapter in that part, *Corporate Social Innovations on the Polish Market*, treats corporate social innovation as an interesting evolution of CSR and makes an attempt to introduce this perspective and its implementation in Poland.

The second part of the book is dedicated to *CSR in Poland—Institutional Perspective*. The concept of CSR may be a part of the strategies of many different institutions. Difficulties in adopting and developing CSR in micro, small and medium-sized enterprises stem primarily from lack of understanding of what role it should play in their activities, how



it can be adjusted to the specific nature of their operations, and what advantages could be derived from its application. This does not mean, however, that SMEs should approach this issue passively. The need for socially responsible actions of micro, small and medium-sized enterprises remains topical and important. The proactive approach is encouraged.

The first chapter in that part, *Social Responsibility at Polish Universities: Based on the Example of WSB University in Wrocław*, identifies the meaning of the CSR concept in four basic areas of the university's activity: external relations, internal relations, conducting research and education.

The second chapter connected with the university's perspective, *Social Responsibility of Universities and Colleges: The View of SGH Warsaw School of Economics Stakeholders*, tries to answer such research questions as: What is the strategy of social responsibility of an institution of higher learning? What yardsticks can be used to measure progress on strategy implementation?

The author of the chapter *Engaging Stakeholders as the Essence of Social Responsibility of Small and Medium-Sized Enterprises* tries to uncover why stakeholders are so important for business organizations, what their expectations are and why a dialogue should be held with them.

The fourth chapter, *Social Responsibility of a Small Training and Consulting Enterprise*, focuses on the social responsibility of the consulting company and tries to answer the question to what extent a small training and consulting company is socially responsible.

The next chapter, *Implementation and Measurement of Socially Responsible Activities in Enterprises of the SME Sector Based on the Example of the Company Meliński Minuth*, presents and assesses the possibilities of measuring results of socially responsible activities undertaken by companies. The measurable outcomes are taken within the areas of (1) relations with employees (including occupational health and safety), (2) environmental protection, and (3) social engagement for local communities.

Part III, entitled *CSR in Relations With Key Stakeholders—Employees and Consumers Perspective*, relates to selected groups of stakeholders. The aim of that chapter is to discuss the role of CSR in relation to employees and consumers. The problem of implementation of CSR inside the

organization can be discussed from the macro and micro perspective. The former refers to more general and institutional solutions developed by governments and public institutions. The latter is often connected to human resources management, employer engagement and employer branding. The articles elaborate on both domains.

The first chapter in that part, *Employer Branding and Corporate Social Responsibility*, combines the idea of creating an employer brand with a specific type of employer's image based on the concept of corporate social responsibility indicating the role of this idea in acquiring employees as well as building satisfaction from the place of employment.

The second chapter refers to *CSR Level Versus Employees Dismissal*. The key question here is: What is the relationship between the CSR level and enterprise's help in the necessity to dismiss an employee? The results of empirical research shows that about 70% of the surveyed entities confirmed the possibility of employees to achieve help in the event of the necessity to dismiss them, however, this is spontaneous help or based on previous experience.

The third chapter develops the problem of aging populations and CSR from another point of view—*Integration of the Employee Pension Programs with CSR*. The article tries to analyze how to communicate pension programs benefits to employees to make it a successful tool of both recruiting and engagement programs.

In the text, *Age Management in Selected Enterprises Operating in the Opole Special Demographic Zone*, the author refers her consideration to the cooperation between public institutions and corporation in the area of age management in regions which suffer due to aging population. Such adverse demographic changes (aging of the population, negative population change, depopulation) are currently among the key barriers to regional development.

The fifth chapter *Sustainable Consumption in the Context of Corporate Social Responsibility Management* analyzes consumers' sustainable consumption behaviors, their attitude to corporate social responsibility and outlines the socially responsible consumer's profile.

Continuing the topic of consumers who stop buying from irresponsible companies, the next chapter *The Role of Social Capital in Boycotting Socially Irresponsible Firms* focuses on consumer boycotts in the context

of the role of social capital in boycotting products of socially irresponsible firms.

Another text in that part, *Implementation of Social Responsibility Tasks by Collaborative Platforms in the Opinion of Users*, examines the extent to which sharing platforms are perceived by actual and potential users as socially responsible.

The last chapter *Attitudes of Buyers in Poland Towards Socially Responsible Activities of Enterprises: Results of Pilot Studies* identifies attitudes toward socially responsible activities of enterprises and determination of the effectiveness level of eco-labels and social labeling in the context of the implementation of the CSR concept.

The subject matter discussed in this monograph presents a set of issues which, according to the editors, can bring readers closer to the contemporary involvement and advancement of the work of various business entities implementing the concept of corporate social responsibility. An economic perspective influencing the CSR discourse has also been shown. This interdisciplinary approach, intentionally presented in this monograph, will allow capturing the multidimensionality of issues.

We expect that reading this study will leave cognitive insufficiency, which we will try to eliminate in future in subsequent studies on this subject. We hope that our study will enrich the understanding of CSR and will contribute both to the dissemination of knowledge about CSR and to the undertaking of new research initiatives aimed at discovering further development directions.

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## About the Editors

**Katarzyna Bachnik, Ph.D.** is an Associate Professor at Hult International Business School, San Francisco and Cambridge campuses. She used to be affiliated at the Institute of Management, Warsaw School of Economics, and has collaborated as a visiting professor with ESADE Business School, Barcelona, Cass Business School, London, and Burapha University, Thailand. Under the prestigious Fulbright Senior Advanced Research Award, she conducted a research project at Haas School of Business, Berkeley. Her research interests include management, innovation and design thinking, international marketing, and corporate social responsibility, and she is an author of several publications and expertise papers in the aforementioned areas. Katarzyna's academic engagement is backed by business experience. She has worked as a trainer and an editor, as well as in marketing and consultant jobs. Thanks to extensive knowledge and international exposure, she can take a holistic and analytical approach to management and marketing issues.

**Magdalena Kaźmierczak, Ph.D.** is an Associate Professor in the Department of Quality Management at the Poznań University of Economics and Business (PUEB). Since 2005, she has been scientifically

connected with the subject of corporate social responsibility. Her research interests include corporate social responsibility, quality management methods and techniques, standardized management systems, and lean manufacturing. She also has the qualification of a lead auditor in the field of quality management, environmental management and occupational health and safety management as well as qualifications in the field of Lean Office and Lean Manufacturing confirmed by a certificate issued by the Polish Productivity Center. She is a member of the Technical Committee no. 305 on Social Responsibility set up by the Polish Standardization Committee and a member of EBEN Poland (European Business Ethics Network). Since 2016 she has also been acting as Rector's Plenipotentiary for University Social Responsibility (USR) at the Poznań University of Economics and Business. She is the author and co-author of many publications in the field of CSR, including her last monograph: *Factors Determining Socially Responsible Management in the Small and Medium Enterprises Sector*, Poznań 2017.

**Magdalena Rojek-Nowosielska, Ph.D.** is a Professor in the Strategic Management Department at the Wrocław University of Economics and Business. Since 2001, she has been scientifically connected with the subject of corporate social responsibility. Other fields of her interest are non-financial reporting and cultural diversity management. She is a member of the Technical Committee for Social Responsibility in Polish Committee for Standardization, Editorial Committee of Research Papers of Wrocław University of Economics, EBEN Poland (European Business Ethics Network), PTPS (Polish Society for Social Policy)—member and also secretary of the audit commission. She is the originator, initiator, and co-organizer of the annual scientific conference on social responsibility issues, as well as the author and editor of numerous publications on the issue of corporate social responsibility. She is the winner of the “People who change the business” award, which is the only one about the distinction of people, not companies that deserved for the development of responsible business in Poland. Her latest book: *Corporate Social Responsibility. Model- diagnosis - evaluation*, Wrocław, 2017.



**Magdalena Stefańska, Ph.D.** is an Associate Professor in Marketing Strategies Department, Faculty of Management at Poznań University of Economics and Business, Poland. Her areas of interest are Corporate Social Responsibility, marketing communication, and retailing. She is an author or co-author of over 100 articles, author of the book *The Role of Social Responsibility in Creating Competitive Advantage of Retail Enterprises* and co-author and co-editor of the book *Fair Trade in CSR Strategy of Global Retailers*. She was a director of the project *The Role of CSR in Creating Competitive Advantage of Retail Organizations*. She is a member of the Social Responsibility Rector's Committee at Poznań University of Economics and Business. She is also a member of a review committee for International Marketing Trends Congress. She reviewed articles for journals: *European Journal of Marketing*, *Praxeology*, *Sustainability*, *Annals of Marketing Management & Economics*.

**Justyna Szumniak-Samolej, Ph.D.** is an Assistant Professor at the Department of Management Theory, SGH Warsaw School of Economics, Poland. She works as a researcher, trainer, lecturer, and conference speaker. Her key research areas are management in the new economy, corporate social responsibility, social media, and innovative business models. Her academic publications include books (e.g. *Responsible Business in the Networked Economy*, Poltext 2013; *Business Potential of Social Media*, Poltext 2015; *Interviews with Social Business Leaders in Poland*, Warsaw School of Economics Publishing 2016), refereed journal articles, book chapters and refereed conference papers. She is a co-organizer of the annual scientific conference on corporate social responsibility. She is a member of the experts committee of the "Philanthropist of The Year" competition organized by Academy for the Development of Philanthropy in Poland. She was also a member of the Working Group on Education and Popularization of CSR in the Ministry of Economic Development of the Republic of Poland.

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# **Common Good and CSR—Ideological Perspective**



# Economic Success or Social Well-Being

Halina Zboroń 

## Introduction

The question of what is the superior social goal—economic success or social well-being, is a question designating the dividing line between economists and other social researchers. Economists dwell on the problem of well-being, they are reluctant to address the issue of redistribution and discussion of social inequalities. The lack of reference to these issues, as well as to the questions about the possibility of achieving social well-being, has become a matter of concern due to the increasingly visible (non-economic) social, ethical and environmental consequences of economic growth and development on a global scale. The failure of economists to participate in the discussion on the directions of social and economic changes, and, above all, the growing environmental threats which, in the opinion of many important international organizations, lead to a global catastrophe, is a very serious problem. The need to revise

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H. Zboroń (✉)

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Halina.Zboron@ue.poznan.pl](mailto:Halina.Zboron@ue.poznan.pl)

beliefs in relation to basic social objectives, and to adapt the economic system to certain social priorities, requires the involvement in the discussion of economists, who are responsible for disseminating this vision of an economy in which there is no reference to non-economic axiology.

It seems that the economists' involvement in the considerations on the provision of decent living conditions to communities requires an awareness of the reasons why economists leave the most important issues related to the concept of the public good and well-being out of the circle of their interests. These considerations are devoted to the resolution of this issue. They are focused on showing how economic success, which can be considered a major goal of management, in a way blocks the references to the values of the common good, or well-being, thereby preventing the addressing of issues considered superior from the point of view of the society as a whole.

The considerations are carried out within a cognitive perspective of cultural constructivism, according to which the reality is socially created and the world we consider in our normal experience as objectively existing, that is existing independently from human activity, is in fact a construct generated by collective experience. The experience of reality is a cultural phenomenon, which means that culture both enables and determines its process as well as its result. Within these considerations, it is assumed that cognitive results, which are obtained in the analysed texts, are conditioned by an adopted axiological perspective. Therefore, the procedure of reconstruction of normative contexts (to which the considerations presented in the analysed texts are referred to) has been used.

## **Economic Success**

The category of success is widely used, it is usually recognised as: the successful result of a project, the achievement of the goal set—it is, therefore, a state of affairs resulting from deliberate actions. Achieving success requires taking some effort, actions aimed at the specific goal. Success requires taking up a challenge, but that does not mean that success is achievable only for those who have made some contribution to the work, effort. Therefore, success can be undeserved and in some sense random,

that is, it can be a consequence of a lucky coincidence. Success can thus be “real” if it is a reward for some effort and involvement. Success can be major or minor, personal or collective.

Some measure, indicator is needed to recognise a certain state of affairs. Success is a relative concept—i.e. recognising a state of affairs as unique due to its positive nature requires a broader or narrower reference. Consideration of the different contexts changes the rank of the event: in sporting events, for one country it is a success to take the first place while for another it is an achievement to enter a national team; a success were the first steps on the moon and the first independent steps of a patient undergoing rehabilitation after a serious injury. Therefore, success may be subject to evaluation with regard to the achievement of some value to a higher extent than other entities, but we can also record successes by comparing the current achievements of a given entity (individual, organization, country) with the previous ones—thus success is associated with progress.

The notion of economic success is not defined but it is intuitively (popularly) understood. It is certainly referred to economic, material value, which is measurable even if it cannot be done easily. Success can be a (relatively) high profit, but also even a minimal surplus; success can be a reduction in debt or deficit, a higher or lower competitive advantage but also, in special circumstances, the ability to remain on the market with minimal profit. Success can be an increase from zero value: the presence of a company in the market, placement of goods on the market, finding employment, other successes are measured by assessing the difference between the previous condition (we employed 5 employees) and the current condition (now we employ 50). Success can also be the dynamics of change: the rapid transition from small to large benefits (increase in profits, climbing the career ladder, change in sales, increase in turnover, increase in the number of contracts, etc.). Economic success can therefore be defined as an increase in value (an effect) or the dynamics of change (a process). Both are quantifiable.

The concept of economic success refers to all forms and levels of management and it is a ‘combined’ category, i.e. it brings other valuable categories, such as increase in value, efficiency, profitability, competitiveness. All of these categories are positive and are used as indicators of

economic activity. The category of success is assigned to those entities which have reached a relatively high level of efficiency, profitability or attained a significant competitive advantage or have maintained these indicators at a relatively low level but in particularly difficult external conditions, namely economic (crisis, recession) or political conditions.

A state of affairs recognised as a success, including economic success, is established socially: it occurs when it is identified as such, i.e. when appropriate evaluations qualifying a given event as a success appear. Recognition of a state of affairs as a success is not obvious—in the light of differences in evaluations regarding the significance of a given event, success is rarely unambiguous, unquestionable. This is particularly evident in the world of politics, where a given achievement is recognised as a success depending on who it is attributed to. Thus, the opposition parties record only successes on their part, and failures are assigned to the opposition. However, it seems that with the omission of political assessment it is easier to subject the identification of economic success to social arrangements due to the fact that economists use relatively clear, largely quantitative criteria. Naturally, all sorts of controversies occur here, in particular with regard to the beliefs concerning political economy respected within various economic trends. However, these differences more frequently refer to the formulation of practical economic policy recommendations rather than the evaluation of the condition of a given economic organization or the entire economy.

## **Economic Success and Rationality and Efficiency**

In economic terms, success is the attainment of a relatively significant level of efficiency with regard to economic goals achieved—tangible assets expressed in particular amounts. Economic efficiency, in turn, is a positive outcome of rational actions/choices, the conditions of which determine the canonical foundations of neoclassical economy dominating in the theoretical mainstream. Modern interpretation of the concept of rationality related to economic choice is the result of many changes and revisions that have taken place since Adam Smith, who showed

that the concern of individuals for their own well-being inevitably leads to collective benefits. The purpose of these considerations was to formulate such conditions for rational choice in which there is no reference to subjective, individual, impossible to objectively identify arguments constituting the basis for decision-making. Thus, understood as psychologically conditioned needs, desires or utilities which cannot be easily measured, they constituted a certain problem for the economy, which in the late nineteenth century showed the ambition of getting close to natural sciences in terms of methodology. Due to the marginal revolution, the value of market goods was replaced by preference. Therefore, the considerations on the issues of usability were discontinued in the economy and were replaced by the issue of preference, with particular attention to revealed preferences—possible to identify within the choices made. Thus, the economy experiences a transition from considerations on what is important, valuable, useful to people for observations concerning the choices made. The ultimate cutting off of value from economy was done by A. Marshall, who assumed that value is independent from individuals and is established as a result of the game of supply and demand. Since that time, according to A. Klammer (2003a, b), the creation of economic value was reduced to a mechanical process which controls market activities and is detached from the moral, social and cultural connotations. Thus, the basic concepts of economics: efficiency, profitability, economic rationality and the derived from them concept of economic success are reduced to a measurable economic value possible to express in a certain amount. These decisions are important for the neoclassical economy, but given that the beliefs formulated within it with regard to the operation of economic entities on the market constitute the dominant approach within the main trends, it is this image of an enterprise and its objectives that constitutes the basis of social conceptions, both scientific and popular, commonsensical.

## The Concept of Success in Relation to the Theory of the Enterprise

According to the premise of individualism adopted in neoclassicism, it is assumed that the main category is an individual being, namely an enterprise—trading entity. The embodiment of the enterprise is the owner, who provides the resources at his disposal to the enterprise, i.e. engages them in a complex manufacturing process, the final result of which, according to neoclassicists' assumptions, should be profit. The possibility of profit is the motive behind the entrepreneur's activities, and the method of performance of these activities determines the assumption of individual rationality. It is assumed that each individual seeks to maximise the benefits, has an established hierarchy of preferences, can recognise potential alternative actions with regard to their preferences, has a full set of information about the consequences of the potential choices, classifies them according to the goal and consistently chooses the alternative that enables the achievement of the goal to the fullest extent (cf. Gorynia 1999; Zboron 2010; Hausman et al. 2017). The assumption of the material (substantive) rationality of an individual stipulates that a business entity aiming at an established goal makes the correct choice under given external conditions. It can consist in: application of the most effective methods of production or minimisation of expenses or maintenance of the volume of production on such level that will enable the maximisation of profit. All of these alternative choices result in benefits for the owner. As Gorynia writes, in the neoclassical approach the activity of the enterprise is reduced to the "transformation of input streams (raw materials, supplies, labour force, external services, etc.) into output streams (finished products, services, waste, etc.) in accordance with certain technical relations determined by this production function" (Gorynia 1999, p. 3). However, internal issues, i.e. the functioning of the enterprise as an organization, are not taken into account.

Despite the strong objections against this approach, pointing out the weaknesses of the assumptions, this theory still has a strong position in economics, as evidenced by the paradoxically relentless discussion on neoclassical assumptions—this, in fact, demonstrates its central position and the lack of alternative approaches that could break away from the

neoclassical way of reasoning. Different approaches, e.g. managerial theories, thus complement or expand the initial concept, the model of which on principle omits many important, as one may think, elements. Behavioral approach, in turn, constitutes a certain correction of neoclassical assumptions made due to the results of empirical studies on economic choices. This applies in particular to the assumption of rationality, which takes on new forms (almost rationality, limited rationality), as well as to the expansion of the idea of higher value, which becomes a bundle of diverse and complex goals (cf. Gorynia 1999). Referring to the argument that in today's economics there are different opinions about the goals of enterprises does not weaken the thesis put forward here: no matter how we define this goal—as profit (in neoclassical theory) or as maximisation of turnover, increase in the value of the company, competitive advantage or a complex bundle of goals—in any case it refers to an economic value which is possible to monetise.

## **The Persuasive Power of Economics in Relation to the Prime Social Goal**

Due to the exceptional persuasive power of economics, which consolidates its high position in the field of social sciences by referring to itself as the most advanced, theoretically and methodologically, social discipline, the way of thinking about what is important in society imposed by economists is taking hold in the collective consciousness. The fetishisation of the concept of economic rationality as a method of social choices and efficiency as an indicator of such rationality is gradually increasing. Increasing economic value will be considered a major social goal, and economic success becomes a proof of the effectiveness of those who seize opportunities to gain economic benefits by deferring to the 'logic of the market'. The following narrative applies: the economy is an important part of social life, because it produces the means by which we can finance other social areas.



Social well-being,<sup>1</sup> understood as the feeling of happiness and satisfaction experienced by the members of a given community in various areas of life, requires prosperity, which in turn needs to be developed by creating optimal conditions for economic development. We begin to think primarily about what is good for the economy. Doubts concerning the excessive social or environmental costs shown are refuted by the argument about the potential risks to the market. A good example is the current discussion in Poland (December 2018) on the need for decarbonisation and a radical departure from energy production based on mining resources. Economic success has become a social fetish, and its entanglement in the entirely economised categories of rationality and efficiency gives it a one-dimensional character.

The opposition expressed in the title of this chapter suggests the need to rethink/revise the concept of economic success, which is a derivative of the unrest associated with the growing presence of social, political and economic problems in the world expressed within the sphere of influence of the Western culture. Within the framework of this text, it is impossible to even list the most serious issues—suffice it to say that the critical opinions formulated in the public space with regard to the current condition and the lack of perspectives for stopping undesirable trends find convincing arguments in the studies conducted annually by many respectable international institutions. The reports they publish pertain to the current situation concerning existing social inequalities, both in terms of global differences between individual regions or countries, and in terms of internal differences within a given community. Issues related to the weakening of democratic institutions and strengthening of capitalist axiology, leading to the marketisation of societies and commoditisation of values, are also identified and discussed.<sup>2</sup> Data on our impact on the natural environment and climate change are also a cause for huge concern. The functioning of the natural environment, including above

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<sup>1</sup>J. Czapiński, the author of the so-called onion theory of happiness, enumerates three levels of happiness: the will to live, general mental well-being and satisfaction with individual areas of life. Well-being means a positive attitude to the goals achieved in life, which are a source of potential satisfaction, contentment with one's own life.

<sup>2</sup>In the opinion of many social researches (Bauman 2005; Attali 2010; Reich 2009; Harvey 2008; Sen 2002), the paths of capitalism and democracy are beginning to part.

all the dynamics of changes in terms of the rising average global temperature, has ceased to be a problem of some unspecified time in the future and has become a phenomenon which is already giving rise to events of catastrophic consequences. The increasingly pronounced prospect of an ecological disaster, which climatologists predict to be the beginning of the end for humanity, forces us to radically change our thinking and revise our behaviour.<sup>3</sup> The responsibility for overexploitation and greenhouse gases emission is borne not only by economic entities, but also households. Questions relating to what is being produced and how it is produced, how it is marketed and how widely it is consumed may reasonably pertain to ethical reflection and the category of public good.

The expansiveness of economies, consisting in a continuous increase in production and consumption, constitutes the most important element towards the implementation of the assumptions of the capitalist doctrine, which regards the mechanism of striving for wealth as a dominant motive behind human actions in the economic space. At the same time, economics which explains and predicts economic phenomena is considered a study of how to make the right, i.e. most effective, choices concerning resource allocation<sup>4</sup> under the conditions of limited opportunities. The rhetoric of the capitalist doctrine is based on strong normative beliefs that point towards superordinate goals of the economy and values for individual actors of economic practice, which are given a decisively materialistic dimension. This belief, in the form of a substantive assumption, is adopted by economics, which describes economic practice as a domain

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<sup>3</sup>*Profit or the common good*—this question is becoming the question of the possibility of the survival of our world. Nature is a system of interrelated phenomena: death of the critically endangered great barrier reef will disrupt the marine ecosystem, which will dramatically change the fishing sector; an increase in the average annual temperature by 1.5 degrees will cause the rise of water levels in seas and oceans and the flooding of a large area of land on all continents. Both of these events, which are just two examples of many, will have a significant negative impact on people's lives and national economies. Intergovernmental Panel on Climate Change (IPCC) warns that the increase in the average temperature by 1.5 degrees will result in irreversible changes in nature, which we will have no influence on. Maintaining the current rate of emission of greenhouse gases into the atmosphere will lead to an increase in temperature by 3.5 degrees by 2100, which means that, most likely, humanity will not be able to survive in the new conditions.

<sup>4</sup>Effective in the economic sense, which is to be understood as bringing maximum profit.

where intentions leading to the achievement of goals—financially measurable material benefits—are fulfilled.<sup>5</sup>

In this context, the idea of introducing the category of public good into the discussion concerning the goals of management cannot be treated as a utopia but rather an opportunity to take action aimed at protecting us from the final catastrophe. However, the introduction of the category of public good requires a reconsideration of the orthodox outlook on economy. We should rethink economics.<sup>6</sup>

## Conclusion

The postulate of carrying out a significant correction of the assumptions of mainstream economics was strongly formulated in 2008, when it became apparent that the world was facing a dire crisis. The heated discussions that took place at that time gave hope for a revision of the orthodox approach and development of a new perspective (cf. Zboroń 2013). Those hopes have not been fulfilled and today, after ten years of discussions, we find ourselves back in the same place. In this case, however—as climatologists warn—we have very little time to change our thinking and take decisive action. In this case, we might lose everything forever.

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<sup>5</sup>Such an approach is criticised by G. Kołodko (2013), who proposes an alternative approach in the form of so-called new pragmatism.

<sup>6</sup>This postulate was expressed by economists comprising the Rethinking Economics network. In 2018, their discussion resulted in the publishing of a guide to the main streams of heterodox economics: *Rethinking economics: An introduction to pluralistic economics*, Routledge, New York, 2018.

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# The Need for Relational Ethics in the Axiological-Linguistic Image of the World of Respect Index Companies

Karolina Nowak 

## Introduction

In today's scientific (and artistic) discussions on the global changes that a man defined as "homo oeconomicus" has done in recent years, it is increasingly possible to hear critical voices about faith in constant progress and defining human beings and societies through words such as possession or economic growth. One of the world's most famous naturalists and popularizers of the idea of redefining what is supposed to be the basis of humanity, the British scientist-journalist, David Attenborough, expressed this immensely, saying that anyone who believes in the idea continuous growth on a planet with limited resources, is either a madman, or... economist. Increasingly, the activity of human beings, who is focus on money, both in the natural dimension and in all four dimensions of globalisation (political, economic, social and cultural), is defined not only as risky, unthoughtful and dangerous, but also simply

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K. Nowak (✉)

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Karolina.Nowak@ue.poznan.pl](mailto:Karolina.Nowak@ue.poznan.pl)

as something wrong/bad—bad for man as living and thinking beings, bad for other living beings, bad for societies, bad for nature, bad for the world en globe. The ideas of continuous economic growth or productivity, as is known in the context of the search for the definition of good for utilitarianism, have today been questioned in the light of the concept of degrowth (postgrowth), which explicitly expresses the need to change the dogmas adopted in the economic discourse. We should end up thinking that more in economics means better, and that the primate goal of global societies and economies is to be continually rising—the increase in consumption, production, services and knowledge, which is also defined as something to sell.

The main objective (research question) of the article is to propose to introduce in the axiological-linguistic world of companies which are assessed in terms of social responsibility, discourse and the values that relational ethics offers. This article consists of two parts. In the first part there is a reference of the philosophical conception of relational ethics and its specific axiological context offered by the concept of a guardian presented by the Polish philosopher, Tadeusz Kotarbiński. In the second part of the article there is a proposal for a new assessment criterion for companies which are assessed in terms of social responsibility (in Poland—Respect Index companies) is formulated on the basis of that context; this criterion has special axiological background in the idea of relations and relational ethics. As the research method the humanistic interpretation is applied.

## **Relational Ethics in the Context of the Concept of Care, Proposed by Tadeusz Kotarbiński**

Relational ethics, the ethics of care, is mainly associated with feminist narration and names such as Carol Gilligan and Nel Noddings. These researchers are often treated as pioneers of a new recognition of human existence, which “discovered” (thanks to the feminine optics)—as opposed to the so-called. Classical Ethics—a special dimension of human

relationships and their constituent effects on morality. The project of independent ethics, formulated by—today, unfortunately, a rather forgotten—Polish philosopher, Tadeusz Kotarbiński, is a proposition for about 30 years (1950s 20th century) older than the concept of Gilligan or Noddings (1980s 20th century). The thought bases, which indicate as a base for defining ethical activity, are, however, very similar and therefore, in my view, it is worth this philosophical concept not only to cite, but also to use some of the arrangements it offers to formulate specific “clues” for actions that are moral choices.

Kotarbiński formulates 10 Theses of independent ethics, in which it presents the most important findings of its concept. Thesis 1 concerns the perception of what is good and bad in the world. According to the Polish philosopher, among the people there is an “emotional” understanding of ethical assessments—we divide them into positive (also referred to as praise, lingually expressed in the adjective *venerable*) and to negative (negative, represified, an adjective: *shameful*). In Thesis 2 whereas *subjects* of the assessment have been extracted. The positive behaviour is then when we can use such words as: good, bold, honest, resistant to temptation; negatively assesses the opposing behavior. Kotarbiński draws attention to the ethical motivation that has played a source in relation to the care and concept of a reliable person. Thesis 3: “What is common and peculiar in the above assessments is the recognition of the motivating behaviour of a reliable guardian (that is a man on whom someone can rightly rely on in difficult circumstances) and condemnation for motivation with the characteristics of these motivation non-compliant” (Kotarbiński 1987, p. 198). The concept of a reliable guardian is crucial for understanding the ethical perspective proposed by the Polish philosopher, because through it Kotarbiński introduces the axiological “axes” of moral activity. Thesis 4 deals with the repeatedly formulated by Kotarbiński postulate to create an independent ethics, that is, in its foundations, not seeking justification in the faith, in a transcendental idea, in the alien being, in God. So it is supposed to be an ethics independent of religion, but also from philosophy (understood as worldview), to be an ethics independent of all superstitions: “In comparison with the religious ethics and secular ethics, secular ethics has at least the advantage that it is exuded from a religious pardon, and therefore not

exposed to the ruin of the building as the result of the decay of its foundations. And in seeking the correct indications, it is free from the main obstacle on the way to the realization of the truth that the wisdom of life finds the fullness of its content in the response of the temporal entity to itself, to nature, to the people and their creations, and that the content of moral duties is only woven from the relationship between individuals and clusters of individuals” (Kotarbiński 1987, p. 470). Therefore, independent ethics is based on relationships, they decide in the sense of (as manifested) and meaning (to which it refers) moral activity (act, choice, action). Under Thesis 5 Kotarbiński emphasizes that the ethical assessment is historical and has been shaped in the course of history. Universally, the versatility of what is important in the ethical assessment arises only from repeated similar situations faced by a person who cares about the beings who are subject to care. According to Thesis 6 the ethical assessment in its genesis is related to the specific relationships and groups of beings that we care about, although the intention of caring goes beyond the human species and affects all beings. However, it is impossible to extend the care of all earthly beings. “Public unenforceability of universal care is necessary for the selection of actions”, and it is therefore necessary to make a choice of “certain caring tasks in relation to other possible tasks” (Kotarbiński 1987, pp. 196–197). Thesis 8 points out that one of the possible criteria for the selection of care tasks is solidarity in relation to friends. In Thesis 9 Kotarbiński draws attention to the historical and cultural variability of the image of a reliable guardian, resulting from the awareness not only of the diversity of choices that we have in relation to caring for others, but also of the diversity of circumstances in which these elections we make. “The relative variety of moral passwords is explained by the fact that equal socio-historical situations, the various components of the standard of a reliable guardian extend to the forehead – a goodness, or a courage, or a certainty or a strong character. Different types of order are in the hierarchy of the professed assessments” (Kotarbiński 1987, p. 197). Thesis 10 was formulated as a response to criticism of the non-inclusion of independent ethics and the concept of a reliable guardian of a understanding of other ethics, e.g. ethics of honor. According to Kotarbiński, ethical assessments based on the ethics of honor, which require repression for the insulting of one’s



own person, are not strictly ethical and are not subject to the relationship of a reliable guardian, because they have a non-ethical component of likes for strength and victory (an ethical ingredient is admiration to the courage and to the strength of character).

The basis for determining what we perceive as people and we judge as good is the relationship of care, the maintainer that best expresses the relationship between guardian and being-cared for. A reliable guardian means a person you can rely on. The word *spolegliwy* (reliable) Kotarbiński “borrowed” from the Silesian bustles (this is probably the language copy of the German language “zuverlässig”). “The guardian then is reliable when you can rightly trust in his care that he will not disappoint, that he will do everything to him, that he shall keep the square in danger and at all be a certain backrest in difficult circumstances” (Kotarbiński 1987, p. 378). In the “Meditation on the Good Life”, were presented the peculiars characterization of the guardian and the formulated demands of the custody, caring. When it comes to the subjects of care to the guardian, they are understood very broadly: “the reliable guardian will be (...) anyone who has as a task to take care of someone individual or for one or another cluster of beings, guarding such or another of their good” (Kotarbiński 1987, p. 378). Kotarbiński introduces 3 “branches” of axiological moral activity, related to the realization of caring for the mentee. The reliable guardian should therefore be:

- Friendly, it is positively oriented or attuned relative to the wards/mentee and pursue the postulates of being a good, sensitive to the needs, willing to help and possessing empathy (“good heart”);
- Full of energy for action and internal discipline—to persistently pursue a route of conduct, to control emotions, to make an effort to “give care of all things possible”, to show at times heroic courage (in circumstances that require it—Kotarbiński cites here an example of Janusz Korczak, an educator, a physician, a pedagogue who, voluntarily, as a guardian, together with the Jewish orphites, was transported to the death camp in Treblinka in August 1942 during the liquidation action of the Warsaw Ghetto);

- Characterized by the so-called. Civil courage—as far as possible (we do not always have the full “recognition” of the situation) strive for truth (and hence also for wisdom), to be truthful and righteous (Kotarbiński 1987, pp. 378–379).

The values emphasized by Kotarbiński—goodness, truth, tenderness, courage, justice—constitute a “pattern of a decent man”, which “did not fall from the underworld, nor is it an echo of an unchangeable ideal which is in the areas of pure ideas” (Kotarbiński 1987, p. 379). In the concept of Kotarbiński, the pattern of a good man, a reliable guardian, is regarded as an ethical ideal, shaped on the basis of lived relationships, “in defensive battles”, hence “its dual aspect: the sentiment for defended beings and qualities that make up the prowess in relation to the forces threatening the defended beings” (Kotarbiński 1987, p. 379).

## Proposal for a New Criterion: Ethical Managerial Check

Axiological changes related to the development of corporate standards, reevaluation made within the social economy and the request to take into account the “investment attractiveness of listed companies, which characterize the ethical and responsible action” (Gołębiowska 2013, p. 205) contributed to the uprising in 2009 the first Central and Eastern European Index of the companies responsible. According to the project description ([respectindex.pl/opis\\_projektu](http://respectindex.pl/opis_projektu), Accessed: 16 November 2018) it is directed to companies listed on the Warsaw Stock Exchange (WSE), excluding the newconnect market, foreign and dual-listing companies.

The assessment of the attractiveness of companies taking into account the fulfilment of CSR standards occurs in three phases. In the first phase extracts group of companies with the highest liquidity, the second stage will assess corporate governance, information and investor relations, which is carried out by the WSE in cooperation with the Association of

Listed Issuers. These stages are preliminary and are carried out independently, without the participation of companies, only on the basis of publicly accessible reports published by the companies and their websites. The third stage provides for direct visits to the headquarters of companies and requires their consent to participate in the project. Based on surveys completed by companies which passed the two previous stages and their verification by the project partner Deloitte, there is made “an assessment of the level and degree of comprehensiveness of the activities undertaken by companies and stakeholders, which are an expression of their broadly understood social responsibility” ([respectindex.pl/kryteria\\_oceny\\_spolek](http://respectindex.pl/kryteria_oceny_spolek), Accessed: 26 February 2019). As we can see then, the authors of the survey refer to stakeholder theory as a specific key to recognizing the company’s activities in the scope of CSR.

The company’s survey ([respectindex.pl/ankieta](http://respectindex.pl/ankieta), Accessed: 16 November 2018) consists of 49 questions divided into three areas: environmental, social and governance. In Part 1 of the Environmental area, 17 questions were asked on selected aspects related to environmental factors:

- environmental management: questions E1–E4,
- limiting environmental impact: questions E5–E12,
- biodiversity: question E13,
- environmental aspects of products/services: questions E14–E17.

The second group of questions creates questions about social factors:

- Occupational Health and Safety: questions S1–S4,
- Human Resources Management: questions S5–S14,
- Supplier Relations: questions S15–S17,
- Dialogue with stakeholders: question S18,
- Social reporting: questions S19–S20.

19 questions were formulated with regard to the governance (economic factors):

- Strategic Management: questions G1–G2,
- Code of Conduct: question G3,

- Risk Management: question G4,
- Fraud Risk Management: question G5,
- Internal audit and control system: questions G6–G7,
- Customer Relations: questions G8–G15,
- Fair market practices: questions G16–G19.

The survey was duly taken into account by all of the highlighted ISO 26000 (Guidance of Social Responsibility) 7 Fields/Core Subjects of CSR: (1) Organizational governance; (2) Human rights; (3) Labour relations/practices; (4) Environment/Environmental protection; (5) Fair market process/operating practices; (6) Relationships with customers/Customer issues; and (7) Social commitment/Community involvement and development (ISO 26000). It therefore appears that such a structured questionnaire allows to fully assess the level of socially responsible activities undertaken by companies, which are addressed by all groups of company stakeholders.

Literature on the concept of stakeholders, formulated from the 1960s 20th century the definition and typology of stakeholders, is extremely rich. Different classifications or definitions of stakeholders are created depending on the social sciences sub-discipline—in strategic management, in the theory of the organization, in the concept of sustainable development, in business ethics (Rose et al. 2018; Popowska and Wyrwinski 2013; Rudnicka 2012; Fassin 2012; Van Buren and Greenwood 2009; Rojek-Nowosielska 2006). The source shot of most of the studies is usually Stakeholder Theory of the Modern Corporation created by R. Edward Freeman (2001), whose division into 6 basic stakeholder groups (owners, employees, supplies, customers, local community, management) became the starting “base” of identifying “groups who are vital to survival and success of the corporation, (...) who have a stake in or claim on the firm” (Freeman 2001, p. 39).

From an axiological point of view, Freeman’s most important diagnosis is to identify the key role of the managers-stakeholders in maintaining “health of corporation” and all relations in balance. This diagnosis was made possible through a thought-provoking experiment, involving the launching of transcendental thinking, which is a means of asking questions of a nature which are beyond cognition, which are carried out in

specific cognitive determinations. Freeman used the idea of kantian veil of ignorance (in the same way like John Rawls in his theory of justice as fairness) to create Grandrules for managers. We can say that, like Kant or Rawls (1983), Freeman “believes” in man—in his ethical powers, in the ability to make moral choices from the metalevel, taking into account all the reasons of all interest groups.

When we take a closer look at the design of the survey and the axiological-linguistic image of the world, narration in the applied survey turns out that it does not force too much managers to self-reflection or the application of transcendental thinking in the context of their activities. The authors of the survey refer to the theory of stakeholders as a specific key to recognizing the company’s activities in the scope of CSR, but the same question about self-reflection of the company’s stakeholder groups is only once in the survey. This is a question S18: *Does the company conduct a documented dialogue/consultation with stakeholders? (This is, for example, Recurring formal meetings with representatives from different stakeholder groups to discuss mutual expectations, such as meetings with representatives of employees, suppliers, customers and consumer organizations).* The questions relate to selected, categorized stakeholder groups and the interests assigned to them, which means that all forms of reflection on how the company operates in the social responsibility dimension do not properly need to be receive. In practice, this means that the questionnaire is filled in by the established department of CSR specialists, and those responsible for changing the value, for the “health” of the company, for relationships in and out of the company—stakeholders-manager—in the linguistic image of the world, and therefore in their axiological context from the scope of the CSR do not possess.

The amendment proposed in this article concerns the redefinition of the role of managers in recognizing the social dimension of companies’ activities. Creating a new criterion in the form of an ethical test of managers would make it more “put into” and upgrade socially-involved thinking in the language/world of managerial staff. This criterion has an axiological background in relational ethics, because in the reference layer values the managers are defined as the person who is caring for the company, who cares about the condition and functioning of the company. The ideal ethical manager built on the ethics of caring in the spirit of

a reliable guardian represents the interests of all groups of stakeholders. How could such an ethical test look like? It could be done as follows. For example, once a year, managers would have themselves—without the support of specialists—to extract and identify the company's stakeholder group and identify each stake (prepare a short report or complete a short stakeholder test). The project sounds harmless, but—taken seriously—requires “detachment” from the desk and thought in the spirit of “degrowth”. To do this, it is necessary to: (1) realize other than profit objectives of the company's activities, (2) think more broadly, transcendently about the internal and external functioning of the company in the social environment, and (3) realize the relational nature of links between stakeholder groups. Extending the test, for example, to create predictions for the future of the company in the context of socially responsible activities, would allow for a distinction alongside the present stakeholder groups—owners, employees, trade unions, local community, environment, customers/consumers, competitors, suppliers/receivers, social organizations, banks and financial institutions, administration/offices, media/public opinion—future groups (heirs, future employees, etc.) and to formulate long-term directives (promotion rules or the way the company is transferred). It could also be complemented by a determination of the nature of the relationship between stakeholders—this would give an opportunity for stakeholders-managers of their distinguished role and the fact that it is so, because they have shaped it “defensive fights” undertaken in the course of agreeing the interests of stakeholder groups.

## Conclusion

The changing human world, bargained by crises, social inequality, the polarisation of societies and the rise of social exclusion, creates uncertainty and prompts questions about the philosophical foundations of the existing belief system, focus on the success and never-ending consumption (Zboron 2009, pp. 336–347). To paraphrase Max Weber, we need a further “disenchant” of the world, the disclosure of myth, the tactful belief of importance and mandatory necessity in all aspects of the human

life of the idea of growth as something that is good for man, which brings him happiness and makes every election. How to do it? How to create such a “disenchanted”? Since the turn of the 20th/21st century—along with the consolidation of CSR, and in particular stakeholder theory—such possible responses seem to be education and to develop ethical standards that constitute a standard for business practice. For several years, the form of “disenchanted” has become the actors of the social economy and the axiological base formulated on their grounds, whereby profit is not the main value of the activity and organization of the company (Kuraszko and Rok 2007). To this day, moreover, this definition of economic activity is astonishment of some business environments (“Are you really assume the company to help excluded people?”). Discussing the necessity of revaluing values, using Nietzsche’s metaphor of “death (new) God” (understood as the idea of growth), requires the formulation of new proposals and the construction (understanding according to Wittgenstein’s philosophy of language) of a new linguistic game when the boundaries of the business world will be redefined. The suggestion of changing the language and “world” of “big” business in the form of a managerial check/test is obviously a small step in redefining the previous narration. As Ludwig Wittgenstein wrote, “the language game changes elsewhere over time”, hence the hope that every time we speak—even in a certain narrow aspect—of business practice in the context of ethics and social responsibility, it is simultaneously we also create a world of business practice in the context of ethics and social responsibility.

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# Profit and Common Good in Polish Private Limited Non-Profit Companies

Anna Waligóra 

## Social Entrepreneurship and Common Good

Social entrepreneurship combines various types of economic and economic-related activities that function within the social economy (Waligóra 2017, p. 7). A common assumption of all social enterprises is to diversify the economic goals of the company's operations with social goals. There are different ways to achieve this balance.

In the subject literature, there can be bound various guidelines for understanding the area of social economy and various definitions of social enterprises (Spear 2004; Jegorow 2010). They refer to law and economics as well as to ethical assumptions and practices of functioning. The description of social enterprise is often formulated in relation to historical traditions. In Poland, the model based on the accomplishment of economic activity accompanying the regaining of independence is particularly strong, based on the unions between representatives of

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A. Waligóra (✉)

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Anna.Waligora@ue.poznan.pl](mailto:Anna.Waligora@ue.poznan.pl)

similar professions inhabiting individual areas covered by the partition, in 1772–1918 (Piechowski 2008, pp. 13–15). Nowadays, due to the dynamic development of the social economy supported by European Union funds, social enterprises are created in the spirit of equalizing economic opportunities, strengthening various employment opportunities and the assumptions of civic democracy (Praszkier et al. 2014).

In spite of the fact that two waves of development of social entrepreneurship have taken place so far, one can speak of a common reference to the idea of the common good, that is, the terrestrially encapsulated and practical intentions to create communities and societies that include, as far as possible, all economic activity on the economic market (Rymsza and Kaźmierczak 2009).

In reference to the above assumptions, the following definitions of social entrepreneurship and social enterprises were adopted in this paper.

Social entrepreneurship - types of organized business practices, also going beyond the legal framework binding for the social economy, positively valorized in relation to social symbolic values and meeting the requirement of economic rationality.

Social enterprise - an economic entity whose activity is focused on the profit devoted to the development of the enterprise, meeting the economic needs of social entrepreneurs and socially useful goals, assuming that economic and social objectives are treated as equivalent. ([http://www.wbc.poznan.pl/Content/404384/Waligora\\_Anna-rozprawa\\_doktorska.pdf](http://www.wbc.poznan.pl/Content/404384/Waligora_Anna-rozprawa_doktorska.pdf), access: 2 June 2019)

These definitions contain an attempt to combine two key values for the social economy—balancing the economic and non-economic benefits of enterprises with functioning in relation to the conditions (needs and human potential) of local communities.

The main division of social enterprises in relation to their market activities is linked to their economic efficiency. Entities such as Social Integration Clubs, Centers for Social Integration, Occupational Therapy's Workshop do not carry the promise of earning income, and are even a denial of it. Despite this, the activities organized in them bring citizens (disabled and unaffected by disability) to function in the social

world, teach social resourcefulness, and thus bring closer to participation in the labor market (even if it means temporary performance of low-qualified jobs).

Rehabilitation through work is a widely recognized approach to teaching life in society (Grewiński 2009), and thus a proof that even unprofitable social enterprises with the premises of not bringing economic profit, although operating on the outskirts of the market, fall within the definition of a social enterprise.

A special place in the below list of social enterprises with the premises of not bringing economic profit and social enterprises assumed to bring economic profit is held by student co-operatives whose main task is to foster educational institutions in developing entrepreneurial attitudes of students. Student co-operatives can, but do not have to make an economic profit; they have to teach, on what principles to strive for it. Originally, student co-operatives constituted a bridge between enterprises that partially funded their activities, seeing their future employees as students in cooperatives. Unfortunately, this practice is slowly expiring (in Poland), contributing to the distance of the educational market and the labor market.

Social enterprises assumed to bring economic profit are strongly internally differentiated. This results both from their historical and legal conditions and the evolution of the original assumptions formulated for these entities. They include both financial institutions that were supposed to serve other social enterprises as well as more or less advanced forms of cooperative organizations. Among the social enterprises assumed to bring economic profit, the most similar to the functioning of the free market entities, the Employment Cooperatives and the Vocational Development and Training Center should be distinguished. In their theoretical assumptions, they are based on an inclusive approach to the market; in practice, management is reminiscent of ordinary enterprises using, to a greater extent, social policy mechanisms for the inclusion in the market of units that have difficulty in finding a place on it (Table 1).

Social enterprises are piling up in relation to applicable law and locally diagnosed needs. It does not mean, however, that with the current formal and legal assumptions, they manage to effectively fulfill the entrusted

**Table 1** Division into social enterprises not oriented and oriented to economic profit—Polish example

Social enterprises with the premise of not bringing economic profit	Social enterprises assumed to bring economic profit
Social Integration Clubs (Kluby Integracji Społeczne – KIS)	Cooperative banks and Credit unions (Banki spółdzielcze – BS i spółdzielcze kasy oszczędnościowo-kredytowe – SKOK)
<i>Student co-operatives (Spółdzielnie uczniowskie)</i>	
Centers for Social Integration (Centra Integracji Społecznej – CIS)	Social cooperatives of private persons (Spółdzielnie socjalne osób prywatnych)
Occupational Therapy's Workshop (Warsztaty Terapii Zajęciowej – WTZ)	Social cooperatives of legal persons (Spółdzielnie socjalne osób prawnych)
–	Employment cooperatives (Spółdzielnie pracy – SP)
	Vocational Development and Training Center (Zakłady Aktywności Zawodowej – ZAZ)
	Corporate foundations (Fundacje korporacyjne)
	Private limited non-profit companies (Spółki z o.o. non profit [non for profit])

Source Own study

social “mission”. This is due, among other things, to the fact that they largely operate in isolation from the needs of local markets, where they are not recognizable as partners for economically effective activities. The problem described above is also a consequence of finding in the economic profit of social enterprises denial of the essence of their activity, although it is the earned profit that forms the basis of their long-term operation. Corporate foundations and the main for this paper, private limited non-profit companies, combine economic and social thinking, which is the core of building the common good, because it is the individual improvement of the quality of life that contributes to building social well-being.

Private limited non-profit companies constitute a relatively new legal solution for cooperation of various types of entities on the market.

Although their name indicates a lack of expectations regarding the economic profit, a profit approach is characteristic of their activities. It combines both a commitment to earn and a balance between what is social and economic. Private limited non-profit companies can be appointed by various types of entities: business entity, public institutions, third sector organizations, including church legal entities. They can also be co-funded by grass-roots civic initiatives, such as associations implementing local missions (e.g. ecological, democratic, related to the challenges of social policy). The common condition that the founding entities must meet is the possession of a legal personality and the ability to set up the initial capital, which capital does not have to be paid equally by the individual founders.

The specific freedom of management resulting from the formula of functioning of private limited non-profit companies constitutes a special field for implementing the assumptions of corporate social responsibility. This type of entities may meet with ambitions of realizing the assumptions of social responsibility of enterprises as well as the need for professional activation of participants in local realities. The resource approach is the key here. When investing in the establishment and operation of a private limited non-profit company, the company shares the most important resource that determines its superiority over other founders—capital. Other institutions, however, bring real know-how about how the capital invested is best used based on the assumption of balancing the economic and non-economic objectives of the functioning of a social enterprise.

Such an approach seems to be crucial to bring the above-mentioned entities closer to the requirements imposed on them today concerning the development of dialogical attitudes within the social world. Moreover, it seems that the partial replacement of actions and ephemeral activities (which are also important) the formation of private limited non-profit companies solves the problem of shaping long-lasting (effective) corporate social responsibility policies and permanently combining them with the challenges and objectives of local development.

## Emergence of Private Limited Non-profit Companies

In the contemporary literature on the subject, social entrepreneurship is often not identified or analyzed as a tool for corporate social responsibility. Certainly, as a strategy of action, it is more obvious in the American than European context (Kerlin 2008, pp. 120–122), but CSR activities and entrepreneurship as such do not go hand in hand. This approach implies two types of consequences. First, social enterprises are often ephemeral entities, detached from the conditions of the markets on which they manage, which does not strengthen the sanctioning of their duration. Not supported by social programs, they cannot withstand competition on the open market. Secondly, open market entities seem to not base activities in the area of CSR on real local needs, which means that they do not use the potential of social entrepreneurship that could support these activities. A platform for the dialogue of these two types of institutions could be non-profit companies.

The experience of functioning of the existing private limited non-profit companies shows that the commitment to action taken between business and society in their creation has a particular impact on the density of social capital (Sztompka 2016, p. 12) which is the quality of the common good. Private limited non-profit companies are a special platform for dialogue between the conditions that dictate the market functioning of enterprises and social needs characteristic of the business environment of this company. One can even say that the creation of private limited non-profit companies is the best form of dialogue between what is economically rational and what is socially rational (without which economic rationality loses its justification).

## **An Example of Functioning Private Limited Non-profit Companies—Social Entrepreneurship Diakonijna Spółka Zatrudnienia Ltd. (Przedsiębiorstwo Społeczne Diakonijna Spółka Zatrudnienia Sp. z o.o.)**

Social Entrepreneurship Diakonijna Spółka Zatrudnienia Ltd. was founded in 2009 by the Barka Foundation (55 shares with a total value—PLN 418,000), Association for People and the Environment (15 shares with a total value of PLN 114,000), the Evangelical-Augsburg Commune in Poznań (30 shares with a total value of PLN 228,000), Kwilcz Commune (3 shares with a total value of PLN 24,300) and the German foundation Dachstiftung Deacon. The company has the status of a public utility entity (equivalent to German GMBH and the American corporate foundation). The purpose of a social enterprise is the professional and social integration of people affected by the problem of social exclusion (<http://dsz-diakonijna.pl/>, access: 2 June 2019).

The company is a production and service company (Picture 1). Its business activities include industries such as metalworking, plastics processing and sewing production and services (machine embroidery). The offer of Social Entrepreneurship Diakonijna Spółka Zatrudnienia Ltd. is addressed to market recipients and individual clients in Poland and abroad. Despite permanent contracts for the services and products offered, it is constantly looking for new markets and recipients of its activities. Thanks to the specific legal form of the operation, the company also has the possibility of unlimited participation in public tenders.

Unlike other companies operating in accordance with the Commercial Code, the profit of the Social Entrepreneurship Diakonijna Spółka Zatrudnienia Ltd. can be used only for the implementation of social goals that the company puts before it and its ongoing operation (including maintenance and development of the machinery park and maintenance employees). The founding contribution is therefore multiplied over the entire life of the company and does not return in financial form, and in the form of social profit to its shareholders.



**Picture 1** Loading yard for the transport of plastic welds for the Volkswagen branch in Germany (Source Author's archive)

Social profit, i.e. the social goal of a company operating in the Kwilcz commune (Poland, Wielkopolska voivodship, and the inter-city poviat) has been defined around the insufficient number of residential premises. The company from surpluses resulting from its operation has built social flats (Picture 2), which are partly at the disposal of the commune authorities, and partly at the disposal of the company, which places their employees in them, who before the employment were struggling with the problem of homelessness.

Social housing is a common good that the parties involved in the company have at their disposal. Therefore, both economic goals are realized here—the company is a profitable enterprise employing the inhabitants of the commune and people coming out of social problems that have decided to settle there, as well as social—the entity responds to actual, socially disappeared and theoretically unsolvable social problems. Thanks to the deep understanding of corporate social responsibility and the dialogue of entities involved in the company, a rational, economically and





**Picture 2** Part of the housing estate social housing built from the profits of the Social Entrepreneurship Diakonijna Employment Company Ltd. (Source Author's archive)

socially sustainable solution was created at the interface between CSR idea and the idea of common good.

## **A New Understanding of Corporate Social Responsibility?**

Corporate social responsibility is often related to activities carried out by an entity managing the common good of the entity's employees or people associated with them or for the benefit of the local community (Hopkins 2014, pp. 298–306). However, corporate social responsibility activities are embedded in a “mediated” dialogue with the business environment. The proposed CSR strategies relate to the currently discussed (fashionable?) activities on how to shape the relations of enterprises with the local environment. In the corporate social responsibility strategies of

business entities on the free market one can also find references to studies and reports presenting the vision of the needs of local communities. These visions are based not so much on the individual resources of enterprises and the needs of their environment as on a discourse based on the specific language of this issue. As a consequence, the importance and significance of actions within CSR acquire strategic importance, but also become actionable and ephemeral.

Furthermore, the language of communication of enterprises are economic measures by means of which they justify their duration. This is a “natural” phenomenon for the language of economics—it is difficult for enterprises over profit to prefer other, non-economic factors. For the social partners of enterprises (public institutions, social organizations, including the entities of the third sector and individual citizens), apart from economic gain, it is important to justify the social accomplishment of it.

The answer to the aforementioned deadlock between the “two worlds” of needs, the possibilities of business strategy and their surroundings may be the creation of entities operating on market principles (understandable at various levels for enterprises) and at the same time embedded in real local problems and responding to them—companies with limited liability for non profit. It seems that the creation of such entities transfers corporate social responsibility to a more advanced level, where the measurement of CSR effectiveness of enterprises and real social dialogue focused on the common good becomes as rational as possible, both economically and socially.

## **Methodological Explanation and Challenges for Further Research**

The study of phenomena in the field of social entrepreneurship entails a number of challenges related to a reliable and accurate diagnosis of this socio-economic phenomenon. Due to its dynamic development (social enterprise is discussed in the field of science and practiced all over the world), the description becomes a challenge. Another important goal is

to determine the dynamics of its development and predict the future of this development.

The first challenge is related to the selection of appropriate research methods. The dilemma of quantitative research on qualitative research is based on research related to social entrepreneurship build on the assumption of an unbreakable link between the social and economic dimensions of this phenomenon. The persistence and economic efficiency of non-profit limited companies do not always go hand in hand. What's more, the social impact of social enterprises may not be combined with what is called profit in the classical economy. For the above-mentioned reasons, it is worthwhile to use mixed research methods based on both existing data and field studies. At present, in the literature on the subject, such studies function most often separately (theoretical considerations in papers and fieldwork studies in research reports functioning on the outskirts of scientific discourse).

The second challenge is related to the inclusion in classical scientific considerations of research methods and techniques from the borderline of economics and sociology (and other social sciences). Conclusion regarding the operation of non-profit companies (similarly to other social enterprises) escapes the reasoning of homo economicus, which does not mean that the activities of social entrepreneurs are irrational from the socio-economic point of view. To understand how social enterprises work, a multidimensional recognition of the practices and relationships of such entities is necessary. They can be used by individual free-scenario interviews, field observations and, among others, sociological image analysis allowing to understand social entrepreneurship above the divisions built in the discipline of social sciences.

The third research challenge is to capture the social and economic balance of the importance of the development phenomenon of companies with limited non-profit liability. This problem is based on the assumption that undertaking economic activity constituting a contribution to the socio-economic activation of people remaining outside the labor market and their long-term maintenance on the market is a sufficient argument for embedding research on social enterprises in the field of economics. To a large extent, however, these are measures of "success"

of non-profit limited companies in context of common good, which traditional economics does not cover. Undeniable evidence for the significance of the subjects being investigated is their duration, which cannot be measured with the tools by which entities operating on the open market are examined. The third research challenge is to capture the social and economic balance of the importance of the development phenomenon of companies with limited non-profit liability. This problem is based on the assumption that undertaking economic activity constituting a contribution to the socio-economic activation of people remaining outside the labor market and their long-term maintenance on the market is a sufficient argument for embedding research on social enterprises in the field of economics. To a large extent, however, these are measures of “success” of non-profit limited companies, which traditional economics does not cover. Undeniable evidence for the significance of the subjects being investigated is their duration, which cannot be measured with the tools by which entities operating on the open market are examined.

The fourth, as it seems, unresolved problem of research on limited liability companies non for profit is the potential to generalize the conclusions gathered in this area. Certainly, it can be build a consensus around the need and purposefulness of creating this type of business entities. However, it is difficult to draw conclusions about the reasons for their formation, non-formal principles of organization and economic motives. What is more, it seems that the future will not bring here a coherent (on the scale of countries, regions and the world) systematic scientific vision of this phenomenon, which makes it even more interesting and important from the perspective of the need for scientific description.

This paper attempts to diagnose the “here and now” development of non-profit limited companies under certain social and economic conditions. According to the author, the most reasonable from a methodological point of view is to continue comparative research in the area of development of the surveyed entities. On the one hand, it seems that such a descriptive ambition of research is only a contribution to building a way of thinking about what social entrepreneurship of limited liability companies is. On the other hand, it is immediately a phenomenon strongly

culturally conditioned (socio-economic) that the adopted research strategy is difficult to replace with a more effective solution.

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# Identification of Social Irresponsibility Manifestations in the Social Responsibility Management System in a Small Enterprise—Importance, Place and Conditions

Agnieszka Sokołowska-Durkalec 

## Introduction

The contemporary set of assumptions and instruments, especially for formal management of the social responsibility (e.g. international management standards and social reports) have failed to work well, contributing to a facade and commercial treatment of the issues with a residual and appropriately veiled approach to social irresponsibility of an enterprise (mainly of a large enterprise). Therefore, not being a good example for small enterprise owners who want to imitate good practices in this area and correct inappropriate behavior (Sokołowska-Durkalec 2018, p. 128). In addition, the literature and empirical achievements in the field of social responsibility of enterprise, which usually presents a declarative

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A. Sokołowska-Durkalec (✉)

Department of Enterprise Studies, Wrocław University of Economics and Business, Wrocław, Poland

e-mail: [Agnieszka.Sokolowska-Durkalec@ue.wroc.pl](mailto:Agnieszka.Sokolowska-Durkalec@ue.wroc.pl)

and incomplete picture of this dimension, still largely concerns large and medium-sized enterprises, with a marked shortage of small ones.<sup>1</sup>

Therefore—to improve the social responsibility of a small enterprise—it is necessary to broaden the spectrum of social responsibility analysis of this group of enterprises with manifestations of their irresponsibility (cf. Cruz et al. 2014). Hence, it is worth considering *importance, place and conditions of the identification of social irresponsibility manifestations in the social responsibility system in a small enterprise*. The following questions should be asked here: *What is the social irresponsibility of an enterprise? What does the identification of social irresponsibility manifestations of a small enterprise consist in against the background of the specificity of the social responsibility management system in a small enterprise? What is the importance, place and conditions of the identification of social irresponsibility manifestations in the social responsibility management system in a small enterprise?*

*The aim of the epistemological article* is to recognize the possibility of identification of social irresponsibility manifestations in the social responsibility management system in a small enterprise. The article is a continuation of the author's considerations presented in her publication: *Methodical dilemmas in research into the social irresponsibility of small enterprise (Dylematy metodyczne w badaniach nad społeczną nieodpowiedzialnością małego przedsiębiorstwa)*. In M. Rojek-Nowosielska (Ed.), *Social responsibility of organization. Measurability of social impact*, Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu, Nr 522 (pp. 128–135), Wrocław: Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu, 2018, ISSN 1899-3192, e-ISSN 2392-0041.

The article presents the following: characteristics of the notion of social irresponsibility of an enterprise, presentation of the specificity of the social responsibility management system in a small enterprise, and manifestations of socially irresponsible activities of a small enterprise, as

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<sup>1</sup>Implementation of complex and multidimensional research processes in the author's scientific achievements regarding identification, evaluation and improvement directions of the social responsibility of a small enterprise with special emphasis on social responsibility management and also conditions and effects of implementing the social responsibility concept allows to identify significant shortcomings and needs in the following areas: theoretical, methodical and practical research subject matter in this group of enterprises (based on selected publications [Sokołowska 2013, 2016; Sokołowska-Durkalec 2018]).



well as the importance, place and internal and external conditions of the identification of social irresponsibility manifestations in the social responsibility management system in a small enterprise.

## Notion of Social Irresponsibility of an Enterprise

Consideration of the social irresponsibility of an enterprise both in the national and world literature of the subject is rare, mainly due to its increasing character and difficulties in defining the relationship with social responsibility (liquid borders and the possibility of recognizing manifestations). Especially in the face of the fact that social responsibility and irresponsibility are not finite physical entity, but they are ideas/concepts that develop, whose manifestations can be found (or not found) in the real conditions of enterprises functioning. It is proper to consider social irresponsibility in the context of the achievements related to the concept of social responsibility and its proper setting in this concept.

The main research trends regarding the social irresponsibility of an enterprise focus on:

- analysis of irresponsible behavior in enterprises and a specific antithesis to formulated postulates of enterprise responsibility towards social groups (Armstrong 1977; Armstrong and Green 2013; Herzig and Moon 2013; Brammer and Pavelin 2005; Lange and Washburn 2012; Perks et al. 2013; Antonetti and Maklan 2016a, b; Williams and Zinkin 2008; Wagner et al. 2008; Pearce and Manz 2011; Kotchen and Moon 2012);
- classification of various components of the concept and research of intentional determined and diversified relations with stakeholders (Lin-Hi and Müller 2013; Keig et al. 2015; Strike et al. 2006; Jones et al. 2009; Windsor 2013); and
- recognizing the relationship between social irresponsibility and responsibility or in the context of a specific continuum in which social irresponsibility is one of the stages/stages of social responsibility, or the

interdependence of both concepts (Lin-Hi and Müller 2013; Strike et al. 2006; Jones et al. 2009; Windsor 2013; Kang et al. 2016; Riera and Iborra 2017).

After revising the most important publications in the subject matter, the article assumes that the social irresponsibility of an enterprise means the lack or insufficient economic, legal, ethical and philanthropic commitment of an enterprise towards internal and external stakeholders/stakeholders.<sup>2</sup>

It can be treated as a complementary conception to the social responsibility of an enterprise or a stage/phase in achieving its maturity.

## **The Specificity of the Social Responsibility Management System in a Small Enterprise—Importance and Place of Identification of Social Irresponsibility Manifestations**

Social irresponsibility concerns all groups of enterprises. Activities of both large transnational corporations and micro-enterprises may result in potential damage to other entities and failure to comply with relevant legal and ethical standards. Then also relations with stakeholders may be based on fraud and manipulation, and the owners or managers make decisions that stand in opposition to their personal values or company values. A special group of enterprises characterized by specific features conditioning differences in the formal, organizational, management, economic, financial and social spheres are small entities. Their small, usually local range of activity, close contacts with key stakeholders,

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<sup>2</sup>The theoretical basis for defining the notion is: (1) a modified four-element model of interdependent and non-graduated areas of social responsibility: economic, legal, ethical and philanthropic—model A. B. Carroll, enriched with elements and assumptions of models from the group *before profit obligation* (mainly Y. C. Kang and D. J. Wood) and (2) stakeholder theory as a basis for the social response model for social responsibility entities (as an achievement of the social responsibility of an enterprise concept) (Sokołowska 2013; Carroll 1991; Kang and Wood 1995; Freeman and Philips 2002).

embedding in the local community, flexible and uncomplicated organizational structures, small scope of formalization, openness to changes, dynamism, special social relations within organizations etc. set out a way to analyze socially responsible as well as irresponsible manifestations of small enterprises activities. And many factors conditioning the tendency to be an irresponsible or responsible small enterprise result not only from an entrepreneur's individual personal-social sphere and his/her relationship with the environment, but also from the specific features of functioning of this group of enterprises.

Embedding social irresponsibility in the social responsibility system of a small enterprise is methodically justified. If we assume that social responsibility is the economic, legal, ethical and philanthropic commitment of the enterprise to internal and external social groups (and individuals); moreover, it can be the subject of a purposeful, rational and institutionalized activity that can become a source of competitive advantage and this institutionalization of commitments is expressed in orderly and pattern-making the category, and then we can talk about the concept of social responsibility. The concept of social responsibility consists of the ideological layer, along with a set of assumptions that constitute it, as well as instrumental, rich in methods, techniques and management tools. In the ideological layer, selected principles/standards developed by international institutions can be adopted<sup>3</sup> or fundamental moral values such as honesty, truthfulness, respect, honesty, keeping the word, etc. being the foundation and facilitation for the realization of activities in accordance with the standards of propriety and law. On the other hand, the instrumental layer of the concept requires a decision on formal<sup>4</sup> or unformalized<sup>5</sup> management. The central figure of the system is an entrepreneur whose attitude towards social responsibility may be more or less passive or active. The passive dimension concerns manifestations of social responsibility, active dimension requires conscious and

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<sup>3</sup>Hence referring to the rules of the Round Table with Caux and the principles of Global Compact and Sullivan, which define the way of acting related to building trust in business.

<sup>4</sup>Using and adapting international guidelines, standards for standardization and evaluation, such as SA 8000, AA1000, ISO 26000.

<sup>5</sup>Using methods and tools borrowed from related concepts such as: human resources management, marketing management, logistics, etc.

purposeful impact on identified areas and entities of social responsibility. A consequence of the active attitude is the management process (instrumental impact on areas and entities) described on a set of sequential steps such as<sup>6</sup>: identifying manifestations of social responsibility, i.e. areas (economic, legal, ethical and philanthropic) and entities of social responsibility (internal entities: owner/owners, manager/managers, employees and external entities: clients, suppliers, local community, etc.), planning (e.g.: declaration of value, location of social goals in the bundle of enterprise goals, development or selection of measuring methods, reporting and shaping social responsibility, etc.), organization (i.e. ensuring appropriate conditions for the realization of the concept: organizational structure, organizational culture, strategic solutions, integration within the existing management system, etc.), shaping (specific socially responsible activities within areas dedicated to entities, using supporting concepts, methods, methods, management tools) and controlling social responsibility (measurement/monitoring of social responsibility (possibly reporting), analysis and assessment of effects as well as corrective actions and introducing improvements) (cf. Sokołowska, 2013, pp. 9–10, 138–139). The effect of the realization of the process are measurable achievements resulting from responsible functioning of an enterprise arising from its responsible management.

An important element in the system is identifying manifestations of social irresponsibility as a complement to identifying manifestations of social responsibility. They are complementary to each other. The manifestations relate to the identification of activities in the areas of: economic, legal, ethical and philanthropic to the internal and external stakeholders of an enterprise. Although in the original meaning they refer to the objective occurrence of these areas and entities, they can be perceived as the first stage/stage in the subjective shaping of this dimension of an enterprise activity, resulting in a conscious realization of the concept of social responsibility. The manifestations may combine passive and active

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<sup>6</sup>In the case of formalized management based on international standards, the sets of management process steps will be different.

attitude, although this division is conventional, and there are intermediate attitudes between them, reflecting the evolution of an entrepreneur's perception of matters related to social responsibility.

There are many activities that can be considered socially irresponsible<sup>7</sup> and these are not only simple, opposing behavior to socially responsible behavior, but also recognition of symptoms of wrong behavior in the framework of activities considered to be proper. What remains to be resolved here is the issue of limits of responsibility, subject and entity of responsibility, as well as establishing sources and criteria for assessing socially responsible and irresponsible behaviors. In addition, manifestations/symptoms are a kind of preliminary and usually incomplete information about real activities, requiring in-depth analysis. Positioning identification of social irresponsibility manifestations in the so-called static or passive (due to the attitude towards social responsibility and irresponsibility) the place in the social responsibility management system is related to the possibility of their elimination or gradual reduction, which obviously does not exclude the analysis of other management elements (the active dimension) through the prism of socially irresponsible activities. In practice, it is impossible to completely eliminate the negative phenomena accompanying the functioning of an enterprise, therefore, discerning the problem of social irresponsibility of an enterprise may facilitate the identification of possible consequences of negative reactions of an enterprise to the expectations of stakeholders and ways to counteract them.

Summing up the considerations concerning the importance and place of identifying manifestations of social irresponsibility in the social responsibility management system in a small enterprise, it should be pointed out that it is, among others things:

- helpful in embedding social irresponsibility in the concept of social responsibility;
- “sketching” a fuller picture of the state of social responsibility and irresponsibility;

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<sup>7</sup>The article does not provide a detailed description of examples of socially irresponsible activities, but a general description of the importance, place and determinants of identification of manifestations.

- partly eliminating difficulties in analyzing the essence and scope of irresponsibility of enterprises (mainly defining the entity and the subject/areas of irresponsibility);
- facilitating the emphasis of uniqueness of social irresponsibility of small enterprises in relation to other types of their organizational and managerial activities;
- an important element/introduction to the process of managing social responsibility, radiating to others: identifying areas and entities, planning, organizing, shaping and controlling social responsibility; and
- “a bridge” between what is still unconscious/unrecognized, but visible, and what is visible, yet unconscious/unrecognized, etc.

All components of the system as well as internal and external organizational relationships are inscribed in the situational context, i.e. a set of internal and external conditions resulting from, among other things, specific features of small enterprise functioning described above.

## **Internal and External Conditions of the Identification of Social Irresponsibility Manifestations in the Social Responsibility Management System in a Small Enterprise**

In principle, there is no unambiguous interpretation of individual behaviors of enterprises as irresponsible, which all the more points to the difficulty of the raised issues and indicates their multithreading and complexity. Different assessment of behaviors is influenced above all by individual factors, both concerning the entrepreneurs themselves, as well as managers and other employees and other stakeholders who are in constant or incidental contact with an enterprise. Other key factors include internal organizational factors, especially organizational and management as well as social ones, and those coming from closer and further environment of a small enterprise.

Identification of social irresponsibility manifestations in the system of managing social responsibility in a small enterprise is precise issue,

which primarily depends on the attitude (system of values, level of awareness, knowledge and behavior) and the activities of an entrepreneur. The owner of a small enterprise may have difficulty identifying manifestations of social irresponsibility. Without proper preparation (awareness of the significance of the problem and knowledge about it) and provision of the instrumentation, recognition of irresponsible behaviors may turn out to be imperfect or impossible at all. Moreover, the diversity of relationships with the company's stakeholders, their different goals and expectations, as well as the scope of authority/power should be taken into account. Significant conditionings also are: the rule of reciprocity in dealing with stakeholders, the natural asymmetry of information and privileges and the cognitive abilities of entities. Additionally, the discrepancy between the motives, the implementation of tasks and the effects may arise as key problem.

An entrepreneur may show a harmful/negative, indifferent or active/positive attitude to manifestations of social responsibility and irresponsibility (existing and intentionally not being identified activities within economic, legal, ethical, philanthropic areas towards internal/external stakeholders/stakeholders) or consciously manage social responsibility. Then, he/she fully consciously and intentionally influences the areas and entities, identifying them, and also plans, organizes, shapes and controls social responsibility and irresponsibility. It is, thanks to his/her proper analysis of a phenomenon and location in the situational context, i.e. internal and external conditions, possible to move along the continuum line from irresponsible, through neutral, to responsible actions (apparently, their grading may be important, especially when building a model of social responsibility maturity) (cf. Sokołowska-Durkalec 2018, p. 131). It is also possible that an entrepreneur is completely intentionally acts in an irresponsible way, seeing his benefits in it. What is more, the entrepreneur is convinced of the legitimacy of unlawful or unethical activities, maneuvering/straddling between what is forbidden and allowed. Similarly, the case looks with moral competence of employees. Although moral condition, including values professed and respected by an entrepreneur, radiate on all enterprise activities and are usually encoded in the guidelines and procedures, one should

be expected autonomous behavior of employees who more or less intentionally make mistakes so acting to the detriment of the company and external stakeholders.

An important determinants are the organizational conditions that are appropriate and friendly to reveal socially responsible attitudes, such as: flexible organizational structure, team work, pro-social organizational culture, strategic solutions strengthened by a set of declared and respected values, formulation of a code of ethics, etc. For the fully comfortable conditions to assess irresponsible activities, the impact of closer and further environment participants will be significant along with a strong institutional environment with developed mechanisms for law enforcement and legislation, ethical social norms, a culture of ethics and community behavior, etc.

Summarizing the considerations, it should be stated that the identification of social irresponsibility in a small enterprise (despite its quite fragmentary character from the perspective of the entire social responsibility management system) depends on internal conditions related to an entrepreneur's attitude towards social responsibility and irresponsibility and its institutionalization in the enterprise's operations, the scope of power and the strength of internal stakeholders' impact and favorable or unfavorable organizational and managerial solutions, etc. Whereas, external conditions include: conditions related to the further environment of a small enterprise: economic, political and legal, socio-cultural, technical and technological, and conditions related to closer environment—the economic and social situation of the market, branch, scope of power and the influence of external stakeholders, etc.

## Conclusion

The issues of identification of social irresponsibility manifestations and placing it in the social responsibility system of a small enterprise is not an easy task. This article identifies a problem from the manager's perspective and proposes consideration of the importance, place and conditions of identifying manifestations of social irresponsibility, omitting methodological threads. The limited scope of the study also did not allow



to introduce possible symptoms of social irresponsibility in: economic, legal, ethical and philanthropic areas to internal and external stakeholders, but also the effects of social identification of irresponsibility and consequences for other elements of social responsibility management, etc., in theoretical, empirical and application dimensions, which may be the basis for the author's subsequent publications.

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# Corporate Social Innovations on the Polish Market

Katarzyna Bachnik  and Justyna Szumniak-Samolej 

## Introduction

Social expectations for business active involvement in implementing sustainable development solutions are growing (Joyce and Paquin 2016). This thesis is confirmed by current events. In January 2019 during World Economic Forum in Davos over three thousand actors from the world of politics, business, non-governmental and international organizations, science, art and media were debating under the slogan: “Globalization 4.0: Shaping a New Global Architecture in the Age of the Fourth Industrial Revolution” (Mathuros 2019). Fourth Industrial Revolution (or Economy 4.0) is a term coined few years ago by Klaus Schwab (Beniak 2019). Globalization 4.0 is a broader concept that includes Economy 4.0. Their

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K. Bachnik (✉)

Hult International Business School, San Francisco, CA, USA

e-mail: [katarzyna.bachnik@faculty.hult.edu](mailto:katarzyna.bachnik@faculty.hult.edu)

J. Szumniak-Samolej

SGH Warsaw School of Economics, Warsaw, Poland

e-mail: [Justyna.Szumniak@sgh.waw.pl](mailto:Justyna.Szumniak@sgh.waw.pl)

common base is a technological transformation in such areas as “artificial intelligence and machine learning, the internet of things, autonomous vehicles, drones, precision medicine and genomics, advanced materials, smart grids, robotics and big data” (World Economic Forum 2019b, p. 5). Globalization 4.0 includes furthermore three other simultaneous and interacting global processes: (1) set of pressing ecological imperatives (including global warming), (2) growing multipolarity of international relations and plurilateralization of the world economy, (3) rising social dissatisfaction within many countries regarding the inequity of socio-economic outcomes from economic growth (World Economic Forum 2019b, p. 5). Facing these challenges, the World Economic Forum calls for a dialogue on a global, multi-stakeholder basis about the meaning of Globalization 4.0 for the international cooperation, governance architecture and needed actions and modifications (World Economic Forum 2019b, p. 5). According to Klaus Schwab, “this fourth wave of globalization needs to be human-centered, inclusive and sustainable” (Mathuros 2019). To meet these challenges, among others, some opt for the Fourth Social Revolution, which should accompany the industrial revolution. Importantly, it was pointed out that a crucial role in creating the architecture of this revolution should be played by the business community, which was urged to conduct moral entrepreneurship, and CEOs were encouraged to boldly show shareholders a new way of looking at business (World Economic Forum 2019a).

The threads raised during the Davos forum are a logical continuation of the international community’s view of the problems and challenges of the contemporary world in recent years. The previous significant event was the adoption by all United Nations Member States in 2015 of the document “Transforming our world: Agenda for Sustainable Development - 2030” containing the 17 Sustainable Development Goals (SDGs), which indicate the most important social and ecological challenges that the international community should work on (Global Compact Network Poland 2019). It is highlighted that all actors in the socio-economic system, including business, play an important role in implementing SDGs (United Nations 2019). Melissen and Moratis (2016, p. 9) even say that business plays a special role in this process,

since it is a powerful force co-shaping human lives and surroundings, being simultaneously part of the problem and a solution.

Here the fundamental question arises: how to combine achieving business goals while implementing SDG's? How to offer competitive products and services taking into account the limitations resulting from the protection of the natural environment and care for the society? One of the possible approaches is the perspective shift resulting in treating the sustainable approach to development not as a limitation, but as a challenge that favors creative processes (Boons et al. 2013). There is a widespread agreement that the challenges of sustainable development have a great potential for innovation and new business solutions (Hansen et al. 2009). One of the trends under this approach is corporate social innovation (CSI), to which this paper is devoted.

## Corporate Social Innovation in Theory

Corporate social innovation is one of many terms to frame the umbrella concept of “good” in business. Among the other concepts one can mention: corporate social responsibility, community relations, global citizenship, corporate philanthropy, shared value, and cause-related marketing (corporate societal marketing).

Corporate social innovation is an interesting evolution of CSR concept because it brings together three worlds that are interdependent and their well-being rests upon the other two. The innovative component addresses the need to look at a problem or a challenge from a totally new angle. It questions status quo bluntly stating that current state is not good enough. It requires to test assumptions, to experiment with crazy ideas, to pivot with viable options and then to implement the option in an efficient and effective manner. The social component underlines the need to understand the “customer” of a prospective solution and their environment. It enforces to uncover the reasons why the problem has arisen, what is the root cause of distress and frustration, and also to identify which solutions might be manageable and implementable—in a sustainable manner—by the particular “customer”. The corporate component brings companies to the table with their own agendas and a handful of

resources. As dealing with social issues is resourceful, the engagement of companies in the process is necessary. Yet, it takes a great understanding on the part of companies to realize that it is in their own interest to get involved in social issues.

The sole definition of the concept, introduced by World Economic Forum, ascertains that social innovation is “the application of innovative, practical, sustainable, market-based approaches to benefit society in general, and low-income or underserved populations in particular” (2016). The “corporate” prefix in the term indicates the involvement of businesses in the process of creating and delivering these approaches. Corporate social innovation then essentially builds upon and expands the Porter’s and Kramer’s idea of shared value that focuses on the connections between societal and economic progress (2006, 2011), where societal challenges are pursued by organizations in ways that create tangible business benefits.

In order to speak about CSI strategies, three conditions need to be met:

- “They are directly aligned with the company’s innovation agenda and business strategy.
- They leverage a company’s core for-profit assets, such as human capital, value chains, technology or distribution systems.
- Increasingly, they are managed from within a firm’s core operations or business units”. (World Economic Forum 2016)

CSI can be perceived as another step from corporate social responsibility (and shared value). In order to make this transformation happen, companies must undergo several changes, both in their mindsets and practices. Corporate social innovation is more strategic and more collaborative. Companies willing to embrace companies willing to embrace it shall consider the following: to embed a social purpose/social vision; to define strategic intent/social need; to get support internally (employees); to create innovation structure/process; to build partnerships and co-create with external stakeholders; to design measurements of social and

business value; to use connective technology and social media for innovation (Googins and Mirvis 2012; Mirvis et al. n.d.; Pfitzer et al. 2013; Violo 2018).

These efforts are aimed at accomplishing several tasks. Firstly, the company shall perceive their social and innovative engagement as strategic imperative. In order to expand on the scale of this engagement, they shall accomplish a larger and more enduring contribution on the part of various stakeholders: the power of co-creation and cross-pollination that stems from the right use of technology and social media is a good direction here, still these are employees that form the most powerful group here. Strategic initiatives take place only when employees are aligned with them. It is possible to unlock this human potential with many tools that require a varying level of time, effort and motivation, such as intrapreneurship initiatives and community driven volunteering schemes. Also, sustainability needs to have support from top executives to take effect, and getting top executives on board entails also setting measurable goals so that it is possible to analyze and evaluate every undertaking. Organizations must also learn to form partnerships—especially with institutions that are not perceived in the first place as potential allies. Organization can scale social innovation through collaboration, especially if it is able to create a network of diverse communities and institutions willing to contribute and engage. Kramer and Pfitzer (2016) encourage to build ecosystems of share value. The rationale stays true for CSI.

Although NGOs have different agendas, they might also possess a unique set of skills and local expertise that helps companies to understand what are the underserved segments and what are the unmet needs of particular segments and then decide if they can address those—profitably. Extensive, high-quality market research is another path to gain insight into the underserved segments and the unmet needs, as well as to develop understanding of the underlying social conditions and to design solutions that might change these conditions. The unlikely connections, on the other hand, shall be also built within the organization—it entails breaking down organizational silos and facilitate cross-organizational flow of ideas and people.



The application potential of CSI is recognized by many market players. These are both leading companies such as Shell, Abbott Laboratories, Dow Chemical, and IBM, start-ups designed by social entrepreneurs and innovators, and also a diverse set of NGOs, including Ashoka, Kiva and Taproot (Googins and Mirvis 2012). All are using the models and methods of social innovation to move their development aspirations within particular communities to another level, no matter whether they refer to transformative products (like safe and affordable cook-stoves), services (higher-quality and affordable nutrition) or partnerships with local small businesses and non-governmental organizations in the developing world.

The application potential of CSI is also vast. To identify the spectrum, it is logical to tie the social innovation opportunities with different business benefits that companies can generate from the involvement. In other words, the spectrum of social innovation opportunities reflects the range of business benefits. In effect, four broad clusters can be identified, and within each few more detailed options (see Table 1).

The chances are that one organization might find more than one cluster relevant. Yet, specific opportunities will be driven by multiple factors including a company's operating environment, geographic footprint, product portfolio, supplier base and raw material dependencies, and talent models.

**Table 1** Application of corporate social innovation via business benefits

<p><b>Build future markets</b></p> <ul style="list-style-type: none"> <li>• Design new products and services</li> <li>• Serve new geographies or customers</li> <li>• Expand sales and distribution</li> </ul> <p><b>Invest in talent</b></p> <ul style="list-style-type: none"> <li>• Explore new sources of talent</li> <li>• Build tomorrow's workforce</li> </ul>	<p><b>Strengthen supply chains</b></p> <ul style="list-style-type: none"> <li>• Ensure stable supply and prices of raw materials</li> <li>• Increase product quality and price premiums</li> <li>• Enhance customer engagement</li> </ul> <p><b>Leverage finance</b></p> <ul style="list-style-type: none"> <li>• Gain market insights and brand recognition</li> <li>• Generate financial returns</li> </ul>
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Source: World Economic Forum (2016, p. 7)

## Research Questions and Method

Given the above, there are two main research questions of this chapter: (1) Are there any examples of CSI implementation in Poland? (2) What types of business benefits are assigned to identified social innovation examples?

The choice of a probe was intentional and subjective. The purpose of the research was to pre-illustrate CSI phenomena in Poland, therefore the authors have chosen the organizations that best illustrate the possible link between social goal and business strategy and that account for interesting, complex and well-thought out solutions. The collection of final examples illustrates how broad the application of CSI might be.

## Results: Corporate Social Innovation in Poland

Below are examples of some business applications of CSI from the Polish market described.

Five App (n.d.) is the world's first sign language messenger. It was envisioned originally as a lifestyle app for teenagers that pivoted into an app for sign language users. For the moment, the new product is a result of collaboration of creators, developers, graphic designers and deaf people. The market gap was identified and network of various stakeholders created to engage and empower millions of people who are deaf or hard of hearing.

K.I.D.S. (*The Heart*, n.d.) is a social venture launched by *The Heart* which is a "corporate startup factory" building an ecosystem of large corporations and the network of startups to co-create new business ideas. The aim of the K.I.D.S. social venture is to transform the famous Polish children's hospital—The Children's Memorial Health Institute into one of the most innovative hospitals in Europe. To meet this goal, it operates as a platform where the innovation needs of children's hospital are being matched with organizations that can support them with their know-how, technology and money. K.I.D.S. successfully engages 120 experts from the hospital, business and NGO world creating a network that allows both ideas and resources to flow in multiple directions.

KOKOworld (n.d.) operates in a slow fashion business. The aim is to provide customers with high-quality and long-lasting outfits, sold in brief batches, and to increase customer awareness of overspending. The company tries to encourage minimalistic shopping patterns by providing durable and stylish clothing and to get customers interested in cross-cultural aesthetic values by employing artisans and craftsmen in distinct locations, namely by building bridges between Africa, South America, North Asia and Poland. All is done with adoption of fair trade regulations and eco-friendliness.

Rec.on (n.d.) is a studio that creates modern, eco-friendly and socially engaged designs, from loft lamps to industrial accessories. Assuming that good design should serve people, be ergonomic and functional, the company's business model is based upon upcycling: using a unique upcycling process, Rec.on transforms used, unwanted car parts, recycled glass and wood from building demolitions into new, high-quality, functional designs, adding style and an industrial aesthetic to any interior. In effect it contributes to reducing the waste, especially from automotive industry. As all designs are hand-made, the manufacturing is eco-friendly. The company also increases the customers' ecological awareness by promoting upcycling as stylish and "designy". It also gives employment to Ghana local community.

Samsung (2019) has opened in Bialystok a third incubator for startups from Eastern Poland. Being the first place of this type in the world, it offers startups workspace, access to new technologies and a support of experts in order to create solutions aiming at the UN Sustainable Development Goals. Additionally, the best ideas can receive a financial support from Samsung while retaining full copyrights on their concepts. The incubator's space is open for the local community to activate people, promote SDG's, educate children and encourage cooperation with local institutions and companies.

Table 2 illustrates how business benefits of CSI are assigned to the analyzed Polish case companies.

**Table 2** Business benefits from corporate social innovation in analyzed case companies

Name of the company	Business benefits
Five App	Design new products and services, increase product quality, explore new sources of talent, build tomorrow's workforce, enhance customer engagement
K.I.D.S.	Design new products and services, explore new sources of talent, build tomorrow's workforce, gain market insights and brand recognition
KOKOworld	Design new products, serve new geographies and customers, increase product quality, enhance customer engagement, explore new sources of talent, gain market insights and brand recognition
Rec.on	Design new products, explore new sources of talent, enhance customer engagement
Samsung	Design new products and services, serve new geographies or customers, enhance customer engagement, explore new sources of talent, build tomorrow's workforce, gain market insights and brand recognition

Source: Own study

## Conclusion

By showcasing vivid examples of companies that follow the CSI idea with great results/outcomes yet operating on developing market, the authors show that doing well by doing good is worth it. Kotler et al. (2012) argue that “a commitment to doing the right thing is no guarantee of winning in the marketplace, but over the past 30 years numerous companies have demonstrated that you can simultaneously build a better world and the bottom line”. They also believe that intelligence, commitment and finesse is required in order to create successful marketing and corporate social initiatives. CSI calls for organizations to step up, lead the way and inspire consumer behavior changes. On the other hand, these are also the pressures from customers that organizations take responsibility for solving the challenges surrounding them and reinstating ethical, socially-sound industry standards. As the authors see it, apart from the internal competences, the organizations must adopt to external environment with

their endeavors. The broader audience seems to cheer for them. The findings of the latest Edelman Trust Barometer (2019) are optimistic: 73% of respondents (on average, within 27 markets) states that a company can take specific actions that both increase profits and improve the economic and social conditions in the communities where it operates.

On top of that, social innovation might be more and more relevant to business because growing number of investors are including social and environmental considerations into their performance metrics and investment decisions. Also the metrics aimed at evaluating long-term performance of CEOs shift in the same direction. As Lars Rebien Sørensen of Novo Nordisk, ranked the best performing CEO in the world in 2015, puts it: “In the long term, social and environmental issues become financial issues” (Ignatius 2015).

In this context it is important to mention that CSI apart from being one of many different activities undertaken by the company in the social area, may be also treated as initial and basic idea for a whole business model. In such a case social innovation is a “heart” of the company and influences not only products and services offered, but also other business operations and processes (e.g. production process, supply chain, communication, resource consumption). In this perspective a company “has the purpose to and does realize economic success through (not just with) an intelligent design of voluntary environmental and social activities” (Schaltegger et al. 2012, pp. 97–98). Such approach is called a sustainable business model and may be seen as the higher level of implementation of CSI into the business practice (Bocken et al. 2014, p. 44). Among the companies analyzed in this chapter KOKOworld and Rec.on are the examples of sustainable business models.

## Limitations and Future Research

This chapter contributes to the existing understanding of corporate social innovations by establishing the CSI concept in Polish marketplace and by providing tangible examples of CSI implementation. The authors are fully aware that the research is preliminary and of introductory value, and

as such it requires further attention. The next step goes beyond qualitative study and entails more quantitative approach that shall be founded on regional theoretical review.

The authors believe that there is a great need for developing models and tools to support planning, implementing and assessing corporate social innovations. They also recognize that next developments are needed. Sustainable business models as well as the relationship between business models, innovation and sustainability are gaining attention and begin to be increasingly discussed by academics and practitioners (Breuer et al. 2018, p. 259). Together with CSI they provide a framework for new solutions. What is more, the same way shared value concept was criticized a lot for not providing ethical frameworks (Reyes et al. 2017), there is a need to develop norm-making and norm-taking frameworks for CSI too.

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# **CSR in Poland—Institutional Perspective**



# Social Responsibility at Polish Universities: Based on the Example of WSB University in Wrocław

Anna Brdulak 

## Introduction

Over time, the way companies function has changed. The social aspect of business operations and the fact that companies were socially aware while acting on the market, apart from making profits only (Bowen 1953; Carroll 1999; Frederick 1994) became more and more important. The dynamic development of the idea of social responsibility occurred from 1930, from the first mentions. Growing conviction about the responsibility of enterprises, not leaders, and also the debate over the self-assessment of that responsibility came from the turn of the 1970s and 1980s. Introduction to the theory of stakeholders, drawing attention to the corporate social sensitivity or belief in the need to inform society is

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A. Brdulak (✉)

Department of Management Systems and Organizational Development,  
Faculty of Computer Science and Management, Wrocław University of  
Science and Technology, Wrocław, Poland  
e-mail: [anna.brdulak@pwr.edu.pl](mailto:anna.brdulak@pwr.edu.pl)

the 1990s. After 2000, the stakeholder perspective and sustainable development were promoted and implemented into company's approach.

After decades of development, CSR has become a global issue. Currently, CSR practices can distinguish activities related to environmental protection, corporate governance, protection of human rights or management of stakeholders from various groups associated with the company. Undertaking CSR activities gives corporations the opportunity to improve reputation, stimulate innovation and increase competitive advantage in the market. In addition, in accordance with the CSR assumptions, corporations strive to involve local communities in selected areas of the company's operations.

The idea of CSR is used not only in companies. For several years, there could be also observed the call for increased community engagement of the higher education sector as well as for the implementation of concepts at universities. The aim of this article is to present the approach of WSB University in Wrocław's employees toward the meaning of the University Social Responsibility (USR) concept in four basic areas of the university's activity: external relations, internal relations, conducting research and education. The conclusions will be made on the basis of the primary-source research, conducted by authoress between September 2018 and December 2018 at the private-hold WSB University in Wrocław.

## State of Art

The subject of USR is still present in the latest international scientific literature. For the purposes of this article, the Scopus database was searched. As for the result, a total of 28 English-language publications on the subject were found. All have been published in the last 3 years (2017–2020). The search was limited to keywords. And so for the word: *Social Responsibility* the most, i.e. 13, publications were received and for the second keyword in order, University Social Responsibility—12. *USR* as a term, was used, in four articles.

While in his article, Geryk (2020) starts with the reflections on the essence of USR, indicating new trends related to the concept, Ayala-Rodríguez et al. (2017), El-Kassar et al. (2019), Yousif (2019),

Nuchprasop et al. (2018) and Jung et al. (2019) focus on USR from the perspective of student research. The authors also analyze how the students perceive university's social responsibility as well as what is their impact on introducing USR assumption into the universities strategy.

In turn, the research carried out by Latif (2018) in his publication aims to develop and validate the scale of measurement of university social responsibility by capturing the key determinants that best determine the university's social responsibility.

The purpose of the article, which is to present the results of the research of employees of WSB University in Wrocław and their opinions on USR issues, may be in line with the above literature considerations, filling the research gap. It seems that research that are conducted at private universities, not having USR assumptions included in their strategies, could be hardly ever found.

## University Social Responsibility—The Main Assumptions

A recent attempt, under the notion of USR, has received much notice given the dynamically changing environment in the higher education setting. Especially the commercialization of higher education with the increasing trend of for-profit higher education has gained much attention (Morey 2004; Vasilescu et al. 2010). While universities are steering towards the market mechanism but still have much autonomy and academic freedom, social responsibility becomes the normative expectation of nowadays organization (including university) by the general public (Vasilescu et al. 2010).

The rankings on the social impact of individual universities exist both on a global scale and in Europe. As an example, it could be mentioned a reputable the new Times Higher Education (T.H.E.) University Impact ranking (2019). According to its results, one of the top and the most prestigious Polish universities is placed accordingly at 601–800 position, while the leader is University of Oxford (UK). This is one example of an attempt to measure University Social Responsibility in different contexts and reference areas.

On one hand, some traditional top universities still focus on the narrow perspective on knowledge (e.g., technical rationality) and enjoy the prestige gained from academic “ivory tower” (Hoyt and Hollister 2014). On the other hand, other newly established universities benefit from the “massification” and rapid expansion of higher education system, primarily focusing rather on student enrolment and providing traditional curricula (Basken 2016, p. 3).

Apart from the reactive response to the accountability issue towards the society and particular groups of stakeholders, USR could also play a crucial role in the societal development. According to Herrera (2009), the educators need to be creative and use multidisciplinary strategies to ensure the sustainable development of people, while USR is one such approach. It is due to the fact that USR includes wide ranges of actions and processes, helpful in facilitating the greater alignment between the university and the societal need in an appropriate manner and with a strong sense of ethics. Herrera even claims that the USR is now indispensable, because globalization and over-reliance on economic development have created many social problems that the university could solve by using its knowledge. “This approach is of great importance due to the fact that globalization and the application of neoliberal economic development models have led to social crises that universities must respond to, providing innovative solutions to the complexity of current problems at national and regional level” (Herrera 2009, p. 40). Therefore, although the traditional and civic mission of higher education is slowly changing into a profit based approach in some higher education institutions, raising the rank of USR could not only repeat the often ignored or, in some cases, even lost, higher education mission, but also support the spirit and aspirations of educators for the greater good of the society.

The issue of implementing the principles of social responsibility of the university seems particularly valid in relation to Polish universities. Their low position in the international rankings, according to which the Polish oldest university closes the list of 500 universities, tends to be unacceptable. In this context, it is worth mentioning, that there are many initiatives, especially legislative ones, taken as a base of changes planned. They will not be possible without the support of budgetary funds and the EU funds dedicated to the university. However, this effort is inevitable.

Improving Polish universities' position on the international arena will not only have a positive influence on the image of the university. It will also allow to easier raise funds for research, which are necessary from the Polish universities perspective (Geryk 2013b, pp. 95–110).

According to Wilkin, the most difficult challenge of universities at the beginning of the twenty-first century are “effective ways of preserving the axiological and functional foundations of the university as an institution of long duration and at the same time adapting it to new civilization conditions” (Wilkin 2013, pp. 25–30). Sowa believes that despite technological progress and changes in the way of living (Sowa 2013, pp. 47–57), university tasks are basically fixed and immutable. They include research, teaching and social service. The next section of this article describes the results of the primary-source research, conducted among one particular group of stakeholders, i.e. employees of WSB University in Wrocław (WSB), during the last quarter of 2018.

## **USR at WSB University in Wrocław—Primary-Source Results**

The questionnaire used for the WSB quantitative research was provided by the SGH Warsaw School of Economics. SGH Warsaw of Economics agreed to share the research questionnaire, which was used in the survey of employees of WSB University in Wrocław in an unchanged version. The results of the research project conducted at SGH are made public in scientific articles published by the research team from Warsaw School of Economics (Dąbrowski et al. 2018).

As it was mentioned previously, the project started at the end of September 2018 and last up to December 2018. The total number of respondents was 45. The group consisted of both, administrative and scientific-didactic employees. Due to the small number of respondents and rather homogeneous group of stakeholders—research and teaching staff (51.1%) and administration (55.6%, multiple choice answers were possible, so the result does not have to add up to 100%)—the results should be treated as a clue rather than hard data. The following areas were analysed: international and external relations, the research area and

the area of education. As a summary, at the end of the results description there were recommendations provided by the authoress together with the possible directions of further research. The results were also presented during the international conference in Lisbon in November 2018.

## **The Area of Internal Relations**

In the research conducted at WSB, in the case of internal relations, 100% of the respondents (answers: definitely yes and rather yes) were of the opinion that, first of all, a university should provide development opportunities for its employees. Respondents outlined the need of dialogue between the managers and employees, counteracting discrimination and mobbing, engaging in dialogue with students and respecting their rights (97% each) as further important activities within USR. The reason for choosing such answers may be the fact that mainly university employees took part in the survey. In this context, however, the previous results may be questionable. According to them, internal relations as the most suggested area for USR implementation were ranked third only, following internal relations and education. Employee volunteering (65%) and student volunteering (79%) enjoyed the least support at WSB. Given the previous results, this may indicate that the basic needs of internal stakeholders related to a good and sustainable working environment must be met first. Only later can programs on a more advanced level be created.

## **The Area of External Relations**

When evaluating specific USR activities in the area of external relations, according to the majority of respondents by far the greatest emphasis should be placed on compliance with ethical standards in contacts with the environment and participation in shaping the social and economic reality (97% of definitely yes and rather yes answers) and on relations with local communities (94%). Respondents attached the least importance to charity activities (76%). These results may indicate a high awareness of the role played by the university in the system of relations between

different types of market entities and responsibility for the quality of these relations.

## **The Area of Research**

The next analyzed area concerned the importance of research within university social responsibility. As many as 88% of employees believed that the ethics of scientific research should be observed at a responsible university (73% of definitely yes answers). According to 79% of the respondents, research conducted at a responsible university should concern the subject of sustainable development, responsibility and ethics.

## **The Area of Education**

At WSB for almost all stakeholders (97%) the most important in the context of USR was the provision of high-quality education with appropriate adjustment to market expectations (94%) and the training of specialized personnel (94%). 82% of respondents see a need for increased efforts to educate the public, both within the university of the third age and children's university. After comparing the expectations towards a responsible university with the current practice of WSB, it can be concluded that the university should place greater emphasis on the development of the educational offer addressed to senior citizens and children, improving the quality of education and education in the field of organizational ethics, social responsibility and sustainable development. Moreover, the high rate of hard to say or don't know answers may suggest that it will be necessary to improve the information flow among internal stakeholders.

## **Focus Areas in the Process of Building a Social Responsibility Strategy—Recommendations**

At WSB nearly half of the respondents (47%) declared that they did not undertake any SR (Social Responsibility) activities, what could be a bit



surprising. However, it should be also outlined that WSB didn't sign any document regarding USR strategy, which could be perceived as a support for undertaking such actions. 41% of the respondents are active in the field of education, and more than one third of them (multiple answers were possible, results do not add up to 100%) put emphasis on internal relations. It may be worrying that as many as 35% of the respondents, when asked about raising the subject of corporate social responsibility (CSR) during their classes, gave a negative answer. One third had no opinion on this. Similar results were obtained after posing the question about sustainable development (32% of answers were: I don't raise this subject, and 32% were: Hard to say). It should be stressed, however, that 50% of the respondents raised the issue of business ethics during their classes.

The presented results clearly indicate the existence of huge implementation and educational potential, in particular for stakeholders who currently do not take any action in the field of social responsibility. There is a need for further research in this area, deepening the existing knowledge and initiating dialogue between internal and external stakeholders of the organization. This opens up space for initiating relations between all groups of people involved in the activities of the university and then developing a coherent strategy document.

Summarizing the results obtained, it should be emphasized that there is a possibility to continue the study in the future, i.e. at different university and/or among different types of stakeholders. Therefore its scope could increase. The group of employees will also be joined by other stakeholder groups, including students, business partners of the university and other cooperating organizations.

## **The Future of Polish Universities—Suggested Directions for Development**

Considering the further directions of the development of universities and their social role, it should be emphasized that universities nowadays have double mission: providing education and conducting scientific research. In the current situation, these activities seem to be too narrow.

Referring to the results of research carried out at WSB University in Wrocław, it may be stated that the implementation of the assumptions of the USR concept is becoming more and more important. Greater attention to the relationship between managers and employees may result in better identification (i.e. loyalty) with the university, as well as increased motivation in the activities of a group of employees. Therefore, taking into account the needs of shareholders, the assumptions of USR, introduced into the organization, could in the end influence on the improvement of quality of work performed by employees and also be beneficial to the entire organization.

Universities should emphasize not only the proper shaping of relations with internal stakeholders, that is, scientific-didactic and administrative employees. They should also seek ever closer cooperation with the region and active participation in solving current social or economic problems (Koj 2013, pp. 58–60).

However, universities should not only move towards socially responsible activities, but these activities should take into consideration broader dimensions as well as the precisely prepared strategy. Being care about the development of good relationships and transparent communication between various groups of stakeholders tends to be crucial from that perspective. For that reason, the university should be managed by a well prepared and aware managers. It seems, that the most important thing is to actively take the floor on issues related to the future of the public and to do so from the duty and awareness of responsibility for the well-being of stakeholders (Geryk 2013a, pp. 74–81).

According to Woźnicki, “both, institutional mission and institutional culture are closely connected.” He emphasizes that maintaining the status of a public trust institution is indispensable for the fulfillment of the mission (Woźnicki 2013, pp. 87–92).

The need for constant observation of the environment is indicated by A. Elias. Changes occurring outside the university should initiate similar activities within the structures of educational organizations. For that reason it is necessary to make these changes happen. The author draws also attention to the fact that that there exists a huge gap between universities and professional universities. The mentioned gap could be

successfully fulfilled by the academic universities (Eliasz 2013, pp. 104–109).

## Conclusion

Creating and maintaining good relations of each organization with the environment is one of the challenges of the future. For the university, being one of the subjects responsible for a dialogue seems to be influential for its educational offer or for choosing the profile of scientific research, what could be an added value for the described institution.

A variety of dilemmas of essential importance or questions, whether the chosen direction of development is the right and the unique one or it is only an ineffectual imitation—they are absorbing the university managers. On the other hand, there is a temptation of a great reward for those organizations that are able to create innovative services or products, but also management techniques. In this context, it seems that the USR can be an effective tool for gaining an advantage on the more and more competitive market of the universities. The principles of the SR concept, included in the university's business model, can provide a solid support for in the broad sense cooperation between various groups of stakeholder, i.e. society, business, non-profit organizations as well and any other institutions.

Those universities which will manage to survive the difficulties of the coming years would have a real chance to gain knowledge allowing the organization to last for the decades. Focus on the core business or ongoing evaluation of the achieved results could be a good predictor for further development (Christensen & Eyring 2011, pp. 400–401). The ongoing debate over the future of higher education in the country and the multitude of prescriptions for healing seem to allow to be positive about the future with hope. Most recommendations are related to relations with the environment, closer ties between the business sector and improvement of the quality of education. It seems that currently the university managers are aware of the inevitability of changes. It can therefore be concluded that responsible relations with various groups of stakeholders, both external and internal ones, may prove to be the only factor that

guarantees universities' survival and unhampered development. Also the growing public awareness of expectations in relation to institutions of public life is a trigger that drives the universities for changes. Universities have to start a dialogue with their stakeholders. The change should be introduced as soon as possible due to the fact, that there is a possibility the economy will survive without a university. However the university without students or receivers of scientific results—unlikely.

According to Orłowski, it is crucial for the universities to focus their efforts on improving the quality of education as well on supporting pro-innovative attitude of the employees and students, strengthen their team spirit and openness to change. Another important task is to transform the university into an active participant in the 'knowledge industry' that would stimulate economic and social development. The development of Polish universities should go in a new direction—leading to the social role of the university (Orłowski 2013, pp. 179–183).

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# Social Responsibility of Universities and Colleges: The View of SGH Warsaw School of Economics Stakeholders

Halina Brdulak , Tomasz Dąbrowski ,  
Ewa Jastrzębska  and Paulina Legutko-Kobus 

## Introduction

Assessing an organization from the perspective of social responsibility is becoming an increasingly significant way to authenticate its activities and strengthen its reputation. This is related not only to the search for a new way to compete in the global world, but also to the increase in environmental threats and an increase in the level of responsibility for negative changes occurring in the global environment. In the integrative trend

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H. Brdulak (✉) · T. Dąbrowski · E. Jastrzębska · P. Legutko-Kobus  
SGH Warsaw School of Economics, Warsaw, Poland  
e-mail: [halina.brdulak@sgh.waw.pl](mailto:halina.brdulak@sgh.waw.pl)

T. Dąbrowski  
e-mail: [tomasz.dabrowski@sgh.waw.pl](mailto:tomasz.dabrowski@sgh.waw.pl)

E. Jastrzębska  
e-mail: [ewa.jastrzebska@sgh.waw.pl](mailto:ewa.jastrzebska@sgh.waw.pl)

P. Legutko-Kobus  
e-mail: [paulina.legutko-kobus@sgh.waw.pl](mailto:paulina.legutko-kobus@sgh.waw.pl)

concerning research on social responsibility, represented, among others Drucker and Kramer dominate the view that the occurrence of social and environmental problems should be treated in terms of new opportunities (market opportunities) that may arise in connection with their resolution (Drucker 1984; Porter and Kramer 2006, 2011). In addition to business organizations that are trying to implement the ideas of social responsibility in their strategy, also universities have recently taken action in this direction. It was recognized that the mission of the university—to serve the whole society—is not sufficient to build the university's competitiveness in the context of global challenges, such as, for example, decreasing the population of young people and increasing the participation of older people in the societies of European countries.

Other factors determining the inclusion of a corporate social responsibility strategy in the overall strategy of universities include: a general increase in the popularity of the topic of social responsibility and its active promotion within international initiatives and organizations such as the UN Global Compact and the European Union, increased competition on the education market, forcing the search for new opportunities to gain advantage by using fields that have not been developed so far to strengthen the university's reputation, the expanding and thickening network of university stakeholders whose evaluation and the supporting behaviors associated with it (or lack thereof) become key to the conditions of functioning of these entities, increasing the size of universities and their campuses, making them organizations characterized by significant consumption of resources, such as energy or water, and having a growing impact on the environment.

## **Theoretical Background—An Evolving Concept of Social Responsibility**

It was back in the 1950s that social responsibility research started off, focussing on business corporations and taking diverse evolutionary paths (Maignan and Ferrell 2004). Initially the main question was, what constitutes corporate social responsibility? Some scholars tended to confine



the notion to economic commitments (Levitt 1958; Friedman 1962), while others took a much wider view (Frederick 1960; McGuire 1963; Davis 1973). In the ensuing discussion (Carroll 1979; Elkington 1997), a tendency that made itself increasingly noticeable was that the subject matter should be reformulated to account for stakeholder expectations. In the centre of attention was now the question, to whom organizations should be socially responsible? Developing in parallel was a research current examining the responsibility organizations have towards their own employees, seen as an important stakeholder group. Codes of organizational ethics were being laid down, to define the sets of value followed by organizations in their operations. That system provided the core of organizational culture (Jones 1995). In the course of the integrative current's further development, researchers looked into how organizational culture correlates with the organization's management model, and whether there is an interdependence between social responsibility to stakeholders (internal and external) and the organization's financial performance (Gazzola and Colombo 2014). Within this integrative current, the emergence of social and environmental problems is viewed in terms of the market opportunities that emerge in the course of problem solving (Drucker 1984; Porter and Kramer 2011). Thus, in this optic, embracing social responsibility is part of a search for new, as-yet-undiscovered opportunities.

Universities and colleges are perceived as entities that are socially responsible by their very nature. Their mission statements, after all, speak of responsibility for the quality—and for the ethical pursuit—of education and research. But faced with the challenges of a globalised world, such as demographic changes, growing competition and online education, universities and colleges—taking their cue from business corporations—have turned to such management models that would draw more students and prod faculty members to take greater interest in international cooperation. Increasingly, these models began to resemble the business corporation model, going beyond education and research (Etzkowitz 2008; Puukka 2008). The category of stakeholders has been invoked more and more frequently, and now the questions of how to identify these groups and how to respond to their expectations

form a major theme in the analysis of university social responsibility (Leja 2008; Tetrevaova and Sabolova 2010; Geryk 2010). Steps were also taken, emulating the business sector, to develop a code of ethics containing the entirety of values and standards of conduct towards the external and internal environment, in compliance with the academic educators/researchers' professional ethic.

The social responsibility of institutions of higher education is defined as transferring the knowledge to the new generations by teaching, training and doing research, and determining a balance between basic and applied research (UNESCO 1991). Universities are also expected to operate as socially active institutions when it comes to individual learning, socialisation and support for a country's development (Gumport 2000). As such they exert direct influence on society. According to Stensaker (2007) the challenge facing them today is to keep a proper balance between adjusting to the changing realities and maintaining their organizational identity.

Practical tools used in analysing the implementation of social responsibility principles include various guidance standards, such as ISO 26000, AA1000 series, SA8000, and the Global Reporting Initiative (GRI) guidelines, followed by business and academe alike. In the case of universities, the following initiatives are also of importance: the Erfurt Declaration, the Talloires Declaration (Talloires-declaration), and the Principles of Responsible Management Education (PRME) (*The Principles of Responsible Management Education—PRME*), developed as part of the UN initiative Global Compact.

The first university report registered at the GRI database, in 2004, came from Universidad de Santiago de Compostela. By 2007, this trailblazer was followed by other higher education institutions from Europe, and later also from other continents: North America (US), Australia, Latin America, Africa and Asia. Nationally, the top countries in terms of GRI-registered reports are the US (28), Spain (13) and Australia (9) (GRI 2018). In Poland, the path of creating social responsibility strategy has been adopted at some public universities, such as the Wrocław University of Economics, the Poznań University of Economics and Business and the Warsaw School of Economics. However, none of the universities listed above

has a social responsibility strategy yet. The only Polish unit that has submitted its report is the faculty (not a university) of Information Technology and Communication at the University of Economics in Katowice. In 2018, 22 colleges and universities signed the University's Declaration of Social Responsibility at the Ministry of Development.

## Research Question

The social responsibility of an higher education institution involves dialogue with its stakeholders, both internal and external. The point of departure here is provided by stakeholder analysis and mapping, where the key groups are identified, namely faculty and staff, graduate, postgraduate and part-time students (the last-mentioned including, e.g., attendees of University of the Third Age courses), alumni, business, NGOs, the local community, other universities/colleges and public administration. A natural next step is to establish stakeholder expectations—a goal that was sought in a research conducted at the Warsaw School of Economics (SGH) in May–June 2018.

The research questions the project sought to answer included these: What is the strategy of social responsibility of an higher education institution? How is the SGH's social responsibility perceived by its key external stakeholders, and what are the challenges they deem the most important? What yardsticks can be used to measure progress on strategy implementation?

## Method of the Research

To conduct the research, literature analysis was made, a research scenario (based on research conducted in 2017, unpublished) and a questionnaire available on-line. The results were verified during 2 workshops and 5 individual interviews. The questionnaire, available online, was anonymous—only asking the respondent to indicate affiliation to one or several stakeholder groups—and it contained 10 closed-ended questions plus two open-ended, optional questions. Of the 207 SGH

stakeholders who responded to the survey, by far the largest group were the graduate/postgraduate/part-time students (88% of the respondents), much ahead of the alumni (15%) and businesspeople (13%). The project, it must be noted, did not cover the faculty and administrative staff of the SGH.

In addition to that, selected issues were discussed at two workshops attended by faculty/staff and post-graduate students (in June and October 2018), and five one-on-one interviews were held with people whose responsibilities impacted the operation of the SGH, with CRS experts and with a person in charge of business relations and education quality. Participation in the research, which was founded with a grant from the SGH Rector, was voluntary.

## Study of SGH Stakeholders—Data Analysis

In the questionnaire we solicited responses from graduate/postgraduate students, alumni, business, and also other stakeholders. But given poor returns from the other categories, the presented findings are confined to three groups: graduate/postgraduate students, alumni and business. Back in 2017 a similar project sought to establish the perception of university social responsibility among SGH faculty and staff. However, the project results were not published, so in this article we are based only on the results obtained on the basis of research carried out in 2018. With comparability in mind, we opted to keep the pattern of the 2017 survey, as far as it was possible. Consequently, there are four areas coming under evaluation: internal relations, external relations, research and development, and education. A total of 207 SGH stakeholders filled in the 2018 questionnaire, the largest group being undergraduate/postgraduate/part-time students (88% of the total), who were followed by alumni (15%) and business (13%).<sup>1</sup> The opinion that schools of higher education (including economic) should engage in social responsibility was shared by more

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<sup>1</sup> Respondents could identify themselves as belonging to several groups, and hence percentages do not always sum up to 100.

than 90% of the respondents, with only 4% opposing. The questionnaire's detailed results, in breakdown by research area, are illustrated below.

Presented with a list of measures that the SGH should take when engaging in social responsibility put in the questionnaire in alphabetical order—the respondents chose the following ones in the field of internal relations: respecting student rights, dialogue with faculty/staff (communicating, consulting, meeting expectations), dialogue with graduate/undergraduate/part-time students (communicating, consulting, meeting expectations), providing adequate working conditions, and growth of faculty/staff members. The scores assigned to these activities were among the highest in the survey. More controversy was revealed by questions about voluntary work by faculty/staff and students, with a relatively high ratio of negative-to-positive replies.

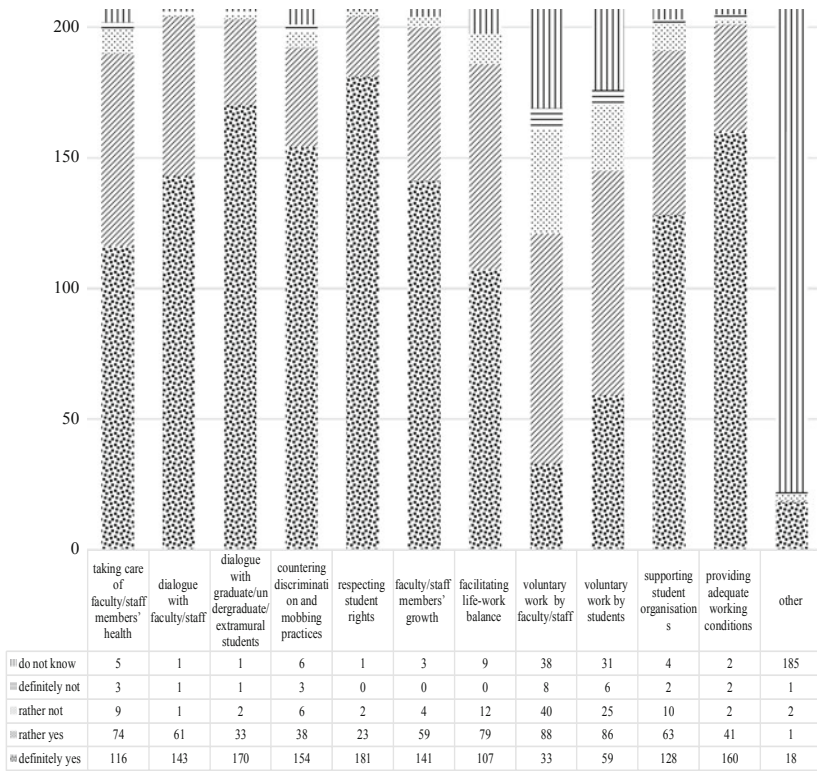
Most of the respondents were unable to propose any internal-relations activities to be taken by the SGH, other than those listed (89% of “do not know” responses). A detailed presentation of measures which, in the respondents' opinion, the SGH should take in the area of internal relations is provided in Fig. 1.

Among additional internal-relations measures to be taken by the SGH, the respondents indicated the following; taking care of mental health of faculty/staff members and students; supporting students in looking for internships, traineeships and employment opportunities; and taking care of the natural environment.

As far as the **external relations** go, the respondents wanted the SGH to pursue these social responsibility goals: building relations with business, observing ethical standards in contacts with the outside environment, and building relations with other institutions of higher learning.

It should be noted that both business and alumni unanimously named building relations with business and with other schools of higher education as the top tasks that the SGH should pursue as part of its social responsibility towards its outside environment (100% of “definitely yes” and “rather yes” replies).

Charity and relations with the local community seemed to stir up the strongest feelings among respondents, with relatively high percentages of,

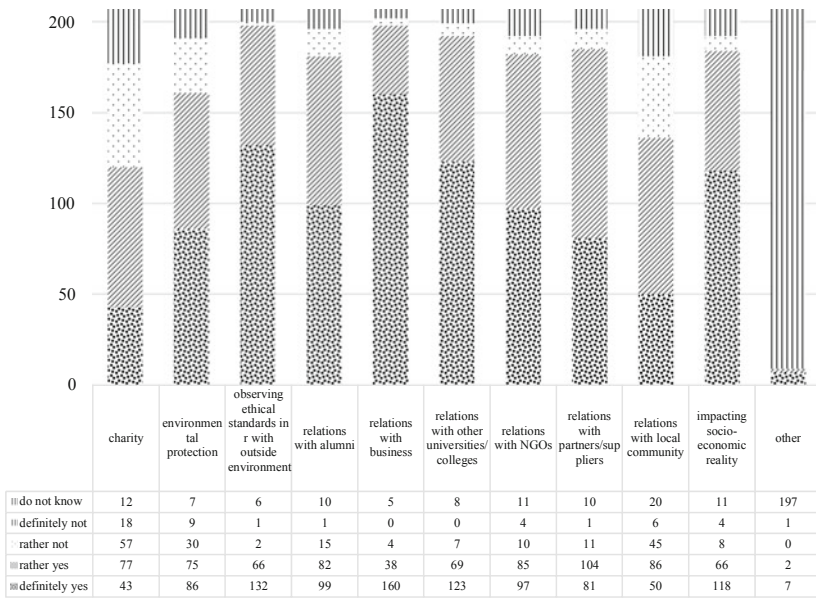


**Fig. 1** Social responsibility activities which the SGH should take in the field of internal relations (Source Authors' research)

both, positive and negative answers. In order to obtain a clearer picture of why it is so, the subject must be given a closer look in further research.

Among additional external-relations activities to be taken up by the SGH, the respondents pointed to: participation in international research programmes; seeing to it that the School is impartial and neutral on religion and politics; opinion-leading; and concern for the natural environment. A detailed pattern of the replies is presented in Fig. 2.

In the field of research, the respondents wanted the SGH to focus on: observance of research ethics; conducting sustainable development-related research; and observing a code of research conduct, to be developed internally.



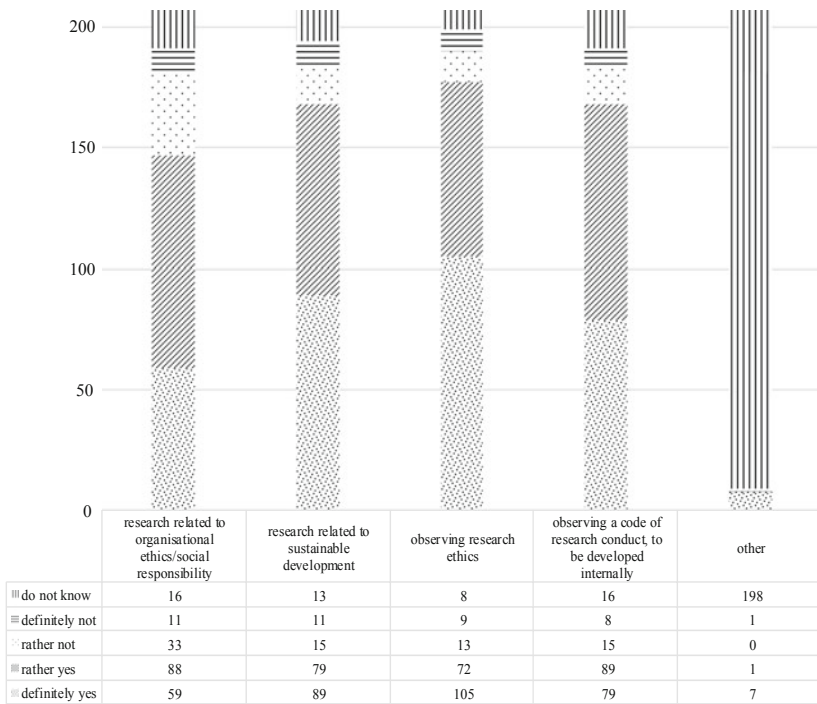
**Fig. 2** Social responsibility activities which the SGH should take in the field of external relations (Source Authors' research)

The activities which won the strongest support were simultaneously indicated by 5% of the respondents as undesirable. The detailed picture is shown in Fig. 3.

Education is a highly sensitive area with high expectations from, both, internal and external stakeholders. Here, the top social-responsibility targets which the respondents want to be pursued by the SGH are these: the high quality of education and an education aligned with market requirements (more than 90%).

Education of the public (e.g., university of the third age, “children’s university”) and education related to organizational ethics/social responsibility won very strong support from the respondents, but here, too, the proportion of negative replies was relatively high—which also holds for education related to sustainable development (some 10%).

The detailed findings are shown in Fig. 4. Additional educational activities indicated by respondents as desirable included: education on business ethics; practical education; education aligned with market



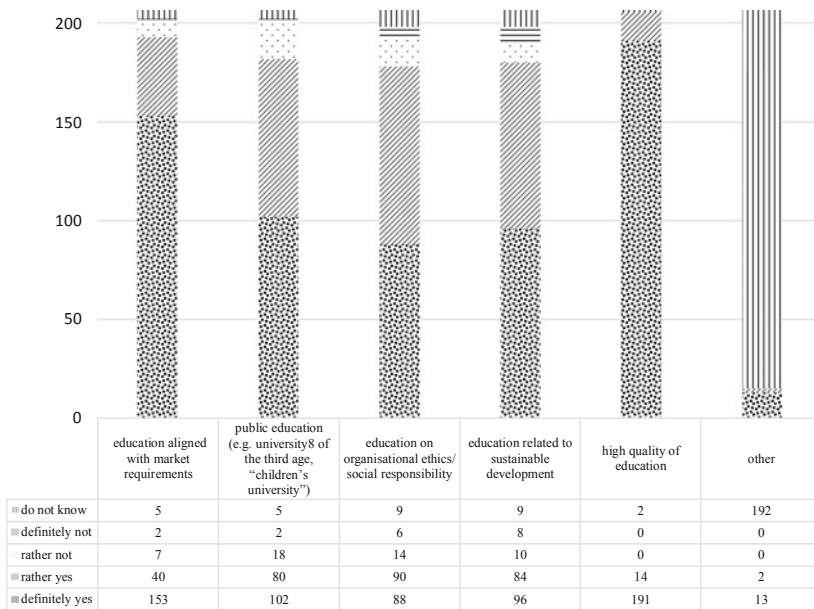
**Fig. 3** Social responsibility activities which the SGH should take in the field of research (Source Authors’ research)

requirements; setting a think-tank as a platform for experts; educating the public on economic and financial matters; and open lectures.

The questionnaire also contained an open question, inviting respondents to share their own opinions and comments on university social responsibility. The topics raised included:

- nature conservation (highly efficient environment-friendly solutions to be installed in SGH buildings; “green” public procurement; an ecological code of conduct for the SGH; environment-sensitive education of faculty, staff and students; waste segregation)
- taking care of the SGH ethos and autonomy, striking a balance between cooperation with business on the one hand and autonomy on the other





**Fig. 4** Social responsibility activities which the SGH should take in the field of education (Source Authors' research)

- university-type education, and not exclusively an education suiting corporate needs
- cutting down on the numbers of lectures and enrolled attendees, and shifting emphasis to classroom sessions in small groups
- the ethics of teaching and examination (zero tolerance for cheating in tests/exams)
- absence of psychology counsel at the SGH
- the risk of the social responsibility strategy being pursued only perfunctorily.

There is a case for arguing, based on a review of specialist literature on the subject, that the GRI database is the best collection of information about university social responsibility reports. Consequently, the monitoring of

progress in SR strategy implementation largely follows the recommendations provided in GRI Standards Glossary and applying to, e.g., economic indicators, management approach, procurement practices, energy and water consumption, waste management, occupational health and safety, training, education, and diversity/equal opportunity.

Also presented below are additional indicators that may be applied in monitoring the top areas indicated by SGH stakeholders (Table 1).

The proposed indicators should take into account aspects related to inclusiveness and diversity of faculty/staff members and students, such as:

- women-men ratio among faculty/staff (in breakdown by researches, educators, administrative staff)
- women-men ratio among faculty/staff in breakdown by academic degree and title (MA, Ph.D, habilitated doctor, professor)
- women in senior positions (deputy rector, department dean, deputy department dean, chair holder, head of institute, head of administrative unit), as a proportion of all senior positions
- women-men ratio in particular age brackets (<30, 30–50, 50+)
- women-men ratio among students (1st degree, 2nd degree and 3rd degree studies) in breakdown by Polish/foreign.

## Conclusions and Further Research

In a state of interregnum (Bauman et al. 2017), old ways are already collapsing, while new ones have yet to emerge from trials and experimentation. Several, often conflicting, paradigms are in place—and in such turbulent settings organizations search for such development paths that would help them stay above water in an unstable market. In addition to that, adverse worldwide trends are making themselves felt with increasing intensity: the greying of society (especially in Europe, but also in China in the wake of its one-child policy), globalisation coupled with a parallel regionalisation, mass country-to-town migrations (here, Poland is temporarily an exception from the rule), growing protectionism, advancing

**Table 1** Additional indicators on the monitoring of university SR strategy

Field internal relations	Exemplary indicator
Activity	
Continuous dialogue with internal stakeholders	<ul style="list-style-type: none"> <li>Measuring the satisfaction of faculty/staff and undergraduate/postgraduate students using Net Promoter Score (NPS), with these metrics: gender, role (undergraduate student, faculty member, staff member, postgraduate student), age brackets</li> </ul>
Providing adequate working conditions, faculty/staff members' growth	<ul style="list-style-type: none"> <li>Space in a room (sq. m) per faculty member</li> <li>No. of training programmes per faculty/staff member (disaggregated into per-faculty member and per-staff member), occupational diseases (number and trend), sick notes</li> </ul>
Countering discrimination and mobbing	<ul style="list-style-type: none"> <li>No. of discrimination/mobbing complaints in a yearly cycle: including this topic into instruction (No. of teaching subjects where such instruction is provided)</li> <li>No. of dedicated training programmes</li> <li>No. of attendees of such programmes</li> </ul>
<i>Field research</i>	
Initiating and conducting research related to sustainable development and university social responsibility	<ul style="list-style-type: none"> <li>No. of research projects related to sustainable development and USR, as a proportion of all research projects</li> </ul>

(continued)

**Table 1** (continued)

Field internal relations	Exemplary indicator
Initiating and conducting inter-college research	<ul style="list-style-type: none"> <li>No. of inter-college research projects as a proportion of all research projects</li> </ul>
<i>Field education</i>	
Providing high-quality education aligned with market requirements	<ul style="list-style-type: none"> <li>Measuring employers' satisfaction from hiring an SGH graduate (NPS)</li> <li>Position/score in the Perspektywy ranking list, by this (previously defined) indicator</li> <li>No. of active SGH participants (moderator, panellist, key-note speaker) at conferences held by companies, NGOs, trade organizations, etc.</li> <li>No. of active participants sent by companies, NGOs and public administration bodies to academic conferences held by the SGH</li> </ul>
Providing education related to sustainable development and social responsibility	<ul style="list-style-type: none"> <li>No. of business practitioners visiting the SGH to give lectures, as a proportion of all lecturers (in breakdown by daily/part-time and undergraduate/postgraduate courses)</li> <li>No. of lectures related to sustainable development, as a proportion of all lectures (in breakdown by daily/part-time, undergraduate/postgraduate and required/elective courses)</li> <li>No. of attendees at lectures related to sustainable development, in breakdown by age and gender</li> </ul>

Field internal relations	Exemplary indicator
<p><i>Field external relations</i> Continuous dialogue with external stakeholders</p>	<ul style="list-style-type: none"> <li>• Measuring satisfaction (NPS)</li> <li>• No. of joint research projects (involving the higher education school and external organisations)</li> </ul>
<p>Collaborating with other (especially economic) schools of higher education</p>	<ul style="list-style-type: none"> <li>• No. of inter-university R&amp;D teams, as a proportion of all research projects</li> <li>• No. of inter-university publications, as a proportion of all publications (books, articles), in breakdown by Polish/foreign</li> </ul>
<p>Building the SGH's image as a higher-education institution impacting the socio-economic realities</p>	<ul style="list-style-type: none"> <li>• No. of faculty/staff members sitting on, and present in, policy councils, NGOs, supervisory boards/boards of directors, international organizations, as a proportion of all faculty/staff members</li> <li>• No. of faculty/staff members actively participating in economic/business congresses and other events of major socio-economic significance</li> </ul>
<p>Building the SGH's image as a higher-education institution pursuing sustainable development goals</p>	<ul style="list-style-type: none"> <li>• No. of publications related to sustainable development, as a proportion of all publications (books, articles)</li> <li>• No. of faculty/staff members attending meetings and conferences held by Global Compact United Nations in Poland and abroad, and congresses on different aspects of sustainable development (promoting measures in pursuit of the 17 goals set by Global Compact UN)</li> </ul>

Source Authors' research

digitalisation, the ever more disastrous changes in the natural environment and resource depletion. These trends, manifesting themselves, e.g., in commodification—with goods and services getting increasingly similar to each other in technical and quality terms—have so far affected companies, but now they also begin to pose challenges for other organizations, including universities and colleges. Consequently, the institutions of higher learning have engaged in quests for new paradigms, within which to conduct research and provide education in a way that would narrow the gap between student knowledge and employer expectations, and that would allow these institutions to offer research support for companies. Building a social responsibility strategy, where the university's frame of reference and research activities would be redefined with contributions from faculty/staff, students and external stakeholders, comes as a response to these challenges.

An analysis of questionnaire replies, workshop conclusions and individual interviews leads us to a certain “meta-conclusion”: the most important predictor of success is the building of an ethics-based academic community, whose members are oriented to cooperation more than to rivalry. In such a community, information flows fast and communication is transparent. This builds trust and is conducive to growth in social capital. To J. Rifkin, the twenty-first century is “the time of the internet and renewable energies, and the beginning of a new era marked by collaborative behaviour” (Rifkin 2012). Collaboration, as a salient feature of an effective society, is also mentioned by Harari (2018).

The research discussed herein may have its shortcomings—the stakeholders number (207) is limited and it was not possible to learn the opinion of a scantily represented group, business—but it must be emphasised that more than 90% of the stakeholders believe there is a need for the SGH to adopt a social responsibility strategy. The findings presented in this article may be of help in further research. An interesting research theme, deserving further exploration, is the clash of two opposing attitudes towards the importance of charity and voluntary work for the building of such a strategy.

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# Engaging Stakeholders as the Essence of Social Responsibility of Small and Medium-Sized Enterprises

Magdalena Kaźmierczak 

## Introduction

Corporate Social Responsibility (CSR) is becoming more important than ever as a concept of management (Sharma 2013; Farahmand 2011, pp. 25–34; Masoud 2017). Increasingly more business organizations in the world effectively implement CSR-related activities within the business (Skarmeas and Leonidou 2013). That is caused by many factors. On the one hand, initiatives and regulations emerging both on the international and national levels increase the companies' activity in the field of CSR. Sustainable Development Goals are one such initiative and engaging businesses will speed up the process of achieving those goals.

On the other hand, CSR is becoming an irreplaceable tool in the ever stronger competition to attract and retain the best employees (Strzelczyk 2019). Those are definitely not the only factors that determine the increased interest of companies in CSR, as its scope covers

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M. Kaźmierczak (✉)

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Magdalena.Kazmierczak@ue.poznan.pl](mailto:Magdalena.Kazmierczak@ue.poznan.pl)

many aspects related to managing an organization. Enterprises should also adopt mechanisms of integrating social, environmental and ethical aspects as well as those related to human rights and consumer problems in their business and fundamental strategy, in a close cooperation with the interested parties (KOM [2011] 681). An accurate stakeholder identification, along with undertaking a dialogue with them, contributes to more effective achievement of goals within the social responsibility strategy. That is why stakeholder engagement is a very important aspect of CSR today. It is particularly important for the SME sector, as it is close to its stakeholders, especially to employees and local communities, by nature. That is why an attempt has been made to comprehensively evaluate aspects related to the importance of stakeholders, as well as the form of their engagement in the SME sector. The article is divided into four sections. Section one describes the theoretical framework for the CSR concept and its importance for the SME sector. Section two contains detailed characteristics of the stakeholder theory and its importance for the CSR concept, based on analysis of the literature on the subject. In section three, the results of the author's original research on the engagement of stakeholders within the CSR concept have been described. The research was based on surveys and direct interviews. The last part summarises the ideas covered in the article.

## **CSR: Its Essence and Importance for SMEs**

There is no one definition of CSR, as all authors focus on different aspects of management while defining CSR. Rahman, in his paper that analyses various definitions from the period when the CSR concept was formed, lists as many as 10 important aspects to which the above definitions point, to a smaller or larger extent. According to him, the most important aspects are as follows: economic growth, business ethics, environmental protection, activities aimed at stakeholders, transparency of activities, responsible behaviours, moral duty, volunteering, human rights and social responsibility (Rahman 2011). At present, the most widely cited definition of CSR is the one included in the international ISO 26000:2010 standard. According to the definition, CSR is

the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparency and ethical behaviour in key areas, such as: corporate governance, human rights, work practices, fair operating practices, consumer issues, environment, as well as social engagement and local community development.

In line with the above, a socially responsible organization takes into account the opinions of stakeholders, is in compliance with applicable law and consistent with international norms of behaviour, and contributes to sustainable development of communities (ISO 26000:2010, p. 6). In other words, CSR is a way of achieving balance between economic, environmental and social imperatives (Rai and Bansal 2014). Understanding what CSR is for an organization will be the key factor to determine a responsible approach to business activities, especially in micro-, small and medium-sized enterprises. In all European Union states, it is the micro-enterprises, as well as small and medium-sized enterprises, that form the most numerous group of business organizations. Out of approximately 23 mln of enterprises in the European Union, SMEs constitute more than 99%. There are 1.97 mln active companies in Poland, 99.8% of which belong to the SME sector. Their importance for the economic growth of the country is vital. They awaken the spirit of entrepreneurship and innovation, at the same time being a key factor of increasing competitiveness and employment. Moreover, they are indispensable for a sustainable economy and contribute to increasing the speed of economic growth. According to Priyanka, Vishal and Ankur, micro-, small and medium-sized enterprises are equally willing and able to implement the CSR concept, recognising their social duties and economic goals (Priyanka et al. 2017, pp. 1–23). Features of the micro-, small and medium-sized enterprises sector undoubtedly determine the scope and style of socially responsible management in SMEs. They also influence the way in which management compliant with CSR at micro-, small and medium-sized organizations is defined. The multitude and variety of CSR definitions as well as their wide scope make it difficult for companies from the SME sector to understand the role and benefits of implementing this concept in their activity. Even though the term ‘social corporate responsibility’ is barely known, or even unknown,

to entrepreneurs from the SME sector, they undertake many kinds of socially responsible practices, including those connected to the management of relationship with the stakeholders of the organization.

## Stakeholder Theory in the Light of CSR

In order to fully understand the essence and context of CSR, one needs to understand the role of stakeholders within an organization first. There is no business without stakeholders, just as there is no good social responsibility strategy without taking them into account in the planning process. The process of determining the subjects of social responsibility requires identifying the organization's stakeholders, their mutual relations, diagnosing their expectations and making meeting those expectations one of the organization's goals.

Stakeholders theory has become a prevailing element and a pillar of CSR concept. According to Branco, CSR is a concept that gives the most accurate description of the relationship between an organization and the society, and where the stakeholders act as a key determinant (Branco et al. 2014, p. 231). The concept of a stakeholder was popularised at the beginning of the eighties of the last century by R. E. Freeman (1984). Freeman's paper on the stakeholder theory was followed by many other publications on this concept (Freeman et al. 2010, p. 32). According to him, a stakeholder is any individual or group who can affect or be affected by the organization (Freeman 2010, p. 52). Stakeholders are individuals or organizations that participate in the development of a "project" (take active participation in its execution) or are directly interested in the results of its implementation. Stakeholders are not only entities and/or organizations, but also the natural environment that can be "represented" by, for example, environmental non-governmental organizations or public administration, the goal of which is to implement the environmental policy. The environment, in its literal sense, is not a member of a community, an employee or an organization's customer. It also has no right to vote. However, it serves as an area of all human activities, including business (Solomon and Martin 2004, p. 301). The environment, as a party entering into relationship with a company, is often referred to

as the “silent stakeholder”. Stakeholders can also be defined as individuals or groups that hold ownership rights in the company or are actively interested in its past, present and future activity.

Therefore, organizations function at the heart of a network of interconnected stakeholders who can build, maintain and increase the ability of creating value. Stakeholders can be classified as follows:

- internal and external (Johnson and Scholes 2002, p. 206);
- primary and secondary (Weiss 2003, p. 34);
- voluntary and involuntary (Post et al. 2002, p. 10); and
- market (customers, employees, suppliers, retailers, wholesalers, competitors and creditors) and non-market (local communities, non-governmental organizations, government institutions, social activists and media) (Lawrence and Weber 2011, p. 5).

Identifying and informing stakeholders are the two basic levels on which building a relationship with them should start. Upon identification of its stakeholders, the organization should first of all inform them about its performance in the field of social responsibility. There are various tools that can be used for this purpose: website, social media, telephone and email contact, press releases, newsletters, report logs, trainings or company bulletins.

Higher stages of including stakeholders in the activity of an organization call for more advanced forms of their engagement. As Noland and Philips (2010) suggest, stakeholder engagement is the key concept that stems from the stakeholder theory and stakeholder management.

The engagement implies the necessity of a close dialogue with stakeholders within CSR management (O’Riordan and Fairbrass 2008, pp. 745–758), suggesting that superficial interactions are not enough (Noland and Philips 2010, pp. 39–49). To make sure that the process of dialogue with the stakeholders is correct and effective, organizations can use the AA1000 series standards, entirely devoted to stakeholder engagement, developed by AccountAbility, an international organization.

The AA1000 series standard includes three standards that describe the process of stakeholder relationship management. According to the

AA1000 Stakeholder Engagement Standard (2015, p. 5), effective stakeholder engagement can:

- lead to more equitable and sustainable social development by giving those who have a right to be heard the opportunity to be considered in decision-making processes;
- help to determine material issues for sustainability management and reporting;
- allow for the pooling of resources (knowledge, people, money and technology) to solve problems and reach objectives that cannot be reached by single organizations;
- enable understanding of complex operating environments, including market developments and cultural dynamics;
- enable learning from stakeholders, resulting in product and process improvements, and innovations;
- inform, educate and influence stakeholders in ways that can improve their decisions and actions, which will in turn have an impact on the organization and on society; and
- contribute to the development of trust-based and transparent stakeholder relationships.

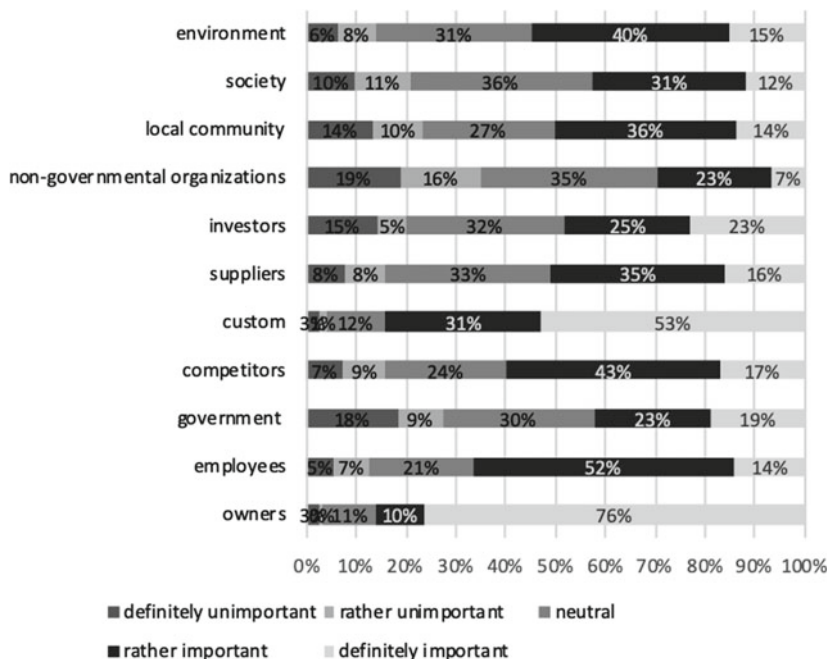
Stakeholder theory can be the key element of CSR perception at SMEs. In the light of the CSR concept, key stakeholders of an enterprise in case of SMEs are their employees, customers, suppliers, local community and the environment. As far as stakeholder management is concerned, the main tasks for SME managers include: monitoring and managing the organization's relations with each stakeholder group and creating synergies between the interested parties. According to R. E. Freeman, the new approach to CSR promotes the pragmatic focus on managing relations with all stakeholders as the basic task on the road to success (Freeman et al. 2010, p. 267).

## Forms of Stakeholder Engagement Within the CSR Concept in the Polish SME Sector

According to the ISO 26000:2010 standard, one of the seven principles of social responsibility refers to respecting the interests of stakeholders (ISO 26000:2010).

It says that an organization should take into account and respond to the expectations of its stakeholders. Moreover, the ISO 26000 standard defines stakeholder engagement as the activities undertaken to allow for a dialogue between the organization and at least one of its stakeholders, so that the former can be provided with suitable information for the decision-making process. A modern organization, in its pursuit of success, should therefore determine the importance of each group of stakeholders, meet their expectations, engage them in its activities and maintain a constructive dialogue with them. Not only large organizations should take action in the above-mentioned scope. Also the medium-sized and small enterprises should act in the interest of their stakeholders. Taking the above into account, an empirical research has been conducted that, apart from issues related to implementing the CSR concept in micro-, small and medium-sized enterprises, also included aspects of stakeholder engagement in the Polish companies included in the research. The basis for the research was a survey questionnaire. The survey was distributed among the respondents both by traditional means (mail) and via CAWI. It was sent to 1066 micro-, small and medium-sized enterprises located across Poland. In total 206 duly completed questionnaires were analysed. Among the participating companies, those with 50-249 employees prevailed (39.8%) and those with 1-9 employees represented the smallest group (22.3%). The survey consisted of 27 detailed questions. Among them there were also questions concerning the importance of the given groups of stakeholders and the forms of their engagement according to the CSR concept (Kaźmierczak 2017, p. 153). The participating companies were asked in one of the questions to determine the meaning of each stakeholder group for their organization. The responses are presented in the following Fig. 1.

Responses concerning the importance of each group of stakeholders for the organization in the decision-making process were similar in



**Fig. 1** The importance of stakeholders for the participating enterprises (Source Own study)

all three groups of the researched (micro-, small and medium-sized) enterprises. The indications were similar also were the type of business was taken into consideration. The most widely recognised and thus the most important group of stakeholders were the owners of the organization (76%). Such a high percentage may result from the fact that in case of the SME sector that includes mainly small and medium-sized enterprises, it is the same person(s) who holds both the ownership and management functions. More than half of the participating enterprises indicated customers as their most important external stakeholders and while their expectations are constantly changing, organizations, striving to meet them, should keep improving and implement new management concepts, such as CSR, as much as possible. It should also be highlighted that the importance of customers as an interest group increased with the size of the enterprise and type of business.



Apart from customers, the investors who, for example, treat small companies as their subcontractors were equally important (23%), as well as the government that contributes to creating and changing regulations that are of importance to them (19%). Competitors (17%) and suppliers (16%), the identification of which is vital for planning, organising and shaping socially responsible activities, were also indicated as important stakeholders for the participating organizations.

A very positive fact is that many organizations pointed to the environment as an important stakeholder (15%). It is a specific and so-called “silent” stakeholder, but it also has a special place in the social responsibility concept. That is also a proof for the growing environmental awareness among entrepreneurs, which translates into tangible pro-environmental actions. Organizations start paying attention to minimising the negative footprint of their business, optimising natural resource management and implementing suitable waste management systems. Groups of interest, such as employees (14%), local community (14%) and society (12%) were placed further down the list. That is quite a strange paradox, as even though the result for the employee group amounted to less than 15%, for the majority of CSR-related questions, respondents indicated employee aspects among the most important ones. In the “other” category, the participating enterprises indicated the following stakeholder groups: informal employee groups, media, universities and employer organizations.

The survey questionnaire also included a question that referred to the forms of stakeholder engagement in the participating organizations, as it is a critical ingredient to the responsible management of an enterprise. Engagement is understood here as the efforts of an organization to understand and include stakeholders and their interests in its activities and decision-making process. Stakeholder engagement is a valuable tool for risks/opportunities management that allows to avoid or minimise social costs as well as create and optimise value (Grucz 2012, p. 12). The literature on the subject lists many ways of stakeholder engagement. Every other approach is connected with more effort on both sides in terms of time, money, risk and collaboration (Grucz 2012, p. 18). However, choice of the approach should depend on the desired results of the dialogue as well as on who and on which level should be engaged, so that additional value could be created. The main forms of stakeholder

**Table 1** Forms of stakeholder engagement in the participating organizations

What are the forms of stakeholder (customers, employees, suppliers, local community etc.) engagement in your enterprise?	Micro-		Small		Medium-sized	
	N	%	N	%	N	%
Formal and informal meetings	35	76.1	61	78.2	73	89.0
One-on-one meetings	32	69.6	56	71.8	62	75.6
Conferences	8	17.4	18	23.1	28	34.1
Internet forums	5	10.9	10	12.8	14	17.1
Workshops	9	19.6	6	7.7	14	17.1
Round table discussions	3	6.5	7	9.0	9	11.0
Advisory committees	5	10.9	5	6.4	4	4.9
Stakeholder panels	1	2.2	3	3.8	6	7.3
Other	3	6.5	3	3.8	1	1.2

Source Own work

engagement in the participating organizations are presented in Table 1 (more than one answer could be selected).

Formal and informal, as well as one-on-one meetings are the most popular (more than 70% in all researched organizations) form of engagement of the interested parties in the activity of an enterprise and the decision process. Conferences are another channel for dialogue and building relationships with stakeholders. The popularity of this method increased with the size of the enterprise (micro-enterprises 17.4%, small enterprises 23.1% and medium-sized enterprises 34.1%). Internet forums, as a form of discussion groups for exchanging information, views and opinions, and making conversations, were indicated by 10.9% micro-enterprises, 12.8% small enterprises and 17.1% medium-sized enterprises. Workshops also turned out to be a fairly popular form of stakeholder engagement, indicated by almost 20% of the participating micro-enterprises and 17.1% medium-sized organizations. Advisory committees, as a form of constant dialogue and source of insight and opinions from stakeholders on given subjects, are used by every tenth micro-enterprise, 6.4% small enterprises and 4.9% medium-sized organizations. The least popular form of stakeholder engagement, selected only by ten participating organizations, was the advisory panel that consists of many groups of stakeholders and advises the enterprise within a given scope. Among

other ways of stakeholder engagement, the participating enterprises indicated employee or customer satisfaction surveys.

## Conclusion

The appearance and development of CSR-related activities in small and medium-sized enterprises proves that, when it comes to CSR, size does not matter. CSR is a good way to make an organization more attractive, both to its internal and external stakeholders, as well as to grow its competitive advantage. Analysis of the literature on the subject, as well as the results of the research conducted by the author show that organizations, while designing and implementing their activities in the field of social responsibility, should not overlook the voice of their stakeholders. To sum up, it may be said that the stakeholder management concept and CSR are closely interrelated (Pirsch et al. 2007, p. 128). The relationship between CSR and stakeholders also contributes to the emergence of a new view on social responsibility: the so-called company stakeholder responsibility. Awareness of the existence of this natural relationship between the CSR concept and stakeholders allows us to state unambiguously that the quality of this relationship is now the key factor that influences the success and creation of a lasting competitive advantage of enterprises.

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# Social Responsibility of a Small Training and Consulting Enterprise

Iwona Małgorzata Kutzner 

## Introduction

The concept of corporate social responsibility (CSR) is primarily based on the principle of responsible conduct of any enterprise regardless of the industry in which it operates or its size, etc. In addition, it makes entrepreneurs aware that they bear responsibility for the products/services they produce/provide, and also for the resulting from their activities side effects, e.g. pollution of the natural environment, negative social effects (e.g. insecurity), workplace reduction, social disparities. Moreover, it is a response to various types of changes taking place under the influence of economic, political and cultural processes. Many authors state that conscious and consistent application of the CSR principles in practice brings many benefits to both businesses and the environment (Szwajca and Nawrocki 2016, p. 44), among other things, it results from two basic premises, i.e. society demand for transparent information from

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I. M. Kutzner (✉)

Wrocław University of Economics and Business, Wrocław, Poland

e-mail: [Iwona.Kutzner@ue.wroc.pl](mailto:Iwona.Kutzner@ue.wroc.pl)

the business world and enterprise willingness to share knowledge about its CRS activities. Some enterprises see it as implementing their competitive advantage. According to Hess (2001, pp. 307–330) *on one hand, various social groups, non-governmental organizations, local communities demand disclosure of information about the impact of produced goods and services on the environment, treatment of employees or supporting local development, and on the other hand, representatives of the business world want to inform society about their social commitment to build a positive image and strengthen the reputation of stakeholders.*

## Corporate Social Responsibility

The acronym CSR, i.e. Corporate Social Responsibility, appears in the subject literature more and more often. Among theoreticians and practitioners of management the concept known as CSR is gaining wider and wider recognition. Its key feature is its interdisciplinary nature, indicating the need to integrate and convert knowledge from various fields of science and business practice (Charucka 2015, p. 38). The idea of the CSR concept comes from the concept of sustainable development, which dates back to the 1960s and 1970s in the United States. According to it, not only economic, but also social and environmental aspects are important in economic development. Biernatt et al. (2011, pp. 23–24) states that *social engagement allows to strike a balance between the economic, ecological and social aspects of a company's activities, and thus it can contribute to achieving goals that are attributed to sustainable development, in particular the protection of natural resources and maintaining the stability of ecosystems, with all the positive effects of improving people's health and improving overall safety and well-being.*

The present shape of the concept is due to socio-economic changes from the turn of the 1980s and 1990s, when global corporations played a special role. They were developing very dynamically and provided much capital and models to follow in the science of management and in business practice. Rok (2013, p. 33) indicates that *decrease in trust towards large transnational enterprises suspected of using unfair business practices and non-compliance with international standards concerning, inter alia, human*

*rights and environmental standards have led to a change in managers' awareness and forced them to undertake social responsibility activities in at least some areas.*

Although in the name of the concept we find the word corporate, which may suggest that it is dedicated to large enterprises, it also applies to small and medium-size companies. First of all, every economic entity, regardless of the applied classification, should be socially responsible. Entrepreneurs undertaking business activities should take a priori responsibility and obligation to offer products and services that reject harmful activities and contribute to social progress.

In the subject literature there is a diversity of definitions characterizing the concept of corporate social responsibility and it is referred to as:

- social responsibility is understood as a commitment while making decisions regarding social and environmental issues to take responsibility for the consequences of these decisions<sup>1</sup>;
- a socially responsible enterprise is one that takes into account social aspects and the role of ecology in achieving its basic economic goals<sup>2</sup>;
- social responsibility is a set of organization's commitments to protect and strengthen the society in which it operates (Griffin 1998, p. 144);
- enterprises bear social responsibility in addition to economic and legal responsibility (McGuire 1963);
- corporate social responsibility obliges management to make such choices that will affect the achievement of economic goals (multiplying profits) and at the same time will develop prosperity and social potential (Rybak 2004, p. 28);
- social responsibility is a moral responsibility of an enterprise and obligation to account to the public for its activities, especially before internal groups—owners and employees and external groups—shareholders and clients, local authorities, pressure groups, ecological and consumer movements, suppliers and cooperators and state administration (Zbiegień-Maciąg 1991, pp. 48–49);

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<sup>1</sup>According to ISO 26000 in the field of social responsibility published in November 2010 by the International Standardization Organization (ISO).

<sup>2</sup>Definition of the European Commission, <http://ec.europa.eu/transparency/regdoc/rep/1/2011/PL/1-2011-681-PL-F1-1.Pdf> (20 February 2019).



- corporate social responsibility means economic, legal, ethical and philanthropic commitments of an enterprise to internal and external social groups (and individuals) and it is the object to purposeful, rational and institutionalized activities that can become a source of a competitive advantage (Sokołowska 2013, p. 39).

The element that combines the above presented definitions is that between a company and its surroundings, one can observe establishing relationships and forming bonds. In addition, it is confirmed that an organization does not function without cooperation with the environment in which it operates. As emphasized by Gołaszewska-Kaczan (2005, pp. 25–33) *an organization does not care only for its own, often selfish goals, but contributes to the common good, and while making decisions takes into account goals and aspirations of its stakeholders. In addition, it is important to keep a balance between the benefits/risks of a company and social benefits/risk when making economic decision* (Kaczmarek 2011, p. 109).

The author adopted in the study the definition proposed by Sokołowska (cited above) *that social responsibility means the economic, legal, ethical or philanthropic commitments of an enterprise to internal and external social groups and is the object of purposeful, rational and institutionalized activities that can become source of a competitive advantage.*

## Small Enterprise and Its Specificity and Social Responsibility

The role and importance of micro, small and medium size enterprises in the European economy is difficult to undermine, as as much as 99% of all enterprises concentrate and create its tangible and intangible capital. In Poland it is similar where mainly this type of entities focus on, for example, creation of new jobs, improvement in the use and allocation of social and intellectual capital, active decision-making, sometimes risky on the matter of running a business or economic growth.

Small enterprises (author adopted that classifications of companies included in SMEs are usually based on two groups of determinants, i.e. the quantitative and qualitative criteria) are characterized by a kind of

specificity, among other things, in the area of organization and management. The dominant role of an owner-manager (usually the same person) and low financial resources (owner-manager's assets) and a limited role of formalized strategic planning (more often an owner-manager's intuition) are important to emphasize here.

However, regardless of the size of an enterprise, the use or propagation of CSR can bring, in the long term, many tangible benefits. They can be divided into general social services, which include (Kaczmarek 2011, p. 113):

- creating and supporting charitable conduct, civic attitudes and social initiatives;
- an impact on the economic development of a town or region (e.g. by employing disabled, socially excluded or long-term unemployed people);
- improving the living conditions of residents (by attracting investors and creating an investment-friendly environment);
- caring for the natural environment (e.g. using renewable energy sources or post-production waste management);
- promoting social responsibility as a concept of every human being behaviour.

And benefits for companies among which the following can be found:

- creating a positive image of a company and a recognizable brand on the market by acquiring new customers and enhancing loyalty of the already acquired ones;
- perceiving an enterprise as a reliable and attractive employer, for example, by observing employee equality rules, a fair and transparent pay system, a wide range of trainings, appointing an ethics spokesperson, employee participation in business management and development, special attention to work hygiene;
- improving the information flow system within an enterprise, increasing employee motivation, improving the organizational culture (it is influenced by: employee access to the most important documents related to a company's operations: strategies, development plans; an

- employee feeling a full-fledged team member increases his/her motivation to perform assigned tasks);
- increased competitiveness and efficiency of business operations, increased investor interest.

Certainly, just like any concept it has got its advantages and disadvantages, gaining as many sympathizers as opponents. Despite quite clearly defined assumptions, it is interpreted and adjusted differently by owners who manage companies.

According to Wołkowicka and Dąbrowski (2012, p. 21), it is important to analyse the motives that decide whether or not an enterprise undertakes activities in this area. There is a dilemma related to the collision between profits and benefits that are usually achieved in the long run. However, the basic benefits of CSR are as follows: in the long term, there is a reduction of costs of product manufacturing and services, natural environment care intensifies. In addition, activities for the benefit of employees and other stakeholders contribute to their increased involvement in the development of a company.

In addition, according to Sala (2005, p. 33), there is an increase in revenues as a result of an increase in demand for products and services delivered with respect for the natural environment, so CSR activities allow a company to acquire new customers, as well as enhance the loyalty of the already existing ones. Actions taken in accordance with the CSR idea contribute to the growth of interest and thus affect the positive image and reputation of a company.

The depiction and application of the concept of social responsibility is presented differently in a large enterprise, and differently in a small one. The discrepancies may result, among other things, from the fact that large enterprises usually have higher financial resources. It enables them to allocate funds for intensive marketing activities or campaigns with a large scope and on a large scale. For example, in Table 1, the discrepancies in the implementation of social responsibility are presented, comparing its implementation in small and medium-sized enterprises as opposed to large ones.

The observed discrepancies arise in the areas: to whom they are addressed and how socially responsible activities are implemented. For

**Table 1** Discrepancies in the implementation of social responsibility among SMEs and large enterprises

Social responsibility of large enterprises	Social responsibility of small and medium sized enterprises
<p><i>To whom?</i></p> <ul style="list-style-type: none"> <li>• Responsibility towards a wide range of stakeholders</li> <li>• Performing tasks towards broadly understood society</li> <li>• Impact of and necessity to include shareholders</li> </ul> <p><i>How?</i></p> <ul style="list-style-type: none"> <li>• The basis for action is the values and principles adopted by a company</li> <li>• Corporate social responsibility included in formal strategic plans</li> <li>• Focus on activities based on standards and indicators</li> <li>• The key role of experts in the field of social responsibility, risk mitigation</li> </ul> <p><i>Examples</i></p> <ul style="list-style-type: none"> <li>• Spectacular campaigns</li> <li>• Publicizing activities related to social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Responsibility towards a smaller and/or different group of stakeholders</li> <li>• Performing tasks for the local community</li> <li>• Small and medium enterprises usually do not have shareholders</li> <li>• The basis of the action are the rules set by the owner—manager</li> <li>• Corporate social responsibility included in informal plans</li> <li>• Emphasis on intuitive action</li> <li>• Lack of specialized people dealing with social responsibility, avoiding risk</li> <li>• Local activities, on a small scale, e.g. sponsoring a local football team</li> <li>• Undertaken actions are often not recognized as socially responsible</li> </ul>

Source Equal. (2008). *Spoleczna odpowiedzialność biznesu w małych i średnich przedsiębiorstwach*, IBnDiPP, p. 96

example, in a large enterprise, activities related to social responsibility are addressed to a wide range of stakeholders and implemented towards society, taking into account the interests of shareholders at the same time (e.g. campaigns using huge financial resources on a national and global scale, publicizing activities related to social responsibility, preparation of non-financial reports or reports on social responsibility).

Among features supportive to reveal socially responsible attitudes in a small enterprise it can be emphasized that (Sokołowska 2009):

- they respond quickly to changes in the company's environment. They can develop their external-relational structural capital, which involves creating good relations with stakeholders;
- they can individualize the production process and provide dedicated services (proximity of the market and stakeholders, they can quickly and easily adapt to the changing needs of customers, and in a special way take care of clients (close, direct and frequent contacts) and suppliers;
- they can quickly respond to internal problems with employees, for example, a close contact with the owner-manager facilitates identification of needs, dissatisfaction, simplifies and facilitates the manner and course of communication, etc.;
- the dominant role of the owner-manager has an impact on the company management, and his/her personality, knowledge, competence, experience, behaviour and a set of values he/she is guided by affects the functioning of an enterprise. And his/her contacts with employees and stakeholders have a decisive influence on the relationship with the environment and management.

In small enterprises, responsibility is towards a smaller group of stakeholders, and the tasks are usually carried out towards a local or regional community (e.g. small-scale activities are dedicated to local or regional society, sponsoring schools, sports teams, additional activities for children and teenagers, e.g. going out swimming, activities that are not usually identified as socially responsible). Shareholders appear in great number in listed companies. When it comes to implementing socially responsible actions in large enterprises, it is the basis of their activities.

## Social Responsibility of a Small Training and Consulting Company

Literature studies prove that until now training and consulting enterprises have been treated only as those providing training or training-consulting services, but they have not been in the scope of in-depth analysis of their organization or functioning. Despite the fact that the training and consulting market is growing and becoming more and more important,<sup>3</sup> which is confirmed by research results (Pauli 2014, p. 134), indicating that most enterprises conduct trainings in cooperation with external partners that send their employees for open trainings or commission carrying them out in their company.

It is worth noting that training and consulting enterprises and partners cooperating with them are responsible for transferring expert knowledge and skills, thus extending competences of the managerial staff and workers employed by them. Thanks to this type of entities, what is hidden in theory and seems to be veiled, begins to be implemented as ready-made solutions to business practice.

In this publication, a small training and consulting enterprise is defined as: one that is the source of training and consulting services by providing practical services and assistance (support) in the institutional and functional dimensions. In addition, small training and consulting enterprises are characterized by a certain kind of specificity in the area of producing and offering products/services where use their intellectual capital.<sup>4</sup>

For the purpose of writing this publication, the author conducted a survey among people working and cooperating with small training

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<sup>3</sup>The training services market is currently created by entities that operate under: the Act of 20 April 2004 on employment promotion and labor market institutions, art. 20 (Journal of Laws 2008, No. 69 item 415, as amended) and Regulation of the Minister of Economy and Labor of October 27, 2004 regarding the register of training institutions (Journal of Laws 2004, No. 236, item 2365 with later changes). It is not a homogeneous market, and the institutions that create it are trying to prepare an offer depending on the identified needs of enterprises.

<sup>4</sup>According to the author of this publication, intellectual capital consists of the following components: human capital (individual and collective), structural capital: internal and external—relational.

and consulting enterprises.<sup>5</sup> After collecting and analysing the data, the author consistently presented its results in tabular terms (Table 2: Manifestations of social responsibility in a small training and consulting enterprise).

In the case of small training and consulting enterprises it is difficult to say that they implement the concept of social responsibility or that they are socially responsible in practice. Actions taken by owner-managers can be considered as ad hoc or so-called “needs of the heart”. Making their decisions they are more guided by intuition rather than planning and thought.

According to Day intuition (...) is the ability to make the right decisions quickly, in a fraction of a second, without having adequate, traditional information (Szaban 2012, p. 14). This type of decision making is characteristic for owners-managers of training and consulting enterprises.

In addition, the most important sphere for this type of entities is the ethical and legal area, but the worrying thing is the statement dealing with the legal area which was repeated several times as “if something is not forbidden, it can be respected within the law”.

In small training and consulting enterprises, it is difficult to talk about philanthropy in general because the results obtained in the survey are difficult to be defined as social responsibility. For some, it is being generous to employees, while for others it is an important element of the company’s strategy and carefully implemented concept in each of its dimensions (it should be emphasized that such statements were given only in two cases).

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<sup>5</sup>Empirical research conducted by the author of this publication is the initial stage of the scheduled research process for the purpose of writing an article. At this stage, the aim was to: prepare research tools and verify the research tools, gather information. Respondents were divided into two groups—research sample of 20 people. The first group of respondents is: owners/persons managing small training and consulting enterprises. The second group of respondents is: External workers, working with small training and consulting enterprises. Due to the limitations associated with the volume of publications, information obtained by the author will be presented only in general. On the basis of a survey the author aims to answer the question: Is a small training and consulting enterprise socially responsible? If yes, to what extent. A questionnaire was formulated containing closed questions. These questions concerned knowledge of the concept of social responsibility, resulting benefits/losses, and its implementation form in small training and consulting enterprises.

**Table 2** Manifestations of social responsibility in a small training and consulting enterprise

Types/areas of social responsibility	Social expectations	Description of the area	Manifestations in a small training and consulting company
Economic (business profitability)	Required by society	Economic responsibility understood as: <ul style="list-style-type: none"> <li>• maximizing profits,</li> <li>• minimizing costs,</li> <li>• making good strategic decisions,</li> <li>• conducting a careful policy of distribution of generated profits,</li> <li>• creating competitiveness,</li> <li>• efficiency,</li> <li>• sustainability of development.</li> </ul> The basis of social responsibility means that an enterprise should bring profits, and certainly should not bring losses. Otherwise, one can not talk about social responsibility. Examples of the responsibility manifestations are both profitability, maximization of revenues, minimization of costs, effective strategies	Owners-managers first focus on profitability. Then on minimizing the costs resulting from running a business. Especially in the case of training and consulting services, the owner-manager should focus his/her actions on matters of social responsibility in every dimension  It is recommended to build a competitive advantage based on CRS. Thanks to the implementation of this concept, it is possible to gain a competitive advantage over other entities forming the training and consulting market. These entities have a huge impact on education offering various types of training and providing specialist knowledge for candidates and employees of enterprises. The owner-manager decides whether and how the concept will be implemented in the economic area The advantage of these types of enterprises is that the owners or partners are usually scientific and didactic staff, which has a major impact on the nature of social responsibility in this and other dimensions. It is difficult to talk about the concept, but about its manifestations

(continued)



Table 2 (continued)

Types/areas of social responsibility	Social expectations	Description of the area	Manifestations in a small training and consulting company
Legal	Required by society	<p>Legal responsibility—compliance with the law:</p> <ul style="list-style-type: none"> <li>• compliance with all regulations, including environmental protection and consumer rights;</li> <li>• compliance with labour law</li> <li>• countering corruption,</li> <li>• fulfilling all contract obligations,</li> <li>• honouring the guarantee,</li> <li>• providing products or services complying with the requirements of the regulations and thus keeping the social contract.</li> </ul> <p>Each enterprise should operate in accordance with the applicable law, e.g. in the field of running a business, environmental protection, consumer protection, labour law, obligations under which commercial agreements are signed</p>	<p>Owners are interested in this area of social responsibility. They are more and more willing to form various associations, business clubs, etc. that help in eliminating reprehensible behaviour and abuses among entrepreneurs acting unfair, law non-compliant contracts, etc. Associated in clubs and other organizations they support one another and issue recommendations, award fair play prizes etc. Sometimes, however, there were disturbing statements treating the legal area in such a way that if something is not forbidden it can be respected within the law</p>

Types/areas of social responsibility	Social expectations expected by society	Description of the area	Manifestations in a small training and consulting company
Ethical/moral	Expected by society	<p data-bbox="210 884 232 1161">Ethical-moral responsibility:</p> <ul data-bbox="236 660 404 1161" style="list-style-type: none"> <li data-bbox="236 810 258 1161">• avoiding undesirable behaviour,</li> <li data-bbox="262 660 306 1161">• treating the law as an unconditional minimum and taking action above that minimum,</li> <li data-bbox="310 954 332 1161">• ethical leadership,</li> <li data-bbox="336 676 380 1161">• acting in accordance with social expectations, customs and morality</li> <li data-bbox="384 772 406 1161">• ethical consistency of an enterprise.</li> </ul> <p data-bbox="409 699 524 1161">It indicates the necessity to act in a fair, just, honest and proper manner, in an area free from any legal regulation, i.e. adherence to ethical standards, avoiding inappropriate behaviour, disclosing unfair practices</p>	<p data-bbox="210 188 306 608">The ethical/moral area is very important, although based on the carried out survey, it indicates a selective approach to activities in this area</p> <p data-bbox="310 172 807 608">Some create codes, e.g. of good practices, codes of ethics etc.; but when asked questions it turned out that they did not have them in a formal form. In most cases, 80% of the companies in this sector belong to the Polish Chamber of Training Companies, which may justify the lack of their own formal codes, because when signing up for it, they commit to comply with the Code of Good Practices of the Polish Chamber of Training Companies and its standards. In addition, while belonging to various types of organizations, it is fundamental to comply with their status where there is a lot written about social responsibility due to the type of the services offered. Improper or even bad advice excludes from the market. Similarly, life attitudes are conducive to business contacts. Joint ventures translate into business</p>

(continued)

Table 2 (continued)

Types/areas of social responsibility	Social expectations	Description of the area	Manifestations in a small training and consulting company
Philanthropic	Desired by society	<p>Philanthropic responsibility:</p> <ul style="list-style-type: none"> <li>• being a good citizen,</li> <li>• concern for improving the quality of social life,</li> <li>• engagement in volunteering,</li> <li>• charity activities,</li> <li>• supporting art and education,</li> <li>• commitment to local communities.</li> </ul> <p>It involves an enterprise to dedicate a part of its resources to society, in order to provide concrete help, improve living conditions or solve social problems, for example patronage and sponsorship of health, science, education, art, sports, programs for the local community, charity, employee volunteering</p>	<p>Philanthropy in its full meaning is rarely present, its manifestations are most often noticed. Usually they result from the owner's beliefs and his/attitude to life and experience, for example, organization or participation in charity actions. These actions are treated as marketing activities—for example, advertising of their services, but there are also fully socially responsible training and consulting enterprises. Among them dominate: conducting educational classes in schools, kindergartens raising economic awareness, in the scope of entrepreneurship, innovation initiatives, creativity, and at the same time discussing legal and ethical aspects. Scholarships are endowed for talented pupils and students, volunteering is encouraged, such as helping the homeless, donations for shelters and youth homes and single mothers' homes. The respondents included members of such organizations as the Women's Congress, the Women's Rights Centre, Feminoteka</p>

Source Prepared on the basis of: Sokółowska. (2013), *Spdeczna odpowiedzialność małego przedsiębiorstwa. Identyfikacja ocena-kierunki doskonalenia*, Wrocław University of Economics Publication, Wrocław and the author's own empirical research

In Table 2, the manifestations of social responsibility in a small training and consulting enterprise are presented in tabular form respectively: types/areas of social responsibility, social expectations in this respect and, for example, manifestations of social responsibility in a small training and consulting enterprise.

Summing up, a small training and consulting enterprise to be socially responsible needs its owner-manager and employees/associates to correctly understand the idea of social responsibility. Therefore, it is important to understand that social responsibility is not a one-time marketing gimmick or a strategy aimed at improving the company's image. CRS should be understood as a conscious and systematic undertaking of actions concerning social and environmental issues that go beyond the obligatory tasks of an enterprise. It is important for an enterprise to take care of economic issues, but also to manage (obtain, create and control) its capital in such a way that its use is as effective as possible.

Moreover, it is also important the promoted idea to be in line with what the owner-manager of an enterprise presents. He or she will gain credibility only when he/she is involved in it and confirms his/her ideas in both private and professional life. In addition, it is important to build and maintain relations with stakeholders so that he/she can know their needs and expectations on an ongoing basis. It is worth emphasizing that good business practices should be within the scope of interests of each enterprise, regardless of its size and industry sector in which it operates, including, in particular, a small training and consulting enterprise. Further, they should consciously and voluntarily accept responsibility for social progress and offer such products/services from low profit areas and reject socially harmful activities (Kaczmarek 2011, p. 108).

A small training and consulting enterprise does not only operate in its own interest, but above all for broadly understood stockholders, clients, suppliers and business partners. It contributes to the development, competence growth and raising of social capital awareness as educational system is in crisis and inefficient, hence the greater responsibility is falling on training and consulting enterprises. Social responsibility of an enterprise will depend on the management of intellectual capital of a small training and consulting enterprise and the manner in which its owner-managers will be responsible for responsible conduct of business.

## Conclusion

Functioning of small enterprises depends on many different factors, but above all on the owner-manager. His/her style or model of business management, as well as his/her system of values will guarantee the implementation of assumed goals of corporate social responsibility. The strength of environmental impact and a special type of social relations within a small training and consulting enterprise affect building lasting relationships with stakeholders, provided that they will be convergent for all stakeholders.

As proposed by Wachowiak, the most important for small enterprises, including also training and consulting enterprises in this publication author's opinion, are: understanding the idea of corporate social responsibility; willingness to take actions in the field of social responsibility; conducting a dialogue with stakeholders; formulation of a social responsibility strategy; way of implementing the social responsibility strategy; responsible approach to employees; verification of activities related to corporate social responsibility and social reporting.

The foundation of every enterprise is a human being performing various roles of: president, employee, owner, consumer and other stakeholders. On the level of his/her knowledge and competence will depend issues related to: compliance with the law, ethical standards, conscious shaping of social relations, bearing responsibility for future generations. Therefore, educated society is important, which is particularly influenced by training and consulting enterprises.

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# Implementation and Measurement of Socially Responsible Activities in Enterprises of the SME Sector Based on the Example of the Company Meliński Minuth

Ewa Mazur-Wierzbicka  and Anna Cierniak-Emerych 

## Introduction

An increase of the awareness among consumers, employees and business operators themselves has become one of the main premises for the transformation of an ideological trend of corporate social responsibility (CSR) into a concrete concept, which is being practically introduced and implemented in many organizations of various kind and various industry branches.

Although the interest in CSR issues is on the rise in Poland, it still applies mainly to large enterprises and corporations. The approach Polish

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E. Mazur-Wierzbicka (✉)

Department of Human Capital Management, Institute of Management,  
University of Szczecin, Szczecin, Poland  
e-mail: [Ewa.Mazur-Wierzbicka@usz.edu.pl](mailto:Ewa.Mazur-Wierzbicka@usz.edu.pl)

A. Cierniak-Emerych

Wrocław University of Economics and Business, Wrocław, Poland  
e-mail: [Anna.Cierniak-Emerych@ue.wroc.pl](mailto:Anna.Cierniak-Emerych@ue.wroc.pl)

enterprises are representing towards the concept of CSR has evolved—as it was in the case of Western European countries. Currently, enterprises are much more conscious of the implementation of the CSR concept, as well as of the manners of its use. An important issue which brings numerous problems is monitoring the course of socially responsible activities undertaken by organizations and so is measurement thereof. Large companies, and in particular transnational corporations, increasingly frequently subject themselves to audits, independent verification and certification in individual CSR areas, create reports, including social ones, in which they include issues of measurement of effects of implemented socially responsible activities. Unfortunately, in the case of businesses of the SME sector as well as micro companies the question of measurement of socially responsible activities undertaken by them is at a very low level.

In view of the above, a presentation and assessment of the possibility of measuring results of socially responsible activities undertaken by companies was adopted as the purpose of this paper. Due to the case study nature of the paper, theoretical content addressing corporate social responsibility and its measurement were supplemented with a practical example which focuses on the discussion of measurable results of the undertaken socially responsible activities in specific areas in a business representing the SME sector.

## **Corporate Social Responsibility—Introductory Issues**

In the age of globalization, threats and social changes the approach to the role of business in a society has changed visibly. It is no longer solely a provider of products or services but it is required to take up various activities directed towards the protection of the natural environment or pro-social ones (Każmierczak 2017). As a result of this, the term corporate social responsibility has gained pronounced significance in recent years (see Schwartz and Carroll 2003; Zaremba 2014; Lulewicz-Sas 2014; Yang and Guo 2014).



The very concept of corporate social responsibility is widely described and discussed in the literature (mainly due to its multidimensional and interdisciplinary nature) (Mazur-Wierzbicka 2012; Żychlewicz 2015; Banasik and Sobiecki 2016; El Akremi et al. 2018). There is no single universal definition of the notion of “corporate social responsibility”. A review of definitions of CSR allows drawing out issues that are most frequently addressed in them. They include:

- basing activity on legal provisions and ethical norms,
- actors’ obliging themselves to a transparent and ethical conduct of their activity,
- long-term nature of undertaken activities,
- taking into consideration in the activity (striving for a balance between) economic and social aspects as well as those related to the protection of the environment,
- voluntary nature of implementation (though this element can be currently subject to discussion),
- directing activities towards a wide group of stakeholders (shaping positive relations with them).

It was assumed in the study, that the essence of social responsibility was most fully approached in the ISO 26000. It was written in it, that the essence of social responsibility is the organization’s taking the responsibility for the impacts of its decisions and activities on society and the environment as well as ethical behaviour that contributes to sustainable development, the health and welfare of society, takes into account the expectations of stakeholders, is in compliance with applicable law and consistent with international norms of behavior, and is integrated throughout the organization (International Organization for Standardization 2010).

The main emphasis in corporate social responsibility is placed on activities towards the protection of the environment and pro-social activities and on good relations with the companies’ environment.

Corporate social responsibility should be taken into account by companies at the stage of building a strategy (Kapferer 2012), using modern management concepts and methods (McNeil et al. 2015). It should be

introduced in a planned and purposeful manner. According to the idea of CSR, social initiatives should be carefully selected and they should fit in carrying out the mission and vision of companies' development. Companies should tailor the objectives of social activity to their own business goals in a given period and then adjust them according to the company's basic competences.

## Possibilities of Measuring CSR

An increased interest in CSR issues is being observed throughout the world, including Poland, yet it still mainly concerns large companies or corporations and this interest is still not exceedingly high. It seems that next to the financial factor (often the implementation of CSR is identified mainly with the need to incur high financial outlays) main reasons for this state of affairs include not seeing measurable benefits they can obtain thanks to companies' functioning according to CSR standards and this often results from doubts as to the measurability of undertaken socially responsible activities. Many business people see investment in CSR as difficult and uncertain.

Both the literature and economic practice bring an array of evidence for the fact that being a socially responsible organization is beneficial (in financial and non-financial terms, as well as qualitative and quantitative ones) (cf. Porter and Kramer 2006; Papania et al. 2008; Hermann 2008) and this can be shown in a measurable way by applying specified methods and tools allowing for the measurement of effects of socially responsible activities.

In the case of a strategic approach to CSR it is important that socially responsible activities, the correctness of their implementation and their effectiveness should be continuously monitored. This is possible thanks to using available methods and tools for measuring CSR.

M. Wronka (2011) undertook a classification of the CSR measurement tools proposed by various authors. She identified 7 categories (Table 1).

The measurement of socially responsible activities undertaken by companies does not only allow monitoring them on an on-going basis. It

**Table 1** Classification of CSR measurement tools

Category	Example
Benchmarking of achievements and ranking tools	<ul style="list-style-type: none"> <li>• indices of socially responsible companies (reputation indices), e.g., the KLD Index</li> <li>• international social rankings among the most frequently applied methods of assessment of CSR activities, e.g. Dow Jones Sustainability Index, FTSE4Good, Fortune Index, Canadian Social Investment Database, 100 Most Admired Companies, Corporate Health &amp; Safety Performance Index, Business in the Community, HVB Nachhaltigkeitsindex, Ethinvest Environmental Index</li> </ul>
Certification and accreditation Reporting guidelines	<ul style="list-style-type: none"> <li>• international norms: ISO 14001, SA 8000 and ISO 26000</li> <li>• <i>Sustainability Reporting Guidelines</i>, developed by the <i>Global Reporting Initiative</i> (GRI)</li> </ul>
Networks based on the principle of voluntary participation	<ul style="list-style-type: none"> <li>• the AA 1000 norm (<i>Account Ability 1000 Standard</i>)</li> <li>• norms and practices of sustainable development and environmental management that companies want to comply with in their operation on a voluntary basis, e.g. <i>The Equator Principles</i></li> </ul>
Analysis of the content of corporate publications	<ul style="list-style-type: none"> <li>• analysis of the content in annual reports, financial reports, on Internet websites</li> </ul>

(continued)

Table 1 (continued)

Category	Example
Assessment scales	<ul style="list-style-type: none"> <li>• PRESOR scale (<i>Perceived Role of Ethics and Social Responsibility</i>)</li> </ul>
Creating partial indicators under Balanced Scorecard (BSC)	<ul style="list-style-type: none"> <li>• scale proposed by I. Maignan and O.C. Ferrell (2000)</li> <li>• the ratio of managed waste to produced waste,</li> <li>• funds allocated to social investment (according to priorities: sports, health, education, environmental protection, etc.),</li> <li>• the ratio of employees made redundant under a protection programme to the number of all redundancies,</li> <li>• the ratio of R + D expenditure to incomes</li> </ul>

Source compiled on the basis of: (Wronka 2011)

also allows for a measurable presentation of effects of carried out activities, it contributes to strengthening the company's transparency policy, i.a. by publishing social reports, it gives an opportunity to compare one's own CSR practices with other companies. Certainly the use of tools and methods of CSR measurement fosters the dissemination and credibility of this concept among organizations.

## Theoretical Analysis—Case Study

CSR measurement as seen in the example of company Meliński Minuth Sp. z o.o.

As shown by the results of empirical research, the position of managers in Poland towards CSR remains to be diversified. In general, decisions on social responsibility depend on the knowledge, experience and perception of this category by entrepreneurs. It should be added that the level of general knowledge in this area is rather satisfactory. However, their very awareness of the role and importance of the implementation of CSR in enterprises is in many cases insufficient. In practice, entrepreneurs, especially in small and micro-enterprises (see e.g. Stanek-Kowalczyk 2012; Sokołowska 2013), relatively often associate CSR mainly with its image impact, explaining this with the lack of measurable economic benefits, which are reflected, among others, in the enterprise's financial results. As A. Sokołowska: "argued, showing the relationship between effectiveness and efficiency of the enterprise's activity results from the nature of approaching the problems in small enterprises by their owners, who tend to look at them from the standpoint of material and financial assets..." (2013, p. 371).

Due to the fact that enterprises in the SME sector have a diversified interest in CSR issues and a low level of awareness among employers and employees of micro, small and medium-sized enterprises, there are programmes implemented both locally and internationally aimed at changing this unfavourable tendency. One of such programmes was the PARP Programme "Increasing the competitiveness of regions through corporate social responsibility (CSR)" implemented under the Swiss-Polish

Cooperation Programme, with its aim being to promote socially responsible entrepreneurs and encourage them to implement the CSR concept through the implementation of pilot projects. The programme consisted of 3 main parts. The first one was related to the improvement of competences in CSR. The second served to directly support micro-, small and medium-sized enterprises in the implementation of CSR through contests addressed to entrepreneurs in 2013–2014, allowing entrepreneurs to obtain a maximum of PLN 100,000 of non-returnable financial support for the implementation of CSR initiatives. The co-financed projects concerned ecological and employment aspects and social involvement of entrepreneurs (*Odpowiedzialność się opłaca czyli CSR w MŚP 2015*).

In the further part of the explorations presented in this study, the case of *Meliński Minuth Sp. z o.o.*, an enterprise from the SME sector which became a beneficiary of the above mentioned PARP Programme, was analysed.

The name of the *Meliński Minuth* may seem quite complicated. On the other hand, it has a good justification. The part of the name “*Meliński*” comes from the name of the founders of the enterprise. Two generations of the *Meliński*’s family were united over 20 years ago by the fascination with trade fairs as a marketing tool. Furthermore, the part of the enterprise name “*Minuth*” comes from the name of a German trade fair enterprise with over 100 years of tradition, which in 1993 started cooperation with *Meliński*. International cooperation, as the owners of the Enterprise emphasize, resulted in the opportunity to gain knowledge about the most recent technologies and practice in its application in Germany—the best developed fair market in Europe. The basis for functioning of *Meliński Minuth Sp. z o.o.* is providing the services in the field of complex arrangement of industrial space, including the construction of exhibition stands, arrangement of exhibition space, showrooms, and office space. Furthermore, the enterprise deals with computer graphics for advertising and lettering. They also supply professional lighting and audio-video equipment. The enterprise provides services in Poland and in many countries around the world, virtually in all European (CSR 2019) countries.

*Meliński Minuth Sp. z o.o.*, taking into account the actual, practical functioning according to the CSR standards, decided to apply for

the PARP Programme. Through participation in a contest, the enterprise obtained co-financing under the Programme for the implementation of CSR activities related to its current activity.

The main initiatives undertaken as part of the project implemented in relation to the co-financing included raising awareness of CSR through the implementation of an integrated quality management system compliant with EN-ISO 9001:2008 and EN-ISO 20121:2010 (sustainable event management) standards. Adaptation of the current activity of the enterprise to the requirements of the ISO 20121 standard, which provides solutions for the sustainable development of the enterprise operating in the event sector, has become the overriding goal within the activities undertaken by the enterprise as a beneficiary of the PARP Programme. It was assumed that by the end of 2014, this objective should be fully achieved.

As part of a project implemented due to the co-financing obtained as part of the PARP Programme “Increasing the competitiveness of regions through corporate social responsibility (CSR)”, CSR was implemented in Mielniński Minuth Sp. z o.o. in three areas:

- environmental protection,
- employee relations (including occupational health and safety),
- social involvement for the benefit of local communities.

With the support of the PARP Programme, Mielniński Minuth Sp. z o.o. conducted appropriate audits (quality, environmental protection, safety at work), and adjusted the documentation. However, the examples of specific initiatives related to the implementation of CSR assumptions should also be emphasized, in particular their measurable effects related to the use of financial resources within the project. It should be stressed that the activities as part of the Programme and also after their ending have brought a number of benefits, both in qualitative and quantitative terms.

With regard to the area of environmental protection, it is worth mentioning in particular:

- reduction of heat and light energy consumption and the related savings, as well as reduction of hazardous waste,
- reduction of CO<sub>2</sub> emissions,
- noise reduction,
- protection of warehouse facilities against the penetration of dust, smoke and fumes.

The environmental benefits were (Melinski Minuth 2015; CSR 2019) ensured by e.g. the use of 64-LED printed circuit boards during stand construction, and ZI-SP-320/12 pulse power supplies. These solutions use less than 50 watts to illuminate an area of 1 m<sup>2</sup>, while the previously used technologies (fluorescent lamps) used 200 watts. This allowed Meliński Minuth Sp. z o.o. to have 55,000 hours more light, with four times lower energy consumption. It should also be added that the disposal of quartz crystals used in LEDs does not produce as much mercury vapours and other harmful gases as disposal of fluorescent lamps.

By CSR-related initiatives as part of the implemented project, with the use of funds obtained in the Programme, it became possible to additionally start activities which in the following years became a kind of standard. These include (Melinski Minuth 2015; CSR 2019):

- wood with the certificate of Good Forest Economy (FSC) started to be used for the construction of trade fair stands,
- the raw materials needed for the production of stands are mostly purchased from local suppliers, thus eliminating the need for long-distance transport,
- the use of nickel-cadmium batteries has been abandoned in favour of reusable batteries,
- UV printing is used instead of environmentally harmful solvent printing,
- Furthermore, as part of the reduction of CO<sub>2</sub> emissions:
- environmentally friendly equipment such as a battery-powered forklift truck is used for performing storage works,
- company cars meet low-emission vehicles standards,
- the paint shop was equipped with devices reducing the emission of harmful gases into the air by 95%.



Meliński Minuth was also awarded the Certificate for supporting activities aimed at environmental protection. This certificate is awarded to enterprises that are actively involved in the development of corporate responsibility and adhere to the highest standards of environmental care through sound management of electronic equipment (ISO 20121 2019).

With reference to the area of employee relations (including occupational health and safety), it is worth mentioning, among others, the following initiatives related to CSR implementation:

- the use of flexible forms of employment in response to the differing expectations and interests of workers,
- raising the problems of equal treatment in employment. Women make up half of the enterprise's staff,
- the basis for the employment is first of all qualifications,
- taking care for ensuring a stable working environment, conditions for development, support for employees in reconciling private and professional lives,
- involvement of employees in decision-making processes (employee participation),
- taking care to ensure occupational safety and health conditions, including psychological aspects of work,
- organization of internship programs,
- taking care of an adequate level of remuneration of employees.

When shaping employee relations from the standpoint of CSR, the owners of the enterprises emphasized in particular the importance of creating safe and healthy working conditions. The number of injuries and occupational diseases in 2014–2015 was zero. It is important to monitor the state of occupational health and safety on a regular basis to prevent the occurrence of any accidental events that could result in injuries, occupational diseases or accidents at work. The enterprise maintains a zero accident rate. This is one of the main strategic objectives in human resource management. At this point, it is impossible to ignore the initiative taken by the owners of the enterprise to combat stress. In order to reduce stress level, the decision was made to develop special coaching

programmes and training plans for newly hired employees so that they could better find themselves in new reality and procedures for them.

Another particularly important issue in shaping relations with employees is certainly their remuneration. It is worth noting that in 2014 and 2015, the lowest-ranking employee's remuneration constituted 178 and 194% of the minimum remuneration as stipulated by Polish legal acts, respectively. The owners of the enterprise emphasized that the financial expenditure incurred for remuneration were the basis for becoming a competitive and attractive place to work. This attractiveness translates into the commitment of employees and increased work efficiency and, consequently, financial benefits for the entire enterprise (Melinski Minuth 2015; CSR 2019).

Meliński Minuth Sp. z o.o. is also involved in the area of initiatives for the benefit of local communities, e.g. in the area of education, culture, sport, support for children and charity institutions. Among the many initiatives taken in this area, it is worth mentioning in particular (ISO 20121 2019; Melinski Minuth 2015):

- membership in the jury of the contest (2011–2015) organized by the Polish Chamber of Exhibition Industry for students of the Poznań University of Economics,
- partnership during the organization of postgraduate studies “Arrangement of trade fair and exhibition space” at the Poznań School of Social Sciences and Humanities (SWPS) University,
- support for the International Student Culture Festival ARTenalia,
- financial donations to e.g. the Polish Humanitarian Action, Wielka Orkiestra Świątecznej Pomocy (the Great Orchestra of Christmas Charity) and many others.

All the initiatives described above, related to the implementation of CSR principles, financed by the funds obtained from the PARP Programme, contributed to the achievement of the main objective, which was adopted at the beginning of the enterprise's accession to the “Increasing the competitiveness of regions through corporate social responsibility (CSR)” Programme.

Therefore, it should be emphasized that the enterprise obtained a certificate confirming the implementation of the ISO 20121 standard. It is the first stand-construction enterprise in Europe to implement the ISO 20121 standard, which was recognised by the International Federation of Exhibition and Event Services (IFES). The enterprise was included in the prestigious list of the UFI (The Global Association of the Exhibition Industry) that enumerates the enterprises from the sector that have implemented ISO 20121 certificate (Existing Sustainable Development Guidelines 2019).

In the opinion of the enterprise's manager, the implementation of the ISO 20121 standard has contributed to a significant improvement in the management and monitoring of economic, social and environmental factors and, consequently, to a reduction in the negative impact of the enterprise's operations on the environment and society. It also improved the attractiveness of the enterprise's services and, consequently, its competitiveness in the market. Furthermore, this standard led to the optimization of production/service-providing processes through reduction of operating costs and financial costs allocated to organization of events. An important benefit was also the improved productivity of employees. A particularly measurable effect of the actions taken is saving of PLN 20,000 due to the avoidance of penalties for non-compliance with environmental protection standards.

## Conclusion

Wanting to meet the requirements set by the market, having regard to the constantly changing circumstances of the environments, both internal and external, and wanting to be more competitive, companies decide to, i.a., implement the principles of corporate social responsibility. Corporate social responsibility cannot be treated only in marketing categories or seen solely as a philanthropic activity, but it should be permanently inscribed in the company's strategy. Only then will it bring long-term positive results in the form of a correct perception of a company on the market arena by stakeholders, the result of which is more beneficial economic performance.

Despite increased popularity of the CSR concept among business operators the degree of implementing it is still unsatisfactory. This may result to a great extent from the fact that it is assumed that costs related to CSR are instantly measurable and observable, while the benefits are difficult to measure and may occur only in a longer time perspective. Therefore, it is so crucial to focus the attention on the possibilities of monitoring and measuring CSR and their popularization. It is also important to disseminate the so-called good practices in terms of monitoring and measuring CSR (especially for businesses from the SME sector). And so is showing that socially responsible activities can be monitored and measured in enterprises regardless of their size. The managing bodies' adequate knowledge and willingness will suffice. Monitoring and measuring socially responsible activities by businesses provides concrete information for the enterprise itself and makes it credible as a socially responsible company on the market arena and among stakeholders.

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# **CSR in Relations With Key Stakeholders—Employees and Consumers Perspective**



# Employer Branding and Corporate Social Responsibility

Magdalena Stefańska   
and Katarzyna Bilińska-Reformat 

## Introduction

According to the concept of social responsibility, an organization should identify basic groups of shareholders, recognise their expectations and include achievement of their benefits in their goals to shape good relations with stakeholders supporting stable functioning and development. Without any doubts employees constitute a very important group of stakeholders for an enterprise. This also results from theoretical approaches proposed in the literature on the subject.

They include the so-called model of 6 markets in which there are main current and potential partners to the relationships, the model of relationships exchange by Morgan and Hunt, the model of company

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M. Stefańska (✉)

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Magdalena.Stefanska@ue.poznan.pl](mailto:Magdalena.Stefanska@ue.poznan.pl)

K. Bilińska-Reformat

University of Economics in Katowice, Katowice, Poland

e-mail: [Katarzyna.Bilinska-Reformat@ue.katowice.pl](mailto:Katarzyna.Bilinska-Reformat@ue.katowice.pl)



and its partnership by Doyle and complex model 30R by Gummeson (Otto 2004, pp. 54–62). The model of six markets assumes shaping relationships with customers, suppliers, influential institutions, intermediaries and distributors, and finally with potential and current employees (forming the so-called internal market) (Ballantyne et al. 2003). Actions related to relationships marketing can be indicated with reference to each of the abovementioned markets.

Over the recent years, in many sectors, it is increasingly more difficult to recruit and retain employees. The problem concerns especially the professions demanding from employees modern skills and competences in the sphere of using information technologies, even though also other sectors observe a growing problem of shortage of workers (senior medical care, work in retailing or health care). The sources of the problems of this nature are noticed in a number of determinants starting from negative demographic phenomena (ageing of societies and decreasing number of professionally active people in successive years), through dramatic change in attitudes and expectations towards the workplaces of the representatives of generation Y, generation C (a part of generation Y) and generation Z that is going to enter the labour market soon. Employer market changed into employee market, therefore the enterprises put increasingly greater emphasis on the issues related to workers. Implementation of CSR concept in operations of these enterprises as an element of employer branding is really vital also in this respect. For business enterprises, a positive employer brand is becoming an important competitive asset. In the context of market environment, it allows them to obtain resources of particular significance, i.e. employees with required skills, competence, and predispositions, and to retain those already in employment (Bilińska-Reformat and Stańczyk 2018, pp. 2–12). This is because strong, positively shaped image raises stakeholders' confidence in organization, becomes a determinant of its development and also makes competitors search for new sources of market advantage. What is important is the fact that it allows to recruit resources of special importance, i.e. workers of desired competences and predisposition (the so-called talents) and retain those already employed while increasing their satisfaction from cooperation with a given employer.

Contemporary future employees have increasingly greater knowledge about operations of enterprises and are more and more interested in the way employees are treated. It is associated with growth of their general awareness as for example consumers which is reflected in growing demands concerning ethical behaviours of companies in various aspects of their activity (e.g. fair treatment of suppliers, pro-ecological actions or fair treatment of employees) (Bilińska-Reformat 2015).

Building relationships by an organization with employees begins at the moment of recruitment, lasts over the period of the worker employment until the moment they leave the company, which is also referred to as de-recruitment (Krasnova 2016, p. 186). Each of the stages demands implementation of separate actions within corporate social responsibility that supports building appropriate relationships with employees.

## Employer Branding (EB)—Theoretical Foundations

The notion of employer branding is closely related to marketing and the strategy of product branding. If the notion of product brand is extensively presented in the literature (Bastos and Levy 2012; Gardner and Levy 1995; Kotler and Keller 2012; Aaker 1996; Keller 1993, 2009; Bilińska-Reformat and Dewalska-Opitek 2016), considering the employer, the notion of brand does not have such a long tradition. Barrow and Ambler already in mid 1990s (1996) stated that employer brand can be defined as “the package of functional, economic and psychological benefits provided by employment and identified with the employing company”. It conveys the “value proposition” which consists of the organization’s culture, systems, attitudes, and employee relationship along with encouraging people to embrace and share goals for success, productivity, and satisfaction both on individual and professional levels. Sullivan (2004) defined employer branding as “a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm”. According to Backhaus and Tikoo (2004), the term employer branding means the differentiation to highlight the

unique aspects of a firm as an employer from those of its competitors in that area. Wilden et al. (2010, pp. 56–73) emphasise that employer branding in the context of recruitment is the package of psychological, economic and functional benefits that potential employees associate with employment with a particular company. Knowledge of these perceptions can help organizations to create an attractive and competitive employer brand. Also according to Chhabra and Sharma employer brand loyalty results in moving employees from employment contract to psychological contract (2014).

Employer branding is dedicated not only to future employees, but also to those already employed. Here, among the tools of building employer's image, researchers' attention is attracted by voluntary pension systems, the impact of which is not fully recognised yet, even though their significance in building relationships with employers can be indicated (Olejnik and Stefańska 2018).

Employer branding brings some advantages to companies (Ritson 2002), including reduced cost of employee acquisition, improved employee relations, increased employee retention and offering lower salaries for comparable staff to firms with weaker employer brands (Berthon et al. 2005). The report of research conducted by HRM Institute shows that employers notice many benefits coming from implementation of employer branding actions. Among them, the ease of attracting talents to organization and consistent company communication are in the first positions. They both reached 86% of indications. Other benefits of the introduction of employer branding strategy in companies include efficient adjustment of candidates to the organization culture—76% and growth of employees' commitment—75% ([http://blog.inijob.com/2018/02/21/budowanie\\_marki\\_pracodawcy/](http://blog.inijob.com/2018/02/21/budowanie_marki_pracodawcy/)).

The very process of employer brand creation includes three stages:

- identification of competitors and criteria of perceiving competitors' brands, as well as what associations and emotions they bring to indicate competitors' strengths and weaknesses,
- identification of own image and key values attributed to the brand of the organization,
- identification of expectations of potential and current employees,

- defining the basis of values on which employer brand image will be built (EVP),
- selection of appropriate tools and communication channels for employer brand image, and
- evaluation of efficiency and effectiveness of actions in terms of the level of target achievement and comparison of results to incurred costs.

## Corporate Social Responsibility Dedicated to Employees

Building appropriate relationships between entrepreneurs and their employees is one of fundamental assumptions of corporate social responsibility (CSR). The body of research in the field of corporate social responsibility dedicated toward employees has increased significantly in recent years. Some studies refer to the assessment of the impact of social responsibility on employees and the image of an organization (Lee et al. 2013; Stefańska 2014; Turban and Greening 2000), others on creating tools to measure and to verify or develop new tools to analyse employees' CSR (Turker 2009). As Korschun, Bhattacharya and Swain noticed in their studies on CSR (2011, pp. 29–30), also Lin et al. (2012, pp. 83–93), CSR can indirectly strengthen the company's ability to meet customers' needs due to diffusion of CSR effect. Besides socially engaged enterprises attract better employees, which stems from, among other factors, the employees' expectations to be identified with organizations which have a positive image. Another interesting results of research were brought by Soares et al. (2011) who noticed that enterprises that have a greater share of women in top management engage more resources in CSR (more specifically in strategic philanthropy) and implement CSR activities in a wider scope and of higher quality. Some research studies confirm that CSR initiatives can influence employees' commitment to the organization (Choi and Yu 2014), or their identification with the company (Turban and Greening 2000). Other research has also identified frontline employees as the primary communicators of a company's CSR (Korschun et al. 2014), however the study by Edinger-Schons et al. (2018), extends this concept by pointing to the crucial importance of

having not only frontline employees but also middle management on board, because the managers are the ones who endorse the topic of CSR and can cause the positive spillover of CSR knowledge from frontline employee to the customer-level work. Similar conclusions were created by Maximiano, however without limiting them to the middle management (2007, pp. 231–242). These are very important conclusions for managers because they point out the need for a strategic approach to the idea of CSR in the organization. Therefore, within the competence of managers remain, according to Rok (2004):

- adaptation of the workplace and adaptation of employees,
- determining fair remuneration and motivating,
- providing employees with training and development,
- guaranteeing health and safety at work, and
- guaranteeing and adhering to the employment law and respecting human rights.

As Stefańska noticed in her research, that the perception of the organization by employees is conditioned not so much on what CSR actions are taken, but rather to what extent the employees are aware of the role the managers play in the process of raising awareness about CSR. The role of the organization is therefore to create models of efficient internal communication and institutionalization of CSR, so that the knowledge and understanding of this issue is at its highest possible level within the organization (2018).

As far as CSR is concerned, Turban and Cable (2003) have argued that firms higher in corporate social performance (CSP) have more positive reputations and are more attractive employers to employees than firms lower in CSR.

## **Expectations of Future Employees and Benefits Promoted by Employers**

Effective creation of employer brand demands defining and proposing, as in product brand, a unique value of employer brand (EVP—employee

value proposition) and communicating it to the environment. And just like in the case of product brand, an enterprise aims at communicating such values of brand that are significant for the target segment and consistent with their value system, in the case of employer brand, enterprises want to be distinguished from other potential employers, build awareness in opinions of potential employers, create positive attitude and finally encourage to apply for work for them. In practice, Employee Value Proposition is indication of the main attributes of a given company and benefits that would result from starting work in it. They are closely related to organizational culture and as such, they are permanently associated with the organization and they build its unique timeless identity that is hard to copy. In practice, companies that do not build brand consciously, focus their attention on benefits that a potential employee can consider important at recruitment stage in terms of added value that exceeds the existing situation. However, it must be emphasised here that in competition for best employees, enterprises often reach for similar tools, and consequently they become a standard attributed to specific positions or workplaces and not a distinguishing feature. This obligates them to search for solutions that meet expectations of future and present employees in a higher degree.

Results of Randstad research from 2018 allow to formulate several interesting conclusions. Firstly, employees' expectations towards the workplace are different from those offered by employers. For the workers, the most important include salary and benefits, job security, work-life balance, work atmosphere, career progression, financially healthy, interesting job content, very good reputation, giving back to society and using the latest technologies. On the other hand, the ranking of benefits emphasised by employers is significantly different from candidates' expectations. They indicate the following: financially healthy condition of the organization, using the latest technologies, very good reputation, job security, career progression, salary and benefits, work atmosphere, interesting job content and work-life balance. This creates an interesting and valuable space for operations of enterprises aiming to recruit new employees or prevent the current ones from changing the workplace. Secondly, the list of factors considered by prospective employees includes the aspects that refer to the issue of social responsibility.

As far as the relationship between EB and CSR is analysed it seems necessary to distinguish at least two groups of employees—candidates and already employed. Both groups represent different motives and have other expectations from employees. The existing relationship between CSR and EB has been the subject of deliberations of an increasingly larger number of publications. As research conducted by Klimkiewicz and Oltra (2017) shows, it is necessary to consider additionally that the CSR concept itself may provide an essential signal to future employees. The Authors also formulated conclusion, that that individual attitudes towards CSR play a key role in understanding the way applicants perceive CSR signals and eventually influence CSR-based employer attractiveness. Also they noticed, that the more favourable the CSR attitude by job-seeking Millennials, the higher their perceived CSR-based EA. In this sense, also the role of emotions towards CSR requires more attention. Another researchers, Bauman and Skitka (2012) concentrated their studies to fill the gap in the knowledge between employees need and CSR in organizations—by providing a general framework that begins to identify and organize the relations between employees' concerns, company activities in the area of CSR, and attitudinal and behavioral outcomes, as well as implicate the psychological processes that link them. Another research Nyborg (2014) noticed, that since some corporate social responsibility firms pay lower wages than other firms, it is the reason to believe that corporate social responsibility employment is mainly attractive to motivated individuals, who tend to exert more effort than others.

## CSR in Employer Branding in Practice

In the literature on the subject two dimensions of corporate social responsibility, i.e. internal and external can be distinguished (Zapłata and Kaźmierczak 2011) (Table 1).

Actions in the sphere of internal CSR are associated with creation of a positive image of an employer. Activity of enterprises in the sphere of

**Table 1** Areas of internal and external CSR in enterprises

Areas of internal CSR	Areas of external CSR
HR management (humanisation of work, provision of safe working conditions, decent salary, participation of employees, creation of the possibility to educate, etc.)	Supply chain management (fair principles in trading)
Ethical programs for employees	Sponsoring and donations
Development programs for employees	Cooperation with non-governmental organizations and other local partners
Management of environment protection	Educational programs on various levels that raise awareness in the sphere of CSR
Responsibility for product	Actions for broadly perceived natural environment

Source Own case study based on Zapłata and Kaźmierczak (2011)

employer branding in connection with intensification of activities concerning management of human resources, implementation of ethical programs for workers and implementation of development programs for employees can be observed.

## A Recruitment Stage

Operations in the sphere of recruitment of workers in socially responsible enterprises can take a dual form. Firstly, the very fact of being a socially responsible organization is widely communicated. Professionalization of actions in the sphere of CSR is often associated with establishing a foundation that can implement a complex strategy of building social value and social capital, inside and outside the organization. These operations are an element of building image aimed at a broad group of stakeholders, and not only the candidates for work. Nevertheless, the actions that are organized by such companies, can also comprise volunteers from outside the organization who learn, in this way, about organizational culture and its system of values which, in turn can translate into the wish to start working in such an organization.



One of the key problem of the companies in search for applicants is to find them, inform and communicate. First of all for researchers it is crucial who initiates the process of information search. The strategy of inbound or outbound marketing communication is necessary to gain attention of the best candidates. Such tools as social media and websites are among basic sources of information, however universities and job spots or other jobs fairs organized by them are necessary both to build a reputation and attract talented graduates. Other interesting tools used by organizations are internships and training programs, often organized in the form of contests because of their high attractiveness for students.

Although the process of communication is crucial to gain attention, in the process of recruitment there are always questions concerning benefits offered by organizations to newly employed workers.

Within employer branding strategy, innovative recruitment campaign seems to be extremely significant. The action entitled “Poczuj miętę do Capgemini” (“Have a crush on Capgemini”) is an example here. The company used a well-known idiom “poczuć miętę” (“to have a crush”) to be noticed on market by the broadest possible target group,. The expression was used both in metaphorical and literal meaning. Initially, the company wanted to make its current employees familiar with the idea and involved in it. For this purpose, when they were outside the company premises, devices that sprayed the mint aroma were placed in offices, and mint plants were put in the kitchen. The workers were also invited to participate in the contest aimed at inventing a slogan for the campaign promotion. The slogan “Would you mint upgrading your career?” was one of awarded slogans (<https://employerbranding.pl/kampania-poczuj-miете-do-capgemini-wsrod-laureatow-absl-diamonds/>) In the contest photos presenting the theme of mint were also honoured, and awarded works were published on the company website. The workers willingly engaged in the action, while showing at the same time that they are interested and want to contribute to achievement of success by their enterprise. Such an approach proves referring to actions in the sphere of CSR that concern humanisation of work, creation of safe working conditions and participation of prospective employees.

IKEA is another example of application of effective employer branding for the needs of recruitment. IKEA is starting an employer branding campaign “Ty jesteś zmianą” (“You are the change”) that shows values and an exceptional company culture, and the way in which it builds relationships with current and prospective employees. Its objective is to encourage open, proactive people to recognise IKEA as employer brand and to draw attention to the need to change recruitment models into more candidate-friendly. The campaign was accompanied by a spot presented on YouTube. The idea of creation of a better life for many people, including our employees is included the vision of IKEA. While continuing the vision implementation and recognising the expectations of our future employees, we have created a campaign at the basis of which there is transparency, authenticity, the need of meaningful work and conscious decision-making. The campaign is a response to the needs and expectations of contemporary people towards the workplace, including aware decision-making when an employer is chosen, real influence on the process in which they participate, as well as testing and meeting the company before they are employed. “Ty jesteś zmianą” (“You are the change”) shows IKEA as an employer who values first of all the wish to change the world for better, is at peace with itself and shared values, and open to others regardless of age, sex, experience or origin (<https://employerbranding.pl/ty-jestes-zmiana-ikea-inspiruje-do-zmian-na-rynku-pracy/>). The values presented in the campaign refer to broadly perceived operations in the sphere of CSR. It should also be stated that an American organization, Business for Social Responsibility, defines Corporate Social Responsibility as “the concept according to which business decisions honour ethical values, are consistent with law and show respect for people and natural environment” (Zapłata and Kaźmierczak 2011; Business for Social Responsibility, BSR Issue Briefs, Overview of Corporate Social Responsibility, 2004). The first presentation of the campaign was accompanied by a spot inspired by true stories of IKEA employees that referred to the brand values, including the search for new solutions, the sense of community, “out of the box” thinking, simplicity and care about people and the planet. In this

way, IKEA wishes to encourage people for whom brand values are important, to learn more about the company as an employer. Corporate social responsibility in practice is becoming a social commitment.

A campaign of Polish Insurance Company PZU in 2013 was an example of another, interesting and original recruitment campaign conducted under a general title “Nawet najlepsi zrobią wszystko aby pracować w PZU” (“Even the best will do everything to work for PZU”) ([www.media.pzu.pl](http://www.media.pzu.pl), accessed 12 March 2018). The range of impact included television, website and YouTube channel at the time. Obviously, the goal of the campaign was to draw attention of young people applying for work in PZU, but also to show the company as young people-friendly, modern, and the one that does not like routine.

The above examples have some common features. Firstly, they are based on universal values such as truth, transparency, honesty, openness, equality, etc. Furthermore, organizations are not scared to take responsibility and openly speak about what is important for them. They are definitely more engaged in convincing potential employees that choosing them as the place of employment is associated with real satisfaction and positive experience. Another issue is that in the past CSR campaigns had the nature of non-related events, and now, it is noticed that there is very strong reference to the key values of the company that determine its organizational culture. This can be seen in successive editions of the campaign conducted mainly on the Internet, especially in social media.

## **Already Employed Workers—How to Increase Their Engagement and Satisfaction?**

Employer branding was the basis of functioning of some enterprises even before defining this management concept. Southwest Airlines can be an example here. Thanks to application of the mechanisms defined later as employer branding they could start, retain on market and even beat the competitors. Herb Keller, Southwest airlines manager for 20 years was perceived as dissenter because he claimed that it is in the company interest to care mainly about employees. He used to say that “employees’ satisfaction translated into customers’ satisfaction, and customers’

satisfaction into shareholders' satisfaction – right in that order” (<https://business.linkedin.com/talent-solutions/blog/employer-brand/2018/how-southwest-airlines-built-a-stand-out-employer-brand-in-5-steps>).

In companies functioning according to the concept of employer branding, employees supported by the management, support each other, feel safe and can make independent decisions that would be unacceptable in other circumstances.

Retail chain Biedronka, operating in Poland can be the example of application of actions associated with CSR in employer branding strategies. Table 2 shows CSR actions that have positive real impact on building a positive image of the chain.

In summary it's worthy to notice that such programs became strong arguments in recruitment programs and in comparison with independent retail stores working for large chain stores become more interesting. And big retailers build their attractiveness and interesting employer promoting such programs.

## Conclusion

On the basis of the examples of employer branding applied in Poland and presented above, it can be stated that Internet performs an important role in creation of the company image. The companies willingly use such services as YouTube or build their own advanced websites. Referring to the report on employer branding in Poland for 2017, prepared by HRM Institute, among the attributes that employers tempt the candidates with, atmosphere in the company, salaries, benefits and reputation in company had the highest significance in 2017. Thanks to those actions, a given company or institutions can expand the group of its specialists of more talents. On the other hand, according to the research of pracuj.pl group, an ideal employer is a company that offers attractive work in financial terms and ensures stability of employment or friendly atmosphere at work.

In the future, employer branding will represent all actions implemented by HR that will aim at building relationships with prospective

**Table 2** CSR actions strengthening employer brand of the retail chain Biedronka

Series*		
1.	Razem zadbajmy o zdrowie ( <i>Let's take care about health together</i> )	Since 2005 Biedronka has been conducting free preventive medical check-ups, including pap smears and mammographic screening for women and ECG and prostate diagnostics for men. Educational campaign is conducted within the program and the employees are its ambassadors. In 2014 the employees took part in 10 thousand free medical check-ups. The program was recognised in the Report on Good Practices of Responsible Business Forum and won in Know Health contest. It also received Nagroda Zaufania Złoty OTIS 2011 ( <i>Trust Award Golden OTIS 2011</i> )—the most important consumer award on Polish pharmacy market
2.	Paczki dla pracowników i ich dzieci ( <i>Gift packages for employees and their children</i> )	Biedronka chain offers its employees layettes on birth of a child, and school starter kits on their first day of school. The employees also receive gifts of sweets at holidays
3.	Wakacje z Biedronką ( <i>Holidays with Biedronka</i> )	Since 2005 the chain has been funding holiday trips for children of employees who most need help
4.	Możesz liczyć na Biedronkę ( <i>You can count on Biedronka</i> )	It is the program that allows to grant benefits to employees in need. They can also get interest-free loans
5.	Dzień dziecka w Biedronce ( <i>Children's day in Biedronka</i> )	On children's day, every child gets a refreshment. The company also organises a contest the winners of which receive a prize of a trip to Euro Disneyland with their family

(continued)

Table 2 (continued)

Series*		
6.	Wiele mo`zliwo`sci ( <i>Many opportunities</i> )	The chain provides a system of trainings and promotions to its 47,000 employees. 90% of supervisors reached their position through promotion and offered trainings
7.	Najzdolniejsi s`a z nami ( <i>The most talented are with us</i> )	The chain tries to recruit university graduates; they organise the program "Dojrzewalnia talentów" (" <i>Maturity of talents</i> ") for them, through which they are involved in new projects of the chain

Source Own work based on: <http://www.biedronka.pl/pl/social-responsibility/csr-employer/>

and current employees. Contemporary situation observed on labour market, and constantly growing competition, make enterprises face serious demands in this sphere. For example they might need to consciously create own brand that will raise interest and consumer's trust, which can be even more important. The companies that want to achieve a significant market position should realise the necessity to seek and implement new, original solutions that will contribute to recognition of company brand on labour market and will thus support recruitment of the most talented future employees. It can be seen more and more frequently that an organization creates external image through extensive application of the scope of Internet channels for communication with prospective customers or employees of social media type, for example Twitter, Facebook or Snapchat. The use of the latest tools and technologies in shaping a positive company image is especially significant while selecting methods of communication with representatives of generation Z who they communicate online with every day (Bilińska-Reformat and Stefańska 2016, pp. 123–137). Therefore it can be supposed that the role of the Internet will grow significantly in the future.

A positive company image brings many benefits, but it should constantly and regularly be cared about. Popularity and success of contemporary enterprise is considerably related to commitment, fulfilment and

satisfaction of its employees. The lack of trust among employees, complicated or wrong communication or unethical attitudes of managing staff enable spreading of a negative image of the employer both in external and internal environment.

An enterprise that has a positive image as an employer can recruit the most talented employees, frequently incurring smaller labour costs. More and more employers are aware of this fact, and companies start to invest in their image while preparing the strategies of employer branding in cooperation with HR, PR and marketing departments or while cooperating with external advisors.

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# CSR Level Versus Employee Dismissal

Magdalena Rojek-Nowosielska 

## Introduction

The beginnings of CSR, according to the literature information, date back to the 1950s (Bowen 1953). Since then, this concept has been developing in many different directions. It can be indicated a geographical range, within which the authors focus on specific features of CSR within e.g. Europe, USA or Asia (Steurer et al. 2012; Matten and Moon 2008; Bendell et al. 2010; Chapple and Moon 2007). One can also observe discussing issues related to CSR on various key topics, such as labor rights and workforce conditions (Yu 2008), NGOs collaboration with corporations (Den Hond et al. 2015), or socially responsible leadership (Waldman and Siegel 2008) and many more.

One of the more frequently discussed research areas related to CSR is stakeholder theory (Freeman 1984). In many research studies, employees

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M. Rojek-Nowosielska (✉)

Wrocław University of Economics and Business, Wrocław, Poland

e-mail: [Magdalena.Rojek-Nowosielska@ue.wroc.pl](mailto:Magdalena.Rojek-Nowosielska@ue.wroc.pl)

(Greenwood and Anderson 2009) are given as one of the most important group of the stakeholder of the company. As mention Crane and Matten (2004), employees play a peculiar role among stakeholders, they are often the most important ‘factor’ for the company. Not only do they have a huge impact on the company but they are also heavily influenced by it, it can sometimes be said that they are addicted to the enterprise. This situation means that they can contribute to the same extent as success and failure of the company (Azim 2016). However, one should be aware that not only the impact of current employees of the company is crucial for the efficient and effective functioning of the entity. Dismissed employees may also play a very important role, especially if they feel that the dismissal may not have taken place or if it actually had to occur, it could have been carried out in a better atmosphere with more attention paid to the employee.

This topic will be devoted to considerations in this part of the study. The research problem that became the reason for making these considerations can be summarized in the form of the following question: what is the relationship between the level of social responsibility and corporate’s help in the event of the necessity to dismiss an employee? Aiming to answer this question, the next sections will discuss CSR levels, with particular reference to the CSR continuum model. This model became the basis of the empirical study conducted. On the basis of the study, there was made an attempt to answer the previously mentioned research question. The final part presents conclusions summarizing the conducted considerations and suggesting possible further directions of research.

## The CSR Levels—Model Approach

The literature of the subject provides many studies in which the authors discuss various typology of CSR models. The most frequently mentioned approaches relate to theoretical proposals that present the scope of pro-social involvement in relation to the several-level scale. For example, Maon et al. (2010) lists Dismissing, Self-protecting, Compliance seeking, Capacity seeking, Caring, Strategizing, Transforming stages. In turn,

Zadek (2004) formulated the following classification of stages: Defensive, Compliance, Managerial, Strategic and Civil. One of the first typology of CSR model was presented by Walton (1967, pp. 126–141). As part of a broad view of activities undertaken by enterprises, he made the classification creating six basic CSR models (Austere, Household, Vendor, Investment, Civic and Artistic).

In the Austere model, the main beneficiaries of the company's activity are stockholders, and therefore the company's overriding goal is to achieve and maximize profits. A company operating according to the Household model, sets up an employee as the main beneficiary, but at the same time the employee is treated as a valuable "resource". An important purpose of such an enterprise is the proper use of resources, and liability towards an employee is treated as a legal obligation. The main beneficiary in the Vendor model is a client whose tastes, needs, interests and rights are very important for the company. Therefore, satisfying the needs of customers, the company achieves its goal which is the appropriate sales volume. This model is widely used by enterprises. It is also worth noting that a narrow understanding of responsibility towards clients may have consequences of environmental, employee or other types of abuses. A huge role here is also attributed to the state, which, through legal rules directs the scope, manner and quality of the products and services produced.

Slightly different viewing optic is characterized by enterprises operating in accordance with the Investment model. The company itself is the main entity being interested in the correct performance of the company and its decisions. It is motivated by the desire to survive on the competitive market. To achieve this, it is necessary to distinction from other participants of the market game, often possible thanks to investments in selected sectors of the economy. However, it should be made here an assumption that the investment decisions made are thoughtful and responsible in the sense that they actually contribute to sustainable development, and not to the emergence of new problems in the form of, for example, degradation of the natural environment or lowering the standard of social life. In other words, if investment decisions are conducted in accordance with the assumptions of responsible investing, the Walton investment model could be put on a "higher level" in relation to

the three previous ones. It is fulfilled here the assumption of striving for action in accordance with the values adopted in a given society (e.g. with concern for the natural environment).

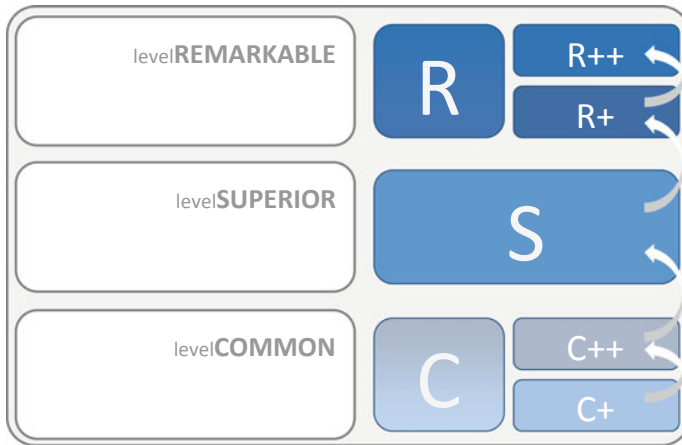
The Civic model is characterized by such enterprises whose activity can be compared to functioning in accordance with the idea of civil society. This is because the attention is paid to the fact that “side effects” arise when the enterprise strives to make profits (it can contribute to, for example, degradation of the natural environment or contribute to the formation of unemployment, pathology, diseases in the social sphere). Therefore, in accordance with the principles of social responsibility, the enterprise, as a conscious citizen and participant of social life, should undertake to eliminate the harmful effects of its activities (and not only limit itself to paying taxes and voting).

The last of the identified by Walton models (Artistic), concerns those enterprises for which (apart from the basic activity) the cultural development of a given society is also important. The enterprises involvement in culture manifests itself through concern for increasing the national wealth in the form of its cultural heritage. The company, having a special impact, having a large range and having the possibility to influence many decisions, it can shape better living conditions through the development of culture and civilization of a given society.

The continuum CSR model developed by the author of this study, organizes CSR levels in theoretical terms, and at the same time enables empirical verification.<sup>1</sup> The perspective of this model focuses on a specific enterprise (examining its level of social responsibility), not on a comprehensive (macro) approach, which usually allows to assign some enterprises to a specific model. The theoretical approach was developed in reference to the level of Kohlberg’s moral development and the CMM maturity model (Rojek-Nowosielska 2014). The levels of enterprise development in line with the CSR concepts can be referred to three main levels, which have been conventionally marked with the symbols C—common, S—superior, R—remarkable. The lowest level (common) and the highest (remarkable) level has been additionally extended with

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<sup>1</sup>The exact description of the model and research tool is contained in the monograph (Rojek-Nowosielska 2017).



**Fig. 1** Levels of CSR continuum model (Source Rojek-Nowosielska 2017)

two sub-levels (C+, C++, R+ and R++), to obtain more information and make more detailed descriptions (Fig. 1).

Apart from the detailed description of the model, it should be added that the lowest level of the model is characterized by chaotic, un-thoughtful actions, and the highest—planned and often improved actions. In other words, at the C+ level the company does not know why it makes mistakes, while reaching the level of R++ knows why it does not commit them.

## The Problem Situation—Dismissal of Employees

The aim of the study, which is the basis for the empirical consideration of this part, was to answer the question: what is the relationship between the level of social responsibility and enterprise's help in the event of the necessity to dismiss an employee? The method by which the study was conducted was a method of a diagnostic survey with a questionnaire as a research tool. The study was carried out electronically. Being in possession of a database of companies, which had 38,390 records, an invitation

to participate in the survey was sent. The vast majority of answers was given in 2014. Due to the fact that access to the tool was open (through information on the website), entities willing to participate in the study could fill in the questionnaire form on an ongoing basis and answer the question asked. Therefore, after 2014 (without sending out any invitations to participate in the survey), by the end of 2017, additional replies were received from 32 companies, eventually obtaining a sample of 418 entities.

The analysis of the obtained results allows to observe that in the examined sample 30% of respondents indicated that in their company there is no possibility to support employees in the event of the need to dismiss them (Table 1).

This is a radical and assertive statement. From the respondents who indicated such an answer, the largest percentage are those who achieved S level (around 47% of responses) in the overall CSR study and the lowest level—C (around 38% of indications). The remaining part of the respondents (70% of respondents) indicated that in the case of the need

**Table 1** Can your employees count on help in the situation of having to be dismissed in your company?

Answer	CSR level				
	C	S	R	Sum	
	Number	Number	Number	Number	in %
No, it is not possible	47	59	19	125	30.0
They may but there is not any procedure for providing help; this process is spontaneous	72	97	20	189	45.2
They may but there is not any procedure for providing help; we rely on the experience gained	50	40	7	97	23.2
They may, there is a written procedure for providing help;	0	2	0	2	0.5
They may, there is a written procedure for providing help and there are measures developed to verify the effectiveness of this procedure	0	1	0	1	0.2
They may, there is a written procedure for providing help and on the basis of the results of the efficiency evaluation received, appropriate improvement changes are made	4	0	0	4	0.9
Sum	173	199	46	418	100.0

Source Own study



to dismiss employees, they would be able to count on support from the company. This support would be provided spontaneously, as far as the company's capabilities are met (this answer was indicated by little over 45% of respondents). The second most frequently indicated answer was the possibility of providing assistance which would result from the earlier gained experience by the company. An interesting relationship is visible here—lower level of enterprise involvement in helping employees was declared by the majority of enterprises that achieved the second CSR level—S (this readiness was indicated by about 23% of all respondents—that is, 97 respondents). In turn, the greater company's involvement in helping employees in the event of their dismissal and using gained earlier experience, was declared by the largest number of enterprises that achieved the lowest CSR level (50 entities—approximately 12% of all entities surveyed, which constitutes approximately 51% of those who declare the possibility of assistance based on experience). It is difficult to refer to other indications because they are so few that there is no basis for discussing them and attempting to indicate any dependence.

The entities which gave an answer confirming their commitment to help employees in the event of the necessity to dismiss them, were asked for additional indication of the type of assistance provided (it was possible to indicate several answers) (Table 2).

The most frequently indicated response was the possibility of conducting a conversation explaining the situation and the reasons for dismissal. This is the easiest way to help, but still requires the involvement of the right person for conducting these conversations. In addition, it is worth

**Table 2** The type of assistance provided to an employee in the event of the dismissal

Type of help	CSR level		
	C	S	R
Legal advice	39	33	7
Help in retraining	31	28	6
Psychological consultation	12	13	0
An explanatory conversation	108	114	22
Help in finding a job	66	66	12

Source Own study

noting that the fact of dedicating time to even a short conversation, proves the involvement and lack of attitude disregarding the situation in which the employees found themselves. Taking into account the level of corporate social responsibility and conducting the interview in the event of employee dismissal, it is worth noting that entities that achieved the second highest level of CSR (level S) most frequently indicated this type of assistance for employees (114 indications). The second type of help most often indicated by the respondents was help in finding a job. This is the kind of help that may have one of the greatest meanings for dismissed employees. Assuming that employees want to continue working, help in finding a new job may be the most important for them (66 respondents who reached the average level [S] and the lowest level [C] indicated the kind of possible help). It should be also mentioned other possibilities indicated by the entities surveyed. These are: legal advice, help in retraining, or psychological consultation. These indications are characterized by fewer selections, however, they are equally important and can provide significant help to employees who are made redundant.

## Conclusion

The analysis of an attempt to find a relationship between the level of corporate social responsibility and help in the event of the necessity to dismiss employees of a given enterprise allows to notice that as many as 125 respondents (30% of surveyed entities) indicated no possibility of helping employees in the event of their dismissal. It is worth noting that as many as 19 entities that marked such a response achieved the highest level (R—remarkable) in the overall CSR level survey. The intuitive assumption with which I started working on this text was the positive dependence of the level of CSR and assistance provided in the event of the need to dismiss the employee (the higher the level of CSR, the higher the percentage of indications confirming commitment to support employees in the event of their dismissal). The received data suggest a slightly different situation. Achieving a higher level of CSR, according to the obtained data, does not imply a greater involvement in helping employees. When attempting to understand such a situation, it can be

assumed that the dismissal of an employee is often seen as a stage terminating cooperation with a given entity. In connection with such perception, it seems easy to explain and understand the situation in which an employer looking short-sightedly does not try to build a good relationship at this stage of cooperation. This is in my opinion a wrong behaviour, especially in a situation where it is difficult to find a good employee on the labour market. It is also known that some enterprises adopt a business model in which high employee turnover is not a problem (and sometimes even a model assumption). Often in such a model there is a pressure to costs reduction, hence it can be assumed that the lack of involvement in employee support at the time of their dismissal may result, among others, from the cost calculation.

Summing up, it can be concluded that on the basis of the obtained results, it is difficult to observe the dependence of the increase in commitment along with the increase in the achieved CSR level. It is therefore worth taking steps not only to re-examine the level of CSR and assess the directions of potential changes, but also to analyse the attitude of enterprises in the situation of the need to dismiss the employee.

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# Integration of the Employee Pension Programs with CSR

Iwona Olejnik  and Magdalena Stefańska 

## Introduction

Primarily, for over centuries the only way to provide for old age that was alternative to individual saving was living with grown up children and (or) grandchildren. In Middle Ages, the Church, and then various charity organizations, took care about elderly people who were unable to continue work, in hospitals and shelters built by them. The next stage of development of the system of provision for old age is associated with industrial revolution. It caused that at the end of eighteenth century, as a result of dynamic development of guilds of craftsmen, guilds of tradesmen, guild loan association in mining and metallurgy or mutual help funds in industry, the first professional organizations securing the needs of their participants and families (in case of disability, diseases or death

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I. Olejnik (✉) · M. Stefańska

Poznań University of Economics and Business, Poznań, Poland

e-mail: [Iwona.Olejnik@ue.poznan.pl](mailto:Iwona.Olejnik@ue.poznan.pl)

M. Stefańska

e-mail: [Magdalena.Stefanska@ue.poznan.pl](mailto:Magdalena.Stefanska@ue.poznan.pl)

of the main breadwinner in the family) were established. Public state-owned retirement programs developed only afterwards, and nowadays they take various forms. Examples of solutions in the sphere of the building and management of retirement systems can be found in the literature (Blommestein et al. 2009; Clark and Urwin 2010; Novy-Marx and Rauh 2009; Olejnik 2016). The problem is more and more perceptible in the pay-as-you-go parts of the retirement security systems (of a public character), as well as the capital-based ones (Olejnik 2013). Depending on the regulations operating in a given country, they have a compulsory or quasi-compulsory character (e.g. in Denmark, Norway, Iceland), or they can be voluntary (e.g. in Poland, Spain, Italy, Great Britain). If participation in them is voluntary, they can be provided to all employees or to a selected group (Żukowski 1997). However, as far as the unwillingness of employees toward voluntary saving to provide for their old age is considered, legal regulations on the basis of which employees join retirement plans on the principle of automatic enrolment are more and more frequently launched (Maloney and McCarthy 2019).

In the light of the problems related to the state retirement programs, money for financing life in the period of old age in the future will come from additional individual savings accumulated among others in employee retirement programs (ERP). Apart from the fact that employee pension plans constitute one of the elements of the retirement security system, these programs are also included into personnel policy in organizations. This is because while offering and using a pension plan, an entrepreneur can achieve specific goals associated with the recruitment of new employees, employment stability or shaping their brand as an employer in the social environment.

Interesting results of research were presented by Garcés-Galdeano et al. (2016), according to whom companies with the most developed innovative human resources management policies offer more training, more social benefits and incentives, and what's more—they are also the most likely to implement an occupational pension scheme. The occupational pension scheme beneficiaries have higher levels of satisfaction and are less likely to change their job, regardless of the position held and salary. According to Olejnik and Stefańska (2018), it can be also located in Corporate Social Responsibility organizations' policy and tools.

## Employers as One of the Key Organizations' Stakeholders Group

Together with ageing of societies in developed countries, the systemic problems associated with securing the level of social benefits for people who reached the retirement age on the level that is appropriate to maintain the quality of life are growing. Maintenance of previous financial independence and declared standard of living by retiring people is often not fully possible because existing state retirement programs most often ensure only the level of the so-called social security. Therefore, satisfactory retirement benefit demands from professionally active people undertaking additional actions associated with saving or investing in the period of employment. It is especially important because a part of remuneration automatically transferred by the employer to retirement account is rather not perceived by the worker as an additional burden. Working people in a way “forget” that they accumulate such pension contributions and start to approach this type of saving as something “usual”. Engagement of employers and departments of human resources that may affect employees' decisions concerning participation in programs ensuring additional benefits for old age is valuable here. However, it must be emphasised that a number of barriers can be faced in the process of workers' education. This is because making a decision about voluntary saving money outside the retirement program is very difficult for many people. In the context of behavioural theories and natural inclination to procrastination, consumers will always find a more important purpose for their income than accumulation of long-term savings providing security for old age (Shefrin and Thaler 1981; Thaler and Benartzi 2001). However the lack of basic knowledge about functioning of voluntary employee retirement programs seems to be the greatest barrier restraining their use. The studies conducted by Gough and Hick (2009) show that “the role of an occupational pension in employees' psychological contracts is related to age, and that they play a much greater role in the psychological contracts of older employees. The provision of an occupational pension was found to be more successful in promoting the retention rather than the recruitment of staff”. Taylor noticed (2000) that the employee pension system reduces the retention of mainly elderly people. Furthermore, the results

of research conducted by Hales and Gough (2003) show that despite, to a high degree, the automatic accession of employees to pension systems, they perceive these funds “more as contingent private transactions than as part of long-term stable commitments by and to an employer”. However, the quoted authors show that if an employer is perceived by the employees as the only entity that is responsible for pension provision, the relationship between the pension benefit received from the employee pension program and employee’s engagement or loyalty will be insufficient.

In the light of the above considerations, it should be noticed that if it is assumed that relationship with a given organization is built even before employment (building employer’s image), then is shaped in the period of employment and does not cease after termination of the employment but changes its character, then the organizations should pay more attention to the fate and situation of their former workers. This would prove their responsibility for one of the key resources determining development and persistence of an organization. Management of human resources is increasingly more often not only a classical recruitment, motivation or evaluation of employees, but also investing in long-term relationships. These relationships can especially be shaped by fulfilment of specific social functions that certainly include the aforementioned employee retirement programs. A pension program offered to employees gives them the sense of care, engagement and employer’s responsibility for the future of their retired employees. At the same time the programs can support improvement of competitive position of an enterprise, including its position on labour market. However, as results of research conducted by Olejnik and Stefańska’s show (2019), among many tools of building employer image and values of benefits perceived by workers, pension programs are evaluated as a solution of medium attractiveness which results from perceiving other solutions in which the benefits are not deferred in time as more attractive.



## Responsible Financial Provision for Old Age

Investing money accumulated within pension funds is another area of responsibility of enterprises. The companies that undertake to coordinate the way in which the funds are managed, must decide on the form, as well as choose the entity that will be responsible for the management of these funds. The way in which the investment fund manages accumulated funds, whether it chooses secure long-term investments of smaller risk or rather balances on the border of risk yet ensures greater profits in case of success can be vital for people who voluntarily contribute a part of their remuneration for their future pension. Many authors emphasise that implementation of the principles of socially responsible investing can restrain investment possibilities while leading to worse financial results of pension funds, which is contrary to beneficiaries' interest (Apostolakis et al. 2016). On the other hand, it should be noticed that there is a socio-cultural trend to limit the role of compulsory group saving retirement programs, resulting from the pursuit of individuality and the need to control investment decisions (Apostolakis et al. 2016).

Furthermore, investing in companies conducting ethical, socially responsible activity, and at the same time no investments in ventures generally perceived as harmful or unethical is an important aspect. As Brayne Michael shows (2009, pp. 3–4) they mainly concern:

- social factors, including non-investing in entities associated with unethical actions on the labour market (labour's working conditions, the use of child labour), community development and disintegration, as well as health-impacts (e.g. sectors related to cigarettes, alcohol or other addictive stimulants),
- environmental factors, including non-investing in shares of companies that contribute to “the increase in pollution and/or climate change, depletion of natural resources or the reduction of the world's flora and fauna populations”,
- ethical factors, i.e. non-investing in the assets of companies that are associated with “Violations of human rights, manufacture or distribution of weapons, inhumane testing of products on animals, implicit support of oppressive political regimes, slavery, forced prostitution, as

well as the traditional ethical concerns around pornography, alcohol and gambling”.

It is also worth emphasising here that growth of interest in long-term management of finances is one of the effects of the world crisis. This is especially about such management that in a long term leads to balancing financial gains with social benefits (Fetherston 2014). This idea is extremely important in the context of investments made by such entities whose business activity is associated with management of retirement funds (Koedijk and Slager 2011).

Summing up, applying the principles of social responsibility in the context of provision for old age can therefore concern various entities: public institutions controlling the market of retirement funds, pension societies investing pension assets or the aforementioned enterprises giving employment to workers—the future pensioners. Socially responsible investment (Hiss 2013) is a very important issue in identifying the significance of the principles of corporate social responsibility in the context of retirement benefits. Additionally, this idea fits in the notion of Porter and Kramer’s “shared value” (2011), i.e. the pursuit of optimisation of balance between various types of values and not only focussing on financial gains.

In the light of the above, there occurs a question of how or if the principles of corporate business responsibility can be referred to the issue of securing the well-being of an individual at old age.

## Methodology of Research

Even though the relationship between CSR and offering retirement programs to workers is unquestionable, perceiving this type of relationships is not always common.

The present paper uses the results of a survey conducted by the authors. It was a part of research conducted within the statutory research project implemented by the Department of Marketing Strategies of the Poznań University of Economics and Business.

In order to answer the question of whether or not occupational pension schemes are seen as part of CSR, a quantitative research (based on a questionnaire) was performed. The research was conducted in Poland with the use of the direct interview method and Computer-Assisted Web Interview.

The sample selection was purposeful, and the research was conducted among 151 respondents. The direct interview research was carried out among 43 enterprises participating in the job fairs “job spot” at the Poznań University of Economics and Business in March 2019. The study was conducted with enterprises that were recruiting new workers, whereas the respondents were people employed in HR departments and/or responsible for recruitment. On the other hand, an internet survey was conducted through one of the Internet portals that help people find a job. This research was carried out among 108 respondents—employees, but at the same time intending to change jobs. Confidentiality and anonymity were ensured. 56% of the respondents were women and 44% men, and in terms of age—the youngest person participating in the study was 23 and the oldest 57. The period of professional experience (in the enterprise represented by the respondents) ranged between min. 1 year to max. 37 years.

Considering the size of enterprises participating in the study (measured by the number of employees), it can be noticed that the average number of workers was 4300 people (including the median of 130 people, the minimum of 3 people and the maximum of 315,000 people). In turn, while analysing the obtained sample in terms of the type of enterprises participating in the studies it should be indicated that slightly over half of the entities (56%) represented service-providing enterprises, 26% were respondents representing production companies, and 18% commercial enterprises. It is also worth adding that the employee pension program was offered to workers by every fifth enterprise participating in the study.

The survey data were entered into the IBM SPSS Statistics and were analysed with selected descriptive statistics (frequencies, percentages). In order to ascertain the association between the perception of employee

pension programs as part of the employer branding, the Pearson chi-square test was used, utilizing a 2-tailed test at 5% level of significance. The following research questions were formulated:

- do enterprises sufficiently inform public opinion about this solution, for example in CSR reports, or on websites? At the same time, do the very workers notice this aspect in communication strategy of an enterprise? For example the analysis of 100 biggest companies operating in Poland (according to the ranking from “Wprost” of 2018) reveals that out of 100 entities, only 72 declare undertaking CSR activities, out of which only 28 entities declare activities directed towards employees, whereas merely 3 of them implement employee retirement programs,
- if and what determines communication in external environment about solutions offered to the present and potential workers of an enterprise?

## Research Results

Assuming part of responsibility for future retirement benefits of workers by employers through operating retirement programs as an action implemented within corporate social responsibility does not and should not have the philanthropic character. It should bring tangible benefits not only to the workers of an enterprise but also the employer. The care of the latter about well-being of their workers—future pensioners is the expression of engagement in social problems (especially in the context of pessimistic forecasts concerning the amount of pension benefit received from the public part of pension system), which consequently brings the need to communicate this fact to external environment of the enterprise. It seems a truism to state that socially engaged enterprise is perceived better than the one that does not implement CSR principles. As a result, it enjoys greater interest of customers and thus, this affects the sale and profits of the enterprise; it also has a more positive image in the eyes of potential employees. Therefore, there is a question if enterprises sufficiently inform public opinion about this solution, for example in CSR reports or on websites? Also, do the very workers notice this aspect in enterprise communication strategy?

It results from conducted studies that even those enterprises that included CSR strategy in management strategy, while communicating their actions in this sphere frequently do not consider the fact of operating retirement programs for their employees. This is because own research shows that informing public opinion (for example in CSR reports, on websites, in newsletters, advertisements, etc.) about social policy of an enterprise is undertaken by only 40.7% of enterprises. It should be noticed at the same time that some managers emphasised that information about social benefits are insufficiently communicated, i.e. frequently only during recruitment meetings (or in announced job offers) or only on the intranet. It is also interesting that every third respondent indicated that the company they worked for, did not inform public opinion about benefits offered to their employees, and every fourth emphasised that they had no knowledge in this area. These results clearly show that enterprises insufficiently communicate the society about undertaken actions associated with corporate business responsibility aimed at employees.

It should also be asked whether and what determines communicating external environment about solutions offered to the present and potential workers of enterprises? To answer the question, the Pearson chi-square test was used, utilizing a 2-tailed test at 5% level of significance. The variables that significantly diversify the respondents' answers in this sphere in terms of statistics is the type of respondent, i.e. HR department employee representing the employers point of view vs, employee searching for work (Pearson's chi-square is 19.290,  $df = 2$  and asymptotic significance  $p < 0.00$ ) as well as the size of the enterprise measured by the number of employed workers (Pearson's chi-square is 19.414,  $df = 4$ , and asymptotic significance 0.001). The results of research confirm that employers are people more frequently indicating the fact of informing public opinion about employee benefits—69.4%, whereas the employees represent only 30.6%. On the other hand, in the case of the company size, the bigger the entity, the more often it communicates the environment about actions undertaken towards employees within CSR (from 16.3% indications among representatives of micro and small companies, through 34.5% among medium-sized companies to 57.7% among the

biggest). On the other hand, it proved surprising that the sector represented by the respondents did not affect the promotion of employee actions within CSR in statistically significant way. Nevertheless, manufacturing enterprises communicate the environment about employee benefits most (52.5% indication).

## Discussion of Results and Conclusions

Although the relationship between CSR and offering the employees retirement program is undisputed, perceiving this type of relationships is not always common. It results from conducted research that even the enterprises that included CSR strategy in the management strategy, in communicating their actions in this area frequently did not include the fact of operating retirement program for their employees. This is because informing public opinion (for example in CSR reports, on websites, in newsletters, advertisements, etc.) about social policy of the enterprise is conducted by only 43% enterprises. It should be noticed here that some managers emphasise that information about social benefits are insufficiently communicated, often only at recruitment meetings (or in announced job offers) or on the intranet ( $n = 101$ , research from April 2019). In the context of obtained results it can be stated that too superficial understanding of CSR in the context of shaping long-term relationships with workers can constitute one of factors restraining development of retirement programs. On the other hand, the employees' attitudes towards quasi-compulsory employee retirement programs are moderately positive.

Summing up, in the group of solutions offered by employers to their employees within corporate social responsibility, employee retirement program seems to appear on a totally different level than offering holiday parcels, organising integration trips, financing sport membership cards or even medical packages. This is because voluntary retirement programs are an expression of mature business that offers its employees not only additional bonuses that are an important tool of employer branding but is also a tool that partly assumes responsibility for employees' well-being after they retire. In this context, CSR is a response not only to the

employee's needs in a long-term perspective, but also a social challenge resulting from decreasing efficiency of retirement systems. However two issues should be noticed here; firstly there is a risk that enterprises will not be enough interested in promoting and encouraging employees to save for old age in the form of permanent transfers of funds through regular transfer of a part of salary if the state develops social programs (welfare state). This mechanism of pushing the enterprises from social involvement is described among others by Campbell (2007) and Matten and Moon (2008), also analysed by Kudłak (2018). However, if we look at experiences of wealthy countries, such as Norway or the USA—the level of social involvement and social responsibility there is very high. Matten and Moon's research (2008) analysed this issue while taking into account the level of voluntary character in the sphere of implementation of CSR actions from the perspective of European countries and the USA (implicit and explicit models).

Summing up, offering employees a retirement program in an enterprise can after all constitute a tool emphasising its social responsibility. This is because an enterprise operation must be targeted not only at maximisation of the company value in a long term or at providing other benefits to its owners, but also at voluntary care about the well-being of the present and future employees. It is rather an instrumental approach to ERP, nevertheless, together with the growth of employees' awareness and noticing the benefits by them, it can be supposed that it will become a standard in organizations and not a tool of additional influence on stakeholders.

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# Age Management in Selected Enterprises Operating in the Opole Special Demographic Zone

Ewa Jastrzębska 

## Introduction

Adverse demographic trends and their negative effects are seen as one of the major development hurdles in the European Union and elsewhere. In Poland, Opolskie Voivodeship is where the ageing of the population and its side effects are particularly damaging. This region exhibits the highest degree of depopulation, negative population growth rate, the lowest fertility rate, the lowest negative net migration rate, the lowest percentage of people in the pre-working age (Hryniewicz and Potrykowska 2017). The year 2014 saw the inauguration of a comprehensive programme intended to counteract the disturbing trend: the establishment of a Special Demographic Zone (SDZ) covering the entire region (Program Specjalnej... 2014). One of the programme's thematic packages, Golden Autumn, was designed for people aged 50+ to promote the development of favourable

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E. Jastrzębska (✉)

SGH Warsaw School of Economics, Warsaw, Poland

e-mail: [ewa.jastrzebska@sgh.waw.pl](mailto:ewa.jastrzebska@sgh.waw.pl)

living conditions for the elderly at the same time tapping their potential for region's development. Local businesses were invited to join the initiative as key partners.

The business sector is a leading partner of public administration in pro-senior initiatives due to their growing role and importance in the contemporary world. In recent years, the idea of corporate social responsibility has grown in popularity among companies. It assumes that the company is responsible for the impact of its decisions and activities on society and the environment, through transparent and ethical behaviour which takes into account the expectations of stakeholders and contributes to sustainable development, including health and the welfare of society (PKN 2012, p. 16).

From companies' perspective, the ageing of the population is not only a challenge related to the advent of silver economy, i.e. economic opportunities stemming from higher consumption expenditure linked to the ageing of the population and seniors' specific needs (European Commission 2015, p. 7). More than that, this demographic megatrend means that we are currently witnessing the employee's market, a generation gap, and as many as four generations active in the labour market. Hence, companies having diversity management high on their agenda can no longer ignore the age factor.

The aim of the study is, on the one hand, to attempt to define the idea of age management and, on the other, to assess age management procedures in selected enterprises in the SDZ against the broader concept of corporate social responsibility that the same enterprises implement. The text draws on a critical analysis of the literature on the subject and the original study employing the CAWI method.

## **Age Management as an Aspect of Diversity Management**

Diversity embraces all aspects in which people differ from one another. Three dimensions of diversity can be identified: primary identity (age, sex, race, sexual orientation, ethnicity, disability), secondary identity (e.g.

religion, education, language, marital status, appearance), and organizational identity (e.g. position, seniority, sector) (Gross-Gołacka 2018, pp. 40–41). Age is therefore one of the six basic (visible) dimensions of diversity. Diversity as such is highly ambivalent, hence it should be managed properly.

Diversity management, which falls within human resource management, can be defined as a management philosophy of recognising and valuing heterogeneity in organizations with a view to improving the organizational performance (Özbilgin and Tatli 2011, pp. 1230–1231). It is a voluntary strategy involving a conscious creation of a working environment in which all employees, regardless of any differences among them, can unlock their full potential to build the company's competitiveness and work towards its goals (Jastrzębska 2016, p. 13). Age management is part of diversity management. It is a relatively new phenomenon which surfaced in the foreign literature on the subject about 20 years ago (primarily in the United States and Western Europe, headed by the Scandinavian countries) and only a few years ago in Poland (Warwas 2016, p. 86).

The levels of age management can be identified: individual (employee perspective), organizational (company perspective) and socio-political (perspective of the state and of the labour market) (Adamska-Chudzińska 2016, pp. 335–337) while the concept itself has a twofold interpretation. In a narrower sense, it focuses on older employees and better exploitation of their professional potential; in a broader sense, it revolves around age diversity among employees—having different generations of employees on board. In that broader interpretation, age management is a balanced approach to human resources management aimed at increasing the working capacity of employees from various age groups (in this approach, the concept resembles the management of generational diversity) (Mazur-Wierzbička 2019a, pp. 115–116). The broader interpretation of age management seems to be prevailing in the literature on the subject. This can be seen as a response to contemporary demographic challenges and the situation on the labour market. Still, in practice, age management mechanisms most often focus on seniors since they struggle with competitiveness on the labour market more than others (Krok 2017, p. 29).

One of the first definitions, overlapping with the narrow interpretation of age management, is the one by Walker (2005, p. 685) who says in 1997 that age management may refer specifically to the various dimensions by which human resources are managed within organizations with an explicit focus on ageing. According to another but also a narrow definition (pointing to the different levels and subject of age management) by Urbaniak and Wieczorek (2007, p. 11), age management covers a variety of activities, mainly aimed at older employees and intended to improve the work environment and working capacity of seniors; they are undertaken by many entities (the government, social partners, employers and employees themselves) at the national, local, and organization level. The broad approach to age management is advocated by Schimanek who defines the concept as a method of company management that takes account of the age diversity of employees. This diversity is seen as an advantage that the company endeavours to exploit for the benefit of the employees and the organization (Schimanek et al. 2011, p. 2). Liwiński and Sztanderska (2010, p. 3) also subscribe to the same approach. In their opinion, age management embraces various activities that allow a more prudent and effective use of human resources in the organization by satisfying the needs and benefiting from the capabilities of employees of different age.

A review of the available literature on the subject shows that the majority of definitions of age management favours the broad approach; however, in this paper, and given the aims of the Golden Autumn package under the SDZ, the focus is on the narrow interpretation of the concept.

All in all, the essence of the concept of age management is to create such a working environment that is friendly to employees of all age groups, while respecting their age-specific needs and expectations, with a view to building the company's competitive edge. Age management enfolds various activities conducted in all important areas of human capital management by various entities. It seems that the main burden of age management rests on the shoulders of enterprises as they directly influence the conditions of employee participation in the working environment. Among the most frequently indicated areas of age management, at least in accordance with the functional approach, there are: recruitment, continuing education and career development, work

organization and working conditions, protection and promotion of health, leaving employment and going into retirement (Mazur-Wierzbicka 2019b, pp. 89–90).

Age management is a *signum temporis*; the challenges of the present day must be tackled and, it seems, age management produces benefits that outweigh the expenditure made by businesses for the same purpose. Some of the multifaceted benefits of age management are (Citkowski and Garwolińska 2018, p. 467; Krok 2017, p. 31; Adamska-Chudzińska 2016, pp. 337–340; Rembiasz 2016, pp. 151–152; Cichorzewska et al. 2015, pp. 66–67):

- the optimum exploitation of the potential of employees of all ages (increased performance and motivation, enhanced creativity and efficiency),
- increase in the value of company's intellectual capital (development of human capital and prevention of practical knowledge drain in the house),
- reduced labour and operational costs (lower recruitment costs, lower absenteeism of older employees, lower employee turnover, lower training expenses, better management),
- good working atmosphere (higher sense of security, less intergenerational conflicts),
- enhanced corporate image (greater loyalty and number of conscious customers),
- increased competitiveness, and
- greater flexibility of the organization.

Research reveals that, despite the unquestionable progress across enterprises in Poland, established and all-embracing age management remains a rarity: it has a limited effectiveness and the scope of implemented solutions is rather inadequate. In 2008, only 3% of enterprises in Poland had a programme of employment of 50+ personnel in place (Adamska-Chudzińska 2016, p. 341). Employers tend to perceive 50+ employees as underperforming and generating costs (Kołodziejczyk-Olczak 2014, p. 52). Some initiatives of this kind are reported in large companies but rarely in MSMEs.

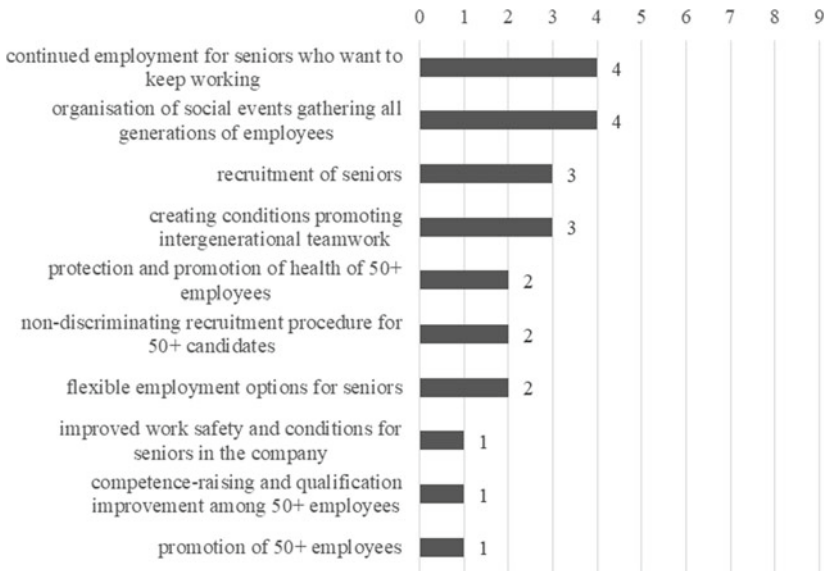
Therefore, having a closer look at how the enterprises operating in the SDZ handle age management may yield interesting results. As mentioned earlier, adverse demographic processes in the region and the senior policy in place exert an ever-greater pressure on implementing such solutions.

## Results of Research

A study of age management in enterprises operating in the SDZ was carried out in liaison with the Marshal's Office of Opolskie Voivodeship in the period from December 2017 to January 2018. An anonymous online survey was submitted to 25 business support institutions, 45 beneficiaries of the Managing Authority of the Regional Operational Programme Opolskie Voivodeship 2014–2020 (Measures 7.4, 8.1 and 8.2) and 17 beneficiaries of the Intermediate Body (the Opole Centre for Economic Development or OCED). The survey was completed by nine private Polish enterprises (micro and small) headquartered and operating mainly in Opolskie Voivodeship, primarily in the trade, service and care industry, and mostly operating on the market for no more than 15 years.

Among the initiatives set up to manage age in the organization, the surveyed enterprises first named some basic and reactive activities such as: retaining seniors who want to keep working, organization of social events for all employees as well employment of seniors and creating conditions for intergenerational teamwork. The least popular activities were broadly understood investment in older personnel, e.g. improvement of the work safety and conditions, competence-raising and qualification improvement (Fig. 1).

It is worth noting that in a nationwide survey conducted under the Diversity Index 2011 project on a representative sample of medium- and large-sized enterprises (Gross-Gołacka 2018, pp. 318–322), the age management activities highlighted by the surveyed were: impartial recruitment (48.8% of “yes” answers), subsidised medical checks (23.9%), programmes/initiatives of professional development of 50+ personnel (23%), organization of in-house events (22%), flexible employment



**Fig. 1** What action does your company take to manage age? (Source Own study)

(21.7%), 50+ employee acquisition initiatives (11.8%) (Gross-Gołacka 2018, pp. 334–335).

However, a study held in 2012 under the project, Equal Opportunities in the Labour Market for Persons Aged 50+, on a representative sample of employers showed that 96% of them did not attach attention to the employee's age but only to their performance at work.

The surveyed employers pointed to the following age management mechanisms used (Kołodziejczyk-Olczak 2013, pp. 67–68):

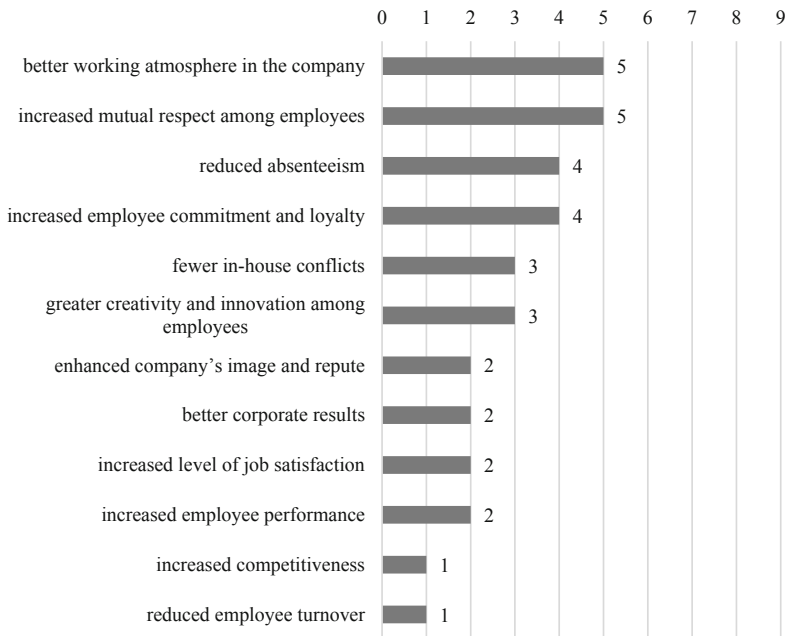
- setting up age-diverse work teams (60% of all returned responses, with 59.2% from micro-enterprises and 72.9% from small ones),
- training methods involving experience exchange, e.g. mentoring (43.8% of all returned responses, with 43.8% from micro enterprises and 42.2% from small ones),
- age-sensitive selection of form of employment (16.5% of all returned responses and 16.6% and 14.4%, respectively as above),



- age-sensitive arrangement of working time (14.2% of all returned responses, 14.5% and 8.5%, respectively as above), and
- age-sensitive manpower planning (12.6% of all returned answers, 12.8% and 7.4%, respectively as above).

In my original study, only two out of nine surveyed companies agreed that supporting age diversity in the organization is advantageous while the vast majority of the surveyed did not have an opinion on the matter (seven answers “I do not know”). The most important benefits of supporting age diversity in the company, as reported by the surveyed companies, are better atmosphere in the workplace and higher mutual respect among employees (five responses each) as well as lower absenteeism and greater employee commitment and loyalty (four responses each). Less often, the surveyed enterprises pointed out that effective age management helped resolve internal conflicts and increased employee creativity and innovation (three responses each). The surveyed businesses seldom observed the external benefits of age management, such as enhanced corporate image and repute, better results or increased competitiveness (Fig. 2).

None of the nine surveyed enterprises admitted to the implementation of corporate social responsibility (CSR): five denied having ever implemented it and four were not sure because they were not familiar with the concept. It is worth noting that in the nationwide surveys by the Polish Agency for Enterprise Development, 26% of micro and 36% of small enterprises (PARP 2011, p. 51) as well as 33.6% of MSME managerial staff (PARP 2013, p. 12) declared their familiarity with the concept of CSR. In contrast, in the study, *Socially Responsible. The Strategies of Corporate Social Responsibility in Opolskie Voivodeship*, conducted in 2015 among 602 national economic entities, 35.7% of micro and 45.2% of small enterprises declared the understanding of the idea (Zadka). In an attempt to pin down the most essential elements of corporate social responsibility, the studied companies rightly pointed to the need to build positive relations with key stakeholders (four responses). Less often, they highlighted such elements as transparency of action or (most popular though not necessarily pertinent responses) corporate image and commitment to local community (two responses each) (Fig. 3).

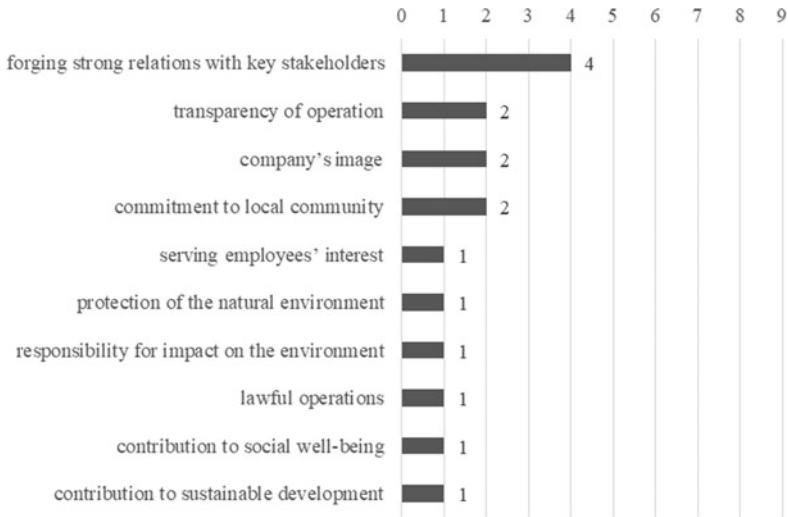


**Fig. 2** What benefits can be reaped of supporting age diversity in the company? (Source Own study)

## Conclusion

Active Ageing Index 2014 ranks Poland last but one (ahead of Greece) among 28 EU countries. This index takes account of not only the employment of seniors but also their participation in society, independent living in good health and safety and capacity for active ageing (Ranking). It shows how much there is for us to catch up with on each level of age management.

The most essential element of the development of the concept of age management is the knowledge of threats and opportunities that the ageing of human resources and the evolving business setting bring. In micro terms, age management yields measurable benefits to both employers and



**Fig. 3** What do you think are the most important aspects of corporate social responsibility? (Source Own study)

employees, while on a macro scale it promotes a more thorough exploitation of labour market resources and furthers the socio-economic development of the country.

The conducted survey demonstrated that the studied micro and small enterprises were setting up various age management initiatives. At the same time, however, they did not implement the concept of corporate social responsibility consciously, still they were able to highlight its key components. The surveyed companies also agreed that age management helps reap numerous benefits.

The basic constraint in the conducted survey study was the low level of returned surveys, which makes the obtained results anything but representative. However, the study may be used as a suggestion for managers as to, first of all, what action in the domain of age management is most often taken by small and medium enterprises and what benefits it can produce.

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# Sustainable Consumption in the Context of Corporate Social Responsibility Management

Aleksandra Radziszewska 

## Introduction

In the competitive market, products' quality and price are no longer core competitive advantages. Therefore companies made significant contributions towards Corporate Social Responsibility (CSR) as a strategy to improve their market image. Nonetheless, many of these strategies have been unsuccessful because companies have failed to recognize the importance of consumers' ethical beliefs and new consumption patterns in forming their perception towards CSR.

Consumption has increased to unprecedented level, therefore urgent changes in consumers' behavior are needed in order to reduce the effects of over-consumption, because individual behaviors have a direct impact on the surrounding environment. The growing concern about environmental issues and sustainable development is also reflected by an increase

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A. Radziszewska (✉)

Częstochowa University of Technology, Częstochowa, Poland

e-mail: [radz\\_a@wp.pl](mailto:radz_a@wp.pl)

in demand for environment-friendly products and the pressure on companies to conduct their business in a socially and ecologically responsible manner. Investment in sustainability is no longer driven by legal requirements but it is motivated by consumer demand (Kostadinova 2016). This changes influence consumers' behaviors and promote new forms of consumption.

The aim of this research is to analyze the consumers' sustainable consumption behaviors, their attitude to CSR and to outline the social responsible consumer's profile.

This study applies the following research methods: analysis of scientific literature, survey, and statistical analysis of data. Research data were collected through online questionnaire. Statistical analyses such as standard multiple regression were used to examine the correlation and the strength of relationship between the CSR attributes and their impact on consumer buying behaviors.

The study describes contemporary consumption patterns connected with sustainable and social responsible consumption and investigates their influence on consumers' buying behaviors and CSR management. This work contains theoretical part and literature review, but it has research character and uses an empirical approach to have an understanding of consumers' evaluation and perceptions of a company's CSR during the buying decision making and purchasing process.

The work is structured as follows: After this introduction the next section presents the literature review. Then research hypotheses and research methodology are presented in detail. Finally, research findings are outlined and discussed, theoretical and managerial implications are explored, limitation and futures research are described.

## Theoretical Background

In today's competitive market environment, CSR has strategic importance to companies, because consumers and other shareholders are becoming increasingly aware of environmental problems and the ethical operations of companies (Rudež 2010). Companies have been addressing this growing consumers' needs in the form of CSR.

CSR can be defined as “a concept that integrates, on a voluntary basis, social and environmental concerns into a business’ operations and interactions with its stakeholders” (Lin-*Hi* and Müller 2013). CSR is a company’s activities related to its perceived societal or stakeholder obligations (Du et al. 2010). CSR can be considered as one of the offensive marketing strategies designed to obtain additional customers, encourage brand switching, and increase purchase frequency (Albus and Ro 2017).

Research has suggested that consumers’ perceptions of a company’s CSR activities positively influence their satisfaction (Luo and Bhattacharya 2006), trust toward the company, loyalty (Marin et al. 2008; Rudež 2010), and attitudes and behavioral intentions (Mohr and Webb 2005).

Companies increasingly recognize consumers’ expectations regarding sustainability, because contemporary consumers expect to participate in sustainable development creation (Murphy et al. 2013). In this context consumption is a process involving many stages, including recognition of need, evaluation of alternatives and post-purchase behavior, that may challenge environmental and social sustainability aspirations (Power and Mont 2010). Sustainable consumption is based on a decision-making process that takes the consumer’s social responsibility into account in addition to individual needs and wants. The ethical consumer feels responsible towards society and expresses these feelings by means of purchase behavior. The ethical consumers reflect specifically upon ethical consequences of their behavior. They take into consideration not only environmental issues but also animal welfare, human rights, and labor working conditions, while they make purchase decisions. Price, quality, convenience, and brand familiarity are still the most important decision criteria, while ethical factors are only effectively taken into account by a minority of consumers (Vermeir and Verbeke 2006).

There are many factors, which influence sustainable consumption. For example income is one of the most important factors influencing sustainable purchase behavior. According to research wealthier households more likely to purchase sustainable products and they are perhaps the least likely group to drastically change their lifestyles through reduced consumption. Therefore, CSR strategy might be more efficient when targeted towards wealthier consumer groups. Different age groups also show



differing sensitivity to sustainable consumption practices. For example, young people tend to be conscious about the need to reduce environmental impact, even though they may not always link it to their purchasing behavior. Gender differences also greatly affect consumption patterns. Women are more likely to be sustainable consumers, as they tend to buy ecological products, have a higher tendency to recycle, and place more value on efficient energy use, waste separation, and recycling. Women are more likely to take social issues into consideration, and they tend to have higher awareness about fair trade labels (Power and Mont 2010).

There are many examples of individuals who choose to live sustainable as well as life styles, consumption patterns, and consumers' movements which promote sustainable consumption, such as: the voluntary simplicity movement, green consumption or collaborative consumption (McDonald et al. 2006).

Large number of consumers have the willingness to not support companies that behave irresponsibly by switching brands. Consumers would avoid purchasing products linked to sweatshops, environmental pollution, natural environment destruction, and immoral or illegal practices. While the consumer is a main participant in the commercial exchange process, corporations must consider consumers' perspectives toward a firm's CSR activities.

## Research Hypotheses

Based on literature review the three-dimensional model of sustainable consumption has been proposed. This conceptual framework includes following dimension connected with sustainable consumption and CSR: environmental aspect, social aspect, life-style and consumption patterns. This conceptual framework and its detailed criteria have been presented in the Table 1.

From the perspective of companies it is quite expedient to thoroughly analyze what consumers believe about sustainability and CSR. Based on the literature review the following hypotheses for the causal relationship between CSR and its resulting influence on sustainable consumer behaviors and have been proposed:

**Table 1** Dimensions of sustainable consumption

Environmental aspect	Social aspect	Life-style and consumption patterns
<ul style="list-style-type: none"> <li>- preference for environmentally friendly products</li> <li>- choice of eco-friendly packaging</li> <li>- preference for products with eco-label</li> <li>- buying in an environmentally friendly manner</li> <li>- positive attitudes regarding companies that respect energy and resource conservation</li> </ul>	<ul style="list-style-type: none"> <li>- preference of local production</li> <li>- purchase of fair-trade products</li> <li>- positive attitudes regarding companies that respect labor standards and human rights</li> </ul>	<ul style="list-style-type: none"> <li>- decreasing the level of consumption</li> <li>- collaborative consumption (sharing products with other consumers)</li> <li>- voluntarily simplicity in consumption</li> <li>- preference for sustainable products independent from price</li> <li>- frugal purchasing</li> <li>- debt-free consumption</li> </ul>

Source Own elaboration

**Hypothesis 1 (H1)** There is a significant positive relationship between CSR and eco-friendly consumption preferences.

**Hypothesis 2 (H2)** There is a significant positive relationship between CSR and social-responsible consumers' purchase decisions.

**Hypothesis 3 (H3)** There is a significant positive relationship between CSR and sustainable life-style and consumption patterns.

New consumption patterns and lifestyles influence consumers' purchase decisions. A change towards more sustainable consumption includes changes of the drivers that influence consumers' behavior. It is essential to explore motivations and behaviors of contemporary consumers in the context of their social responsible decision making and their attitudes toward CSR.

## Method of the Research

In order to test the hypotheses, an online questionnaire survey will be carried out to collect empirical data. The research was conducted on a group of 93 Internet users in January 2019, 84 respondents were included, which was 90.32% of the surveyed, because not all questionnaires were completed. The study population was members of academic community. The data was collected in the form of a survey carried out on the e-learning website. Each participant of the study was asked to answer the survey questions. The online questionnaire applied in this study included two sections. The first section collected demographic information about respondents, while the second part collects the information required for running the main analyses.

Respondents included 31% males and 69% females. 32.14% of the respondents were ages 19–20, 54.77% were ages 21–24, and 13.09% were ages 24–26.

The biggest limitation of this research is sampling. Therefore, results of the online questionnaire can be misleading as the study sample are

represented by this group of respondents. This limitation should be considered and diminished when conducting next more detailed and long-term study. The research is a pilot study, thus all findings are applicable only to the study sample.

Regression analysis were used to find the relationship between CSR management and sustainable consumers' behavior.

The reliability test used was Cronbach's alpha. For all research variables values were higher than 0.7. Cronbach's alpha for eco-friendly consumption preferences was 0.827, social-responsible consumers' purchase decisions 0.793 and sustainable life-style and consumption patterns 0.841. Cronbach's alpha showed high internal consistency, implying that the measures are reliable. Hence, a statistical analysis of the results shows that the proposed evaluation instrument is suitable for use in further research—both questionnaire and its component scales are valid and reliable.

## Data Analysis

Multiple regressions were used to identify the relationship between the independent variable (CSR) and dependent variables—eco-friendly consumption preferences, social-responsible consumers' purchase decisions, and sustainable life-style and consumption patterns. The results of regression analysis have been shown in the Table 2.

The result shows that R-square was 0.571, which demonstrates that dependent variable explain 57.1% of the variance in independent variables. The linear relationship between eco-friendly consumption preferences, social-responsible consumers' purchase decisions, sustainable life-style and consumption patterns with CSR is significant with an F-value of 34,258 at the 0.01 significance level. Therefore, the model fits this study.

The significance level of relationship between eco-friendly consumption preferences and CSR was 0.000, which is less than 0.05. Therefore Hypothesis 1 is accepted. Eco-friendly consumption preferences have the highest coefficient (beta = 0.396), hence, successful implementation of CSR strategy has a significant positive effect on environmental- friendly

**Table 2** The results of regression analysis

Dependent variables	Standardized coefficients Beta	t	Significance level
Eco-friendly consumption preferences	0.396	4627	0.000
Social-responsible consumers' purchase decisions	0.352	4583	0.000
Sustainable life-style and consumption patterns	0.031	0.259	0.471

Independent variable: Corporate Social Responsibility  
 $R^2 = 0.571$ ,  $F = 34,258$ , significance level = 0.000

Source Own study

consumer choices, purchase satisfaction and consumers' expectations fulfillment.

The significance level of relationship between social-responsible consumers' purchase decisions and CSR was 0.000, therefore, H2 is accepted. The test also showed that this dimension of sustainable consumption has the high coefficient (beta = 0.352) and has the considerable and significant impact on consumers' decisions and purchase satisfaction connected with social responsible choices.

According to the results sustainable life-style and consumption patterns did not have a statistically significant relationship with CSR due to the significance levels (0.471) being higher than 0.050. Hence, H3 is rejected.

The results show that surveyed consumers find very difficult to maintain a chosen more sustainable lifestyle. The alternative consumption patterns are attractive for customers, because they can demonstrate their untypical and alternative life style or social position, but very oft the sustainable life style is only declaration and hasn't reflection in reality and every day consumers' behaviors.

Sustainable consumption behaviors, motivated by different customers' needs and expectations demonstrate that successful implementation of CSR strategy constitutes a great managerial challenge, but causes increasing customers' satisfaction connected with participation in sustainable

development. Contemporary customers expect involvement in social responsible activity and demonstrate this fact with social responsible purchase behaviors.

## Conclusion

The results confirm a significant positive association between CSR and consumer sustainable buying behaviors. The study found that consumers value social responsibilities differently and that not all dimensions are equally important. This research also significantly contributed to the prediction of consumer behaviors towards the CSR initiatives and practices. The results of this study will contribute to the debate on consumer ethics and social responsibility research. This study should help understand how to motivate consumers to engage in more sustainable consumption.

This research takes a more complete approach to study the sustainable and social responsible consumption patterns and their influence on CSR management. The sustainable, ethical and social responsible consumers' buying behaviors are important factors to consider while implementing CSR strategies in contemporary companies. It is beneficial for companies to implement CSR activities and communicate CSR efforts and achievements effectively with customers. Companies often use CSR to gain a competitive advantage by creating a favorable image of themselves among consumers. Companies should view CSR as being not just a promotional tool to attract customers but also a support to increase customers' loyalty, purchase satisfaction, awareness of company's CSR activities, encourage their participation in social responsible activity, and promote sustainable consumption behaviors. CSR should provide customers with an opportunity to be involved in the company's social responsible activities. Therefore, customers' expectations and attitudes regarding sustainability and social responsibility are the essential aspects to consider while implementing company's CSR activities.

The current study has some limitations which provide perspectives for future research. Convenience sampling does not permit results to be generalized to a larger population. Another limitation is that this study investigated the influence of only three variables connected with sustainable

consumer behavior. A future study should try to validate and generalize the findings of this study by using a wider sample. In conducting future research, other variables related with the change towards more sustainable consumption should be considered in assessing the influence of CSR activities on more sustainable consumers' behaviors and purchase decisions.

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# The Role of Social Capital in Boycotting Socially Irresponsible Firms

Agnieszka Marek  and Grzegorz Zasuwa 

## Introduction

Boycotting irresponsible firms is regarded as an important mechanism by which society is able to reduce the occurrence of business practices that damage the natural environment or severely break social rules (Klein et al. 2004). In a typical product boycott (also called a consumer boycott) one or more parties attempt “to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace” (Friedman 1985, p. 97) or “get many others to refrain from doing business with that organization” (Tomhave and Vopat 2018, p. 125). Thus, the essence of a product boycott is using consumer power

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A. Marek (✉) · G. Zasuwa (✉)

The John Paul II Catholic University of Lublin, Lublin, Poland

e-mail: [agnieszka.marek@kul.pl](mailto:agnieszka.marek@kul.pl)

G. Zasuwa

e-mail: [gzasuwa@kul.pl](mailto:gzasuwa@kul.pl)

to induce a certain firm to abandon practices that negatively affect people or the environment. In other words, consumer boycotts may protect the common good by mitigating harmful business operations.

Protests against corporations such as Shell, BP or Bank of America showed that socially damaging business practices can be hampered by the market mechanism itself, thanks to committed consumers. However, this mechanism only works if a large number of people join a certain protest. Cross-cultural surveys have demonstrated large differences among countries in consumer participation in boycotts of socially irresponsible firms (ESS 2018). On one hand, there are countries where more than 40% of people take part in these protests; on the other, there are countries with a boycott rate of around 5%. Without consumer support, a product boycott is unlikely to be effective (i.e., it would not be able to impose any significant effects on a firm). This is why marketers from countries with low levels of consumer activism, including Poland, do not typically take consumer boycotts seriously; conversely, in countries with high consumer involvement up to 50% of firms that are targeted by consumer protests meet the demands of boycotters and refrain from irresponsible practices (Braunsberger and Buckler 2011).

Although people's involvement in a boycott determines its effectiveness, few studies have addressed cross-country differences in consumer participation in boycotts. The majority of existing studies have addressed the economic and psychological antecedents of taking part in boycotts against irresponsible firms, such as the ratio of personal costs and benefits to the consumer (Hutter and Hoffmann 2013), the perceived egregiousness of corporate activities (Hahn and Albert 2017) or the volume of products purchased by a consumer (Albrecht et al. 2013).

The present paper assumes that boycotting products of an irresponsible firm requires support from consumers who are ready to protect the environment or other people and their rights. The vast number of sociological studies proved that social capital facilitates civic engagement. Bearing in mind that product boycotts typically aim to reduce harmful corporate operations, the main objective of this paper is to obtain a better understanding of the role of social capital in boycotting the products of socially irresponsible firms. Specifically, this study aims to answer the following question: 'How does a country's level of social

capital influence consumer participation in boycotts against irresponsible firms?’ In order to answer that question, this study develops a theoretical framework that elaborates the concept of social capital and its relation to consumer boycotts. Then, the research methods are described and the results are presented. The paper ends with conclusions and suggestions for future studies.

## Theoretical Framework

Social capital theory was popularised in the 1980s by Pierre Bourdieu and James Coleman. Bourdieu defined social capital as “the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition” (Bourdieu 1983, p. 249). Such a definition places Bourdieu among the representatives of the resource notion of social capital. The second outlook on social capital is, as represented by Coleman and Robert Putnam, a network perspective which perceives the capital not as a resource per se but as the network of ties which gives access to different resources controlled by members of the network (Coleman 1988, 1990). Coleman defines social capital as various entities which have two common features: “they all consist of some aspects of social structures, and they facilitate certain actions of actors – whether persons or corporate actors – within the structure” (Coleman 1988, p. 98). According to Putnam, at the centre of social capital theory is the value of social networks. This capital is related to trust, social norms and ties which can increase the efficiency of society. It facilitates social trust, taking coordinated actions and strengthening ties within the society (Putnam 2008).

It is worth noting that scholars are not unanimous about the components of social capital. Table 1 shows different sets of its elements but one has to bear in mind that this representation is not finite; research on social capital is still developing. Nevertheless, the most frequently mentioned components are social networks as well as norms and values, among which trust and reciprocity are vital elements. Taking into consideration the main aim of the paper, which is the examination of

**Table 1** Components of social capital

Name	Components of social capital
James Coleman (1988, 1990)	Obligations, expectations and trustworthiness of structure information channels Norms and effective sanctions (reciprocity and trust, common good)
Pierre Bourdieu (1983)	Resources gained thanks to belonging to relationships network, acquaintances and mutual trust Access to specific benefits
Robert Putnam (2008)	Trust Social norms Associations networks Participation in civil society
Francis Fukuyama (1997)	Trust Spontaneous social behaviour
Henk Flap and Beate Völker (2001)	Number of people in a personal social network who are ready to help in need Strength of relationship which determines readiness to help Resources of network members
Maria and Theiss (2007)	Social ties Social norms and principles of cooperation Trust Structures and social institutions Information channels and connections Patterns of realising values and business Solidarity Habits and customs
Cezary Trutkowski and Sławomir Mandes (2005)	Norms and values Social networks Social consequences (built common good)

Source Own elaboration

the influence of social capital on boycotting, and the available data, the most important components for further analysis are social networks and trust, which are tightly intertwined.

Regardless of their chosen perspectives, researchers agree that social capital requires social networks perceived either as vital elements of the capital or as ties which provide access to certain resources within the network. Some people “do better because they are somehow better connected with other people. Certain people are connected to certain others, trusting certain others, obligated to support certain others, dependent on exchange with certain others. One’s position in the structure of these exchanges can be an asset on its own right” (Burt 2005, p. 4). Social networks are built through interactions with others and they differ according to the contact’s strength and frequency. Ties between family members, friends or neighbours, which are characteristic for bonding social capital, are strong because people within these groups meet often, trust each other and share similar norms and values. Information gained within these networks are often redundant and any benefits rarely go beyond the group (Putnam 2008; Patulny and Svendsen 2007). This is why some researchers emphasise the strength of weak ties (Granovetter 1973) and perceive them to be a source of better connections. Weak ties, also named “bridges”, create shorter paths between individuals, resulting in a faster information transfer over bigger distances (Grzesiuk 2015). Weak ties are the basis of bridging social capital and facilitate the usage of external resources and information flow (Putnam 2008). Bridging social capital is critical when creating a civil society as people with too many strong ties and not many weak ties are less creative, and reluctant to changes or to become involved in any initiatives as they function only within the network of their closest relatives and friends (Jędrych 2007).

As mentioned previously, another component of social capital is trust, a crucial element for the existence of a civil society. Trust is a mechanism based on common norms, assuming that members of society behave in an honest and cooperative way. It increases the efficiency of each group and institution (Fukuyama 1997). Fukuyama introduced the concept of a “radius of trust”, which differs depending on the level of social capital within a society (Fukuyama 1997, p. 170). This radius reveals the number of group members who we feel are trustworthy and who we are obliged to fulfil our duties for, using the reciprocity norm. In societies with high level of social capital, radius of trust might be wider than a group. In large organizations, on the other hand, it might only include

small groups within the entity (Fukuyama 2000). When trust becomes a common and frequently used norm within a society, there exists a culture of trust. Building such a culture requires actions from both citizens and their government because only in stable, transparent and predictable conditions can people trust each other a priori, meaning that people assume that others are trustworthy until they learn otherwise (Sztompka 2002, 2008).

Considering the purpose of this paper—to obtain a better understanding of the role of social capital in boycotting—we assumed that social capital plays an important role in protests against irresponsible firms for two reasons. Firstly, consumer boycotts involve a collective action problem (Klein et al. 2004). To become effective, these protests need to engage a multitude of people who should act together against the irresponsible firm. Thus, this kind of activity requires trust among consumers who want to manifest their dissatisfaction and stigmatise an enterprise which violates commonly accepted and shared norms. Given that social trust enhances cooperation among people, one can reasonably expect that in countries with a greater capacity for trust, more people would boycott the products of irresponsible firms. Secondly, to trigger public resistance against the irresponsible behaviour of a particular firm, information on that kind of behaviour is needed. Assuming that social ties enhance the spread of information, we expect that in a country with more social ties it would be easier to mobilise a significant number of people to boycott an irresponsible firm than in a country with fewer social ties.

## Method of Research

In order to answer the question regarding how the social capital of a country affects consumer participation in boycotts against irresponsible firms, the study uses data from the sixth edition of the European Social Survey (ESS). In this survey, the sample consisted of 54,221 subjects from 29 countries. The average participant was 48.31 years in age, with a standard deviation of 18.59 years. Slightly more women than men (52.6 vs 47.4%) took part in this survey.

The ESS was selected as the source of the data because it measures the participation of people in product boycotts and includes several items that enable social capital operationalisation. With regard to participation in boycott, the respondents had to indicate whether they 'boycotted certain products' in the last 12 months. When it comes to social capital operationalisation, we followed Putnam who regarded generalised trust and social networks as the main components of social capital. Trust was measured by an indicator based on participants' responses to the following items: 'Most people can be trusted or you can't be too careful', 'Most people try to take advantage of you or try to be fair', 'Most of the time people are helpful or mostly looking out for themselves'. The answers to these items were made on a 0 (you can't be too careful) to 10 (most people can be trusted) scale. While operationalising social networks, we distinguished between weak and strong ties. As proxies for weak ties, we assigned such ties as contact with people who were politicians or government officials, working in political parties or action groups, being involved in voluntary work and members of a trade union or similar organization. To contrast, the study's proxies for strong ties included friends, the frequency of meeting them and having the opportunity to discuss personal matters with other people. To better evaluate the quality of strong ties, we also took into account receiving help from respondents and providing help to other people. More detailed information on social capital measurement is presented in Table 2.

While investigating the relationship between consumer participation in boycotts against irresponsible firms and the social capital of a country, we began with a preliminary analysis in which we correlated percentages of boycotters against social capital variables. The results demonstrated that all the correlation coefficients were positive and statistically significant. With regard to the strength of these links, the number of people with whom one can discuss intimate and personal matters most strongly correlated with boycotting ( $r = 0.79$ ,  $p < 0.01$ ), whereas working for a political party (or action group) and boycotting had a weak correlation ( $r = 0.39$ ,  $p < 0.05$ ). All correlations are illustrated in Fig. 1.

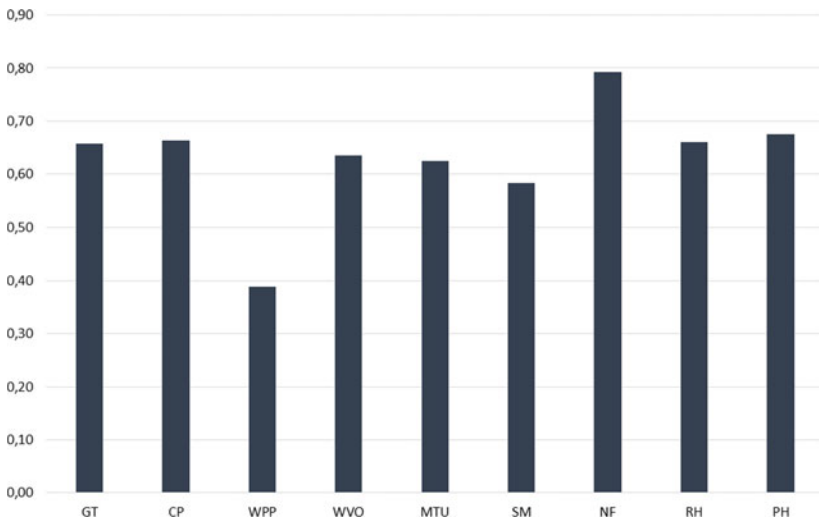
We subsequently performed a  $k$ -means clustering analysis to identify three groups of countries with similar social capital structures. As the centroids show, these clusters largely differ in their social capital capacity

**Table 2** Descriptive statistics for these variables at country level

Variables	Mean	Standard deviation	Range
The percentage of boycotters	15.7	11.8	0.7–42.8
Averaged generalised trust	5.1	0.9	3.54–6.82
<i>Proxies for weak ties</i>			
The percentage of respondents who contacted a politician or government official in the last 12 months	12.8	5.2	4.6–25.9
The percentage of respondents who worked in political party or action group in the last 12 months	4.0	2.2	1.1–10.1
The percentage of respondents who were involved in work for voluntary or charitable organizations (at least once every three months)	17.9	10.7	2.4–37.8
The percentage of respondents who are member of a trade union or similar organization	18.2	18.4	3.1–67.8
<i>Proxies for strong ties</i>			
Percentage of people who socially meet with friends, relatives or colleagues at least once a week	58.9	13.1	25.7–77.8
The percentage of respondents who have at least 4 people with whom they can discuss intimate and personal matters	31.4	14.9	7.5–58.2
The percentage of respondents who feel that they receive help and support from other people	87.8	5.5	73–95.2
The percentage of respondents who feel that they provide help and support to other people	92.2	4.2	80–97.1

Source Own study





**Fig. 1** Correlation coefficients between boycotting and social capital variables (Notes GT—generalized trust, CP—contacting politicians, WPP—working in political party, WVO—working for voluntary organizations, MTU—membership in trade union, SM—socially meeting, NF—number of friends, RH—receiving help, PH—providing help) (Source Own study)

(Table 3). Most of countries in our study fall into the low social capital cluster (i.e., 15 countries). Specifically, this cluster consists largely of Central and Eastern European countries alongside Portugal and Italy. The average social capital cluster contains eight rich Western countries and Israel. The cluster of countries with the highest social capital includes five Scandinavian countries: Denmark, Finland, Iceland, Norway and Sweden.

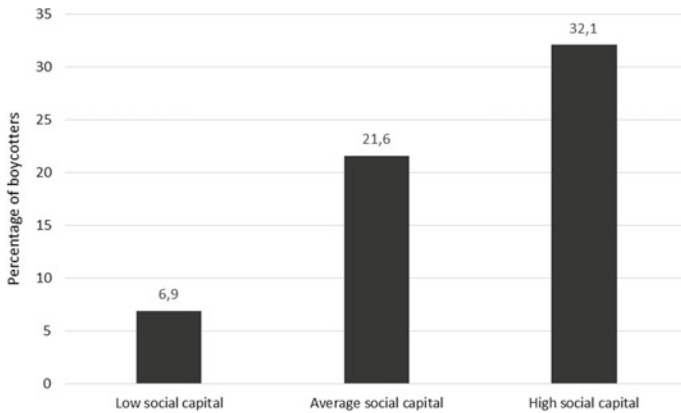
At the next stage of analysis, we compared the average percentage of boycotters for the aforementioned clusters of countries. The data in Fig. 2 clearly show that the participation in product boycotts depends on the social capital capacity of a country. In order to see whether the identified differences are statistically significant, we used a one-way ANOVA analysis. In line with our expectations, the results showed the statistically significant effect of a country's social capital capacity on consumer activism,  $F(2,25) = 31.080$ ,  $p < 0.001$ . However, this positive effect does not mean that all the differences among the clusters

**Table 3** Classification of countries based on social capital clusters

Variables	Cluster		
	Low social capital	Average social capital	High social capital
The averaged generalised trust	36.0	59.9	81.7
The percentage of respondents who contacted a politician or government official in the last 12 months	9.6	14.5	19.8
The percentage of respondents who worked in political party or action group in the last 12 months	3.3	3.7	5.9
The percentage of respondents who were involved in work for voluntary or charitable organizations (at least once every three months)	9.5	28.2	24.8
The percentage of respondents who are member of a trade union or similar organization	8.0	15.0	54.2

Variables	Cluster		
	Low social capital	Average social capital	High social capital
Percentage of people who socially meet with friends, relatives or colleagues at least once a week	51.0	65.1	70.3
The percentage of respondents who have at least 4 people with whom they can discuss intimate and personal matters	19.8	43.5	46.5
The percentage of respondents who feel that they receive help and support from other people	84.2	90.1	94.4
The percentage of respondents who feel that they provide help and support to other people	89.5	94.5	96.0
	Albania, Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Italy, Lithuania, Poland, Portugal, the Russian Federation, Slovenia, Slovakia, Ukraine, Kosovo	Belgium, Switzerland, Germany, France, the United Kingdom, Ireland, Israel, the Netherlands	Denmark, Finland, Iceland, Norway, Sweden

Source Own study



**Fig. 2** Mean percentage of boycotters in social capital clusters (Source Own study)

were significant. Tamhane's post hoc test revealed that there was a significant difference in the mean percentage of boycotters between the low and average social capital clusters ( $M = 6.9$ ,  $SD = 4.5$  vs.  $M = 21.6$ ,  $SD = 9.3$ ;  $p < 0.01$ ), and between low and high social capital clusters ( $M = 6.9$ ,  $SD = 4.5$  vs.  $M = 32.1$ ;  $SD = 7.6$ ,  $p < 0.01$ ); whereas the difference between the average and high social capital clusters was insignificant ( $M = 21.6$ ,  $SD = 9.3$  vs.  $M = 32.1$ ;  $SD = 7.6$ ,  $p > 0.05$ ).

## Conclusion

Our study revealed significant differences in the percentage of boycotters between European countries depending on their level of social capital. In countries with high social capital, more than 30% of consumers wanted to control irresponsible firms by boycotting their products, while in countries with low social capital this percentage was only 6.9. This research finding clearly supports our theoretical framework, which predicted that within high social capital countries information about the violation of norms by firms flows quicker and reaches more people which can accelerate consumers' decision about participation in boycotts. On the other hand, low social capital level means low generalised trust and

less people within personal and professional networks; this results in consumers from those countries not having as many opportunities to talk about companies' irresponsible behaviour as citizens of countries with average or high social capital. Thus, our study shows that a social capital deficit in a country should be regarded as a substantial reason for low consumer activism, including boycotting irresponsible firms.

Knowledge about relations between the social capital level and boycotting also sheds some light on why firms may gain unjust profits in countries with low social capital, for example by offering products of lower quality in developing markets. At the same time, our study suggests that firms cannot afford unethical behaviour in countries with high social capital as losses might be detrimental and so trust in the brand may be violated and remain so for many years.

Although our research findings supported our predictions, this study is not free from several limitations. First, our analysis did not cover social ties in social media. Given that direct communication is gradually being replaced by virtual means (Piechota 2014, p. 233), the question of how social media networks influence engagement in boycotts against irresponsible firms arises. Another interesting problem that requires further investigation is the minimum level of social capital needed to launch an effective consumer boycott. Finally, future research could identify potential behaviour of governments or consumer organizations that could increase the level of social capital, or a sector that would be the most effective in increasing consumers' awareness and eagerness to punish irresponsible companies.

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# Implementation of Social Responsibility Tasks by Collaborative Platforms in the Opinion of Users

Natalia Wagner  and Roma Strulak-Wójcikiewicz 

## Introduction

Research related to collaborative platforms do not have a long history, because the collaborative economy themselves is quite a new idea. Some difficulties with definitions and distinguishing types and models arise from that fact. Collaboration thinking pioneer R. Botsman defines collaborative consumption as “an economic model based on sharing, swapping, trading or renting products and services, enabling access over ownership (Botsman 2013). It can be also defined by the number and type of actors involved, hence it can be characterized as triadic with: a platform provider (e.g., Uber), a customer and a service/good provider (e.g., the Uber driver) (Benoit et al. 2017). This model is used in P2P

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N. Wagner (✉) · R. Strulak-Wójcikiewicz  
Maritime University of Szczecin, Szczecin, Poland  
e-mail: [N.Wagner@am.szczecin.pl](mailto:N.Wagner@am.szczecin.pl)

R. Strulak-Wójcikiewicz  
e-mail: [R.Strulak@am.szczecin.pl](mailto:R.Strulak@am.szczecin.pl)



and B2C marketplaces as well. In this paper collaborative platforms and sharing platforms are treated as the same.

In the paper collaborative platforms are confronted with Corporate Social Responsibility (CSR) idea. The literature is dominated by opinions that sharing economy has great potential in the area of supporting social responsibility and sustainable growth (Botsman and Rogers 2010). Collaborative economy in principle should positively influence all three dimensions important for social responsibility (Böcker and Meelen 2017). However there are also studies that show that for example in relation to car-sharing platforms can be just the opposite. Instead of limiting the traffic in the city—they contribute to the increase in the number of cars on the streets, because the citizens give up public transport for passenger cars (Erhardt et al. 2019).

The paper has an empirical character and the results are provided on the basis of the survey conducted by the authors. The aim of this study is to assess if collaborative platforms are perceived as sustainable in the aspect of realisation of economic, social and environmental goals. The respondents were not asked to give opinion about a model idea, it could be too overwhelming for them, but to assess platforms that they know. This paper expands current sharing economy research with the outlook for perception among respondents from Szczecin, Poland, toward realisation of social responsibility idea by collaborative platforms.

## Corporate Social Responsibility

CSR is the business management concept, according to which enterprises run an activity, taking into account not only their own profits but also social and ecological interests in their environment.

There are many approaches how to define CSR (instrumental theories, political theories, integrative theories, ethical theories), since this area does not have clearly defined boundaries and is based on a voluntary basis of the company (Jankalova 2016).

First definition of CSR came from the fifties of the twentieth century. In 1953, Howard Bowen, the first theorist of CSR, in his book *Social Responsibilities of the Businessman* stated “Social responsibility is

a commitment of entrepreneurs to seek strategies to make such decisions or carry out such activities, which are desirable in terms of goals and values of our society” (Bowen 1953). In 1999 the World Business Council for Sustainable Development (WBCSD 1999) defined CSR as “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life” (WBCSD 1999). According to the Green Paper issued by the Commission of the European Communities in July 2001, CSR is defined as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (European Commission 2001).

Increasingly, attention is paid to the role of business in society, as shown in researches on CSR practices exists (Carroll and Shabana 2010; Martínez-Ferrero and García-Sánchez 2015; Reverte et al. 2016; Wang et al. 2017). Progressive companies are seeking to differentiate themselves more and more often through engagement in CSR. In researches on CSR, the relationship between CSR activities and benefits for companies was identified (Boubakary and Moskolai 2016; Michelon et al. 2015). Regardless of whether we are talking about reducing direct costs, increasing labour productivity, applying risk management, image enhancement, or improving environmental management (Lungu et al. 2011), the importance and application of the CSR concept in the strategy and activities of various organizations is unquestionable.

CSR comes in many different shapes and sizes (Carroll 1979; Dahlsrud 2008), but it usually be categorized into three areas (Elkington 1994): the first is economic; the second is social and the third is environmental.

Movement toward corporate concern for the “triple bottom line” (3P’s)—financial, social, and environmental performance—requires radical change throughout the corporation. It is not “either/or.” The new paradigm is “and also” (Soundarya 2016).

Economical aspects of CSR consist of understanding the economic impacts of the company’s operations (Mazur 2015). The economic dimension of the sustainability agenda should consider the direct and indirect economic impacts that the organization’s operations have on

the surrounding community and on the company's stakeholders. That is what makes up corporate economic responsibility (Uddin et al. 2008).

Social aspects of CSR means being accountable for the social effects the company has on people—also indirectly. This includes people within the company, in the supply chain of the company, in the community the company exists in and the customers of the company which means the stakeholders. It refers to the management's obligation to make choices and take actions that will contribute to the welfare and interests of the society as well as those of the organization (Uddin et al. 2008).

Environmental aspects of CSR is a key pillar of Corporate Social Responsibility. Environmental and ecological issues have been an important topic of discussion already in the 1970s in the business world—the longest time, compared to the other two dimensions of CSR. The knowledge and issues within the dimensions have progressed across a landscape of changing business realities (Uddin et al. 2008).

A sustainable business excels on the traditional scorecard of return on financial assets and shareholder and customer value creation. It also embraces community and stakeholder success. It holds its natural and cultural environments to be as precious as its technological portfolio and its employees' skills (Soundarya 2016).

Organizations must balance multiple, potentially opposing, aspects of CSR as an ongoing accomplishment in their intra organizational interactions as well as in interactions with their external environment (Thornton and Ocasio 2008).

## **Collaborative Consumption Concept**

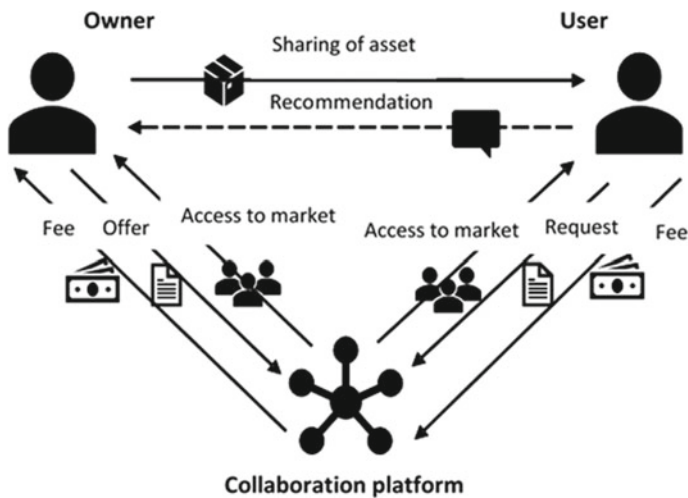
Collaboration platforms are functioning as a component part of a wider idea known as collaborative economy. The conceptual framework related to the phenomena of collaboration is not yet well systematized and theorized because business models based on it are quite new ideas in the socio-economic life. Even the terminology is not precised. There are several terms which sometimes are used to describe similar activities. The term collaborative economy is the widest and contains, among others, sharing economy, collaborative consumption or access economy. In the

most general approach, collaborative economy refers to “business models where activities are facilitated by collaborative platforms that create an open marketplace for the temporary usage of goods or services often provided by private individuals” (European Commission 2016). For society it means resignation of the purchase of goods. Instead, the platforms enable the provision of services or the joint use of assets, resources, time, skills or capital.

The collaborative economy involves three categories of actors (European Commission 2016):

- service providers who share assets, resources, time and/or skills—these can be private individuals offering services on an occasional basis (‘peers’) or service providers acting in their professional capacity (“professional services providers”);
- users of these,
- online platform operators, which connect providers with users.

Schematically the idea of a business model based on collaborative economy is presented in Fig. 1.



**Fig. 1** Framework of cooperative platforms (Source Łapko and Wagner 2019)

Collaborative economy is a very capacious term, which also includes small start-ups as well as corporations primarily focused on making a profit and using the internet platform as a tool for linking demand and supply on the market. Often there is no place and will for sharing and customers are looking only for more convenient and cheaper service (Eckhardt and Bardhi 2015).

Customer interest arising from the opportunities offered by the collaboration platforms is increasing. In Poland, 1.5 million people use Uber itself (Duszczyk 2018). The growing popularity of the collaborative economy is related to several phenomena. Among the most important are conscious decisions about limiting hyper-consumerism in Western societies, for example for ideological reasons. Another factors are rapid development of technologies and mobile applications as well as financial benefits and convenience appreciated by participants of such platforms.

The expectations toward possible benefits that sharing economy can contribute are huge. In theory it can be expected that the share economy will: save resources, strengthen regional and local communities, provide services at lower prices, enable consumption for lower income groups, increase investments, provide new jobs (PwC 2017). Most of them are consistent with the concept of sustainable development. Not only platform users and analytics, but also the European Commission sees many potential benefits resulting from the development of new business models based on the sharing economy. For consumers, they mean the emergence of new types of services, extension of the service range and lower prices. They are an innovative solution that contributes to the increase of competitiveness of business entities, creation of new working patterns and faster economic growth (Bieńkowska 2018). It can make an impression that sharing economy is an universal solution for all social and economic problems of the modern world. However the fulfilment of all assumptions mentioned above in a real life does not seem to be possible. Problems that may arise in connection with their functioning include, i.e. tax regulations, consumer rights, liability for damages or protection of personal data.

The well-known social thinker J. Rifkin is optimistic about the growing popularity of the idea of cooperative community, the increasing

importance of social (not only financial) capital, the increased importance of sustainable development. He believes that the cooperative community has enough potential to quickly change capitalist markets (Rifkin 2014). It is considered that the collaborative movement can be the basis for creating a new socio-economic system. The transition that we are the witnesses is also called “crowd-based capitalism”—a new way of organizing economic activity that may supplant the traditional corporate-centered model (Sundararajan 2017)

However, there are fears that if the sharing economy develops primarily into the corporate direction, the chances that it will drive economic change towards sustainable development should be questioned and reconsidered (Martin 2016). There is a great deal of criticism of collaborative economy which apart from perceiving its positive effects is also seen as a source of risks associated with the functioning of unregulated markets and an opportunity for entities focusing only on making financial profits thanks to new business models.

Researchers are looking for common features to sort business models based on collaborative economy concept into specific groups, but at the same time they are aware of their high heterogeneity, which hinders simple divisions. The example of such classification trials can be guidelines describing access-based consumption. Bardhi and Eckhardt describe the nature of access-economy as it contrasts to ownership and sharing. They argue that it is possible to identify 6 dimensions among the range of access-based consumption types: temporality, anonymity, market mediation, consumer involvement, the type of accessed object, and political consumerism. Within access-economy model various entities can be situated at different points of those dimensions (Bardhi and Eckhardt 2012).

There are many types and possibilities to implement the idea of sharing economy. Several key segmentation criteria on collaboration platform models can be noticed taking into consideration, i.e. payment or the type of services and goods offered. It is worth taking a closer look at the most popular platforms from the shared mobility market. They can be divided into four main types (Santos 2018):

- Peer-to-peer car rental. Individuals can rent their cars when they are not used (e.g. Getaround, hiyacar).

- Modern car club. Short term and flexible rental of cars manager and owned by provider (e.g. Car2Go, Zipcar),
- Uber-like services. The application provider owns no cars by itself, but it connects passengers with ordinary car owners who act like drivers (e.g. Uber, Lyft).
- On demand private cars, vans or other vehicles shared by passengers going in the same direction (BlablaCar).

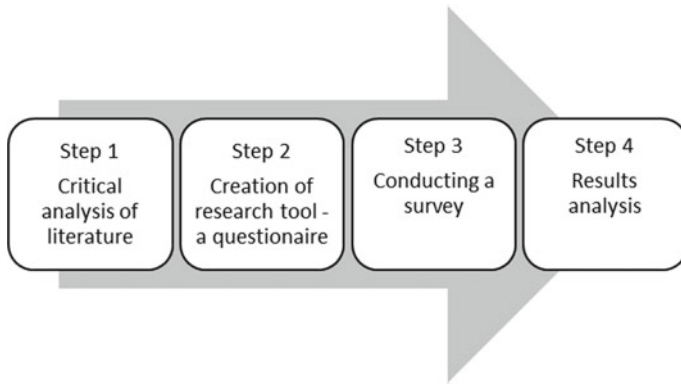
One of the most important difference between them, apart from the scope of activity, is the importance of the application provider. The most recognisable transport services with dominant role of operator are, i.e.: Uber, Zipcar, Citybee, Nextbike. In turn, the greater importance of the user community, while limiting the role of the operator, can be noticed for example in services active in the area of transport—BlaBlacar or Polish JadeZabiore, while in the travel industry—Airbnb.

Sharing platforms are a relatively new phenomenon, at most with only a few years of market presence. That is why research on their activity known from the literature have not covered all aspects of their functioning yet. In the literature on the subject a lot of attention is devoted to identifying motivation to participate in this type of activity (Hawlitschek et al. 2018) and their sustainability connotations (Geissinger et al. 2019).

## Methodology Approach

The research conducted in this paper was carried out in accordance with the steps shown in Fig. 2. The first step was to analyse the scientific literature and the European Union's documents on two research areas, which this paper combines. The first facet is the current approach to CSR, while the second one is activity of collaborative platforms.

The analytical part of the article is based on a questionnaire survey carried out by the authors. In the conducted survey, 400 completed questionnaires were returned. The sample group includes potential and current users, most of whom were students and employees of Maritime University of Szczecin, Poland, as well as their friends and families invited

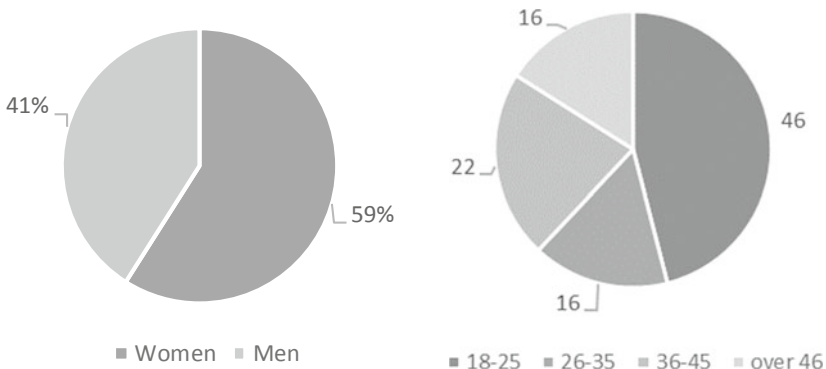


**Fig. 2** Research procedure (Source Authors' own)

to participate in the study. The study was conducted in October and November 2018.

The characteristics of the tested sample are shown in Fig. 3. Most of the respondents were women. The age structure confirms the largest share of youngest people (up to 25 years), but there were also representatives of other age groups.

The research focuses on gathering opinions on platforms without differentiating specific types of them. In the introductory part of the survey,



**Fig. 3** Research sample characteristics (Source Authors' own)



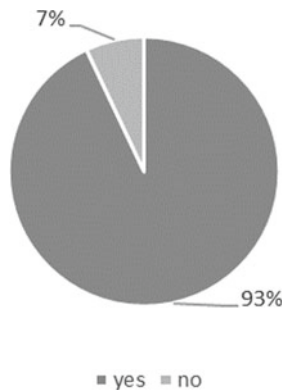
there were indicated some names of recognizable services from the transport and tourism industry, however it was done only to bring the subject matter closer and be sure that both the survey creators and the respondents identify the subject of the study in the same way.

## Empirical Results

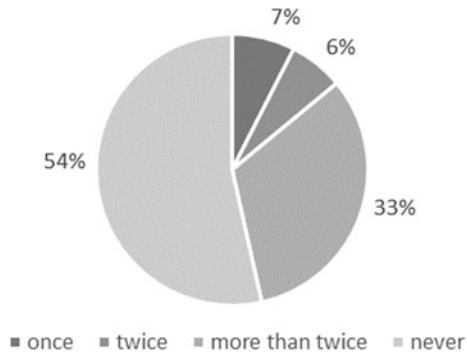
The obtained results show that the vast majority of respondents have heard about sharing platforms and are familiarised with that way of operation (Fig. 4).

Figure 5 shows that 33% of respondents have used such platforms more than twice. Some of them, although they know the offer of platforms, have not used them yet. One of the reason could be that while conducting the survey, in Szczecin some of the well-known services were only going to enter that market.

The questionnaire consisted of several questions which were constructed to directly correspond to three aspects of social responsibility. Questions were focused on personal opinions and feelings about the possible effects of platforms' activities.



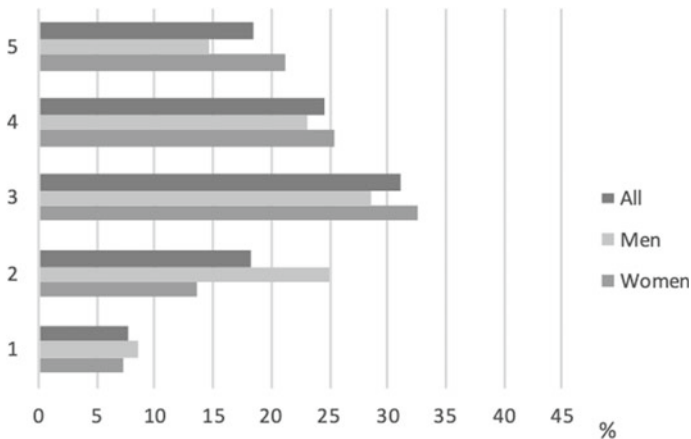
**Fig. 4** Information whether respondents have ever heard about online collaborative platforms (Source Authors' own)



**Fig. 5** Information whether respondents have ever used services of such a platform (*Source* Authors' own)

The first of the interesting aspects was the impact on the natural environment. The respondents were asked to assess how the activities of sharing platforms could impact the condition of the natural environment. The responses were provided on a five-point scale, where 1 meant the worst score, i.e. total lack of impact on the environment, and 5 meant the highest score confirming the possibility of positive impact on the natural environment. Answers to this question, with a split between men and women, are shown in Fig. 6.

The highest number of respondents indicated the answer 3, which can be interpreted as a lack of full conviction about the positive impact of this type of activity on the environment. Answer number 3 can be regarded as a safe option for those who are not convinced to vote definitely for yes or no. Such a result means that the respondents are not over optimistic on this issue and prefer to vote for safe points from the middle of the scale saying that perhaps this influence takes place, but there is no certainty. At the same time, it is worth noting that the sum of responses with scores for 4 and 5 is higher than the sum of responses for 1 and 2. This means that definitely there are more positive than negative opinions. You can see the difference in the results obtained from women and men. Women are more convinced of positive environmental impact than men. The differences between their opinions are most visible for the answer 5 (women's responses over men's answers are 6.6%) and 2 (where, in turn, men are definitely more sceptical—man's votes are higher by 11.4%).

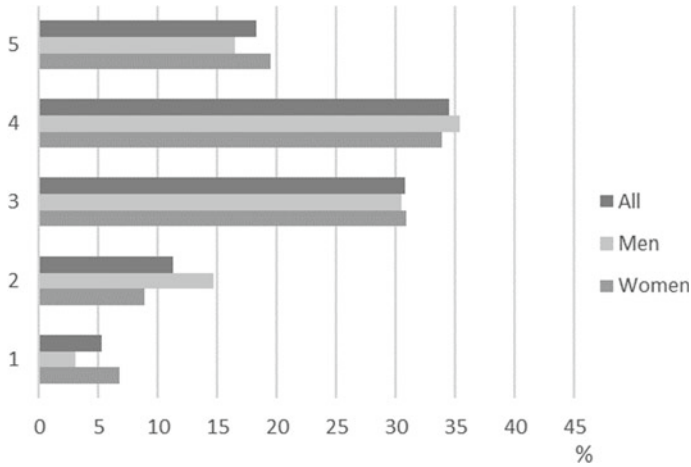


**Fig. 6** Opinions on the extent to which platforms can contribute to environmental protection (Answers: 5—Definitely yes, the highest score; 1—Not at all, the worst score) (Source Authors' own)

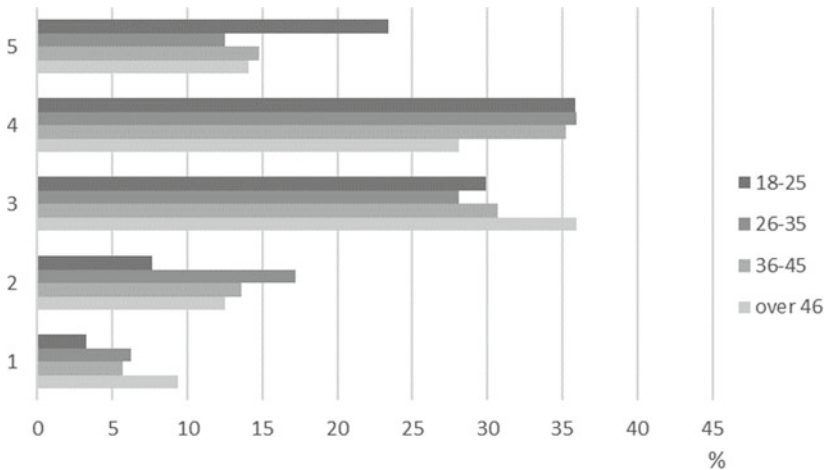
Another question was referred to the second examined aspect—the social impact—which for the purposes of the study was defined as the possibility of platforms' influence on establishing closer interpersonal relations. The following figures depict answers to the question: To what extent sharing platforms can contribute to closer people-to-people contacts? Answers are presented for man and woman separately (Fig. 7) and taking into account the age structure of the respondents (Fig. 7).

Answers to the question about the social aspect are different than in the case of the question about the environmental dimension. The winner is level 4, which proves that respondents believe in the importance of sharing platforms to build closer interpersonal relationships. More positive responses were obtained (sum of 4 and 5) than the negative ones (sum of 1 and 2)—the difference between them is over 36%. The results are similar for both women and men.

Some differences in the approach may be noticed depending on the age of respondents (Fig. 8). The youngest group is most convinced about the positive impact of collaboration platforms' activity on interpersonal relations. As many as 59% of respondents aged 18–25 indicated answers at levels 4 and 5 in total. At the same time, only 11% of them believe



**Fig. 7** Opinions on the extent to which sharing platforms can contribute to closer people-to-people contacts (Answers: 5—Definitely yes, the highest score; 1—Not at all, the worst score) (Source Authors' own)

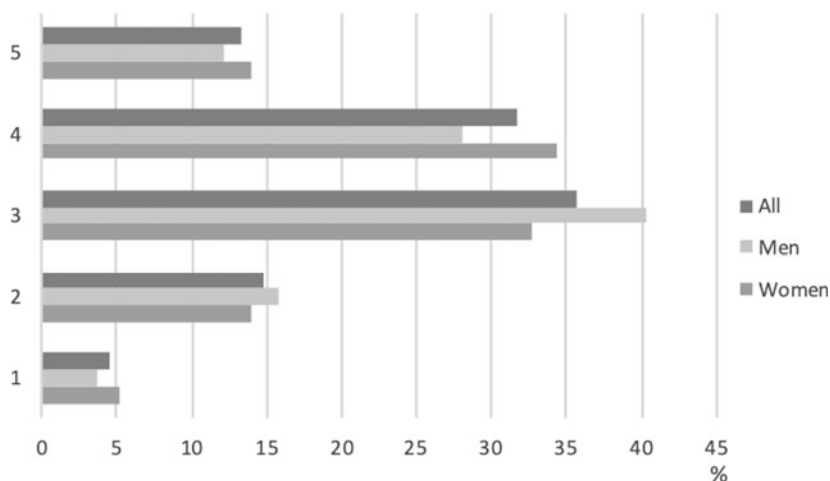


**Fig. 8** Opinions on the extent to which sharing platforms can contribute to closer interpersonal contacts—structure by age of respondents (Answers: 5—Definitely yes, the highest score; 1—Not at all, the worst score) (Source Authors' own)

that platforms do not perform such a social function. The respondents from the oldest age group most often chose the answer 3, hence they were characterized by the highest degree of uncertainty and indecision in favor of one or the other side.

The last research aspect is an economic perspective, expressed as opinion on the importance of expenditure on sharing platforms in shaping household budget. The results show (Fig. 9) that the answers at levels 3 and 4 dominate. About 32% of respondents confirm that the use of platform may be important (mainly women) and at the same time few more of them (36%) express doubts about this.

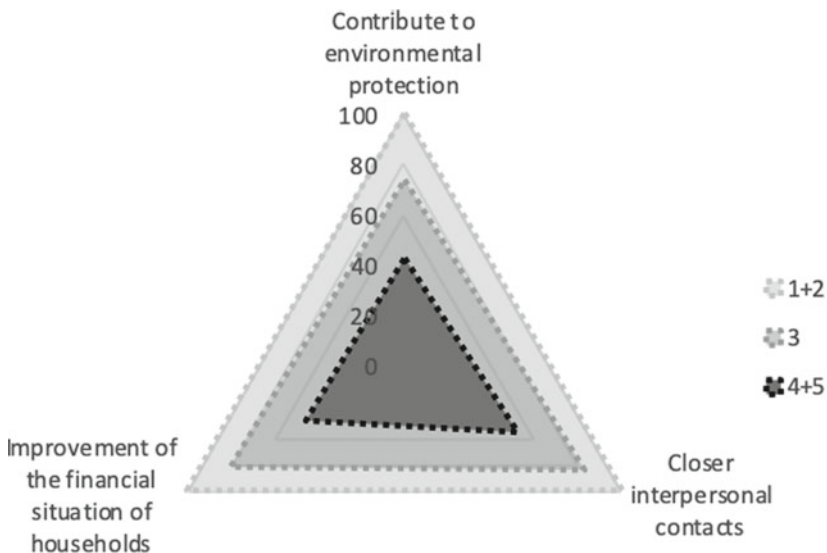
It is interesting to compare those results with one more question devoted to motivation of individual decisions about using a sharing platform. The motivation that has the strongest influence on the decisions is the financial dimension. Over 85% of respondents indicated this argument as the most important one. Such a great importance of financial benefits as the most important drivers is consistent with the results of research known from the literature (Hawlitschek et al. 2018). Linking this answer with the results presented in Fig. 9 shows that although such



**Fig. 9** Opinions on the extent to which sharing platforms can contribute to the improvement of the financial situation of households (Answers: 5—Definitely yes, the highest score; 1—Not at all, the worst score) (Source Authors' own)

a large proportion of respondents are motivated by financial incentive, at the same time only half of them are convinced (answers 4 and 5) that these decisions will influence on a household budget.

The results obtained in the survey were compiled on one figure (Fig. 10). All respondents were included regardless of gender and age. Three dimensions of social responsibility are presented as apexes of the triangle. For each of them responses were cumulated and divided into three groups—creating a picture of three triangles—responses level 4 and 5 (internal, darkest triangle), 1 and 2 (outer, the brightest triangle) and 3 (the middle one). Each dimension at the apex can achieve a maximum of 100%, while the centre of the triangle means 0. The larger the internal triangle area, the more respondents are convinced of sustainability values offered by platforms. If the field of this triangle grew at the expense of the other two, i.e. its vertices approached 100%, it would mean that the respondents were convinced of the full compatibility of the business model based on collaborative platforms with CSR idea. It would be an ideal situation, although impossible to obtain.



**Fig. 10** Evaluation of the three dimensions of social responsibility of collaborative platforms [%] (Source Authors' own)

The obtained results show that one apex of the darkest triangle was over half the scale (53%), while the other two slightly exceeded 43%. It is worth asking yourself if this is a satisfying result. In the authors' opinion, this is a high value. Especially that the platforms for which the respondents were asked were treated as one set. That was the intention of the authors. The study is interested in the approach of market participants to the business models that use the mobile application and are based on the idea of giving up the ownership of goods, no matter what industry they represent. This research assumption was fulfilled by the lack of platforms segregation, instead common features were emphasised. In fact, collaborative platforms are not homogeneous and you can find platforms where private users share their own mower, as well as powerful corporations whose business model involves using a mobile application. Despite this diversity and often different motivation that stand behind the creators of platforms and service providers, the respondents express a flattering or neutral opinion, rarely definitely negative, about their activities in the context of the triple bottom line concept.

## Conclusion

The article examines the extent to which sharing platforms are perceived by actual and potential users as socially responsible. The results show that the unambiguously positive evaluation of the platforms by the respondents varies between 43 and 53% depending on the aspect being assessed. An interesting result is also the low level of respondents assessing the platform's role to promote a sustainability as definitely negative. Considering that in many Polish cities, including Szczecin, collaborative platforms have been operating for a short time, these results should be assessed positively. We assess that the triangle is quite balanced. The area that is rated highest by customers is the contribution to closer people-to-people relationships, while in order to balance all three aspects, the environmental and financial dimensions need to be strengthened.

The results of the paper have cognitive character and some managerial implications as well. They provide information for managers about the

perception of this type of activity by potential users, and can also provide guidance about the direction of strengthening their own image and targeting the offer in terms of meeting the expectations of recipients.

Depending on who is identified as a target customer for a platform, it's worth building its image differently. Users from the youngest age group do not need to be convinced about the social functions of the platform, they see these benefits themselves. However, the oldest respondents (over 46 years) are not so convinced about it. They do not express a definitely negative opinion, but rather doubt. Thinking about them, managers can consider ways to strengthen the message about social functions of sharing platforms.

The limitations of this study are of a methodological nature and result from conducting the survey in only one city in Poland. Because of the methodological assumption that we made, the conclusions concern only the studied sample and cannot be extended to a wider population. To address that limitation the recommendation for the future is to conduct the same survey in another location. A comparative analysis would allow drawing conclusions regarding similarities and differences in the perception of the collaborative platforms contribution to social responsibility tasks. The recommendation also include repetition of survey in the same city in the future, which would allow assessing whether changes in users' approach are taking place over time.

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# Attitudes of Buyers in Poland Towards Socially Responsible Activities of Enterprises: Results of Pilot Studies

Dorota Teneta-Skwiercz 

## Introduction

Over the past few years, there has been a marked increase in the popularity of management concepts such as sustainable development and corporate social responsibility (CSR). The proof of this, difficult to estimate, is the number of scientific studies and subsequent studies, number of meetings, debates and conferences, under which the premises, tools, effects and problems related to running socially responsible activities by various organizations are vividly discussed. CSR is rarely treated today as a symptom of vogue in management, a temporary whim of company decision-makers. Nowadays, it is more and more perceived as an effective tool in the risk management (Peloza 2009), reputation management (Lemke and Petersen 2013), image improvement, shaping moral leadership, or securing vital business interests in the long term (Simcic Brønn and Vidaver-Cohen 2009). In the literature on the subject, one can be

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D. Teneta-Skwiercz (✉)

Wrocław University of Economics and Business, Wrocław, Poland

e-mail: [Dorota.Teneta@ue.wroc.pl](mailto:Dorota.Teneta@ue.wroc.pl)

faced with the position that CSR which not only stimulates the processes of organizational learning and innovation of enterprises, helps to strengthen the brand of a responsible enterprise, but also is a weapon in the struggle for a client who is tempted by the missionary nature of products produced by the company decides to purchase them. It is worth asking question: Is taking socially responsible initiatives and open communication about them equivalent with decisions made by consumers about purchasing products of a responsible company? Does the opposition to unethical practices automatically translate into responsible consumption, acquisition of products of companies that carry out socially responsible activities? Are consumers making purchases based on the fact that the product has an eco-label?

World literature provides numerous examples of research on the impact of CSR on consumer behavior. Most of them were conducted not from the consumer's perspective but from the perspective of the company and focused not on the actual behavior but on the intentions of purchasing products of socially responsible companies. We may therefore conclude that there is a research gap in this area. Additionally, it should be noted that in Poland the title problem seems to be a poorly explored area. In particular, there is a lack of research among students who understand the essence and significance of the CSR concept and can be subjects of conscious and responsible consumption.

The following research problem was formulated for the needs of the study: How does the socially responsible activity of the enterprise, and in particular eco-labeling, influence purchasing decisions? On the one hand, the analysis of existing data, in the form of the results of research carried out by various scientific centers in the world, and, on the other hand, pilot studies, served to exaggerate this problem. The main goal of the own research was to identify behaviors of unethical practices and socially responsible activities of enterprises. As part of this research, the following research questions were sought:

- How does the information about the unethical practices of the company affect the decision of purchasing the goods of an unethical entity? Does this information influence equally women's and men's purchasing decisions?

- How does the information about the social responsibility of a given company may transfer into purchasing decisions of buyers? Does this information influence equally women's and men's purchasing decisions?
- Is the fact of being marked with eco-label treated by consumers as a guidance during the process of purchasing?

In the second part of the article a review of the literature was carried out, in which the results of several empirical studies related to the subject of this article were analyzed. The third part contains the results of own research. In the fourth part, the conclusions from own research were presented and the results were discussed. The whole is surmounted with the ending, in which the limitations of the adopted research approach were indicated, as well as the possible future directions of research were suggested. The researcher used the following methods: the literature analysis and questionnaire research.

## **Impact of Socially Responsible Initiatives on the Behavior of Buyers—Literature Review**

In the recent years, the number of companies consciously implementing CSR programs, has explicitly increased (Covino and Boccia 2016; Snider et al. 2003). There is also an increase in scientific research devoted to the title concept, in particular the relationship between CSR initiatives and consumer attitudes. The conclusions of these studies, however, are not unambiguous. Some researchers show that CSR activities in such areas as environmental protection and the local community have a positive effect on consumer purchasing intentions (Agudo-Valiente et al. 2015; Brown and Dacin 1997; Creyer and Ross 1997; Ellen et al. 2000). Others argue that while the contribution to the development of the local community has a very positive impact on consumer intentions, the environmental contribution of enterprises is less prized by consumers, as a result the company's involvement in environmental protection has little effect on the intentions mentioned (Lee and Shin 2010).

According to Creyer and Ross (1997), consumers are prepared to pay higher prices for products made in an ethical manner. Meanwhile, a study by Bhattacharya and Sen (2004) shows that for a positive relationship between CSR and the decision to buy products of a responsible company, various additional conditions must be performed. Namely, it is important that consumers see the value of recognizing the issues on which CSR is focused, high product quality and no need to bear the costs for the social responsibility of the entity.

Similarly, ambiguous results in the context of the impact of CSR on purchasing decisions were received by Chow Mei Min with the team. Based on the classic model of CSR of Carroll (1999), researchers from Multimedia University in Malaysia studied the impact of four types of corporate responsibility, i.e. economic, legal, ethical and philanthropic responsibility on consumer behavior. These studies show that only two types of responsibility have a positive effect on purchasing decisions, namely ethical and philanthropic (Chow et al. 2012).

Another, worth mentioning, research on consumer behavior in the context of CSR was conducted by Mohr et al. (2001). It shows that most consumers are positively oriented about socially responsible companies, although they do not regularly use CSR as a purchase criterion. It also turns out that a higher level of consumer knowledge about CSR is positively linked to the level of responsible consumption. An interesting thread of the discussed research is the reference to the purchasing power of the respondents and the way they define the quality of life. It turns out that the greater the consumers' sense of their purchasing power and the impact on business practices, the greater the tendency for them to practice responsible consumption. Consumers who define the quality of life primarily in economic terms, i.e. more money means a higher quality of life for them, will be less likely responsible for consumption than consumers who define the quality of life based on non-material criteria. Research also shows that all consumers are more likely to boycott irresponsible companies than they support responsible companies.

In 2015, the third edition of the international survey carried out by Cone Communications in cooperation with Ebiquity (2015) took place. It concerned the attitudes, views and behaviors of consumers related

to CSR. This study showed that consumers are ready for personal sacrifices for the greater good. They are willing to accept worse quality, pay more if it has a positive impact on society and the environment. What's more, they are looking for information about responsible products, where knowledge about such products does not necessarily translate into their purchasing decisions.

In Poland, the latest research on consumer awareness and their expectations, regarding CSR activities, is from May 2018. They were realized by Havas Media Group using the CAWI method, on a sample of 1013 respondents aged over 18 (2018). These studies show that consumers' high expectations of corporate responsibility do not go hand in hand with responsible consumption. Almost 70% of respondents expect that companies will fight social injustice, take active part in solving social problems and less than 60% of respondents avoid buying products of companies that have a negative impact on society or the environment.

## Results of the Pilot Studies

In Poland, the subject of pro-social and pro-ecological attitudes of buyers is relatively poorly explored. Previous studies have been conducted mostly among Poles aged 15 or 18. There is a marked lack of research data in other age groups, in particular among students. In addition, researchers usually were focused on two aspects of attitude: the emotional aspect (positive affection for environmental issues) and cognitive (knowledge and beliefs about the environment). The behavioral aspect was rarely regarded in their research.

For the needs of the study, directly from primary sources, a pilot survey was conducted—referring mainly to two aspects of the attitude: cognitive, assessing and behavioral. As part of the selection of a targeted case, three faculties of the Wrocław University of Economics and Business were tasked. The data were collected by the auditorium survey. A questionnaire was used as a measurement tool. Questions in the questionnaire were divided into three parts, directly related to the answers to research questions, and metric questions. The respondents assessed their



attitudes and behaviors using the five-point intensity scales described verbally (I disagree, rather disagree, hard to say, rather agree, agree).

The study was conducted in January 2018. The sample size was of 410 students. The majority of respondents were students of the Faculty of Economic Sciences (70.3%). Women prevailed in each of the studied faculties (Table 1).

It should be noted that all students understood the essence and meaning of CSR, because they came across this concept during the implementation of such courses as: Management, Sustainability Development. Both men and women aged 18–24 were dominant (93%). The second largest group were people aged 25–30 (4.9%). None of the respondents exceeded 50 years of age (Table 2).

The research was conducted among students of full-time and part-time studies, with the vast majority (78%) of full-time students (Table 3).

The first question in the questionnaire concerned the impact of unethical enterprises on purchasing decisions of the respondents. The research shows that 51% of women and 40% of men resign from buying products of unethically acting companies (the sum of the answers “I agree rather”

**Table 1** Characteristics of the research sample by gender and the faculty ( $N = 410$ ) (Source Own study)

The faculty	Gender		In total
	Women	Men	
The Faculty of Economic Sciences	209	79	288
The Faculty of Management, Information Systems and Finance	49	22	71
The Faculty of Engineering and Economics	42	9	51

**Table 2** Characteristics of the test sample due to age ( $N = 410$ ) (Source Own study)

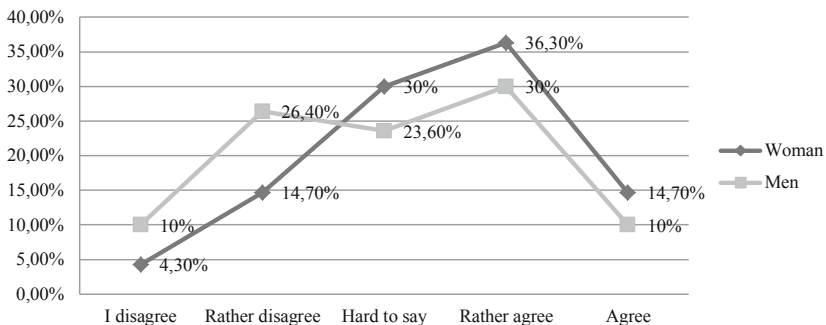
Age	Women	Men	In total
18–24	282	99	381
25–30	13	7	20
31–40	4	3	7
41–50	1	1	2
>50	0	0	0

**Table 3** Characteristics of the research sample due to the study mode ( $N = 410$ ) (Source Own study)

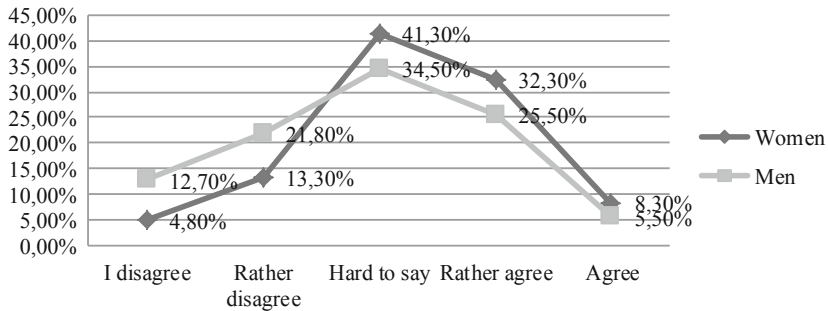
Type of study	Women	%	Men	%
Full-time study	242	80.7	78	70.9
Part-time study	58	19.3	32	29.1
In total	300	100	110	100

and “I agree”). 19% of women and 36.4% of men declared that information about unethical activities of the company does not lead them to resign from buying the company’s products (the sum of the answers “I disagree” and “I rather disagree”). 30% of women and 23.6% of men chose the option of “hard to say” (Fig. 1).

Respondents were also asked to respond to the statement: “When I find out about the social responsibility of the company, I decide to buy the company’s products”. 40.6% of women agreed with this statement (the sum of the answers “I agree rather” and “I agree”). 18.1% answered in the negative (the sum of the answers “I disagree” and “I rather disagree”). In the case of men, this was respectively: 31% of affirmative answers and 34.5% of the negative answer. The neutral variant of the answer (“hard to say”) was chosen by 41.3% of women and 34.5% of men (Fig. 2).



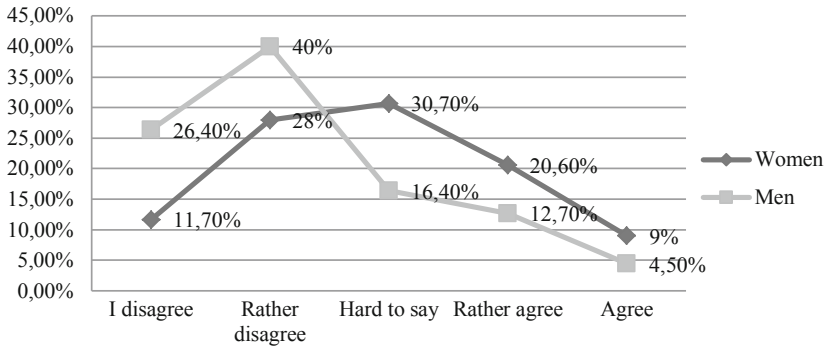
**Fig. 1** The ratio of respondents to the statement: “When I find out about the company’s unethical activities, I give up the purchase of the company’s products” (Source Own study)



**Fig. 2** The ratio of respondents to the statement: “When I find out about the social responsibility of the company, I decide to buy the products of this company” (Source Own study)

One of the tools for informing consumers about CSR is the eco-marketing. The ISO 14020 standard defines them as giving the environmental label in the form of a symbol, a graphic sign or a statement placed on the product or a special sticker visible on the packaging, moreover in technical brochures or in advertising and digital or electronic media such as the Internet. The purpose of posting environmental labels is to provide verifiable, precise and reliable information on the ecological properties of the manufactured products. It is required that products with an environmental label contribute to environmental pollution to a lesser extent than non-labeled products (The Polish Committee for Standardization 2005).

The use of environmental labels is an important activity in the field of eco-marketing, which can bring numerous benefits to producers (Kowalska 2016), including the increase in demand for the products they bear. Taking the above into consideration, the third question in the questionnaire diagnosed the significance of the eco-label in deciding on the purchase of a given product. 29.6% of women and 17.2% of men said that shopping is guided by the fact that the product has a given indication. 39.7% of women and 66.4% of men declared that Eco labeling do not affect their purchasing decisions. 30.7% of women and 16.4% of men could not express a clear position on a given issue (Fig. 3).



**Fig. 3** The ratio of respondents to the statement: "When shopping, I am guided by the fact that the product has a social or ecological designation" (Source Own study)

## Conclusions from Own Research and Debating over the Results

The research conducted by the author has shown that information about unethical practices of the company discourages buyers from purchasing goods of an unethical entity, while the percentage of people giving up the purchase is greater among women than among men. In turn, information about the social responsibility of a given company encourages acquiring its goods. The percentage of women deciding to acquire goods in the described situation was higher than the percentage of men. It is worth noting that information about socially responsible and unethical practices of producers has an asymmetric impact on the behavior of buyers, i.e. information about socially responsible practices does not translate into an increase in sales to the same extent as unethical behavior on the decrease in interest in purchasing goods. Both men and women predominated the attitude that having a green label by a product is of a little importance when making a decision about buying it. This may indicate that the eco-labels are treated as a sub-criterion for making purchase decisions or indicate poor recognition of eco-labels by respondents.

Although the scope and methodology of the own research differed from the research projects of other researchers, nevertheless two joint

conclusions can be formulated on their basis. First of all, companies that operate unethically have to take into account consumer opposition, which in an extreme case may take the form of boycotting of its products. Secondly, socially responsible initiatives of a given company may be an incentive to purchase its products, although the final purchase decision will often depend on additional factors such as the quality and price of the goods sold, the area in which the responsible company is involved, and moreover the type of CSR tools used by the company.

## **Limitations of the Own Research and Potential Directions of Further Research**

Due to the size and selection of the research sample, own research carried out by the author was not representative. As a result, it seems that the following conclusions which were drawn from the survey can be referred only to the surveyed group of respondents. What's more, they are limited only to defining and recognizing of behaviors in specific situations, without probing into the causes of observed phenomena. Therefore, it seems necessary to broaden the research perspective, both in the subjective and objective sense. And yes, it should be examined what are the attitudes towards CSR activities among the broader groups of buyers who are not students of the Wroclaw University of Economics and Business. Bearing in mind the cognitive values of future research, it is advisable to carry out explanatory research that would allow explaining the reasons for consumers to make purchasing decisions. Attention should be paid to both individual factors other than sex, i.e. age, education, income, needs and desires, values, habits, lifestyle, as well as social norms and situational factors (incentives to purchase, availability of products).

Both, own research and the results of research by other authors, cited in this study, should be considered as extremely valuable and important for the managerial staff of enterprises. They provide information on how consumers perceive socially responsible business activities and how this perception translates into purchasing decisions. A better understanding

of the motives behind shopping decisions, may in turn conduce to the process of communicating pro-social and pro-environmental initiatives, as well as constructing more effective marketing strategies.

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