

KNOWLEDGE AND PERCEPTION OF CORPORATE SOCIAL RESPONSIBILITY AMONG POLISH CUSTOMERS

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Abstract:

The concept of Corporate Social Responsibility (CSR) is interesting for many authors and organizations. In line with its assumptions, the company is seen as an organization serving the interests of a broad group of entities, which co-creating it, and stakeholders as partners who cooperate with it, creating both social and economic value. In Poland, a social awareness is rapidly growing. Despite the lack of broad promotion of CSR, Polish consumers recognize the actions taken by the companies in relation to customers, employees and the local community or in the area of environmental protection. But this rating is not high. They perceived an insufficient involvement of economic operators in many areas. The aim of this study is to present the perception of CSR and the involvement of companies operating in Poland in the area of CSR by Polish consumers. The paper is based on empirical research conducted in 2011-2013 on a sample of 800 consumers in the provinces of Silesia and Malopolska.

Keywords: *Corporate Social Responsibility (CSR); perceptions; customers; Poland*

CONOCIMIENTO Y PERCEPCIÓN DE LA RESPONSABILIDAD SOCIAL CORPORATIVA ENTRE LOS CONSUMIDORES POLACOS

Resumen:

El concepto de Responsabilidad Social Corporativa (RSC) es interesante para muchos autores y organizaciones. En consonancia con sus presupuestos, la empresa se ve como una organización al servicio de los intereses de un amplio grupo de entidades, las cuales la cogen, y partes interesadas como socios que cooperan con ella, generando valor tanto social como económico. En Polonia, la conciencia social está creciendo rápidamente. Pese a la falta de una amplia promoción de la RSC, los consumidores polacos reconocen las medidas adoptadas por las empresas en relación con los clientes, empleados y la comunidad local o en el ámbito de la protección medioambiental. Pero esta puntuación no es muy alta. Los consumidores perciben una insuficiente participación de los operadores económicos en muchas áreas. El objetivo de este estudio es presentar la percepción de la RSC y la participación de las empresas que operan en Polonia en el ámbito de la RSC por los consumidores polacos. El artículo se basa en una investigación empírica llevada a cabo en 2011-2013 sobre una muestra de 800 consumidores en las provincias de Silesia y Malopolska.

Palabras clave: *Responsabilidad Social Corporativa (RSC); percepciones; consumidores; Polonia*

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1. Introduction

Observing the behaviour of economic entities operating in Poland, it is possible to perceive a still insufficient consideration of social and environmental protection in their daily decisions. The achievement of economic maturity means that many of positive actions are taken in a natural way. However, there are still areas where it is not possible to be proud of it. An example is the equal rights in the recruitment and selection of staff.

However, many organizations want to identify with the concept of Corporate Social Responsibility (CSR). Companies have recognized the opportunity to distinguish themselves from competitors by conscious actions in the area of environmental protection and the broadly defined social responsibility. Nevertheless, as shown from the results of primary data, Polish consumers do not know the concept of CSR and do not take into account it in their purchases. In this sense, this paper presents the results from a research conducted on a sample group of 800 consumers in the Polish provinces of Silesia and Malopolska aiming to go deeper into the way CSR concept and practices are recognized in the country, the role of CSR in the market performance of consumers and how it is seen as a part of business.

On this basis, the starting statement is that the concept of CSR in Poland is still in phase of development. There are many initiatives undertaken in the form of competitions or responsibility reports and the implementation of CSR by SMEs is financed with foreign funds. However, businesses still do not see the benefits that can bring implementation of CSR in practice. The main problem seems to be the perceived low public awareness about corporate social responsibility, which results in a reduced interest in companies for implementing CSR principles in their daily operations.

2. Theoretical framework

Corporate Social Responsibility (CSR) –which is also called as “corporate conscience”, “corporate citizenship”, “responsible sustainable business” or, at the end, “responsible business” (Wood 1991)– is becoming more and more popular in developed countries and world around, also in case of Poland. However, this concept is not new at all. Together to previous antecedents in practice, its definite academic settlements can be found in different salient contributions by 70s and 80s (e.g. Preston and Post 1975; Ackerman and Bauer 1976; Frederick 1978; Carroll 1979; Freeman 1984; Wartick and Cochran 1985; Miles 1987). The concept is also increasingly being studied by Polish authors as Rok (2001), Rybak (2004), Korpus (2006), Żemigala (2007), Geryk (2010), and Bartkowiak (2011).

But, how is CSR perceived and/or understood? The definitions presented in the literature draw attention to two aspects: i) the stakeholders of the company; and ii) a parallel interest in social and environmental issues. As defined by the European Commission (2001), CSR should be treated as a concept dealing with doing business, whereby companies voluntarily take account of social aspects and environmental protection in their policies and activities and in dealings with stakeholders. Wołowiec (2004), in turn, defines CSR as a philosophy of business, taking into account the building of stable, transparent relationships with all stakeholders, thus leading to a competitive advantage for the company. Such an approach to the philosophy of doing business imposes on enterprises additional tasks. According to the CSR concept, the corporation is seen as an organization serving the interests of a broad group of co-creating entities (Post et al. 2002) and stakeholders, as partners who collaborate with the company in creating social and economic value (Halal 2001).

Stakeholders include a wide variety of groups as the company’s clients, employees, suppliers, media, public administration and the local community (Howaniec and Waszkielewicz 2007). The role of the business does not consist solely on generating profits, but it is a service within the meaning of the duties which meet the expectations of the enterprise environment and balancing the interests of groups that operate in it. The company, in addition to the realization of business objectives in its strategy, should equally take into account social objectives and environmental protection in its day-to-day performance. Only acting this way allows taking responsibility for the consequences of the impact of the industry on the environment and broadly defined social good. However, corporate social responsibility is not to remain in compliance with all applicable laws and regulations (or at least not only), but is included in the activity of companies that go beyond what is required. Refers to the additional costs that do not offer immediate financial benefits for the company, but are designed to promote positive social changes as well as in the area of environmental protection.

3. Methodological issues and empirical results

The empirical study was conducted in 2011-2013 on a convenience sample of 800 consumers. They were residents of Silesia and Malopolska regions (southern Polish provinces). The questionnaire included 35 questions. After rejecting invalid responses, the basis for the calculation were the opinions of 502 respondents. The structure of the sample is shown in Table 1.

From the obtained results, a majority of Polish consumers did not know the concept of corporate social responsibility, as a 68% of them answered that they had never met with this term.

When facing the question “*how do you understand the social responsibility of business?*” (Figure 1) also a majority of them answered in accordance with definitions, by stating that it is a voluntary consideration of social and environmental aspects in policies and activities of companies (42.8%) or refers to maintaining good relations with company’s surroundings (41.6%).

A number of the answers indicate that respondents associate CSR with activities to protect the environment. Respondents indicated, for example, that CSR relates to a proactive approach to the protection of environment (25.3%), to undertaking initiatives to promote greater environmental responsibility (36.9%), and to the development and diffusion of environmentally friendly technologies (34.7%).

Finally, in the view of some of the respondents CSR was also understood as supporting the social actions (36.5%), adherence to the principles of sustainable development (22.5%), and application of ethics in business (27.5%).

Table 1. Sample profile

<i>Sex</i>	Female	58.4%
	Male	41.6%
<i>Age</i>	18 to 25	49.0%
	26 to 35	17.3%
	36 to 45	12.2%
	46 to 55	12.2%
	56 and over	9.4%
<i>Education</i>	Primary/middle school	2.4%
	Vocational school	9.8%
	High school education	53.6%
	University degree	32.7%
<i>Place of residence</i>	Village	42.4%
	Small city (up to 25,000)	22.7%
	Medium city (25,000 to 100,000)	20.3%
	Big city (over 100,000)	14.5%
<i>Monthly net income per family member</i>	Up to 500 PLN ¹	8.8%
	From 501 to 1500 PLN	51.6%
	From 1501 to 2500 PLN	25.7%
	Over 2500 PLN	10.6%
<i>Status</i>	Student	45.2%
	Worker	45.2%
	Unemployed	9.4%
	Pensioner	7.6%

Source: own elaboration based on obtained results ($n = 502$)

¹ Polish Zloty (PLN) is the currency of Poland. At the time of publishing this paper (August 2015) the exchange rate with US\$ was around 0.26 (1 PLN = 0.26 US\$) and 0.24 with Euro (1 PLN = 0.24 €).

Figure 1. Understanding of CSR by Polish consumers (%)

Source: own elaboration based on obtained results ($n = 502$) and multiple-choice answer

Polish consumers had a high opinion on the application of the CSR in companies. To be precise, as many as 61% of respondents believed that companies operating in Poland were applying the CSR principles. Nevertheless, when asked about the implementation of specific rules, they were not so unanimous. In this sense, a clear majority of respondents (66%) believed that companies supported and respected the human rights adopted by the international community, but only 35% of them believed that these same companies eliminate any violations of those rights (Figure 2).

Moreover, as many as 65% of respondents believed that companies do not engage to this degree. The vast majority (60%) stated that companies respect the freedom of association. Unfortunately, the respondents also perceived negatively the existing solutions in the field of equal opportunities (discrimination) dealing with employment in enterprises, as indicating that most companies in the country did not follow the rules in force in this area (69% of responses). They were not satisfied with current approach of enterprises operating in Poland for environmental matters either, indicating that companies did not present such an approach (57%).

Respondents had a positive attitude towards the engagement of enterprises in initiatives to promote greater environmental responsibility (55%) and they also assessed positively the issue of the use and dissemination of environmentally friendly technologies by business organizations (52% of respondents thought that such technologies were used and popularized by companies). The worst rated area was "corruption", as 76% of respondents thought that companies operating in Poland did not prevent corruption or its manifestations.

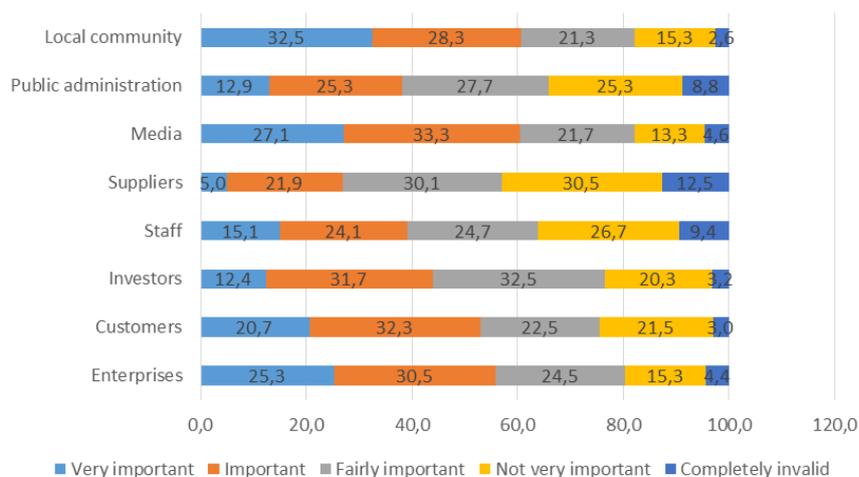
The respondents were also asked to answer the question "*who is most interested in the implementation of CSR in companies?*". Overwhelmingly (Figure 3), they believed that it is the local community (33% of them replied that it is very important for the specified group, while 28% said that it is important); on second place, respondents indicated media (27% and 33%, respectively); on third place respondents referred to enterprises themselves (25% of respondents indicated that it was very important for this group, and an additional 31% stated that it was important). Other mentioned groups were customers (as being very important for them according to 21% of the respondents), staff (15%), public administration (13%), investors (12%) and suppliers (6%).

Figure 2. Perception of adherence of Polish companies to CSR principles (%)



Source: own elaboration based on obtained results (n = 502) and multiple-choice answer

Figure 3. Most-interested groups on the implementation of CSR in companies (%)

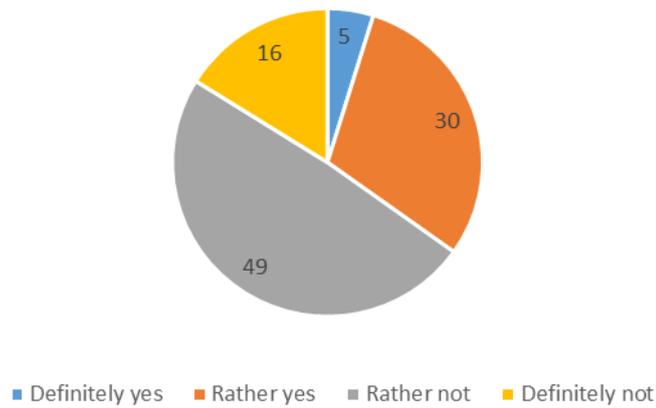


Source: own elaboration based on obtained results (n = 502)

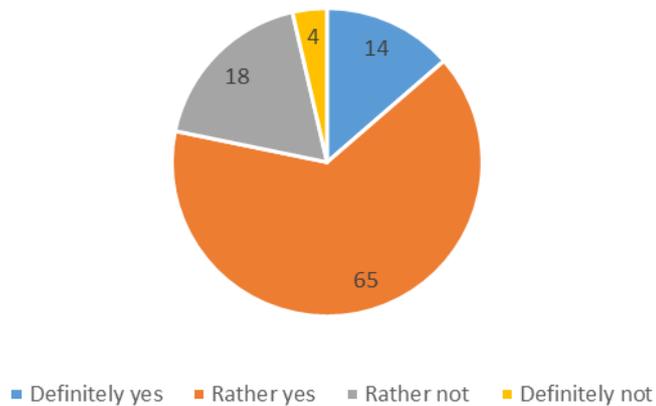
Unfortunately (Figure 4), it seems that a number of Polish consumers were not of would not pay attention to the social commitment of companies, 49% replying “probably not” and 16% “definitely not”. Only 5% told on conscious consideration of knowledge about social engagement of companies when making the purchase and some 30% declared they partially drown attention to responsibility of selected suppliers.

However, a huge majority of respondents recognized the importance of CSR in a market economy, 14% answering “definitely yes” and 65% “rather yes” to the question “does the use of corporate social responsibility is consistent with the interests of the firm?” (Figure 5). Only a 4% of them thought that it is absolutely contrary to the interests of the company, and 18% considered it as “rather inconsistent”.

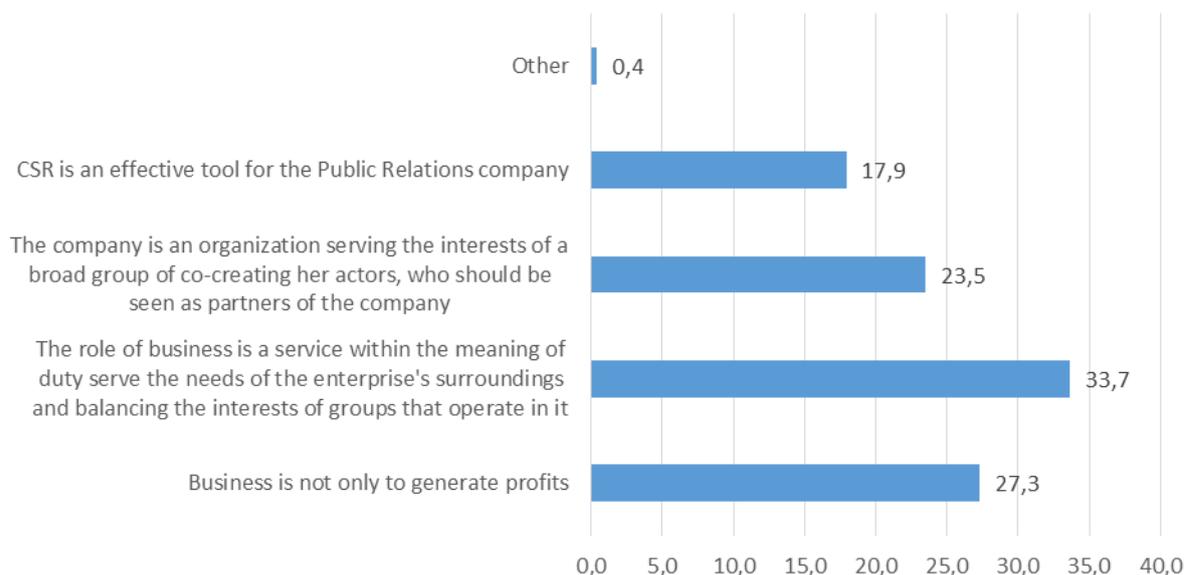
Justifying the taken position (Figure 6), respondents indicated that the role of business is a service within the meaning of duty to serve the needs of the enterprise environment and balancing the interests of groups operating in it (34%), a business is not just about generating profits (27%) or, at the end, a company is an organization serving the interests of a broad group of co-creating the actors who should be seen as its partners (24%). Quite a large group saw CSR as an effective tool for public relations (18%).

Figure 4. Level of consideration of CSR practices by consumers when making their purchase-decisions (%)

Source: own elaboration based on obtained results ($n = 502$)

Figure 5. Assessment of the convergence of the application of the CSR concept and the interests of the firm (%)

Source: own elaboration based on obtained results ($n = 502$)

Figure 6. Justification of the application of CSR principles by Polish consumers (%)

Source: own elaboration based on obtained results ($n = 502$)

4. Conclusions

Summing up the obtained results, it can be concluded that:

1. The level of knowledge of the CSR concept and practices among Polish consumers is low. In many cases, it appears as a commitment of the company in the matter of environmental protection or the application of the principles of business ethics.
2. Polish companies shall apply the CSR principles, but according to the respondents, they are still insufficiently involved in social issues, such as counteracting any manifestations of corruption, or elimination of all violations of human rights. In this sense, the weakest perceived issue is equality in employment.
3. Consumers in Poland consider that the group (stakeholder) which is most interested in the implementation of CSR is the local community. In their opinion, enterprises are placed only on the third place, and customers on the fourth. These results somehow confirm the poor knowledge of CSR and its relevance from an economic view.
4. Polish consumers do not pay attention to the CSR when doing their shopping and do not take into account the social responsibility of brands/producers when making their decisions or choosing specific products.
5. However, Polish consumers consider that the implementation of CSR is consistent with the interests of the companies, since they should be responsible for their environment, trying to balance their interests and the interests of those groups which interact with them, thus not being only interested in generating as much profits as possible no matter the way in which this goal is achieved.

So, Polish entrepreneurs and managers –just like their counterparts in western companies– are increasingly talking about CSR, being conscious of its relevance and, what is more important, implementing its principles in their daily operations. Even more, many actors guided by the principles of ethics and responsibility apply the principles of CSR without knowing it. This fact has been evidenced in the answers of those respondents who were asked about their knowledge of the CSR concept and answered in the most negatively way but, later on, when replying to the question about the implementation of CSR principles in Polish economic practice, they had no doubt that these principles were mostly used by most companies. Such business execution proves the maturity of the Polish economy, in which nowadays certain behaviours would be unacceptable (e.g. those related to human rights abuses), and their occurrence would be associated with a public stigma and directing the matter to court.

However, some improvements are still required. Among others, it should be made in terms of:

- i) general awareness of CSR principles by both citizens and managers/entrepreneurs;
- ii) application of the principles of equality in employment and promotion in policies of companies and, in a general sense, all organizations;
- iii) taking more into account the principles of CSR in the corporate market activities; and
- iv) education of Polish consumers on the environmental and social responsibility.

At any case, we should keep in mind that this paper only shows partial results of the whole intended research project. Further research is required in order to properly get a comprehensive approach to the situation, involving not only the view of consumers, but also considering the opinion of other relevant stakeholders.

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