
Profitability of Corporate Social Responsibility Activities from the Perspective of Corporate Social Managers

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Abstract:

Purpose: The purpose of the article is to determine the intensity of CSR activities undertaken by enterprises in Poland and to assess their profitability in terms of stakeholder groups.

Design/Methodology/Approach: Questionnaire surveys were conducted on a representative group (by size and sectors of the economy) of 722 large and medium-sized enterprises in Poland in 2019. Respondents were CSR managers, among which three groups of people were identified for whom managing CSR is the only responsibility, is one of the basic responsibilities, CSR activities are one of the many responsibilities. The research hypotheses set out in the article regarding the intensity and profitability of CSR activities directed at individual stakeholders, as well as the complementarity of these activities and the characteristics of the respondents that differentiate their responses, were verified using arithmetic means, Pearson correlation coefficients and Chi-squared test.

Findings: Research results indicate that enterprises direct CSR activities to primary stakeholders in the first place. Also, the profitability of CSR activities is usually higher valued in the case of primary stakeholders, while activities directed to the local community and the natural environment received higher ratings than activities directed at public authorities and capital providers. Respondents treat CSR activities directed at all stakeholders as complementary. The respondents' strongest opinions about the orientation of CSR activities and their profitability differentiate the workplace next is sector of the economy and the size of the enterprise has the least difference in assessment.

Practical Implications: The results obtained encourage corrections of strategic directions of CSR activities, in the form of an increase in the importance (intensity) of CSR activities directed to local communities and the natural environment.

Originality/Value: The research presented is so innovative that CSR managers were selected as the group of respondents. Assuming that the directions (intensity) of CSR activities are adopted (imposed) at the strategic level, the profitability of these activities determined at the operational level verifies the correctness of their orientation.

Keywords: CSR in managers' perspective, stakeholders in CSR policy.

JEL codes: M10, M14, L25.

Paper type: Research article.

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1. Introduction

Enterprises are increasingly using the concept of corporate social responsibility (CSR) as part of their strategy, focusing on optimal use of resources and improving relationships with the surroundings. In this way, they intend to build their reputation, increase the satisfaction and loyalty of customers and other entities in the surroundings, and thus improve their competitive position. Stakeholder theory was chosen as the theoretical model to which the quantitative research presented in the article refers. The purpose of the article is to determine the intensity of CSR activities undertaken by enterprises in Poland and to assess their profitability in terms of stakeholder groups.

The article uses questions from the survey questionnaire directed at CSR managers of large and medium-sized enterprises in Poland. The theoretical part of the article refers to the concept of CSR, with particular emphasis on stakeholder theory. The methodological part includes the characteristics of the study and research sample and the statistical methods used for data analysis. The empirical part contains an analysis of the quantitative research, taking into account the diversity of results according to the size of enterprises, the economic sector they represent and the respondent's job position (from the point of view of the importance of CSR activities in terms of their responsibilities). The article concludes with conclusions and proposals for further research.

2. Literature Review

Corporate Social Responsibility (CSR), taking into account social and ecological goals, apart from economic goals, in the opinion of many authors should become part of the enterprise's strategy (McWilliams *et al.*, 2005; Hahn, 2015; Valeute, 2015; Jędrzejowska-Schiffauer *et al.*, 2019). As a managerial formula for implementing CSR principles into the enterprise's strategy, we can accept the stakeholder theory that was formulated in the 1980s by Freeman (1983). Although his concept was initially classified as focusing on strategic management, it had the greatest impact on the perception of the relationship between business and society. The development of stakeholder theory facilitated the verification of the usefulness of the CSR concept in enterprise operations (Donaldson and Preston, 1995; Cech *et al.*, 2018; Andreeva *et al.*, 2018; Ivanova and Bikeeva, 2016).

Stakeholders are defined as individuals or groups of people who have or may have an impact on achieving the organization's goals and, consequently, on the company's ability to survive and create value (Whelan, 2013). According to stakeholder theory, identifying and including the expectations of all stakeholders in the enterprise's strategy facilitates its stable and lasting development (Hubbard, 2009; Smith, 2011). Enterprise stakeholders can be classified according to various criteria. The most important division of stakeholders from the point of view of the article's goal is the division into primary stakeholders (customers, employees, shareholders,

lenders, supplies) and secondary stakeholders (community, environment, government, and society in general) (Maignan *et al.*, 1999; Glavas and Kelley, 2014). Part of authors, government and communities providing infrastructure and markets assign to primary stakeholders (Freeman, 1983; Smith, 2011).

The division into primary and secondary stakeholders suggests a hierarchy of importance of stakeholders. Some authors recommend that all stakeholders be treated equally, defining the corporation's goal as creating and distributing increased wealth to all its major stakeholder groups, without favouring one group at the expense of others (Freeman *et al.*, 2010; Thalassinou *et al.*, 2006). In practice, the equal treatment of all stakeholders is difficult from both a managerial and economic perspective. Even if a manager attempts to balance the interests of all stakeholder groups, they may not only be limited by the indivisibility of resources but also by the nature (validity) of stakeholder claims (Reynolds *et al.*, 2006). The validity of stakeholder claims varies depending on their strength (e.g., a large supplier or customer is a significant stakeholder), urgency of claims (time during which stakeholder claims must be considered) and stakeholder legitimacy against the organisation, legally justified (when claims can be made based on existing law) or ethically, based on moral expectations (not necessarily arising from legal norms) (Fifka and Aduai, 2015).

Because of the likelihood of recovering expenses for CSR activities, companies often focus on primary stakeholders (Maignan and Ferrell, 2004; Pollach, 2011; Rasche *et al.*, 2013; Dawkins, 2015). Sales and the day-to-day functioning of the enterprise depend to a large extent on them, they also bear some of the economic risk (Jones, 1995; Maignan and Ferrell, 2004). Relationships with individual stakeholder groups should be based on the principles of fairness and integrity (Bosse *et al.*, 2009; Donaldson and Preston, 1995). Compliance with CSR principles in relation to business partners builds an appropriate level of relational capital, which is the basis for the proper functioning of the enterprise in the environment, credibility, which strengthens relationships with important stakeholders, thus reducing transaction costs, leading to improved financial results, and creating value for the company and its stakeholders (Barnett, 2007; Strand and Freeman, 2015).

From the point of view of revenue sources, the survival and development of an enterprise depends on acquiring and retaining customers. Customers satisfaction with purchased products and services builds their loyalty to the enterprise, supporting sales continuity (Hill and Jones, 1992; Arıkan and Güner, 2013). When dealing with customers, the company should use honest information and advertising, and should not manipulate information about the company's business practices (Smith, 2011; Calveras and Ganuza, 2016).

Managers and employees play an important role in the proper functioning of the enterprise, offer their time and potential, expecting in return fair revenues and appropriate working conditions (Hill and Jones, 1992). Usually, employees are

interested in implementing CSR principles (Brammer *et al.*, 2005; Kolk *et al.*, 2016) because they are consistent with their goals (they favour development, career, income growth, creation of good jobs and making the world a better place) (Glavas and Kelley, 2014). The enterprise, implementing CSR principles directed at personnel, tries to get in return, an increase in employee loyalty, satisfaction, motivation and efficiency, a decrease in fluctuation and absenteeism and an increase in the interest of potential employees in the enterprise (Maignan *et al.*, 1999; Brammer *et al.*, 2005; Diaz-Carrion *et al.*, 2019).

In order to ensure stable supplies (raw materials, materials, equipment), the company should work ethically with suppliers. The most important elements of cooperation are conducting reliable financial settlements, using honest information and advertising, complying with applicable cooperation rules adopted in the sector and repayment within the deadlines (Smith, 2011).

According to stakeholder theory, maximising shareholder wealth is not the only objective function of managers (Jones and Felps, 2013; Goodman and Arenas, 2015), however, enterprise owners remain key stakeholders. By providing the company with capital, they expect the enterprise to provide reliable and complete information on the management board's activities and economic situation, the fulfillment of promises made and respect for preemptive rights in the event of subsequent share issues. It should be added that institutional investors, in particular large pension funds, prefer investing in long-term stable companies. A chance for such stability is provided by an appropriate long-term strategy, taking into account CSR assumptions (Deakin and Hobbs, 2006; Sakawa and Watanabel, 2020).

Creditors provide financing to the enterprise and in return expect their loans to be repaid on schedule (Hill and Jones, 1992). The enterprise should conduct reliable financial settlements with them, use reliable information, and especially pay off debts in a timely manner (Smith, 2011). For the purposes of the article, the above two stakeholder groups were combined and, together with the owners of the enterprise, were treated as 'capital suppliers'. Public authorities at various levels and the tax administration are representatives of the general public who, as taxpayers, provide the company with national infrastructure and in return expect improvement in the quality of life and compliance with the rules of the game established by the legal system (including timely payment of liabilities to the public sector) (Hill and Jones, 1992).

Local communities provide the company with location, local infrastructure and potential tax breaks, expecting in return a better quality of life (Hill and Jones, 1992). For philanthropic activities that are most at risk of a lack of return on investment, it is suggested to make all philanthropic practices and a strategic approach to philanthropy publicly available, as philanthropic expenditure can create new market opportunities as well as improve social relations (Porter and Kramer, 2002; Smith, 2011). A source of competitive advantage of an enterprise may also be

responsibility for the environment (i.e. prevention of air pollutant emissions, failures and removal of their effects) (Hart, 1995; Beckmann *et al.*, 2014). Although environmental protection entails costs, lack of care for the environment leads to a deterioration of the image and an increase in fees (penalties) for air pollutant emissions (Lee *et al.*, 2016).

It should be expected that enterprises will increase the scope of CSR activities if it proves profitable for them. On the one hand, the improvement of financial results thanks to CSR activities may be the result of reducing risk, improving adaptability, higher flexibility, improving reputation (among business partners, employees and customers), increasing trust (which reduces transaction costs), easier access to information conducive to innovation (Jones, 1995; Freeman *et al.*, 2010). On the other hand, investing in CSR entails additional costs, reducing profitability and reducing funds allocated to other, potentially more profitable business activities (Balabanis *et al.*, 1998).

Most studies indicate a positive impact of the implementation of CSR principles on the enterprise's financial results (Garriga and Melé, 2004; Saeidi *et al.*, 2015). Some studies, however, point to a neutral (McWilliams and Siegel, 2000) or even negative impact of CSR activities on the enterprise's financial results (Karaye *et al.*, 2014; Hirigoyen and Poulain-Rehm, 2015). The above differences indicate that just taking action in the field of CSR does not guarantee the success of the enterprise. It is important to target activities (expenses), taking into account their impact on the behaviour of stakeholders and the expected effects related to it (Pollach, 2011; Rasche *et al.*, 2013).

3. Research Hypotheses

The research presented in this article is so innovative that CSR managers were selected as the group of respondents (responsible for implementing CSR activities). Until now, researchers have usually addressed surveys to managers of the entire enterprise, therefore it is not possible to directly compare the results obtained in this study with existing studies. If we assume that the directions (intensity) of CSR activities are adopted (imposed) at the strategic level, the determination at the operational level of the profitability of these activities (by CSR managers) verifies the correctness of their orientation.

On the one hand, we formulate the hypotheses based on the content presented in the theoretical introduction, and on the other hand, on the characteristics of the group of respondents. The first two hypotheses refer to theoretical considerations as:

H1: Enterprises focus on CSR activities directed at primary stakeholders.

H2: CSR activities undertaken for the benefit of primary stakeholders are more profitable than CSR activities for secondary stakeholders.

The third hypothesis presented in the article is related to the specificity of respondents and the associated perception of CSR activities as a coherent concept as: *H3: CSR managers treat activities for the benefit of all stakeholders as complementary.*

The size of the research sample makes it possible to check how the assessment of CSR activities differs depending on the characteristics of the respondent, to which the last hypothesis refers to:

H4: The hierarchy of the significance of stakeholders (from the perspective of the intensity of activities directed to them) and assessment of the profitability of CSR activities depends on the size of the enterprise, sector of business activity and the respondent's job position (importance of CSR in their workplace).

4. Research Sample and Research Assumptions

The research sample was determined based on the latest available data on the number of non-financial enterprises broken down by size, published by the Central Statistical Office of Poland, as of the end of 2018 (www.stat.gov.pl). The representativeness of the sample was obtained by size of enterprises and the sector of the economy they represent. The sample was selected at random and included 722 enterprises, including 347 large (employing 250 and more people) and 375 medium (employing from 50 to 249 people). Studied respondents according to sector, from 350 enterprises from the production sector, 42 from construction, 124 from trade and 206 working in the services sector. The research was limited to large and medium-sized enterprises to get answers from people who are responsible for the implementation of CSR activities. Three groups of respondents were identified: employees for whom managing CSR activities is the sole responsibility, employees for whom CSR is one of the basic responsibilities (e.g. marketing and CSR director, investor relations and CSR manager, delegated board member), as well as persons accountable for CSR as part of other responsibilities. Small enterprises were omitted in the study, because in their case mainly owners (or managers of the entire enterprise) would be respondents, and not CSR managers at operational level.

For the purposes of the article, two questions from a broader questionnaire directed at enterprises were used. The hierarchy of significance of individual stakeholders for CSR managers was checked through the question: The enterprise undertakes activities associated with CSR directed at employees (improvement of staff procedures, avoidance of discrimination, improvement of working conditions, acceptable incentive system, participation in management, etc.), customers (compliance with regulations, honest information and advertising, compliance with consumer rights), suppliers (reliable and timely settlement of liabilities, compliance with the code of ethics, protection against corruption), capital providers, i.e., lenders, shareholders and owners (reliable and timely settlement of liabilities, reliable information on the enterprise's situation), public authorities and the tax

administration (timely payments, cooperation with local and regional government, central authorities), local community (support for local initiatives, schools, health services, etc.), recipients of charity activities and the natural environment (activities exceeding standards imposed by law).

The assessment of the profitability of activities for individual stakeholders was based on the question if activities associated with CSR pay off for the enterprise (they bring more benefits than costs) in the case of activities directed at. This question contained the same set of enterprise stakeholders. In both analysed questions, the 5-point Likert scale was used as the assessment method (1 does not apply to my enterprise; 2 applies to my enterprise to a small extent; 3 partially applies to my enterprise; 4 it applies to my enterprise to a significant extent; 5 fully applies to my enterprise). Surveys were conducted in the period September - October 2019 by a research unit certified by the Polish Ministry of Science and Higher Education.

5. Research Methodology

The method of analysing data obtained on the basis of a questionnaire was subordinated to the hypotheses set out in the article. To determine the hierarchy of stakeholders from the perspective of the intensity of CSR activities directed at them, as well as their profitability (H1 and H2 hypotheses), the arithmetic average of the assessments in the analysed sections (size of the enterprise, sector of activity and importance of CSR as part of the respondent's professional responsibilities) was used. In addition, for the purposes of verifying hypothesis 2, Pearson's correlation coefficients were calculated between the levels of assessment of CSR activities directed at individual stakeholders, and the assessment of the profitability of these activities against the same stakeholders.

The verification of the hypothesis regarding the complementarity of CSR activities directed at stakeholders and their profitability was based on Pearson correlation coefficients between the analysed cross-sections of assessments. In order to verify the fourth hypothesis regarding the characteristics of respondents deciding about the level of assessment of CSR activities and their profitability, a Chi-squared test of independence was carried out regarding the distribution of responses in individual cross-sections of respondents. Their task was to determine to what extent the analysed cross-sections of respondents (size of the enterprise, sector of activity and importance of CSR as part of the respondent's responsibilities) differentiate their answers.

6. Research Results

Table 1 contains arithmetic averages of assessments of the intensity of CSR activities obtained among respondents for individual groups of stakeholders. In addition to the total data, cross-sectional data of respondents by the size of the

enterprise, sector and position of the respondent (importance of CSR as part of their professional responsibilities), together with the number of individual groups of respondents, are presented in Table 1.

Table 1. Assessment of the intensity of CSR activities by stakeholder groups

Group of respondents	Stakeholders							
	Emp.	C	S	Len.	Pub.	Loc.	Phil.	Env.
Total (N = 722)	3.64	3.72	3.71	3.44	3.73	3.28	2.98	3.14
Large enterprises (N = 347)	3.8	3.76	3.74	3.55	3.77	3.43	3.17	3.25
Medium-sized enterprises (N = 375)	3.49	3.69	3.69	3.34	3.69	3.14	2.8	3.05
Production (N = 350)	3.71	3.78	3.81	3.53	3.8	3.46	3.16	3.25
Construction (N = 42)	3.45	3.45	3.6	3.57	3.52	2.95	2.69	2.93
Trade (N = 124)	3.52	3.69	3.68	3.32	3.52	3.04	2.8	2.94
Services (N = 206)	3.63	3.69	3.59	3.34	3.77	3.19	2.83	3.13
The only duty (N = 71)	4.27	4.37	4.3	4.08	4.15	3.82	3.34	3.82
One of the basic duties (N = 230)	4.11	4	3.97	3.58	3.86	3.62	3.38	3.54
As part of other duties (N = 421)	3.28	3.46	3.47	3.25	3.59	3	2.7	2.81

Note: Emp. – employees; C - clients, S - suppliers, Len. - shareholders and lenders; Pub. - public authorities, Loc. - local communities, Phil. - recipients of philanthropic activities; Env. - the environment

Source: Own research.

For the needs of the article, primary stakeholders also include public authorities. Considering this, the level of assessment of the intensity of CSR activities directed at individual groups of stakeholders allows to confirm hypothesis 1, because the groups included in secondary stakeholders received clearly lower ratings. For the entire research group, the highest intensity rating (very similar to each other) was given to CSR activities directed at public authorities, customers and suppliers. The next places in the hierarchy of indications were taken by employees and capital providers. Among the other directions, the lowest intensity ratings were obtained for charitable CSR activities. This was the only direction of CSR activities valued by whole research group below 3 (partly applies to my company).

Contrary to the entire sample, respondents from large enterprises rated the intensity of CSR activities directed at a group of employees the highest. In the case of respondents from medium-sized enterprises, the hierarchy of intensity of activities corresponded to that obtained for the entire research sample, with the first three indications (public authorities, customers and suppliers) received the same number of points. Larger differences in the assessment of the intensity of stakeholder activities were broken down by sector of activity. The respondents from the production sector rated the intensity of CSR activities directed at suppliers the highest. It was similar in the case of construction, where the last places of employees

and customers in the primary stakeholder hierarchy and the lowest intensity of activities directed to secondary stakeholders in the entire research sample also draw attention. In the trade sector, CSR activities focused on customers and suppliers, while in the services sector, on customers and employees. The results obtained can be associated with the specificity of individual sectors of activity, which is also supported by the highest intensity of CSR activities directed at the natural environment in the production sector, the most burdensome for the environment.

Assessments of enterprises' activities broken down according to the importance of CSR in workplace of respondents' indicate that their answers may be related to self-assessment of their own work. The highest score for all CSR activities directed at individual stakeholders was assessed by those working in separate positions for which managing CSR is the sole responsibility. The second result for all CSR activities was assessed by a group of respondents for whom CSR is one of the basic obligations (except for CSR activities directed to recipients of charity aid, which they rated higher than those only dealing with CSR). Respondents liable for CSR under other responsibilities rated all CSR activities directed at individual stakeholders the lowest. This group, being the most numerous, determined the first place in the ranking of CSR activities directed at public authorities. Those working in separate positions rated the intensity of CSR activities directed at customers, suppliers and employees the highest. Respondents for whom CSR is one of the basic responsibilities first indicated CSR activities directed at employees, customers and suppliers. Table 2 contains arithmetic averages of profitability assessments of expenditures directed at individual groups of stakeholders, from the perspective of CSR managers.

Table 2. *Assessment of the profitability of CSR activities by stakeholder groups*

Group of respondents	Stakeholders							
	Emp.	C	S	Len.	Pub.	Loc.	Phil.	Env.
Total (N = 722)	3.67	3.64	3.44	3.14	3.3	3.39	3.11	3.42
Large enterprises	3.68	3.59	3.44	3.15	3.36	3.42	3.2	3.37
Medium-sized enterprises	3.66	3.68	3.44	3.14	3.25	3.35	3.03	3.46
Production	3.74	3.65	3.54	3.12	3.33	3.4	3.2	3.5
Construction	3.64	3.31	3.29	3.05	2.98	3.14	2.86	3.21
Trade	3.56	3.56	3.36	3.27	3.27	3.19	2.96	3.04
Services	3.64	3.73	3.35	3.13	3.35	3.53	3.11	3.54
The only duty	3.9	3.99	3.76	3.49	3.7	3.7	3.51	3.77
One of the basic duties	3.94	3.81	3.57	3.2	3.43	3.64	3.42	3.67
As part of other duties	3.49	3.48	3.32	3.05	3.17	3.19	2.88	3.21

Source: Own research.

Considering all arithmetic averages obtained exceeded 3.0, according to CSR managers, CSR activities directed at all stakeholders of the enterprise are profitable (to a greater or lesser extent), because they bring more benefits than costs. The profitability hierarchy for the entire research sample indicates that CSR managers definitely rate the highest profitability of CSR activities directed at employees and customers. Suppliers, natural environment and local communities were next in the profitability hierarchy of activities directed at them. Pointing out that the profitability of activities directed at public authorities and capital providers, assigned to primary stakeholders, was assessed lower than the profitability of activities for the benefit of local communities and the natural environment.

Comparing the arithmetic averages of assessments of the directions of CSR activities and their profitability, it turns out that assessments of the profitability of CSR activities are higher than their intensity, in the primary stakeholders group occurred only in the case of employees. By far the biggest negative difference between the profitability of activities and their intensity occurs in the case of public authorities. This may indicate that enterprises maintain good relations with authorities at various levels, feeling obliged to do so by legal regulations (in fear of fines, inspection institutions), hardly feeling any such support from public authorities. Profitability for all secondary stakeholders was valued higher than the intensity of CSR activities directed at them. At the same time, clearly lower assessments of the intensity of CSR activities directed at secondary stakeholders, and similar to other areas of assessing their profitability, may indicate a good directing of moderate expenditure on secondary stakeholders (refraining from activities that are doubtful about obtaining a return). This is especially visible in the case of the local community, which occupies sixth place in the hierarchy of intensity of CSR activities, and fourth in terms of their profitability.

Respondents from large enterprises indicated a similar hierarchy of stakeholders in terms of profitability to the entire research group, but with higher assessment of the profitability of CSR activities in the field of charity than in relation to capital providers. Respondents from medium-sized enterprises indicated the highest profitability of activities directed at customers, employees took second place in their hierarchy, and noteworthy is third place in their hierarchy of profitability of CSR activities for the natural environment.

Respondents from the production sector indicated the same hierarchy of profitability of CSR activities as respondents from large enterprises (profitability of charity activities prior to activities directed at capital suppliers). In the case of the construction sector, the only difference in relation to the entire research sample was a higher assessment of the profitability of activities directed at capital providers than those directed at public authorities. Respondents from the trade sector assessed the profitability of CSR activities directed at customers and employees identically, as well as the profitability of CSR activities directed at all primary stakeholders groups rather than the secondary stakeholders groups. Respondents from the services sector

are characterized by higher profitability ratings of activities targeted at clients than employees, and also only the second to last place in their hierarchy of profitability of CSR activities for the environment.

Considering the cross-section of respondents depending on the job position, the hierarchy of assessing the profitability of CSR activities in the entire research sample is consistent with the hierarchy indicated by the most numerous group of respondents dealing with CSR activities under other responsibilities. The respondents for whom CSR is the only responsibility indicated in order the following as the three most profitable directions of CSR activities: customers, employees and the natural environment, while the lowest rated the profitability of CSR activities directed at capital providers. The hierarchy of indications in the group of respondents was similar, for which CSR is one of the basic areas of responsibility, with the highest rating given to CSR activities directed at employees and then to customers. For verifying the hypothesis about directing CSR activities to stakeholders who ensure the return on investment, correlation was calculated between the assessments of the intensity of CSR activities and their profitability (Table 3).

Table 3. The correlation between assessments of CSR intensity and their profitability by stakeholder groups

Group of respondents	Stakeholders							
	Emp.	C	S	Len.	Pub.	Loc.	Phil.	Env.
Total	0.4726	0.4359	0.5204	0.566	0.5126	0.5094	0.6295	0.5657
Large enterprises	0.5569	0.495	0.5366	0.5891	0.5025	0.5369	0.6682	0.6324
Medium-sized enterprises	0.4086	0.3879	0.5089	0.5504	0.5194	0.4885	0.594	0.5205
Production	0.5168	0.4224	0.4227	0.536	0.444	0.4713	0.623	0.5778
Construction	0.3223	0.5513	0.6194	0.5634	0.6902	0.6557	0.697	0.522
Trade	0.3093	0.3312	0.5568	0.6229	0.5841	0.5493	0.6931	0.4792
Services	0.5105	0.4755	0.5992	0.5976	0.546	0.523	0.5898	0.595
The only duty	0.4124	0.354	0.4639	0.5028	0.6278	0.6082	0.7995	0.6353
One of the basic duties	0.3796	0.3575	0.5044	0.551	0.556	0.5499	0.6977	0.6212
As part of other duties	0.4535	0.4376	0.5129	0.5733	0.4586	0.4295	0.5177	0.4849

Source: Own research.

All calculated correlation coefficients are positive and statistically significant, thus they testify to the positive relationship between the intensity of CSR activities and their profitability, allowing for positive verification of hypothesis 2. Of 722 pairs of

observations, almost all correlation coefficients were found to be statistically significant at the level 0.001. The exceptions were correlations for employees in the construction sector ($p < 0.037$) and customers in the group of respondents dealing exclusively with CSR ($p < 0.03$), which is partly due to the smallest number of respondents in these groups.

Verifying hypothesis 3, assuming that for all persons managing CSR activities, all domains are complementary, Pearson correlation coefficients between individual stakeholder assessments (correlations between stakeholder pairs assessments) were calculated in relation to the intensity of CSR activities directed at them (Table 4) and the profitability of these activities (Table 5).

Table 4. Correlations between assessments of the intensity of CSR activities directed at separate groups of stakeholders

	Emp.	C	S	Len.	Pub.	Loc.	Phil.
Emp.							
C	0.65904						
S	0.6335	0.81339					
Len.	0.44481	0.56851	0.63035				
Pub.	0.51119	0.65322	0.64425	0.64159			
Loc.	0.51043	0.49773	0.47561	0.37463	0.55604		
Phil.	0.4544	0.43963	0.43296	0.30954	0.41382	0.75705	
Env.	0.51121	0.47883	0.45478	0.36158	0.41127	0.60083	0.57034

Source: Own research.

All Pearson correlation coefficients obtained between the intensity of CSR activities directed at individual groups of stakeholders turned out to be positive, and moreover, statistically significant at the level 0.001.

Table 5. Correlations between the assessment of the profitability of CSR activities directed at separate groups of stakeholders

	Emp.	C	S	Len.	Pub.	Loc.	Phil.
Emp.							
C	0.58352						
S	0.58194	0.70067					
Len.	0.35699	0.52707	0.56821				
Pub.	0.38559	0.52427	0.53525	0.52544			
Loc.	0.46587	0.46954	0.39321	0.28896	0.53203		
Phil.	0.42992	0.34731	0.38245	0.27524	0.43997	0.6601	
Env.	0.46122	0.42209	0.39385	0.32424	0.44016	0.63819	0.57539

Source: Own research.

As in the case of the previously considered correlation, the relationship between the assessment of the profitability of CSR activities directed at individual groups of stakeholders, proved to be statistically significant at the level 0.001 in all cases. This

allows us to positively verify the hypothesis that the respondents treated CSR activities directed at all stakeholders in a complementary way.

The Chi-squared test for independence was used to determine which characteristics of the respondents most strongly affect the assessment of CSR activities directed at individual stakeholders and their profitability (Table 6). Statistical significance at the level of at least 0.05 was adopted as a reason for diversifying the respondents' opinions in selected sections.

Table 6. Significance levels for the Chi-squared independence test broken down according to the characteristics of the respondents

Group of respondents	Stakeholders							
	Emp.	C	S	Len.	Pub.	Loc.	Phil.	Emp.
Orientation of CSR activities								
Size of enterprise	0.02	-	-	0.005	0.005	0.005	0.005	0.02
Sector	-	0.02	0.005	0.05	-	0.005	0.01	0.05
Place of CSR in scope of duties	0.005	0.005	0.005	0.005	0.01	0.005	0.005	0.005
Profitability of CSR activities								
Size of enterprise	-	-	-	-	-	-	-	-
Sector	-	0.01	0.01	-	-	0.03	0.05	0.005
Place of CSR in scope of duties	0.005	0.005	0.03	0.025	0.005	0.005	0.005	0.005

Note: - no significance.

Source: Own research.

The Chi-squared test results obtained show that the respondents' answers definitely differentiate their position (the importance of CSR in terms of responsibilities). In this cross-section, the Chi-squared test values exceeded the assumed level of significance for all stakeholders, both in determining the intensity of activities and their profitability. In the responses regarding the intensity of CSR activities, both broken down by the size of the enterprise and the sector, the assumed level of significance of the Chi-squared test was exceeded for the six groups of stakeholders considered. In the cross-section according to the size of the enterprise, the answers of the respondents did not differ significantly in relation to the intensity of activities directed at customers and suppliers, whereas in the sectoral cross-section, the answers did not differ significantly in the assessment of activities directed at employees and state authorities.

In the case of assessing the profitability of CSR activities, the Chi-squared test indicated in five cases that the sectoral cross-section of the respondents causes a diversified assessment. However, in no case, was the assumed level of significance of the Chi-squared test obtained for the cross-section of respondents by company size.

7. Conclusions

The research hypotheses set out in the article have mostly been verified positively. The assessment of the intensity of CSR activities directed at individual stakeholders indicates that enterprises prefer primary stakeholders. The hierarchy according to the profitability of CSR activities is not entirely consistent with hypothesis 2, because two of the primary stakeholders received ratings lower than the profitability of activities for local communities and the natural environment. This may indicate that, while CSR activities directed at secondary stakeholders are less intense, they are well directed, building respondents' conviction of their profitability.

Assuming that the directions of CSR activities are imposed by top management (hence the advantage of primary stakeholders), and the profitability is more indicative of the priorities of CSR managers, at the operational level, activities for stakeholders create a more balanced system, limiting discrimination of secondary stakeholders. It should be noted that the differences in the range of ratings regarding the profitability of CSR activities are significantly lower than their intensity. Complementary treatment of all stakeholders by respondents also supports the conclusion that CSR activities are more balanced at the operational level. Most strongly influencing respondents' ratings, both in terms of the intensity of activities and their profitability, are their position held (the importance of CSR activities in their workplace), the impact of the economic sector and the size of the enterprise are weaker. In connection with the partially negative verification of one of the hypotheses, the question can be asked, what kind of CSR activities are undertaken by enterprises in relation to local communities and the natural environment (which causes them to assess their profitability higher than the profitability of actions for public authorities and capital providers)?

In order to answer the above question, as well as to deepen our knowledge about activities directed at other stakeholders, the authors' intention is to conduct qualitative research based on a case study method. The research will cover 4-5 enterprises from two different sectors and / or 4-5 enterprises from the same sector, but with different organisational significance to the CSR area (CSR as the sole responsibility of a separate manager and the implementation of CSR tasks by a manager under other responsibilities). The research will primarily focus on identifying specific CSR activities directed at individual stakeholders and assessing their profitability from the perspective of the respondents, as well as the degree of freedom left to CSR managers by top management in implementing CSR activities.

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