SOCIAL RESPONSIBILITY OF THE UNIVERSITY

Marcin Geryk
I recommend this book in the hope that social responsibility of the university will designate the future of higher education.

To my loving daughters – Nicole, Nadine and Natalie – simply for the fact that they exist.
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Introduction

Responsibility for one's actions can be found as far back as the ancients. In his works, Aristotle stresses the significance of ethical action. He emphasizes the appropriate use of material goods and he calls justice an ethical virtue. In modern times, the importance of personal choice and values has been pointed out by J. P. Sartre. Elements of responsibility for acting in accordance with the precept of the norms which stem from human nature can, among others, be found in K. Wojtyla's “Ethical Primer.” It is difficult to assume the existence of one universal code of ethics for the whole world. However, all humankind relies on certain assumptions of certain ethical systems. This view is shared by R. C. Salomon, who says that “there exists many sets of values and rules depending on context, society or subculture.” Other authors, such as A. Lewicka-Strzałecka, stress that “responsibility is a category with a cognitive and practical quality for the analysis of economic life.” The business and society theory presented by S. L. Wartick and P. L. Cochran presents a critical attitude towards the neoclassical tradition of an economy based on growth, which assumes that business actions which ensure gaining a maximal profit, within legal regulations, are the only responsibility business bears before society. Multidimensional actions undertaken in accordance with Wartick and Cochran’s model of social action not only increase competitive advantage but also create an added value for society.

The genesis of social responsibility, according to J. J. McMillan, has its source in people’s lack of interest in taking care of others. Nowadays, organisations deal with that sort of thing. The increasing universality of this phe-

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5 A. Lewicka-Strzałecka, Odpowiedzialność moralna w życiu gospodarczym, IFiS PAN, Warszawa 2006, the introduction.
nomenon results from the powerful development of economies, companies, institutions, etc. The idea of social responsibility has been evolving alongside civilizational and economic development. Since the 1960s the issue of social responsibility has become “an important problem, not only for the business sector, but also for theories of law, politics and economics”\(^7\). In E. Peyro’s opinion, the greatest interest in social responsibility, recorded in the 1970s, was a consequence of a coincidence of many ecological disasters and of an economic crisis\(^9\).

The idea of social responsibility, then, stems from many historical breakthroughs and is connected to the development of societies but, above all, with the progressing civilization development. Dynamic economic development has only enhanced and emphasised these phenomena. The process of society realising an awareness of its own needs has been slow and multidimensional. It seems, however, that both organisations and their stakeholders are currently aware of their aims and needs to a degree that allows us to expect a further development of this idea in the future.

The vision of full, and indeed comprehensive, responsibility of organisations for their actions seems to be increasingly prevalent. Beside their economic results, the social effects of organisations’ actions will also be subject to assessment. The most important thing, however, is how such actions influence the improvement in the quality of life for the whole society\(^10\).

Universities play a substantial part in disseminating the idea of the social responsibility of enterprises. By incorporating those issues in their curricula, universities influence the awareness of future social and economic leaders. The constantly growing number of consultants, legal regulations and international actions promoting socially responsible business and the practice of social reporting are of no less importance\(^11\).

Along with economic development, the increased intensity of globalisation has increased the expectations and requirements that society has towards or-

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ganisations, businesses and other public or social and economic institutions. In these circumstances, higher education institutions, due to the role they play in social and economic development, have to face particularly high requirements. They form future elites, they participate in the process of the development of a knowledge-oriented society and they examine the surrounding environment. It seems then that the implementation of such important tasks requires socially responsible actions from universities.

The term “corporate social responsibility” (CSR) is determined by the meanings of three words: society, responsibility, business; and it describes the relations between enterprises, or other organisations, and societies. It also describes the scope of responsibilities at both ends of this relation. Society must be understood in its broadest sense so that it encompasses all potential stakeholders of an organisation, i.e. those who may hold any interest in its current or future activity\textsuperscript{12}.

One may say then that the term “social responsibility” identifies a subject, i.e. an organisation, and gives us knowledge on this subject by presenting it as a party in a social contract with society\textsuperscript{13}.

The issue of stakeholders was first dealt with when it was discovered to what degree any activity influences society. Such an interaction may be beneficial but it may also cause expenses. The stakeholders theory undermines the commonly accepted and privileged position of shareholders. Now it is not only shareholders who can influence management and expect ethical actions from it. Organisations influence all stakeholders and they have the right to submit their expectations towards those organisations\textsuperscript{14}.

Although the stakeholders theory emerged quite a long time ago, its most dynamic development took place in the 1960s. It was discussed in the works of E. Rhenman, I. Ansoff and R. Ackoff and their disciples. It is associated with the very old tradition which sees economic activity as an integral part of society, not a separate enterprise of an economic character independent of society. In the 1980s a new management theory appeared – \textit{stakeholder management} – which systematically takes into account those groups which influence organisations or are influenced by them, in other words, stakeholder groups. Back in the 1980s and at the beginning of the 1990s the numerous transformations resulting from ecological disasters, financial scandals and the evo-


lution of the notion of business ethics led to doubts concerning the issue of whom organisations should serve – their shareholders or their stakeholders.15

The issue was also researched by A. Stark. In his opinion the stakeholder theory appears to be one of the most influential ones among the theories which emerged within the idea of corporate social responsibility.16 Similarly, K. Gibson claims that the stakeholder theory is at the core of business ethics.17 R. F. Gago and M. N. Antolin, in turn, say that it is a foundation for further studies and the development of the practical side of social responsibility.18

The presumptions of the stakeholder theory reject the privileged position of stockholders/shareholders in favour of stakeholders. The introduction of the notion of stakeholders and the development of that concept allowed for an explanation of the complex relations between organisations and their environments. Mature organisations appreciate the need for social sensitivity and their stakeholders’ expectations are at least as important as those of their founders or owners.

Because they deal with the transfer of knowledge and research, universities are important social and economic institutions. Playing the part of centres of knowledge and skills requires them to form and maintain appropriate relations with their stakeholders. It seems important then to examine whether the issue of social responsibility may be referred to universities and how this issue is perceived by stakeholders. At the same time it is important to know if universities develop their own development strategies guided by the rules of social responsibility and stakeholders’ identified needs.

The key issue for university managers is to determine precisely the final recipient of educational services – students, parents, potential employers. It is still a current question then whom a university really serves and in what environment it functions. Universities must pay constant attention to the balance between expectations and needs of students, authorities and society in its broad sense, i.e. all university stakeholders.19 It is not uncommon that an educational service does not meet the expectations of potential students or even

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totally misses them. It is also possible to imagine a situation where the service
goes far beyond the students’ future needs\textsuperscript{20}.

A long term strategy based on previously delineated objectives is at the core
of any university activity. It seems to be important then to examine to what
extent the strategy includes actions which meet stakeholders’ expectations. It
is also important to determine the rules of the development and implemen-
tation of a strategy based on the concept of social responsibility. The ques-
tion must also be answered as to whether the manner in which universities
are managed meets stakeholders’ expectations and whether universities them-
selves are willing to respond to suggestions from their social environments.
To that purpose, a detailed research project was designed and a comparative
analysis of the aims and strategies of selected universities was conducted. They
were used to assess the level of social involvement of the universities.

At the basis of the multi-level study, which encompassed all university
stakeholders, was the assumption that university managers undertake pro-so-
cial actions more and more actively, thus significantly modifying their strategic
plans. This first stage of the survey made it possible to arrive at the expected
results of the research project\textsuperscript{21}.

The project “Social Responsibility of the University as Perceived by its
Stakeholders” was conducted in the years 2007-2010. Its initial stages were
devoted to developing its assumptions, formulate its aims and select research
techniques and methods. In its final stage, the collected data were interpreted
and a publication in the form of a research report was prepared. The author
of the current work was the supervisor of the project and the whole enterprise
was financed by the Gdańsk Management College.

The aim of this project was to examine the position and role of social re-
sponsibility in the process of higher education management. The key issue of
the research process was the characteristics of social responsibility in the sec-
tor of higher education and an attempt to evaluate the influence of activities
in this area on improvement of management in a short-term as well as long-
term perspective. It was just as important to enquire as to whether the man-
agement methods in higher education institutions meet the expectations of


their stakeholders and also to what extent schools, both state and private, see it as necessary to analyse their opinions\textsuperscript{22}.

The results of the research led to the formulation of the following research thesis:

\textbf{Socially responsible actions of universities are expected by all stakeholders. They also benefit both society and schools. Therefore such actions should find their implementation in the strategies and missions of educational institutions.}

A theoretical introduction to the issue of social responsibility was presented in the first chapter of the report. It described the issue of responsibility in social and economic life which derived from western philosophy. The historical take is based on the \textit{Nicomachean Ethics} by Aristotle, where responsibility is closely connected with justice. The development of the idea was presented through a discussion of the changes in the Victorian period in England and the social relations in the 19\textsuperscript{th}-century America. However, a rapid development of the idea of social responsibility dates back as early as the “reform era”, i.e. the years 1900-1920, and the next impulse for its development was in the 1950s. A social debate was begun then on social issues, which was later extended in the 1970s alongside the increased interest in the problems of privatization, deregulation, the scope of social benefits or trade limitations.

The second chapter of the report was dedicated to the pro-social issues in university management. The increased need for social values in societies has resulted in the development of organisations based on universal values. The dynamics of this development and the mobility of academic circles induce structural changes in universities all over the world. Being social institutions they follow certain values which are common to the higher education environment. An identification of social needs and a significant change of strategic assumptions is a way to increase the quality and accessibility of educational services. It should lead to the effective implementation of the assumptions of social responsibility in missions, visions and strategies of universities.

It is a task of universities, in broad terms, to popularise the rules of social development by raising the intellectual levels of individuals. At the same time, thanks to the possibility to form their graduates’ attitudes, they influence the dissemination of civic ideas and attitudes. The key to develop the right relations with their environments is the sensitivity of educational institu-

\textsuperscript{22} M. Geryk, \textit{ Społeczna odpowiedzialność uczelni w percepacji jej interesariuszy. Raport z badań}, SGH, Warszawa 2010, pp. 5–6. In the rest of the work this publication will be referred to as the Report for short.
tions to their needs. The aim of university activity was described as supporting the development of society through emphasising the role of universities in their local environments. Pursuant to the assumptions of the education policy and consistent with the requirements of the Organisation for Economic Cooperation and Development (OECD), the World Bank and the European Union, education is supposed to build human and social capital while preparing individuals to function in an information society and in a knowledge-based economy.

Appropriate education was presented as a way to prepare graduates who, thanks to the skills and ethical norms they have acquired, will be conscious and committed employees, thus benefiting the whole society. An accumulation of such actions should lead to the release of social capital, which is the foundation of democracy.

In this chapter, areas are presented in which academics should demonstrate greater creativity while propagating new ideas. It ought to be assumed that the facilitation of innovativeness and competitiveness processes by universities constitutes a long term factor in the development of society. The tendency for the facilitation processes to grow was described as an effect of the development of a knowledge-based economy.

Guidelines for scientific research and for staff education were also formulated for those universities whose strategies are socially responsible. At the same time, pursuant to P.F. Drucker’s statement, suggestions were presented as to how universities should be run in order to become organisations which learn, seek new innovative ideas and finally ones which may be considered truly 21st-century organisations.

In chapter three, an analysis of the process of management strategy formulation under the influence of stakeholders is made. While attempting to identify those expectations it was discovered that the biggest problem universities face is the constant search for the balance between the expectations and needs of students, authorities, and society in its broad sense, i.e. all university stakeholders. It must be borne in mind that educational services do not always meet the needs of potential students. They sometimes even miss them com-

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pletely. It is also likely that the services will go far beyond the students’ current and even future needs. At the same time, stakeholders are seriously interested in universities’ achievements in implementing their strategic objectives. As A. Guskin and M. Marcy write, “this century higher education experiences a paradoxical situation in which it is much more critical in relation to the future of society while at the same time being under a strong pressure to prove their usefulness in educating students and to convince society as to the legitimacy and effectiveness of the resources spent to that purpose.”

In response to stakeholders’ expectations universities ought to develop their own corporate codes of ethics, which are a specific set of explicitly expressed values essential to the universities, their employees and also other stakeholders. The significance of codes of ethics and the huge need for development of this issue was shown by W. Gasparski. In his Polish research he noted that, in a country with a population of 38 million people, as few as 6 thousand organisations have codes of ethics. He pointed to their fundamental significance for the appropriate functioning of ethical programmes.

For a strategy to be successful decision making is a key issue. So the quality of thinking of managers of organisations is of crucial importance. The leader must impose a high discipline of thought on their subordinates. It is essential for the ability of the whole organisation to undertake effective actions concerned with the choice of the directions of changes taking place in the whole sector. A strategy describes both the changes which the organisation intends to introduce as well as those which it has decided to avoid.

In chapter three, the main tasks of the leader of an educational institution are also described – team development and the effective motivation of teams to achieve an organisation’s aims. The disparity between the strategic aims

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of universities and the aims of enterprises was pointed out. The differences in operation within financial regimes and the relations which influence them were emphasised\textsuperscript{33}. Besides, the relatively small changes in university management were pointed out. For a better presentation of the problem examples from the British market were used.

Chapter four presents the results of the research conducted on the rules which Polish universities follow while implementing the concept of social responsibility. The universities’ activity in this respect was pointed out. Also, synthetic conclusions concerning the right solutions for an effective implementation of the key postulates were formulated. It was pointed how respondents defined the notion of social responsibility of the university. It was also highlighted that actions of universities should be directed at their broad environment, they should not be narrowed down to their students only, who are sometimes identified as the only stakeholders. Original postulates concerning the directions of socially desired actions which should be undertaken by universities constitute an important part of the work. Broadly understood promotional benefits for universities implementing the rules of social responsibility were also noted.

The issue of social responsibility of the university is practically non-existent in Polish scientific publications. This topic is written about more frequently in foreign publications. Most frequently, however, one encounters studies concerning social responsibility of companies and entrepreneurs. However, comprehensive analyses of the role of the university and its influence on the development of its local environment are missing. The development of appropriate relations between the university and its environment ought to be included in its mission and the unique role of higher education organisations predetermines them to play a particular role in the development of the desired social attitudes.

The importance of the issue of the social responsibility of universities is also shown by the fact that Google returns nearly 15 million results for social responsibility of university. It shows how pertinent it is to refer the notion of social responsibility to educational institutions but it also demonstrates how serious the interest in this problem is\textsuperscript{34}.

The present monograph is based on a theoretical analysis of scientific literature sources from all over the world and on the research results pre-


\textsuperscript{34} www.google.pl, 17.10.2010.
sented in M. Geryk’s book *Social Responsibility of the University as Perceived by its Stakeholders. Research report*. The author attempted to assess the extent to which the implementation of the rules of social responsibility may influence the improvement of management effectiveness.

This is the first elaboration presenting the notion of the social responsibility of the university comprehensively. The author would like to express his hope that the nature and significance of the issue will arouse keen interest and attract the attention of university managers and will contribute to the rise of the social sensitivity of educational institutions.

In order to avoid numerous repetitions the author uses many synonymous terms to refer to the university. Interchangeably used terms are: higher school, academy, university, school, educational institution or higher education institution. They always refer to an institution providing university level education or conducting scientific research.
CHAPTER 1

The nature of social responsibility

1.1. The idea of social responsibility, an historic and contemporary view

The functioning of all socio-economic bodies has a significant influence on the surrounding environment. Each activity interacts with its surroundings and the quality of those interactions has a significant influence on the quality of social life.

Organisations play two main social roles – they provide products and services, deliver them to the market, thus receiving a return on their investments and promote civic responsibility, which usually manifests itself in various forms. They do not always have to lead to the growth of the economic power of the enterprise. Also, organisations do not articulate directly their desire to achieve profits from such undertakings – the aim is to improve the condition of life of both the organisations and society in its broad sense.

Organisations in the market environment have to introduce changes continually. They are necessary due to the ever changing market conditions, including those concerning skills and knowledge. Changes lead to tensions within society, yet the culture of organisations must dominate society. It is due to their culture that organisations always dominate their surroundings.

It is commonly known that managers are responsible for their actions. However, that cannot be limited to being responsible before owners. The issue is far more complex. For organisations have to bear responsibility within the limits of their powers. In other words, they must be “socially responsible”. Organisations ought to undertake such actions within their competences and their structures should be based on internal responsibility rather than on

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power. This means that by exceeding their capacities organisations may even bring harm to society.

The first responsibility of a business is understood as the effective use of capital. An enterprise which does not yield a profit is not socially responsible. It only means a waste of social capital. Naturally, social responsibility cannot only be referred to business. For example, the social responsibility of the university relies on the unique privilege of educating future generations.

As P. F. Drucker claims, “an organisation bears full responsibility for its influence on the community and society”\(^2\). Besides, as says J.M. Bocheński, each enterprise is closely related to some local environment. Mutual interactions based on reciprocal provisions are at the basis of the functioning of an organisation within its community. The enterprise is a dynamic system whose aim is to achieve its purposes. Striving to achieve those purposes is considered as an important social aim, and the functioning of the enterprise designates its social sense. J. M. Bocheński also points out that ethical managers of organisations, serving their organisations as a whole, undertake actions that are desired from the social point of view\(^3\).

Educational institutions did not integrate with society for a long time, they kept their distance. However nowadays in the modern knowledge-based society, schools become responsible for the effects of their didactic process. This also means openness and equal access to the educational system, which is considered a social necessity.

In the face of the serious social transformations and the dynamics of technological breakthroughs, universities will also have to adapt to the changing recipient. The social position of the university will also change. However, the biggest change, as P. F. Drucker stresses, will be the one requiring educational institutions to determine the point at which both profitability is assured and responsibility is guaranteed. This most difficult task entails involving schools in achieving the results of the educational process. It means responsibility for their actions – a social responsibility.

The dependencies resulting from the choices made while conducting economic activity are multidimensional: they encompass economic, psychological and social conditioning\(^4\). Literature on the responsibility for one’s actions

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in accordance with norms resulting from human nature may be found in, among others, K. Wojtyła’s *Ethical Primer*.

Whether one makes an ethical or non-ethical decision depends on a complicated process of personal analysis of which values are of greater importance for the individual. The significance of personal choice and specific values for an individual was stressed by J.P. Sartre. Thus, ethics will be understood differently by individuals from different societies and religions, but also by different organisations. It is a result of ethical relativism. For it is difficult to assume the existence of one universal ethics for the whole world. However, all mankind relies on certain assumptions of certain ethical systems. This view is shared by R.C. Salomon, who says that “there exist many sets of values and rules depending on context, society or subculture”.

In philosophical terms, responsibility is intrinsically connected with the notions of punishment and sanction. Responsibility is then part of conscious human activity. And since such activity is conscious, there are no actions whose results one cannot be held accountable for. It is also assumed that certain actions have certain results and the author of those actions is always responsible for the results. The individual taking certain actions remains responsible for them regardless of their will. As R. Ingarden put it, “responsibility lies with the doer”.

Other authors, like A. Lewicka-Strzałecka, point out that “responsibility is a category with a cognitive and practical value for the analysis of economic life”.

The issue of responsibility for one’s actions was also dealt with by P. Koestenbaum and P. Block. In their opinion holding oneself responsible for one’s actions is not only a desired mood but above all it is the recognition of human existence, of the fact that stems directly from our understanding of free will or freedom. The existence of responsibility confirms our spiritual nature, of our general experience of human existence. We are responsible for the condition of the world regardless of whether we are satisfied with it or not. Such respon-

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The nature of social responsibility is a fact, not an opinion, and it is important in the face of the current dominant position of ethical relativism. Such words as “obligation” and “value” should not be subject to assessment as feelings but as important states of consciousness, states which define our existence\(^\text{12}\). Responsibility in this understanding may be transferred to whole human communities as well as to entities or organisations. Both values and obligations take a significant position in the hierarchy of needs of individuals who make up an organisation. They find their expression in appropriate entries in their mission statements or strategies.

The genesis of social responsibility, according to J. J. McMillan, has its source in the lack of interest in taking care of others. Nowadays, organisations deal with that. The increasing universality of this phenomenon results from the powerful development of economy, companies, institutions, etc. The traditional understanding of human relations should be adapted for the needs of the current time and capabilities of organisations\(^\text{13}\).

Most people perceive social responsibility as a relatively new issue. However, moral dilemmas accompanying economic activity have been throughout the centuries the subject of research of many philosophers, writers and religious leaders\(^\text{14}\).

Modern economic thought, particularly in its ethical dimension, makes references to the theses put forward by Aristotle in his *Nicomachean Ethics*\(^\text{15}\). In the thinker’s opinion good should be the aim of every human action\(^\text{16}\). In his reflections Aristotle presents different ways of understanding good. On more than one occasion it is understood as wealth, on other occasions as happiness. The philosopher also assumes that happiness is available to everyone and it depends on education, habits, effort, divine intervention or, finally, fortune\(^\text{17}\).

Ethical action, according to Aristotle, is “a permanent disposition of certain kinds of resolutions which allow us to keep an appropriate average assessment determined by reason and in a manner prescribed by a reasonable individual. It is about the assessment between two errors, i.e. between surplus

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\(^\text{17}\) Ibidem, v. 1, 1099 b, p. 93.
and shortage\textsuperscript{18}. One may observe here the strife for a certain type of balance, moderation, which is an expression of ethics in one's actions.

In his reflections Aristotle pays attention to ethical actions, dividing them into dependent and independent of the will of man. He also applies a hierarchy of their significance suggesting that “praise and rebuke refer to what is dependent on will, or unrestricted, while what is independent of will, or involuntary, is met with indulgence and on occasions even with compassion”\textsuperscript{19}.

Having possessions is not evil, it is how they are used that matters. Wealth may be managed effectively, shared with others. However, one may also act recklessly and prodigally, squandering, as a result, one's life's achievements or even that of previous generations. Aristotle brings it to an accurate statement: “things that can be used may be used badly or well”\textsuperscript{20}. As for human actions he points out that using wealth relies mainly on sharing it with “those who are entitled to be aided”\textsuperscript{21} and it ought to be supported by appropriate and morally acceptable behaviour.

Such a “generous” attitude towards one's assets is socially desired. The point is not, however, to give away one's wealth but to manage it reasonably, which is a sign of knowledge and the ability to rationally assess expenditure. Another point is to use one's wealth to affect the improvement of living conditions of those in need. Aristotle also stresses the circumstances in which aid ought to be provided as well as assesses the forms and purposes which motivate such actions. He considers only those actions as morally ethical and desired which are performed by individuals “who do not spare their assets”, who act appropriately to the needs so as the expenditure “was worth the effort or even exceed it”\textsuperscript{22}.

Justice, in Aristotle's understanding, is one of ethical virtues, which is contrasted with the ethical vice of injustice. Those qualities are divided according to their conformity with or lack thereof with the law. In an analysis of the issues of the distribution of material goods the philosopher assumes a narrower understanding of the word “justice” claiming that “one of its types refers to the distribution of privileges or money, or other things which may be the subject of distribution among the participants of the national community”\textsuperscript{23}.

\textsuperscript{18} Ibidem, v. 2, 1107 a, p. 113.
\textsuperscript{19} Ibidem, v. 3, 1110 a, p. 122.
\textsuperscript{20} Ibidem, v. 4, 1120 a, p. 147.
\textsuperscript{21} Ibidem.
\textsuperscript{22} Ibidem, v. 4, 1122 a – 1123 a, pp. 151–153.
\textsuperscript{23} Ibidem, v. 5, 1131 a, p. 172.
Distribution of goods ought to be fair and based on a specific value, though understood in a very broad sense, starting from wealth, through noble birth, and ending with ethical courage. Or to put it in simple words, one may say proportionate distribution is just and disproportionate distribution is unjust. Aristotle also talks about equalising justice. It occurs when there appear interpersonal obligations, either dependent or independent of human will. The issues of money and its exchange were subordinated to that\textsuperscript{24}.

Aristotle made an interesting remark in his \textit{Book X} – gaining knowledge on ethical action is not an aim in itself. What is important is to gain that knowledge and use it for ethical perfection. If a man is to act ethically in the future, they need to be thoroughly educated and brought up to respect the rules of ethical behaviour\textsuperscript{25}. One may find here an analogy to the role modern educational institutions play in forming ethical attitudes in society through appropriate ethical emphasis in the education process.

Moral order in its interpersonal and social dimensions, according to Aristotle, relies on the relationship of efficacy and responsibility of an individual. The social responsibility of an individual can determine certain norms of social life. Responsible action of an individual finds its expression in their pursuance of a subject, not because of its value, but because of personal responsibility for this value. The essence of the problem is the transfer of responsibility for the subject of intentional action and its close connection with the self-fulfilment of the individual performing a particular activity\textsuperscript{26}.

It is worth pointing out that ethics is one of the main issues in the teachings of all religions. They take the form of precepts or recommendations which enforce specific norms of social life. Table 1.1 presents a comparison of the main modern religions’ attitudes to moral issues.

\textsuperscript{24} Ibidem, v. 5, 1131 b – 1132 b, pp. 174–176.
\textsuperscript{25} Ibidem, v. 10, 1179 b – 1181 b, pp. 295–300.
Table 1.1. The moral context of the main team action categories as perceived by Christianity, Judaism, Buddhism, and Islam

<table>
<thead>
<tr>
<th>Category</th>
<th>Christianity</th>
<th>Judaism</th>
<th>Buddhism</th>
<th>Islam</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Work</strong></td>
<td>It should serve the development of man and his environment. Through man’s work God carries out His work of creation.</td>
<td>It is a continuation of the work of creation. Success is a sign of God's blessing.</td>
<td>It is a means to achieve welfare of humankind. It is a way to free oneself from egoism, i.e. it is a way to nirvana.</td>
<td>Each behaviour, if not forbidden by the Sharia law, is service to Allah, and as such it is subject to reward or punishment, both for an actual deed and for an intention.</td>
</tr>
<tr>
<td><strong>Idleness</strong></td>
<td>Wasting God-given talents is a sin.</td>
<td>Non-participation in the building of God's Kingdom is a sin.</td>
<td>It is neither good nor evil. It is good when it helps to free oneself from forbidden desires, it is evil when it fosters their appearance.</td>
<td>It is not good service to Allah. It defies the prerogative to achieve a high position through hard work. It is a sin.</td>
</tr>
<tr>
<td><strong>Days off work</strong></td>
<td>They are good given by God. They are an opportunity to multiply talents as well as to waste them. They are a significant manifestation of human will.</td>
<td>The Sabbath, or Saturday, is good given by Yahweh to commemorate the seventh day of creation.</td>
<td>They are evil. They are an opportunity to seek entertainment and this leads to suffering.</td>
<td>Every time off is evil, an opportunity to neglect God's creation. The noon prayer break is an exception.</td>
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<tr>
<td><strong>Private property</strong></td>
<td>It is man's natural right. Managing one's wealth should be subject to moral rigors, caring for those in need and for the surroundings, i.e. the natural environment.</td>
<td>It is a valuable asset which should serve everybody. Destruction and wasting of goods is forbidden.</td>
<td>One should free oneself from it as it is a desire which brings suffering. Destruction and wasting of goods is forbidden.</td>
<td>Having possessions is fair as they are gifts from Allah. Their wasting and misuse are forbidden.</td>
</tr>
<tr>
<td><strong>Usury</strong></td>
<td>Forbidden.</td>
<td>Permitted only with strangers.</td>
<td>Forbidden.</td>
<td>Forbidden.</td>
</tr>
<tr>
<td><strong>Concept of man</strong></td>
<td>Created in God's image.</td>
<td>Created in God's image.</td>
<td>There is no self or soul. Everything is in the state of constant change. Therefore soul, as an entity, cannot exist.</td>
<td>Man was created as Allah's deputy and should be completely subjected to Him.</td>
</tr>
<tr>
<td><strong>Helping the poor</strong></td>
<td>Helping the poor and those in need is a requirement for salvation.</td>
<td>According to the Old Testament, one who does not share with the poor steals from them.</td>
<td>It is a way of ridding oneself of egoism.</td>
<td>Zakat, or an almsgiving obligation of a fortieth part of one's wealth, is in force. By giving one's assets to the poor one may earn their salvation.</td>
</tr>
<tr>
<td><strong>The rule of social responsibility</strong></td>
<td>It is a condition for peace in the world.</td>
<td>The law requires everyone to pay tax for society and to help the poor.</td>
<td>It is implemented in the so-called sound attitudes, e.g. “right actions” or “the right way of living”.</td>
<td>It is implemented by “not doing anybody any harm”.</td>
</tr>
<tr>
<td><strong>Avarice</strong></td>
<td>Unrestricted desire to gain goods and honours beyond one's needs is condemned. The consumer attitude is a manifestation of greed.</td>
<td>It is the main source of other sins — jealousy, lying, violence, and theft.</td>
<td>It is an evil desire which inevitably brings suffering onto man.</td>
<td>It is condemned by the Koran as it distracts people from God, prayer and the practice of Islam.</td>
</tr>
<tr>
<td><strong>Poverty</strong></td>
<td>Like wealth, it is neither good nor evil in itself.</td>
<td>The Old Testament says that it is deserved punishment for sins.</td>
<td>It is recommended as a way of freeing oneself from desires and of bringing oneself closer to nirvana.</td>
<td>Poverty does not ensure salvation. It is not required.</td>
</tr>
<tr>
<td><strong>Unemployment</strong></td>
<td>It is a source of poverty. It is recommended to be reduced.</td>
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</table>
The nature of social responsibility

<table>
<thead>
<tr>
<th>Category</th>
<th>Christianity</th>
<th>Judaism</th>
<th>Buddhism</th>
<th>Islam</th>
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<tbody>
<tr>
<td>Entrepreneurship and profit</td>
<td>Recommended. It is important to follow moral rules in the area of resource acquisition and allocation of effects.</td>
<td>Recommended. According to the Talmud, Yahweh likes entrepreneurial people more than poor ones.</td>
<td>Recommended. However, it should bring profit by serving society.</td>
<td>Recommended. Profit should serve the individual and society.</td>
</tr>
<tr>
<td>Employer and salary</td>
<td>According to the New Testament and the tradition of the Church, the employer is obliged to a thorough fulfilment of their duty towards the employee.</td>
<td>The law of the Old Testament requires that the principles of justice in relation employer – employee are observed.</td>
<td>The employer co-operates with employees in the spirit of true charity.</td>
<td>Prohibition of workers’ exploitation.</td>
</tr>
<tr>
<td>Economy</td>
<td>Based on private property oriented towards common good.</td>
<td>Offences in managing the economy of a purposeful character are a sign of lack of faith in Yahweh.</td>
<td>It is recommended to look for a balance between production and consumption. Production of luxury goods is considered inappropriate.</td>
<td>A Muslim is responsible before Allah for managing his resources. It is forbidden to employ children and force women to work too hard.</td>
</tr>
<tr>
<td>“The golden rule”</td>
<td>“Thus do to others all that you would like to be done to you”</td>
<td>“Do to others what you would like them to do to you”</td>
<td>“Do not do to others what you would consider harmful to yourself”</td>
<td>“None of us is a follower if he does not wish the same for his brother as for himself”</td>
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If we accept A. Kinicki and B.K. Williams’ statement that ethical responsibility refers to doing good by an individual, then, by analogy, social responsibility refers to organisations as good “citizens”. In a more formal approach, they treat social responsibility as a manager’s obligation to take actions which will benefit both their organisations and the communities around them.²⁷

In the Victorian era, social responsibility found its manifestation in the philanthropic actions of such families as: the Quakers, the Cadburys, the Rowntrees, or the Hersheys. Those actions had the improvement of living conditions of their employees and the environment they lived in as their aim.²⁸ Initially, despite the industrial revolution in 18ᵗʰ-century England, this was not an issue to which any attention was paid.

In the 19ᵗʰ-century American society, which was being influenced by the achievements of the Enlightenment as well as by the Christian religion, the development of social thought concerning organisations’ obligations towards society was begun. The intense industrial development and the social changes that went with it, caused by the human migration from the countryside to the cities on a scale previously unheard-of, influenced the development of social awareness. The market situation caused by the rapid economic devel-

The idea of social responsibility, an historic and contemporary view

Development led to appropriate treatment of employees, which was due to the strong supply. It led to the growth in prevalence of health care.

However, from around 1930, and in the 1960s in particular, the issue of social responsibility became “an important issue not only for the business sphere, but also for the theory of law, politics and economics”.

During the “reform era”, i.e. in the years 1900-1920, large American companies and their growing role in the economy were attacked by both large area farmers and small business. On the other hand, trade union representatives were afraid of the relationships of their organisations with economically strong companies. Similarly, other occupational groups, such as journalists, social workers, intellectuals and church representatives, feared for the survival of interpersonal relationships in industrialising cities. Farsighted entrepreneurs with began manifesting greater sensitivity towards society and their efforts were aimed at alleviating problems, which may be grouped into three categories:

- unrest and problems accompanying urbanisation,
- threat to small businesses from large companies with great economic power,
- growing social expectations in the areas of freedom, equality and responsibility which appeared after 1914.
- It is worth pointing out that American society actually favoured big business. Universities, the press and the Church additionally reinforced that sense of support for them.

The U.S. military involvement in the First World War had a stimulating influence on business organisations in terms of their interest in social issues. Patriotism drove donations from businesses, which enjoyed incomes larger than ever, grew rapidly. In 1917 alone, the Red Cross received USD18 million, while the YMCA got around USD20 million.

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31 M. Heald, op.cit., pp. 20–21.
33 YMCA (Youth Men’s Christian Association) is the name of an international organization which operates in more than 150 countries, uniting above 30 million people from all the continents. Its worldwide history dates back to the middle of the 19th century and has its beginning in England. In 2003 YMCA Poland celebrated its 80th anniversary. It is not commonly known that it was at the YMCA that the rules for basketball and volleyball were created. Scouting also has its source in the YMCA movement. Source: www.ymca.pl and www.ymca.net
34 M. Heald, op.cit., pp. 49–51.
As a result of the changes in the social and economic areas, entrepreneurs and representatives of other social groups recognised new needs and interests. The interdependence of companies and society increased and developed in subsequent years. Business changed, starting with 19th-century competition wars, through take-overs and the development of great corporations in the reform and regulation years, to the end of the war.

In Great Britain the corporate sector went through big transformations in the years 1870-1940. From the initially numerous small organisations managed by a founder/owner, due to the processes of concentration, mergers and acquisitions, strong public companies with substantial capital emerged. Those transformations took place in two waves – the first one came at the end of the 19th century and the second one in the 1920s.

The development of a new medium – the radio – largely contributed to the expansion of communication channels between society and the business sector. It influenced the development of the idea of social responsibility, mainly because of the growing role of public relations and corporate social responsibility in the formation of the image of the business environment. Another important factor was the assessment of the potential for economic growth which lay in mass production. Supplying the market with cheaper products, which made them more accessible for a wide range of customers, created an appropriate image of producers while respecting modest household budgets. Those seemingly different causes affected each other, adjusting the production range, its size and the prices to the needs of the market as well as combining them with entrepreneurs’ capabilities.

It is assumed, therefore, that the idea of corporate social responsibility is mainly an American idea. It is there that the first terminology was introduced as well as the first solutions and examples of practical applications. Moreover, most of the scientific literature was written in the United States. The free market character of the economy as well as lower norms and requirements for employees’ rights or for companies’ obligations could be the source of that situation.

Leaders’ co-operation, but also that of the new institutions, like relief funds, concerning social work, fundraising, and common enterprises devel-

The idea of social responsibility, an historic and contemporary view

The idea of trusteeship found its expressions in the growth of aid provided by companies for social care facilities. The 1930s are a period of doubt and misunderstanding concerning the role and position of the management, the business-stakeholders relationship as well as the scope of philanthropic actions. The Great Depression halted the development of the idea of social responsibility and its finish called for transformations. In the face of war, politics and patriotic ideas bind society with companies closer and faster than during peacetime.

The origin of the modern thought about corporate social responsibility dates back to the end of the first half of the 20th century. In 1948 F. W. Abrams said “long-term interests of shareholders cannot interfere with long-term interests of American people”. R. M. Blough, in turn, claimed that philanthropy was a manifestation of a broader phenomenon, which he described as “a voluntary way of the development of a company”. He considered that factor as necessary for the development of a free society. However, the first single statements about corporate social responsibility had appeared much earlier; as early as, for example, in 1926 J. M. Keynes remarked that big companies tended to socialize their activity.

The 1950s brought further development to the idea of social responsibility, directing it to new areas of interest. A debate was begun on social problems and on how company managements cope with them. Along with the end of the Second World War, the pressure on philanthropic activity only for patriotic reasons subsided.

The relative increase of taxes led to the establishment of many foundations. In the years 1950-1953, the income tax rate on the highest incomes of American companies reached 82% which had an inspiring effect on the largest and richest corporations and becoming sufficient incentive for them to start foundations.

The development of philanthropic ideas led to the creation of extremely close contacts between representatives of business and social care, education or cultural institutions. Choices of directions or preferences differed depending

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42 R.M. Blough, Free Man and the Corporation, „Forbes”, 15.08.1946, pp. 120–123.
on corporate managers but also on regional conditions or particular company’s circumstances. The support granted had a huge influence on the development of many organisations, including cultural, educational and civic ones. Due to these good relations, the sharp divisions into public and private organisations, paid work and social work as well as between governments, universities and corporations were disappearing. As a result of those actions both the economic system and the social one developed in new dimensions.

The idea of social responsibility developed alongside civilizational and economic development. However, the most intensive period of development began in the 1930s. Table 1.2 presents graphically periods of the development of the idea in question.

### Table 1.2. The period of dynamic development of the idea of social responsibility

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<td>First mentions of social responsibility</td>
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<td>“New Deal”</td>
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<td>Nationalisation in Europe, emancipation of former colonies, creation of the Eastern Bloc, post-war consensus</td>
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<td>Entrepreneurs and society’s return to discussion</td>
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<td>Change of leaders’ responsibility in favour of company’s responsibility</td>
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<td>Debate on the nature of responsibility</td>
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<td>Introduction of the stakeholders theory</td>
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<td>Company’s responsibility as management practice (e.g. corporation’s social sensitivity)</td>
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<td>Environment protection management</td>
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<td>Shareholders’ partnership</td>
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<td>Business and fight with poverty</td>
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<td>Sustainable development</td>
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45 M. Heald, op.cit., pp. 265–26

The debate on corporate social responsibility gained momentum in the 1970s. It was brought about by the increased interest in privatisation, deregulation, reduction of social benefits or removal of trade restrictions. Besides, the economic transformation in the countries of Eastern and Central Europe led to a large-scale transfer of assets from states to private hands. The dynamic development of South-East Asian countries was possible precisely because of the decisions on industry and financial markets deregulation. In turn, the development of China opened great opportunities to produce goods and provide services to the whole world. Additionally, it was accompanied by the freeing of many markets by the United States, such as gas distribution, freight transport, airlines, the media, power grids, etc. This dynamic development also brought negative phenomena, among others, increased corruption, the emergence of a narrow group of owners instead of the middle class in Russia, the degradation of the natural environment in China or the whole series of economic and financial scandals in the United States.

According to E. Peyró, the biggest interest in corporate social responsibility, recorded in the 1970s, was a consequence of a combination of many ecologic disasters and the economic crisis.

Thus the idea of social responsibility has its roots in many historical breakthroughs. It is connected with the development of societies, but first of all with civilizational progress. The dynamic industrial development only enhanced those events and accentuated their significance. The maturation of the awareness of social needs was slow and it developed on many different levels. It seems, however, that these days organisations and stakeholders are aware of their objectives and needs to such an extent that further intense development of this idea may easily be assumed.

The awareness of both society and corporation management has currently reached such a level that the problem whether to implement the issues of social responsibility does not exist. The debate has been dominated by the question of how to do that. At the same time a growing number of business, social, government and multilateral organisations as well as companies show a great interest in the ideas of social responsibility.

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alisation of this process by setting up departments dealing with CSR or with codes of conduct has increased this interest. Universities play an important part in the popularisation of CSR ideas. They have introduced those issues to their curricula thus raising the awareness of the future social and economic leaders. The constantly growing number of consultants, legal regulations and international actions promoting socially responsible business and the practice of social reporting also play a significant role\(^50\).

It testifies to organisations’ understanding of the needs put forward by society. Naturally the problem of the implementation of those rules as well as the effectiveness of actions and the achieved social effects will be different. However, the mere fact that such actions are consciously undertaken shows that both organisations and their stakeholders are maturing alongside each other.

**1.2. The stakeholders theory and models of social responsibility**

**1.2.1. Stakeholders in the concept of social responsibility**

Social responsibility and ethics apply to all relations. With the on-going economic expansion and intensification of ties between partners, competitors and stakeholders, a situation easily arises in which the interests of one party interfere with the interests of other members of the environment\(^51\).

Enterprises constitute a great, dominant, worldly institution. Entrepreneurial activity includes all activities associated with the offering of products and services. In turn, people create complex social structures. Between collectives of enterprises and people, interactions take place which have been presented in graphical form in Figure 1.1.

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The idea of social responsibility plays an important role in society. An increase in its significance occurred along with the spread of separation of ownership and managerial functions. In turn, the decisions made and the effects resulting from them strongly influence individuals, other organisations and society. The growing strength of the developing organisations should then be limited or compensated for by undertaking socially responsible actions.

It led to the creation of the term *stakeholder*, and to its appropriate Polish translation – *interesariusz*. The word “*interesariusz*” itself, professor Stefan Kwiatkowski being its author, is the equivalent of the English *stakeholder* introduced by Stanford Research Institute in 1963 as a pun on the term *stockholder*. It was supposed to be a counterweight to the “shareowner”, i.e. one who benefits financially from the company’s operation. “Risk takers in the market game are those who have legitimate rights and expectations of the company’s operation and who are affected by these issues. Thus they are employees, consumers, suppliers and the community in which they work, even the whole society. The advantage of this term is that it greatly enhances the scope of the company’s responsibility while preserving its unique qualities and character. Such an understanding of social responsibility is not an additional burden for businesses yet an integral part of its primary responsibility to truly serve the needs not only of their shareholder/owners, but also of those who work for them, buy from them, sell to them, live next door or who in any other way are affected by the operations desired and rewarded in the free market system.”

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The nature of social responsibility

Each economic, political or administrative decision concerns a change in the conglomerate of practical situations of more or fewer people. Each of them is interested in the advantage, benefit or profit that may be achieved or lost as a result of the decision. They have a stake involved in the decision game. Stake expresses the degree of interest in a case, enterprise, company, etc. which is subject to a decision. While making a decision it is necessary to:

- map the stakeholders,
- determine the stakes of the various stakeholders related to the case,
- determine the opportunities and risks posed by particular groups of stakeholders,
- determine what shall be accountable to stakeholders,
- determine the best way to proceed.

In doing so, one must remember that the stakeholder is a person or group of people having one or more stakes in the organization, legal solution, enterprise, corporation, politics, etc.\(^{55}\)

The issue of stakeholders started to be addressed when the extent to which each activity affects society was found. The degree of this interaction can bring benefits as well as lead to costs that are incurred by the other party. The stakeholders theory undermines the commonly accepted and privileged position of shareholders. Now it is not only shareholders who can influence management and expect ethical actions from them. The thing is that organisations influence all stakeholders and they have the right to submit their expectations towards those organisations.\(^{56}\)

Human rights in the literature are divided in to three generations, according to the nature of the rights themselves. The first generation includes the individual’s rights to protection against state power, mainly the rights to protection from the negative effects of government influence over the individual, e.g. ban on torture or freedom of thought and beliefs.

The second generation rights developed in the 19\(^{th}\) century as a result of the dynamic development of industrial enterprises, accompanied by the rapid development of cities, by growing social problems and by demands for more humane living and working conditions. This generation brought expectations of state intervention in such matters as: fair wages, the right for paid leave or the daily limit on working hours.

\(^{55}\) W. Gasparski, *Decyzje i etyka w lobbingu i biznesie*, WSPiZ im. L. Koźmińskiego, Warszawa 2003, pp. 43–46.

The third generation includes the rights focused around the notion of “mankind”, among others the right to live in peace, in a clean natural environment or the right to health. The main ideas were included in the Preamble of the United Nations Charter\(^{57}\) and also in article 28 of the Declaration of Human Rights\(^{58}\): “Every man is entitled to such a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized”\(^{59}\).

The evolution of the generations of human rights led to an increasing need for action in the field of corporate social responsibility. There was a change in the orientation of individual rights in favour of the rights of society and a shift from negative rights towards positive ones or an expansion of the role of organisations in society\(^{60}\).

On the basis of the debate on human rights a third generation of CSR came into being as pertaining to its global orientation while at the same time being attentive to the needs of the local environment. The most significant changes introduced by this generation resulted from the process of globalisation\(^{61}\):

1) lack of distinction between external and internal actions – it is about being oriented towards rights and obligations for the community, but first of all a very broad understanding of stakeholders, going well beyond the borders of one country, as well as the awareness of the fact that effects may only be achieved only as a result of a global joint participation, cooperation and agreements;

2) glocalisation through the media – both the traditional and the modern media, in their local and global dimension, exert a strong influence on the development of the idea of social responsibility, the Internet abolished the monopoly to disseminate information and greatly increased the transparency of the activities of organizations;

3) focus on comprehensive relationships with representatives of organizations in all sectors – it includes the provision of social and organizational ties that connect people working locally, but also globally, bypassing


the traditionally understood limitations and barriers resulting from national traditions and institutional limitations;
4) practical elimination of barriers between the objectives of private and public organizations – by listening to social expectations, non-governmental organisations (NGOs) undertake more actions in the areas traditionally occupied by governmental or corporate agencies; people, often with different views, can take up common challenges and work together for the good of their environment.

The issue was also researched by A. Stark. In his opinion, the stakeholder theory appears to be one of the most influential ones among the theories which emerged within the idea of corporate social responsibility. Similarly, K. Gibson claims that stakeholder theory is at the core of business ethics. R. F. Gago and M. N. Antolin, in turn, say that it is a foundation for further studies and the development of the practical side of social responsibility.

The presumptions of the stakeholder theory reject the privileged position of stockholders in favour of stakeholders. Stockholders expect ethical behaviour in making managerial decisions. This expectation imposes an obligation on managers. Like other factors that have an impact on managerial decision-making, ethical expectations of sharehold- ers must be equivalent to the comparable ethical expectations of each person affected by the organization. According to the logic of many theories, management decisions should be limited by stakeholders’ ethical expectations. The stakeholder theory accepts this on logical grounds, yet it rejects the statement that only shareholders have the right to raise the expectations of managers. Logic would require that managers act in accordance with the expectations of individuals other than shareholders if the ethical expectations of both sides are comparable. The stakeholder theory assumes that there are many such ethical expectations.

It is worth noting the differences in the relationship between the organization and primary and secondary stakeholders. The former group are shareholders, employees, customers and suppliers; the latter includes other stakeholders. These groups have different objectives and, therefore, their expectations of

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The behaviour of organizations differ. Primary stakeholders are more interested in economic performance, whereas secondary ones focus more on the context and quality of the business and market processes. In addition, the first group focuses on the ability to control resources, i.e. rewarding or punishing for certain decisions, while the other group legitimises processes, e.g. experts enhancing the potential of the organisation.

Not only does the theory turn out to be influential, but also the term “impact” appears to be crucial for the understanding of this issue. The impact an organisation has on its environment manifests itself in the delivery of a service or product, which satisfies a certain demand. In this way, the organisation may have an influence on a better fulfilment of needs and improvement of living conditions. Thus, all social changes brought about by a company’s activity are impacts. What is important is that the company itself be responsible for the quality of those changes.

It must be remembered, however, that the right of ownership and oversight of shareholders/stockholders are also somewhat limited. They retain the right to receive dividends in proportion to the size of their contribution yet their actual impact, such as the change in the company’s activities or liability for debts, is limited.

This theory was announced by R. E. Freeman, who defined stakeholders more broadly than before. It assumed that appropriate management of relationships is very important for the development and survival of the organization. Managers should care about the highest possible degree of integration of business strategy with the expectations of stakeholders. The idea behind the concept of stakeholders is the assumption that if shareholders have a right to expect the organisation management to take specific actions, then stakeholders are all the more entitled to submit claims. Figure 1.2 presents a graphic illustration of the stakeholder model.

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The relationships presented above demonstrate the connections between various groups of stakeholders and the organization. Shareholders (i.e. investors) expect a certain level of return on their investment. On the other hand, employees, in return for the work done, expect payment, social security and, often, some additional benefits, as well as recognition at work. Suppliers are quite another group. Supply of essential components or services, in return for payment, is only part of their relationship with the company. It is important to note that suppliers have an impact on the quality of the final product or service and that it is on their reliability that the market position of the entrepreneur may depend. And clients exchange their money for a certain service or product. Providing income, they affect the development of the company and promote innovation. The company, by being attentive to its customers’ needs, satisfies them. In turn, local authorities collect taxes from the companies located in their area. By paying these provisions, the organization becomes an aware “citizen”, a member of the local community 70.

N. Gillespie and G. Dietz stress the significance of correct relationships with stakeholders by claiming that organisational failures lead to the breach of relations with stakeholders. In turn, the repair of these errors requires restoration of good relations not only with this group of stakeholders but also with the remaining ones. It is difficult to overestimate the impact of the external environment on the organization. However, wrong choices are often caused by the decisions of the organisation, e.g. due to budgetary constraints or attempts to implement unattainable goals. The most important point, however, is the fact that it is only the signals sent by citizens, customers, investors and employees that determine whether the organisation’s actions are met with social reward or punishment.

The introduction of the notion of stakeholders and creating an appropriate theoretical concept helped to clarify the complex relations between the organization and its wider surroundings. In line with this concept, each person contributing to the organization affects the results of its operations, and the operations affect the surrounding environment. Due to social pressure, which stakeholders may exert, organizations increasingly engage in socially desirable activities. In the case of higher education, stakeholders’ pressure, to some extent the current or future recipients of university services, has an impact on changes in strategy. They may bring tangible economic gains, and certainly they may significantly strengthen the university image and its ties with the local environment through the improved perception of its needs. Therefore, it seems that the strategy of social responsibility becomes a permanent and important part of strategic management.

The stakeholder theory describes a stronger focus of the organization on pro-social activities. In line with its assumptions, the notion of the shareholder loses its importance while the significance of another term, “stakeholder”, increases. It is a result of the increase in responsibility for their consequences in its broad sense. Besides, responsibility before shareholders gives way to a much wider responsibility before the whole of stakeholders. This increases awareness of the role of each organization and strengthens its relationship with the environment.

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Expanding the notion of stakeholders, the management and employees of the organisation take first position, suppliers of goods and services are second, the owners, or stockholders and shareholders are third, trade unions come fourth, legal institutions and those responsible for the development of other regulations and rules that the organisation is obliged to follow are fifth. The natural environment, i.e. the flora and fauna, as well as all the renewable and non-renewable natural resources, was placed in sixth position. The future was placed as last.

The natural environment, as the so-called silent stakeholder, also demands serious treatment. It is not a member of the community, an employee or a customer of the organisation. Also, it does not have the right to vote. Nevertheless, it constitutes an area of all human activity, including the entrepreneurial one.

In turn, the concept of stakeholders in the narrow sense refers to the criteria and values, attitudes and norms actually governing the relations of the company with its stakeholders. These relationships, however, do not indicate a position of power of the organisation in relation to its environment. Instead, it may be compared to relationships within one network or the subcontractor-employer relationship.

What is important, however, is the fact that the model of stakeholder theory has a global dimension. Due to the dense networks of relationships, also those created on-line, the concepts of “subcontractors” or “relationship networks” determine explicit and implicit relations of the authorities and many other hidden values.

The literature on the subject presents many different takes on the stakeholder theory. They may be grouped into three main periods. They are presented in Table 1.3.

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### Table 1.3. Three development periods of the stakeholder theory.

<table>
<thead>
<tr>
<th>Period</th>
<th>Definition</th>
<th>Description</th>
<th>Authors writing about the stakeholder theory</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First</strong></td>
<td>&quot;Stakeholders are those groups without whose support the organisation might cease to exist. Those groups include: shareholders, employees, customers, suppliers, lenders, society.&quot;</td>
<td>The main idea was to oppose the primacy of shareholders and increasing their wealth as the main aim of profit maximisation with the idea of stakeholders.</td>
<td>Ansoff (1965), Abrams (1954), Cyert and March (1963), Taylor (1971, 1977), Ackoff and Churchman (1947, 1968, 1970, 1974), Davis and Freeman (1978), Dill (1975), Carroll (1979), Davis (1973), Preston and Post (1975), Frederick (1978), Sethi (1979), Rhenman (1968), Evan (1966), Emery and Trist (1965), Thompson (1967), Lawrence and Lorsch (1967), Pfeffer and Salancik (1978)</td>
</tr>
<tr>
<td><strong>Second</strong></td>
<td>&quot;An organisation's stakeholder is, by definition, each group or individual that can exert influence or is under the influence due to the achievement of the organisation's aims.&quot;</td>
<td>It concerns the idea of socially responsible investment and operation in many areas for the development of a coherent set of ideas for practitioners. Stakeholders are entities that can provoke changes.</td>
<td>Freeman (1984), Thompson (1967), Alkhafaji (1989)</td>
</tr>
<tr>
<td><strong>Third</strong></td>
<td>Within the stakeholder theory there are three major currents: descriptive, instrumental and normative.</td>
<td></td>
<td>Donaldson &amp; Preston (1995)</td>
</tr>
<tr>
<td></td>
<td>Descriptive theory research presents the current position of business as:</td>
<td>a) the nature of the company, b) what managers think about managing, c) what members of the management or the board think about those who elect them, d) the way organisations are currently managed.</td>
<td>Brenner &amp; Cochran (1991) Brenner &amp; Molander (1977) Wang &amp; Dewhirst (1992) Clarkson (1991), Halal (1990), Kreiner &amp; Bambri (1991)</td>
</tr>
<tr>
<td></td>
<td>Instrumental studies rely on the analysis of connections (or lack thereof) between stakeholders, management and the traditional objectives of the organization (profit, growth).</td>
<td>According to Jones, the stakeholder theory is a synthesis of economic theories and philosophical ethics, it can create a competitive advantage for those organizations which better fulfil its goals.</td>
<td>Jones (1995)</td>
</tr>
<tr>
<td></td>
<td>Normative research consists in analysing the ways organisations behave considering their stakeholders.</td>
<td>Donaldson and Preston emphasize that the normative aspect of the stakeholder theory is actually in the centre of all its types and thus its importance is fundamental.</td>
<td>Donaldson &amp; Preston (1995)</td>
</tr>
</tbody>
</table>

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The nature of social responsibility


In his works E.M. Burke introduced a classification of stakeholders, whom he understood as the “community”. He divided them into two main categories: special and functional. Among special communities he distinguished five types:

1) site and facility community – defined primarily by geography, i.e. the city, region, country where the organisation is located, but also by legal and fiscal regulation, etc.; the community provides the organisation with safety, fire brigade, public transport, etc.

2) employee community – or actually the place where employees live; they can expect some benefits for their communities in the form of support for foundations or non-governmental organizations;

3) fence-line community – local residents are likely to experience some negative effects of the organization’s location in their neighbourhood.

such as noise, increased traffic, emission of odours, inappropriate behaviour of employees or customers;

4) impact community – negative impacts of the organization, like pollution emission may reach away from its premises;

5) cyber community – this is the newest community, not recognizing any boundaries and communicating via the Internet.

Within the functional category, which was defined the earliest by social organisations planners, only one community was marked out and described as the common interest community. In principle it concerns: health, education, business, social care, environment protection, animal rights and the rights of ethnic and religious minorities. Many common interest communities are grouped within organizations such as Greenpeace or in other forms of non-governmental activity. Sometimes this activity is spontaneous and is caused by activation around a single, common goal, such as a protest against the location of a hypermarket.

R.E. Freeman suggested another division, indicating the four principles on which the stakeholder theory is based77:

1) cooperation with stakeholders – creating values satisfies their desires, it must be borne in mind, however, that certain stakeholders are more important than others;

2) comprehensiveness – action must be multi-dimensional, as is apparent from the complexity of human nature;

3) constant creation – through collaboration with stakeholders, companies become sources of new values, and are motivated by them;

4) arising competition – obliges to take care of relationships with stakeholders and assume that the human being is always at the focus of the organization.

In fact, stakeholders are able to impose certain restrictions on the independence of organisations. Researchers of corporate governance often claim that it is meeting the expectations of shareholders that has the strongest influence on the decisions of the board78. Naturally, this does not mean the negation of the validity of the stakeholders’ voice, however, the impact of shareholders may complicate the decision-making process by providing alternative ways

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of solving things, with which the management of the organization will over-
come in a way that best meets the needs of investors\textsuperscript{79}.

In addition to the stakeholder theory and agency theory, as indicated by S. Cludts, the theory of social contract is important and often present in the literature on this subject. It includes the statement that if there is a relationship between two organizations or individuals, and this interaction has any effect on a third person or institution, then it also becomes a party to the contract and its provisions should be renegotiated to reflect the inter-
ests of the third party\textsuperscript{80}. A descriptive formula to determine the relationship within the stakeholder theory of stakeholders was suggested by T. Cannon, who distributed tasks between both parties. Action expected from the repre-
sentatives of business are: the creation of wealth, supplying markets, creation of jobs, innovation activities and also – and perhaps primarily – the creation of added value, sustainable development of their own organization and sup-
port for the development of the communities in which they operate. Socie-
ty, in turn, has to deal with creating an environment in which entrepreneurs can develop their business. Furthermore, it should create conditions to make a profit. The new conditions should, however, provide the opportunity to use added value to all stakeholders. This highlights the extreme importance of the interaction of an organization with its environment\textsuperscript{81}.

1.2.2. Social responsibility and its diversity

Corporate social responsibility is, according to K. Davis and R. Blom-
strom, “the commitment of managers to take actions that protect and en-
range the wealth of both society as a whole and the organization. According to this theory, the manager is obliged to strive to achieve the goals of the or-
ganization along with its social objectives”\textsuperscript{82}.

K. Davis developed the quoted statement, creating a model of corporate social responsibility. This model consists of five proposals suggesting how organi-
zations should behave to realize the idea of corporate social responsibil-

\textsuperscript{79} B.G. King, \textit{A Political Mediation Model of Corporate Response to Social Movement Activism}, „Administrative Science Quarterly” 2008, vol. 53, no. 3, September, Special Issue: Social Movements in Organiza-
1.2. The stakeholders theory and models of social responsibility

...ity by effectively taking actions that benefit both organizations and society. They are presented in Table 1.4.

Table 1.4. Model of corporate social responsibility by K. Davis.

<table>
<thead>
<tr>
<th>Suggestion</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Social responsibility has its source in the power of social impact.</td>
<td>Enterprises have a strong impact on pollution, the structure of employment, social conditions.</td>
</tr>
<tr>
<td>2. Companies should act as a two-way, open system.</td>
<td>Organizations should be attentive to the expectations of society and fulfil their role in raising the level of society's welfare. The public should be interested in business activities in the field of CSR. The aim is an open, honest discussion between business and society.</td>
</tr>
<tr>
<td>3. Benefits and social costs should be taken into account when deciding whether to start production or create a service.</td>
<td>Technical considerations of feasibility and profitability of a project should not be the only factors influencing decision-making.</td>
</tr>
<tr>
<td>4. Costs associated with pro-social activities should be borne by consumers.</td>
<td>Costs of social activities should, at least partially, be borne by consumers. This may be reflected in higher prices of products or services.</td>
</tr>
<tr>
<td>5. Responsible organizations should be involved in activities that are outside their main business scope.</td>
<td>Businesses should be involved in solving social problems and helping society. This is due to the expected benefits that may be related to a company operating in more developed environments.</td>
</tr>
</tbody>
</table>


Adoption of the rules of corporate social responsibility by companies is not, in the assessment of practitioners and researchers of the problem, clear. Controversy is arisen by the question whether such involvement is necessary or merely appropriate. It must be borne in mind that companies, like other organisations, are supposed to achieve certain strategic objectives contained in the body of their missions, and these rarely contain social issues.

One of the basic arguments for organisations to undertake socially responsible actions is the fact that those entities constitute a subset of society, and one that has a significant impact on the functioning of the environment. This effect is related to the power of the impact of an organization which should strive to improve the overall good of society. Some argue that companies should be guided by social responsibility mainly because profitability and development are closely linked to the appropriate treatment of their employees, customers, and relationships with the environment. One can even say that relevant stakeholder relationships can lead to a higher efficiency of the organization’s key strategic objectives.

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In 1970 M. Friedman published an article concerning the role of social responsibility in the company. Both its content and the controversial title (*The Social Responsibility of Business Is to Increase Its Profits*) are still a source of inspiration for opponents of the phenomenon. The author based his assumptions on three principles:

- only human beings have a moral responsibility for their actions,
- managers are accountable to shareholders,
- dealing with social problems should be the responsibility of local authorities.

According to M. Friedman, the company cannot be “moral”, less so can it spend the money that is owned by shareholders on socially responsible objectives. Morality is the domain of intelligent beings, and not legal entities. However, such action is permitted for small business owners, who make independent decisions about the disposal of their own means.

However, it is difficult to expect that in the face of global combined markets organisations will operate and develop in isolation. In addition, public expectations necessitate increasing activity associated with the acceptance of social standards. Recognition of these objectives by companies requires a systemic approach, identified by S. M. Natale, which includes:

- clearly defined objectives,
- specific methods describing how to achieve goals,
- incentives to promote sustainable development while making a profit.

The right for companies to make a profit is also defended by A. Flaw, who claims, however that profit cannot be the guiding principle for action. He makes the argument that an organization can be guided by the need to achieve a specific, predetermined rate of growth (*interest motive*) or simply by the need to develop managers’ remuneration (*wage motive*).

Corporations are not obliged to work for society. If, however, such efforts are undertaken, they may influence the reduction of potential conflicts. Moreover, they may stimulate obtaining higher revenues. So if companies act in such a way as if they had a duty to the public or to the environment, they can make a profit, allowing society to benefit too. The benefit to society will be more efficient allocation of resources, and the organization will benefit because the environment in which it operates, will be less conflicted.

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actions conflicting both sides may also generate losses for both sides: economic activity will decline but in the long run it is society that will suffer heavier losses. Therefore, partnership oriented cooperation, based on the assumption of social responsibility, may be beneficial to both business and society\textsuperscript{88}.

A different view on this issue than M. Friedman was announced by H. Mintzberg, who said that companies do not operate only in the purely economic area. They are also important actors on the political or social stage. Their decisions, especially decisions of the largest corporations, have a profound impact on the functioning of society, often on a global scale. In contrast to M. Friedman, H. Mintzberg believes that companies do not operate in a “non-moral zone” and legal rules should also encourage ethical behaviour in business and promote socially responsible actions\textsuperscript{89}.

N. Bowie reported an interesting view on the matter. In his opinion, the company should be focused on achieving certain strategic objectives, understood more broadly than profits. And to the contrary, excessive focus on achieving only gains may in fact lead to much weaker results in this area. This phenomenon is called the profit-seeking paradox\textsuperscript{90}.

Further developing the topic of whether and how the company can be the subject of corporate social responsibility, it is worth considering how it should manifest this activity. Expenses incurred in order to emphasize the specific “non-profitability” of the actions, should produce lower returns on investment than funds directed at alternative projects of a profitable character, and should be expenditure incurred by the company, rather than a manifestation of individual generosity\textsuperscript{91}.

The role of managers, as those who are in charge of the organization, is special. They representatives of the owner or owners but the effects of their activities have an impact not only on them, but on broad groups of stakeholders. This raises the question of who managers work for, whose interests they represent. This phenomenon has become particularly important since the moment when A. Berle and G. Means announced the separation of ownership and control over the organization in 1930. The control of management by many


scattered shareholders seems impossible, the question arises then, who really monitors the manager’s work\footnote{A.A. Berle, G.C. Means, The Modern Corporation and Private Property, Macmillan, New York 1932.}.

The theses announced are included within the agency theory, which claims that corporate executives are seen as agents of the owners, who are required to act in order to achieve the highest possible rate of return\footnote{L.J. Mullins, Management and Organisational Behaviour, Prentice Hall, Pearson Education, Essex 2005, p. 167.}. The agency theory assumes that corporations are fictional entities. From this point of view, the corporation is simply a convenient place for meetings, where agents carry out the tasks entrusted to it by the owners. Managers and shareholders make a contract by hiding or explicitly specifying the objective of maximizing the rate of return in exchange for the benefits to be obtained by being employed\footnote{M.C. Jensen, W.H. Meckling, Theory of the Firm: Managerial Behaviour, Agency Costs and Ownership Structure, „Journal of Financial Economics” 1976, vol. 3, pp. 305–360.}. The theory assumes the creation of a potential conflict of interest between the owner and the manager in charge of the organization. It is the latter, serving its function, who will exercise control over the assets\footnote{E. Fama, Agency problems and the theory of the firm, „Journal of Political Economy” 1980, vol. 88, pp. 288–307.}.

Such researchers as A. Sharplin and L. D. Phelps understand the agency theory differently. In their opinion, it shows clearly that managers need to serve as representatives of this group of stakeholders who are not shareholders of the company\footnote{A. Sharplin, L.D. Phelps, A Stakeholder Apologetic for Management, „Business and Professional Ethics Journal” 1989, vol. 8, no. 2, pp. 41–53.}.

The rise of the agency theory stems from situations in which the founder of the company, for various reasons, such as age or lack of knowledge or experience, is not able to act on their own behalf. Another reason may be the owner’s conviction of their own low efficiency in independent action or a situation in which the appearance of the “agent” or representative of the owner, can improve the effectiveness of teamwork\footnote{B.M. Mitnick, Positive Agency, in: Positive Psychology in Business Ethics and Corporate Responsibility, ed. R.A. Giacalone, C.L. Jurkiewicz, C. Dunn, Information Age Publishing, Greenwich 2005, pp. 165–166.}. In complex organizational structures the phenomenon of multiple conflicts often occurs, which the theory of multiple agencies speaks about. It occurs when in the organization there is more than one agent, and not all of them are subject to one owner. Instead of bi-
lateral relations there is a multilateral relationship. This phenomenon, referred to as the “stakeholder’s paradox”, was described by E. K. Goodpaster, who claimed that the theory of multiple agencies carries some risk. It’s about making important decisions for the organization, resulting from multiple trusteeship. Although those decisions appear to be necessary, they may be illegal in some ways, because these decisions are based on ethical values, often going beyond the strategic expectations of individual stakeholders.

R. F. Hartley even considers whether we can talk about the social responsibility of managers at all if taking measures to protect assets is their duty. It should be managers’ responsibility to act in accordance with shareholders’ expectations, i.e. avoiding unnecessary risk or getting involved in activities that may expose employees to a loss. Hartley also makes a judgement that potential punishment of those who break the rules by stripping them of their positions seems to be insufficient. One should also keep in mind the statement by J. Roberts, that “the corporation is an idea, an imaginary creation, devoid of sensitivity, and therefore incapable of such a thing as responsibility. The responsibility of a company will always be dependent on people.”

According to M. Friedman, socially responsible management by organisation managers may be an expression of unethical actions. The main object of criticism here was unauthorized spending of financial assets on purposes which are not closely related to what investors would like them to be spent on. Criticizing this type of enterprises, Friedman negatively assesses those pro-social operations of managers which expose the company to a conflict of interest. When choosing between social activity and the activity for profit, in line with the expectations of investors, they fail to comply with the original objectives of the organization.

The analysis of a number of arguments in favour of social responsibility, and those opposing it, allowed S. Certo to formulate three major sets of those

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arguments, which may serve as inspiration for organisation managers. They should\textsuperscript{104}: 
- undertake socially responsible actions required by law,
- undertake voluntary actions in this area,
- inform stakeholders about the scope of the actions taken.

S. Holmes undertook a research attempt to determine how corporate social responsibility activities are assessed by analyzing more than five hundred American companies\textsuperscript{105}. Table 1.5 presents the results of that research.

\textbf{Table 1.5. Expectations of management staff in terms of corporate social responsibility.}

<table>
<thead>
<tr>
<th>Expected action</th>
<th>The proportion of respondents who expected the activity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive results</strong></td>
<td></td>
</tr>
<tr>
<td>Improvement of company’s reputation and value</td>
<td>97.4</td>
</tr>
<tr>
<td>Strengthening the social system in which the company operates</td>
<td>89.0</td>
</tr>
<tr>
<td>Strengthening the economic system in which the company operates</td>
<td>74.3</td>
</tr>
<tr>
<td>All employees’ greater satisfaction</td>
<td>72.3</td>
</tr>
<tr>
<td>Avoidance of law breaking</td>
<td>63.7</td>
</tr>
<tr>
<td>Higher job satisfaction of managers</td>
<td>62.8</td>
</tr>
<tr>
<td>Increased company’s chances of survival</td>
<td>60.7</td>
</tr>
<tr>
<td>The ability to employ better management staff</td>
<td>55.5</td>
</tr>
<tr>
<td>Increased long-term profitability</td>
<td>52.9</td>
</tr>
<tr>
<td>Strengthening the pluralistic nature of American society</td>
<td>40.3</td>
</tr>
<tr>
<td>Maintaining or acquiring new customers</td>
<td>38.2</td>
</tr>
<tr>
<td>Investors’ preferences for socially responsible companies</td>
<td>36.6</td>
</tr>
<tr>
<td>Increased short-term profitability</td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Negative results</strong></td>
<td></td>
</tr>
<tr>
<td>Lowered short-term profitability</td>
<td>59.7</td>
</tr>
<tr>
<td>Conflict of economic, financial, and social objectives</td>
<td>53.9</td>
</tr>
<tr>
<td>Higher prices for customers</td>
<td>41.4</td>
</tr>
<tr>
<td>Difficulty in determining the criteria for assessing management’s performance</td>
<td>27.2</td>
</tr>
<tr>
<td>Expected shareholder discontent</td>
<td>24.1</td>
</tr>
<tr>
<td>Lowered productivity</td>
<td>18.8</td>
</tr>
<tr>
<td>Lowered long-term profitability</td>
<td>13.1</td>
</tr>
<tr>
<td>Increased legal requirements for social responsibility</td>
<td>11.0</td>
</tr>
<tr>
<td>Weakening of the economic environment in which the company operates</td>
<td>7.9</td>
</tr>
<tr>
<td>Weakening of the social environment in which the company operates</td>
<td>3.7</td>
</tr>
</tbody>
</table>


It is assumed that the first attempt to identify stakeholders was made by General Motors, which indicated four main groups: shareholders, employ-
ees, customers and the whole of society\textsuperscript{106}. R. W. Griffin expands the number to five, indicating that most of the companies which intend to be responsible in relation to its stakeholders, focus their efforts on five main groups: customers, employees, investors, suppliers and the local communities where they do their business\textsuperscript{107}. M. Clarkson understands stakeholders more generally, claiming that these are the groups that recognize that they have an interest in the activities of the organization (or actually hold that interest), and these relations occur in the past, present and future. Clarkson also suggests a distribution of those groups. Stakeholders of the first degree are those without which the organization cannot exist, i.e. shareholders, investors, employees, customers, suppliers and the public stakeholder, understood as the government, local authorities responsible for the condition of the infrastructure or legal regulations and influencing other regulations governing the functioning of the market. Secondary degree stakeholders have an influence on the organization but with no impact on its operations or survival on the market. These are the media and the wider interest groups\textsuperscript{108}.

It is worth remembering that the organization is often seen by its staff as a community. Employees often evaluate their professional skills through the prism of resolving even minor social conflicts, mostly related to the relationships that arise in the workplace among colleagues. This issue also applies to the self-employed. The success of the projects undertaken by them may depend largely on the ability to build relationships with customers or to satisfy their needs\textsuperscript{109}.

Every organization is subject to the influence of stakeholders identified as a wide range of interests. Situated in the middle of the process, the organization must submit its actions to their assessment. Assuming that internal stakeholders are more closely associated with the management and operations of their institutions, it is a good idea to analyse external stakeholders carefully as strict reviewers of the organisation’s achievements. Figure 1.3 shows the location of the organization in its environment.

The location of the organization in the centre of intertwining expectations and interests of its environment means a high and growing influence of stakeholders. Thanks to that managers’ interest in taking actions for their environment becomes increased. This fact leads to a growing conviction that creating value for shareholders/stockholders can only be achieved by meeting the expectations of stakeholders. It also means a kind of evolution of the organization from a submissive attitude towards the environment to that of commitment and involvement\(^\text{110}\). These links are clearly shown in Figure 1.4.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure1.4.png}
\caption{Integration of relevant values of stakeholders.}
\end{figure}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure1.3.png}
\caption{The distribution of external stakeholder of an organisation.}
\end{figure}


The theory of philanthropy and responsibility for the company was published by R. Eells. According to the theory, the role of the state in this matter should be limited as companies through tax affect the development of social structures. A strong private sector, protected by its autonomy, operating in a particular environment, at the same time guarantees the existence of a competitive market\textsuperscript{111}.

It is worth noting that the origins of the idea of corporate social responsibility have their sources in the perceptions of the role of business in shaping society. There have been numerous attempts at assessing how organizations can strengthen social structures at local and national levels\textsuperscript{112}.

Practitioners felt that corporate responsibility cannot be considered in terms of charity. Addressing social needs should be taken as a kind of overhead production cost. C. J. Randall argued that business representatives should create “a new tradition of public service, a new way of thinking, so that businessmen actively participate in public affairs at all levels”\textsuperscript{113}. Other authors, such as A. T. Collier, indicate the public nature of private enterprises, calling it a new ideology of business\textsuperscript{114}.

The development of corporate social responsibility and the adoption by organizations of its ideas are represented in the works of O. W. Knauth. Presenting the multidimensional processes of operation in an enterprise, he concludes that profit is a goal, however, it is not the main objective. The author introduces the concept of “wise management” as a means of maintaining a specific balance in the organization\textsuperscript{115}.

Representatives of a number of companies, seeking possibilities of the introduction of the idea of social responsibility, are often guided by the principle of philanthropy. They analyse internal processes, they make efforts to improve employment conditions, the relationships among employees and the interactions among other stakeholders. When it comes to external actions, the organisation is perceived to be responsible even for the control of the growth of prices as an inflation preventing factor\textsuperscript{116}.

\textsuperscript{116}M. Heald, op.cit., p. 276.
Playing a leadership role requires not only the adoption of appropriate attitudes and actions in the interest of the organization, but also to act responsibly in the interest of the community. This in turn requires the redesign of managers’ thinking in such a way that their goal is to strive to improve the quality of living environment in the widest possible sense.

Opposing views criticizing the positive approach to the phenomenon of social responsibility can be analysed from the point of view of H. Ford. He argued that in countries where the pursuit of “social profit” is stronger than the desire for the development of private ownership and entrepreneurship, there are obstacles in the on-going development of the economy\textsuperscript{117}. This means that playing the role of a socially responsible company limits its opportunities for growth and reduces the potential of competitive advantage, which translates into an identical phenomenon at the macroeconomic level.

The phenomenon of corporate social responsibility has been experiencing a rapid development over the past 20 years. Initially, the implementation of the idea had a form of a kind of recommendation for company managers, now it has become practically mandatory. This has led to the dissemination of corporate social responsibility as part of a management strategy that helps to cope with the effects of globalization, reduce environmental costs, increase productivity, improve the employee recruitment process and reduce staff turnover rates\textsuperscript{118}.

The business and society theory presented by S. L. Wartick and P. L. Cochran presents a critical attitude towards the neoclassical tradition of an economy based on growth, which assumes that business actions which ensure gaining a maximal profit, within legal regulations, are the only responsibility business bears before society\textsuperscript{119}.

Other authors, like M. C. Jensen, prioritise the long-term growth of the company, opposing it to the managers’ main objective, i.e. gaining profit in a short time\textsuperscript{120}. J. Kay presented an interesting view putting forward the idea that the pursuit of profit maximization can destroy the long-term values of

the organization, i.e. focus on return on investment rather than on the creation of value understood as deferred income is faulty.\textsuperscript{121}

In the light of the business and society theory enterprises usually have a negative impact on social development and the environment. Left to their own devices, managers are determined to use resources intensively, maximising profits, in short, they are driven by narrowly understood self-interest. Their activities must therefore be limited by relevant legislation, codes of ethics, or by other means.\textsuperscript{122}

The increasing role of social responsibility stems from the growing awareness of stakeholders and from adopting CSR principles by organisations’ managers. Other reasons put forward by P. Raynard, M. Forstater are:\textsuperscript{123}

- globalisation and growing consumption,
- growing size, range and as a result of that the growing influence of companies,
- change of the position and role of legislature,
- fight for talents and power,
- increase in the activity of civil society on a global scale,
- change of the consumer's character towards a critical recipient, interested and involved in the production process,
- the growing importance of intangible assets,
- changing attitudes of investors seeking also performance other than financial.

The organization always operates in a specific environment. Because it draws its resources, it is obliged to return the benefits. Managers are usually willing to accept this responsibility, however, they do not consider it to be within the scope of philanthropy. According to many, jobs creation and paying taxes is sufficient fulfilment of social responsibilities. A situation is possible, however, that an organisation uses the social resources to a much greater extent than would result from the fees and taxes incurred by it, whether directly or indirectly. Another attitude is possible where the organization's obligation


to provide any philanthropic activities is denied and the view is taken that this kind of activity is assigned to individuals and foundations created by them\textsuperscript{124}. The practice and theory of social responsibility are a bit different when it comes to their understanding in the United States and in Europe. In the U.S. there is greater emphasis on philanthropy in both personal and corporate dimensions. American managers seem to accept this situation. They believe that managers can manage their organizations in such a way as to fulfil both the expectations of shareholders and the obligations to stakeholders\textsuperscript{125}. Moreover, according to Ch. Arena, “Europeans have high standards and tend to be very demanding and critical”\textsuperscript{126}. Significant differences in terms of the reporting of actions are also evident. The European media are more severe in assessing organizations and less likely to embellish actions in combination with stronger resistance to public relations actions than the American media. Interestingly, the organizations which come from Europe identify themselves with the ideas of the global world more easily than their counterparts in the United States. As research suggests, the activity of the ever-growing corporate sector is a positive sign as it takes action beyond legal or ethical obligations. This activity is focused on protecting the environment and caring for the social space through the implementation of various instruments in the field of corporate social responsibility\textsuperscript{127}.

In Europe, the concept of corporate social responsibility is linked with the idea of sustainable development. The document titled Green Paper, adopted by the European Union in July 2001, deals with the issue of social responsibility. The primary objective of its publication is to initiate a wide debate on how the European Union could help to spread the idea of corporate social responsibility.

According to this document\textsuperscript{128}, there are many factors that cause interest in corporate social responsibility:

- there are new problems and expectations of residents, customers, public authorities and investors in the context of globalization and changes in the industry on a large scale;

\textsuperscript{125}Ibidem, s. 105–114.
• increasingly social criteria affect the investment decisions of individuals and institutions acting both as consumers and investors;
• more and more frequently damage done to the environment is taken into account;
• the transparency of business is increasing, owing to the contribution of the media and information and communication technologies.

Most definitions of corporate social responsibility describe it as a concept according to which companies voluntarily take into account social and environmental concerns in their operation and in dealing with its stakeholders.

Being socially responsible does not only mean fulfilling legal expectations but also going beyond it and investing more in human resources, the environment and the relations with stakeholders. Experience in investing in environmentally responsible technologies and business practices indicates that transcending what is required by law, can make a company more competitive. Going beyond the basic legal obligations in the social sphere, such as training, working conditions, relations between management and employees, may also directly affect performance. It paves the way for change management and for the reconciliation of human development and improved competitiveness.

Corporate social responsibility cannot, however, be seen as a substitute for regulations or laws concerning social rights or environmental standards, including the introduction of new relevant regulations. In countries that do not have legislation in this area, focus is needed on the creation of an appropriate legislative framework, which could be used to develop socially responsible practices.

It is difficult to evaluate precisely what determines the financial return of a socially responsible company. Research carried out by “Industry Week”\(^{129}\) showed that nearly half of the above-average results of socially responsible companies can be attributed to social responsibility, whereas the other half is owed to the ratings of their sectors. It is expected that socially responsible companies should bring financial gain above the average as the companies’ ability to effectively deal with environmental and social issues can be a reliable indicator of the quality of management.

Socially responsible practices in their internal dimension in the company include mainly employees and deal with such issues as investment in human resources, health and safety and change management, whereas environmentally responsible practices are mainly related to the management of natural

resources in the production process. Those practices pave the way for change and reconciling social development with improved competitiveness.

Corporate social responsibility in its external dimension goes beyond the boundaries of the company and addresses the local community; beside employees and shareholders it includes many other stakeholders: partners and suppliers, customers, public authorities and NGOs representing local communities, and finally the environment. In the world of international investment and global supply chains, corporate social responsibility must also go beyond the borders of Europe. Rapid globalization has encouraged discussion on the role and development of global governance: the development of voluntary practices of corporate social responsibility may contribute to that. At the same time the negative effects of globalization necessitate action in the field of standardization and evaluation of the social impact of organizations\textsuperscript{130}.

Globalisation influences changes in social relations\textsuperscript{131}. It promotes intensification of social relations at larger distances. This process, initiated by various related political decisions, such as the liberalization of trade rules, the freedom of movement of capital, goods and services, is then continued thanks to the development of the media, telecommunications and intercultural processes, like migration. In such conditions supranational organizations complement, and sometimes take over, the role of the state in social responsibility by engaging in the provision of public goods, such as health care or education, and, at the same time through self-regulation, they fill in legal loopholes\textsuperscript{132}.

The approach of companies to corporate commitments to stakeholders and to the relationship with them varies depending on the sector and organisational culture. Initially, companies usually take a mission, code of conduct or creed, which defines their purpose, core values and commitment to stakeholders. These values must be translated into action across the organization, from strategy through to everyday decisions. This includes practices such as taking into account the social and environmental dimension in plans and budgets, evaluating the organisation’s performance in these areas, creating advisory committees, carrying out social or environmental audits and continuous development of educational curricula. Since the issues of corporate social responsibility become an integral part of strategic business management and

routine activities, managers and employees are required to make business decisions based on additional criteria, beside those which they have been obliged to observe so far. The traditional models of the conduct of organizations, strategic management and even business ethics do not always sufficiently prepare the company to be introduced to this new environment.

In response to the need to integrate CSR into existing training of managers and employees and to anticipate the skills that will required from future managers and employees, business schools increasingly teach business ethics. However, these lectures typically cover only a small part of what is meant by corporate social responsibility.

Nowadays, many multinational companies publish reports related to social responsibility. While environmental reports and those concerning safety at work are common, reports on issues such as human rights and child labour are not as popular. Moreover, the approach of companies to social reports is as diverse as their approach to corporate social responsibility. In order for the reports to be useful, a global consensus must be reached as to the nature of the information disclosed, the form of the report and the credibility of the evaluation procedure and audit.

In September 2000, a coalition of Global Partners for Corporate Responsibility Research announced ten requirements for disclosure standards in the 21st century, combining a voluntary, regulatory and market approach to facilitate access to information on companies and to improve the consistency of information, thus enabling appropriate auditing and benchmarking data.

The audit in question is the audit of social responsibility. As B. Rok writes, it is conducted in an organisation from the standpoint of “ethics, economy and effectiveness”\textsuperscript{133}. All the three factors must be considered together and the goal is a comprehensive look at the functions of the organization – giving social responsibility a genuinely strategic dimension, and not limited to one or a few areas of the institution’s operation.

The European Union Green Paper document invites everyone, including international organizations, businesses – from small through medium to international ones, social partners, NGOs and all interested individuals, to express their views on how to create a partnership for the development of new structures for the promotion of corporate social responsibility, taking into account the interests of both companies and stakeholders. Companies need

to work with various partners to find innovative ways to develop corporate social responsibility. Such partnerships can make an important contribution to achieving the objective of promoting the model of corporate social responsibility based on European values.

Not all authors, however, are so enthusiastic about the issue of cooperation. In his article, D. Baraka raises the question of corporations’ and organizations’ cooperation – the representatives of the third sector. The main warning for both sides of such relationships lies in drawing their attention to the fact that both sides may have (and most probably they do) very different motivations for actions. Good communication turns out to be an invaluable means to avoid potentially compromising situations\textsuperscript{134}.

Emphasis on the promotion of sustainable development is consistent with the concept outlined in a United Nations report. It includes a definition of sustainable development which says that it is “the ability to meet the current needs without compromising the ability of future generations to meet their own needs”\textsuperscript{135}. This development must be based on three main pillars: a stable financial position, avoiding damage to the environment and meeting stakeholder expectations.

Every organization influences the environment by fulfilling expectations, participating in changes, and bearing the consequences of those changes. These issues are at the heart of social responsibility. For as R. C. Solomon claims, “there is no such thing as an impact without social responsibility and the company that has no impact is an organization that has gone out of business”\textsuperscript{136}.

\textbf{1.3. The notion and theories of social responsibility}

Most organizations feel responsible for five main groups of stakeholders: customers, employees, investors, suppliers and the local communities in the vicinity of which they operate. The issue of corporate social responsibility is related to the relationships that occur between different groups of stakeholders and the social environment of their activities\textsuperscript{137}.

As early as in 1972, D. Votaw wrote that “social responsibility of the company means something, but not always the same for everyone”\textsuperscript{138}. In turn,

\begin{itemize}
\item \textsuperscript{136} R.C. Solomon, \textit{It’s Good Business…}, op.cit., p. 213.
\end{itemize}
Mr Wong said that “CSR is a perverse idea, a grey area between what is private and what is public, compulsory and voluntary”\(^\text{139}\).

The term “social responsibility of business” is determined by the meaning of the three words: community, responsibility and enterprise. It means the relationships between enterprises or other organisations and communities. It also describes the responsibilities arising on both sides of the relationship. Community should be understood in the widest possible sense so as to include all potential stakeholders of the organization, i.e. those who may have any interest in its present or future activities\(^\text{140}\).

Creating and maintaining a proper relationship with the environment requires an on-going dialogue with stakeholders. It allows for an attempt to define problems and for a joint search of optimal solutions. Initiating interactive relationships with stakeholders helps organizations meet public expectations, find ways to satisfy them, but also get support for their implementation. It also allows for an effective neutralisation of the negative impact of critical voices. The environment of the organization undergoes dynamic changes that affect the shape of the relationships of the business circles and the social environment\(^\text{141}\).

The quality of dialogue with the environment seriously affects the shape of the organization through impact on its value. It also becomes a powerful risk management tool. However, the main task is to define the organization’s stakeholders correctly\(^\text{142}\). Implementation of the ISO 26000 norm may appear to be helpful in identifying dialogue topics. The norm highlights the following key areas\(^\text{143}\):

1) corporate governance,
2) human rights,
3) workplace practices,
4) the environment,
5) market practices,
6) consumer issues,
7) social involvement and community development.


\(^{143}\) http://www.iso.org/iso/social_responsibility, 20.06.2011.
The nature of social responsibility

The quoted norm concerns all institutions and its purpose is to standardize the knowledge and activities related to corporate social responsibility. This standard introduces a precise definition of CSR as an organization’s responsibility for the impact of its decisions and actions (products, services, processes) on society and the environment\(^{144}\).

The need for good relationships and partnerships with stakeholders is best described by W. Isaacs – as the “art of thinking together”\(^{145}\).

Corporate social responsibility is defined by the Institute for Corporate Culture Affairs\(^{146}\) as the organisation’s lifelong commitment to ethical behaviour and financial support for economic development while enhancing the quality of life of its employees and the community within which it operates as well as the general public\(^{147}\).

An important objective of any organization is to influence society and fulfil a social function. The sense of the existence organisations lies in the fact that they are needed in society. Fulfilling this function requires creating a specific social environment – employees and ideas, in this case the strategic objectives of the organization. In addition, the organization should feel responsible for the way in which it fulfils its social function\(^{148}\).

Figure 1.5 presents the external forces that affect the organization and its stakeholders.


\(^{146}\) The International Institute for Corporate Culture Affairs – ICCA, headquartered in Frankfurt am Main, Germany, brings together many leading international corporations which believe in the possibility of increasing the degree of orientation of the enterprise towards creating social good. The Institute is an independent non-profit organization that focuses on connecting top managers, organizations and academics in their quest for the coordination of aim of the company, which is profit, with targets based on creating social good. To achieve this goal, ICCA promotes corporate social responsibility of multinational companies, providing its integration with current business practices and offering long-term support to ensure future progress. Based on: http://www.cca-institute.org/, 11.01.2009.


Social responsibility can be understood as a distinction between positive and negative responsibility: the former is a commitment to take certain actions, while the latter focuses on avoiding certain actions. The issue of corporate social responsibility can be seen as a long-term approach adopted, both by academics and the business community for over 50 years. The language and the wording proposed by A. B. Carroll have been approved by organizations from virtually all continents and allow the term “social responsibility” to embrace many social or even ethical activities.

Responsibility of the company, according to W. Gasparski, should be defined by combining the following elements:

- the company should strive to achieve strategic objectives, such as the growth of the organization’s value and delivery of products and services of high quality;
- actions must be long-term in nature and lead to harmonious development;

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• efforts should be undertaken on the basis of suitable relationships with key stakeholders, understood as shareholders, employees, managers, customers, suppliers, the local community and the environment, and the overall objectives of the organization should be achieved under conditions of full compliance with the law and socially accepted ethical standards.

The worldwide organization, the World Business Council for Sustainable Development, defines corporate social responsibility as “the commitment from the business to actively participate in sustainable economic development in cooperation with employees, their families, the local community and the wider society, to improve their quality of life”\textsuperscript{152}.

Another organization – Business for Social Responsibility (BSR\textsuperscript{153}) – defines social responsibility as “the achievement of business success in ways that honour ethical values, are guided by respect for people, society and the environment”. This definition emphasizes the idea of responding to a wider range of interests of stakeholders, which include the interests of shareholders but are not limited by them. The continuing and unfinished debate focuses on whether the actions of corporate social responsibility are profitable. The most frequent reply is “it depends”. The nature of business, the type of business, the market, the components of costs and many other factors have an impact on whether the initiative

\textsuperscript{152} The World Business Council for Sustainable Development is a leading association bringing together around 200 companies doing business exclusively with enterprises and supporting sustainable development. The Council provides programmes to companies wishing to explore sustainable development and the knowledge of their actions, to gain experience and optimize operations, to support the position presented by the business community on a variety of forums while working with governments, non-governmental organizations and intergovernmental organizations. Members represent more than 35 countries and 20 major industrial sectors. The Council also benefits from a global network of about 55 national and regional business councils and regional partners. The main objectives of the Council are: to play the role of an advocate of sustainable development, to actively participate in the development of policies to create good conditions for economic activity and to participate in progress not affecting the ecological balance, and also to develop and analyse the costs and benefits of sustainable development, to present companies’ participation in sustainable development, to develop solutions and share good experiences in this field, to participate in supporting a sustainable future in developing countries and those in the process of economic transformation. To achieve this, the Council focuses on four key areas: energy and climate, development, the role of business, and ecosystems. Based on: www.wbdsd.org

\textsuperscript{153} The mission of the organization Business for Social Responsibility is to work with business to create a just world without violating environmental sustainability. Since 1992 the BSR organization has been working with a global network of more than 250 member companies and it has been providing sustainable business strategies and solutions primarily through consultation, research and cross-sector cooperation. It has six offices in Asia, Europe and North America. The BSR effectively increases its competences in the field of environmental protection, human rights, economic development and transparency of activities and responsibilities leading global companies toward creating a just world. Based on: www.bsr.org
1.3. The notion and theories of social responsibility

gives net benefits in terms of typical rates of return on investment. It must be borne in mind, however, that the benefits of socially responsible activities can rarely be measured using quantitative methods. It should be emphasized that the quality of the interaction between the organization and its stakeholders is essential to the success of the undertaken projects. The organization establishes this dialogue through its faculties and departments. Each of them is responsible for a specific issue. Figure 1.6 presents the relationships of stakeholders and the organization. They are binding on both parties.

![Figure 1.6. Departments in the organisation responsible for establishing appropriate relationships with stakeholders](image_url)

Source: Ibidem, p. 27
A more extensive vision of social responsibility is called entrepreneurial. It should be associated with the genesis of the creation of the organization. The project is initiated by finding a niche market for socially necessary product or service. Such action does not always have to be of a long-term nature. By creating added value, and in the interest of the community or the environment, socially responsible companies do more in their own interests and indirectly for profit than for the realisation of social messages.\(^{154}\)

A responsible attitude, from the point of view of an organisation, means creating a community. It is also the belief that long-term development depends on the quality of the satisfaction of social needs in ways that balance stakeholder expectations.\(^{155}\) Deprived of a uniform definition, the issue of corporate social responsibility is sometimes described by means of components, applications or presentations of specific actions. Pursuant to the BSR vision, many programmes describe how the actions of corporate social responsibility are implemented in such areas as human rights, accountability, management, society, the environment and the supply chain.\(^{156}\)

D. Vogel defines the phenomenon as “the activities of companies that go beyond the legal framework for their operation, in response to public expectations.”\(^{157}\) The main focus, therefore, is on the voluntary activities of organizations, whose motives are general social considerations rather than the narrow expectations of shareholders and stakeholders. According to R. W. Griffin and R. J. Ebert, corporate social responsibility requires organizations to “maintain a balance in actions for groups in their environment, including customers, other organizations, employees, investors and local communities.”\(^{158}\) By focusing on the responsibility of the manager, claim A. Kinicki and B. K. Williams, corporate social responsibility is a commitment of the management to take actions that benefit both society and the organization.\(^{159}\)

Corporate social responsibility focuses on those issues related to the functioning of modern economy which go beyond the narrowly conceived eco-


\(^{155}\)T. Wołowiec, Społeczna odpowiedzialność przedsiębiorstwa nową formułą zarządzania, „Ekonomika i Organizacja Przedsiębiorstwa” 2004, nr 3 (650), pp. 3–11.


\(^{158}\)R.W. Griffin, R.J. Ebert, Business, op.cit., p. 68.

nomic efficiency. They are caused by market imperfections, by the state's failure to fulfil its role, but also by social expectations\textsuperscript{160}.

According to P. Kotler and N. Lee, corporate social responsibility is best defined as “the commitment to improve social welfare thanks to the way in which the company is run and the way in which its resources are involved”\textsuperscript{161}. The authors put the emphasis here on the voluntary character of social activity rather than activity required or enforced by law or custom, and “social good” refers to both the living conditions of people and environmental protection.

At the same time J. Jonkers considers the responsibility of a company as “a sensitizing concept: a term which draws attention to the complex range of issues and elements which are associated with the importance and function of a business enterprise in modern society”\textsuperscript{162}.

A definition encompassing a broad range of issues related to the management of organizations, including corporate governance, the established business practices or the impact of business ethics, was presented by J. A. Zerk: “any organization, as a member of the community, has a duty to act ethically and in accordance with the law, being careful at the same time to minimize any adverse effects of its operations on the environment, society and human health”\textsuperscript{163}.

In 1979 A. B. Carroll announced a frequently cited taxonomy of various aspects of social responsibility. He divided these activities into four main areas\textsuperscript{164}:

- **economic responsibility** – refers to the central message of any company's activities, which is the production of goods and services, according to market needs understood as the needs of the local community, and their sale with reasonable profit;
- **legal responsibility** – it means a commitment of each organization to comply with the law, but above all to fulfil the mission rules adopted under that law;
- **ethical responsibility** – refers to that part of the organization's activities which exceed the legal requirements, and are associated with broadly defined ethical actions, not enforced by institutions or rules;


- philanthropic responsibility – it concerns activity based voluntariness, undertaken by the organization also when it is not required to act for social welfare.

This division, for clarity, is presented in graphical form in Figure 1.7.

![Figure 1.7. The four-part model of corporate social responsibility by A.B. Carroll.]


Economic responsibility is associated with economic results. It is essential since, without profits, a company simply cannot exist. Legal responsibility, in turn, is the basis for the existence and development of free enterprise. It is assumed that it only sets a minimum level of norms which must be met. Ethical responsibility, undefined by law, can be described as the avoidance of causing damage. In turn, philanthropic responsibility means organisations’ involvement in actions aimed at supporting the needy. It boils down to voluntary donations of time and money. Sometimes seen as a voluntary and indefinite aspect of corporate social responsibility, it is not perceived as unethical behaviour when this kind of responsibility is not taken.

In turn, W. B. Werther and D. Chandler explain the cultural and contextual background of corporate social responsibility. They assume the following arguments in support of corporate social responsibility:

- moral – it describes the dilemma of how the company could develop independently without the presence of the public; and thus a unique

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debt of organizations to their environments is created for the fact that they can develop, sell their products, services and ultimately make a profit;

- rational – implementation of the principles of corporate social responsibility ensures compliance with the law, which leads to avoiding penalties, fees, or negative social evaluation of the company’s activities;
- economic – implementation of CSR principles allows for gaining a competitive advantage and it constitutes an important differentiator of the organization in the situation of avoidance of potential penalties for lack of application of ethical principles in the functioning of the organization.

R. C. Salomon and C. Martin divide social responsibility into two categories. The first of these relates to the impact of the organization on the local community, the environment, the political situation and its own customers. Whereas, the second includes those types of activities that the organization could take in order to benefit local communities.

Most frequently, social responsibility is referred to as the obligations of the corporation in relation to society or the environment or to both environments simultaneously. The adoption of these principles requires the achievement of positive results in three dimensions – the so-called triple bottom line. This concept, introduced by J. Elkington, extends the commitment of the organization with activities for the local community, government, customers, employees, the environment, religions, ethnic communities and branch.

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168 *Triple bottom line* – this concept serves the purpose of wider recognition and assessment of business activity. It does not limit the measurement to just financial performance, but it also includes achievements in the social and ecological areas. It also related to reporting, or informing stakeholders and the public on the results for the period in all three dimensions. The term was first used by J. Elkington in 1994.

organizations. An extension of the meaning of these three dimensions was introduced by D. Matten, who explained them as follows:

- **environmental perspective** – its main message is the efficient use of natural resources due to the fact that they are limited; the goal is to provide future generations with the resources necessary to pursue economic development and provide them with opportunities to live at a level not lower than nowadays;

- **economic perspective** – in its narrowest form it includes activities of the organisation expressed in the responsibilities of the board for the development of such products and services which provide long term sales; in a broader sense, it concerns the company's positive contribution to the development of global events which will contribute to the implementation of the idea of sustainable development and the expansion of corporate social responsibility;

- **social perspective** – as a relatively new phenomenon it functions somewhat in the background of the other two perspectives and concerns public expectations raised in relation to the organization and its response to those needs.

W. Gasparski in turn presented the concept of business analysis from the perspective of efficiency, economy and ethics. In this concept, effectiveness relates to the implementation of the company’s aim, economy relates to the sound management of available resources, while ethical behaviour means legal conduct and acting in accordance with socially accepted norms.

B. Rok suggests a practical application of the principles of this concept to evaluate the various levels the involvement of companies in the implement-

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170 Canadian Business for Social Responsibility – a Canadian non-profit organization established in 1995 with a global reach, with offices in Vancouver and Toronto, bringing together Canadian companies and motivating them to taking more active measures to improve the quality of life in the world. Source: http://www.cbsr.ca/, 22.01.2009.


tion of the rules of corporate social responsibility. There are three levels of CSR implementation:

- reactive, which includes actions taken as a result of perceived pressure from stakeholders,
- proactive – companies look for solutions which pursue the aims, important from the point of view of the companies, in an innovative way,
- strategic, which covers all relevant stakeholder groups and all areas of the organization’s activity which are considered crucial from the point of view of social, environmental or economic effects.

The purpose of a properly constructed social responsibility audit is to assess the involvement of organizations from the point of view of ethics, economics and efficiency. This assessment will be effective and objective when it includes the organization’s strategy and the degree of its consolidation with the objectives of social responsibility. The Committee for Economic Development has identified three main issues upon which corporate social responsibility should focus. These include:

- creating products, jobs, economic growth,
- sensitivity to changing social values,
- spreading responsibility for the fight against poverty and urban landscape degradation.

In turn, in the UK, the social and environmental issues of enterprise behaviour have been sanctioned in the form of binding legislation called the Corporate Responsibilities Bill, passed by the House of Commons. It introduced four major changes to the existing legislation:

- it ordered mandatory submission of reports on activities in the field of corporate social responsibility and environmental protection.

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179 This applies only to companies registered or operating in Great Britain and Northern Ireland which have an annual turnover in excess of £5 million.
The nature of social responsibility

- it imposed an obligation on companies’ boards to evaluate their impact on the environment and society, while introducing penalties for evasion of this duty,
- it created the Corporate Responsibility Board to conduct investigations and random checks,
- it introduced a variety of penalties for non-compliance, such as fines, the suspension of operations, the suspension of trading in the stock market or even imprisonment.

According to E. Sternberg, corporate social responsibility must be considered in two aspects:
- as a responsibility towards society – most actions have consequences far beyond the scope of individual responsibility, in turn, these consequences have an impact on other members of the community,
- those actions should not be the domain of social institutions, the aim being to achieve social objectives by the companies themselves, and not by other agencies\textsuperscript{180}.

At the same time organizations, especially the transnational ones and those operating on a larger scale and on many continents, should, without waiting for any relevant legislation, independently set their own measures of corporate social responsibility in line with the vision and strategy of the business. According to J. Cramer, they should maintain a “responsible” balance between people, the planet and profit. This balance should be understood as follows\textsuperscript{181}:

1. Responsibility for people refers to all internal and external relationships, and not only those directly related to the activities of the organization, but also those in which it should behave responsibly. Internal relationships concern mainly labour relations, training, healthcare, diversity and opportunities for development. External relations refers to a concern for human rights, pro-social activities, such as the fight against corruption, support for political parties and associations, and the responsibility for the quality of products and services.

2. Responsibility for the planet focuses on issues related to environmental protection, especially in the areas related to the scope of the organization’s operation.


3. Responsible profit (positive financial result) should be understood as responsible contribution of the company to the development of economy in its broad sense. A distinction is made between a direct and indirect impact. The former concerns mainly financial flows between the organization and its stakeholders, while the direct impact relates primarily to initiated projects of the spin-off type, the organisation’s contribution to the development of competitiveness or the creation of the GDP.

These three “equilibrium points” are key elements of sustainable wealth creation. Social justice requires that economic growth bring benefits to all people, so we have a duty to eliminate the differences between the rich and the poor. More and more organizations understand the importance of this approach in line with the three points balance. Many of them develop programmes of responsible and sustainable value chains.\footnote{H. Mulder, Global economic „architecture” is no longer fit for purpose, „Europe’s World” 2008, no. 9, pp. 157–161.}

In turn, according to G. P. Lantos, there are three types of social responsibility: ethical, altruistic and strategic. He assumes that ethical action is obligatory. In turn, altruistic action, i.e. social actions undertaken even within the expenditure accepted by shareholders, is unfounded. The last type – strategic – is the optimal dimension of philanthropic activities, provided that these activities bring benefits also for the organization.\footnote{G.P. Lantos, The Boundaries if Strategic Corporate Social Responsibility, Stonehill College, North Easton 2001, http://faculty.stonehill.edu/glantos/Lantos1/PDF_Folder/Pub_arts_pdf/Strategic%20CSR.pdf, 7.01.2009.} W. Gasparski’s research on the degree of society’s understanding of corporate social responsibility issues lead to the conclusion that, in Poland, “value systems are different for different people and different companies.”\footnote{W. Gasparski, Business Ethics in Poland, in: Wirtschaftstechnik in Mittel- und Osteuropa, ed. R. Lang, Reiner Hampp Verlag, Munchen–Mering 2001, pp. 59–68; European Standards of Business Ethics and Social Responsibility (in Polish), ed. W.W. Gasparski et al., L. Kozminski Academy of Entrepreneurship and Management Press, Warsaw 2003.} This diversity and “otherness” is highlighted by the different starting points of business ethics and social responsibility in Poland. At every level of business operations, manifestations of this activity were different. At the micro level, they concerned mostly trade exchange between individuals, for whom the exchange itself is the goal. This exchange could relate to services, buying and selling of goods, employment, counselling, etc. The macro level is an area of activity in line with the recommenda-
tions of the UN Global Compact agenda\textsuperscript{185}, launched in Europe in 2001\textsuperscript{186}. Now, after ten years of the Global Compact agenda’s operation, it has taken a truly global scale. Bringing together, according to data from January 2010, more than 7,300 participants from 130 countries, it is the largest initiative related to corporate social responsibility. The distinctive features of the Global Compact are\textsuperscript{187}:

- It disseminates the initiative of basing the strategic actions of every organisation on ten basic principles of social responsibility.
- It is a truly global initiative. Half of the participants come from developing countries or emerging markets.
- It brings together both small and medium-sized enterprises as well as larger companies, and most importantly – the two groups of organizations are represented more or less equally.
- The Global Compact is supported by many governments, the UN General Assembly and the G8. In addition, the mandate of the UN Global Compact Office has been renewed and expanded in the UN General Assembly “Towards Global Partnerships” resolution.

The issue of relations with employees, referenced in multiple definitions, indicates the necessity of considering employees in the category of a subject rather than an object of management. As a subject, they have the right to freely express themselves, which meets the need for social dialogue. Besides, the company should invest in human resource development, improving their competences, in short – be responsible for the conditions and effects of work. Another issue, also staff related, is the reliability of management. Like other employees, staff should constantly upgrade their skills, and relationships with subordinates should be based on the principles of partnership\textsuperscript{188}. Responsibility of management refers primarily to the quality of decision making and, in fact, to avoiding decisions that may be inappropriate for any of the stakeholders, including the natural environment. In 1999, the United Nations announced ten principles relating to social responsibility. They are presented in Table 1.6.

\textsuperscript{185} http://www.unglobalcompact.org, 21.06.2009.
Table 1.6. Ten principles of social responsibility.

<table>
<thead>
<tr>
<th>In terms of human rights business community should:</th>
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<tbody>
<tr>
<td>1. Respect and promote the protection of human rights adopted in many countries.</td>
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<tr>
<td>2. Make sure that it does not engage in projects that do not respect human rights.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In terms of workers’ rights entrepreneurs should support:</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Workers’ rights to organise themselves and the right to negotiate working conditions.</td>
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<tr>
<td>4. Elimination of all forms of forced or compulsory labour.</td>
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<tr>
<td>5. Prohibition of employment of children.</td>
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<td>6. The fight against discrimination in employment and access to a profession.</td>
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<table>
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<tr>
<th>For environmental protection entrepreneurs should:</th>
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<tr>
<td>7. Promote measures to prevent environmental changes.</td>
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<tr>
<td>8. Undertake initiatives to promote greater responsibility for the protection of the environment.</td>
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<tr>
<td>10. Combat all forms of corruption, including extortion and bribery.</td>
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The essence of the problem and the difficulty in choosing an appropriate definition of social responsibility is highlighted by the fact that in the popular search engine Google, one may find nearly 15 million entries relating to this topic. One of them is the definition adopted by the World Bank, which reads: “Corporate social responsibility is the commitment of business to contribute to economic development without violating environmental sustainability, through joint actions with employees, their families, local communities and society as a whole, in order to improve their quality of life in a way that is good for both the business conducted and for international development.”

In turn, the European Commission emphasizes in its definition of the principle of voluntariness: “CSR is a concept which covers activities through which companies, on a voluntary basis, integrate social and environmental determinants of their operations, including interactions with stakeholders.” This definition is extended to include activities beyond legal requirements. The idea is that organizations take active measures to promote the development of human resources and the environment, but also the relationships with stakeholders. At the same time the European Commission encourages companies to assess their performance not only on the basis of their profits, but also from the perspective of employee well-being and care for the environment.

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191 European Commission, Directorate General for Employment and Social Affairs.
Sir G. Chandler presented a different vision of social responsibility, arguing that “in the best-case scenario, CSR is defined as the responsibility of the company for the implementation of social values in its basic operations, as well as for the treatment of social and mental environments. Responsibility covers a wide spectrum – from conducting profitable business, through the health and safety of staff, to the impact on the local communities among which the company conducts its business”\textsuperscript{194}.

The Confederation of British Industry assumes that “social responsibility of business is a recognition by the company that it should be responsible not only for the achievement of financial performance but also for the impact it has on its community and/or the environment. The concept of corporate social responsibility is still under discussion but the main points have for a long time been elements of company strategies. Different directions of organizations’ operation are subject to CSR assumptions, which cover, like an umbrella, human resources and environmental issues, sustainable development, waste disposal, health and safety, through a range of existing national, EU and global guidelines. But we should distinguish between measures imposed by these standards from activities in the field of CSR, which in principle are voluntary, they are the result of business operations and often go beyond what is imposed by legislation”\textsuperscript{195}.

Due to the extraordinary multiplicity of social responsibility descriptions, a set of theories of social responsibility is presented in Table 1.7, which is a kind of cross-section through the many descriptions of the phenomenon produced by researchers on the subject.

Large companies focus their attention on their core activity of producing goods and delivering services, as well as the marketing actions in support of these activities. Social issues are ignored. Corporate social responsibility may significantly contribute to a greater respect for social needs. The word “responsibility” should imply a change in behaviour of large corporations and avoidance of becoming involved in situations which are morally questionable or politically risky\textsuperscript{196}.

\textsuperscript{195} Confederation of British Industry's, www.cbi.org.uk. 20.06.2009.
Table 1.7. Theories of social responsibility

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<thead>
<tr>
<th>Approaches</th>
<th>Description</th>
<th>Literature</th>
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<tbody>
<tr>
<td><strong>STRATEGIC APPROACHES</strong> (focusing on achieving economic goals through pro-social activities)</td>
<td></td>
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<tr>
<td><strong>POLITICAL THEORIES</strong> (responsible use of the power of business in politics)</td>
<td></td>
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<tr>
<td>Corporate constitutionalism</td>
<td>corporate social responsibility stems from the social power it has</td>
<td>K. Davis, Can Business Afford to Ignore Corporate Social Responsibilities?, „California Management Review” 1960, vol. 2, pp. 70–76.</td>
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<tr>
<td></td>
<td></td>
<td>Perspectives on Corporate Citizenship, red. J. Andriof, M. McIntosh, Greenleaf, Sheffield 2001.</td>
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<tr>
<td>Approaches</td>
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<tr>
<td><strong>INTEGRATIVE THEORIES</strong></td>
<td><strong>(integration of social needs)</strong></td>
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1.3. The notion and theories of social responsibility

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<th>Approaches</th>
<th>Description</th>
<th>Literature</th>
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<tr>
<td><strong>ETHICAL THEORIES</strong> (action in order to achieve good society)</td>
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<td></td>
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<tr>
<td>Normative stakeholder theory</td>
<td>consideration of the company’s stakeholders as its trustees, its implementation requires reference to some theories of morality (Kant, utilitarianism, theories of justice, etc.)</td>
<td>R. Freeman, <em>Strategic Management: A Stakeholder Approach</em>, Pitman, Boston 1984.</td>
</tr>
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</table>


An interesting voice in the debate over the interpretation of the concept of corporate social responsibility is the so-called six myths of social responsibility by Ch. Arena197.

1. Myth one: social responsibility concerns doing good – the adoption of such an understanding requires a precise explanation of what is meant by good.
2. Myth two: the highest priority of responsibility is to make the world a better place – organizations should primarily focus on eliminating

the effects of their operations which have a negative impact on the environment, rather than undertake a new, separate action for the environment.

3. Myth three: highlighting the brand is the primary benefit of corporate social responsibility activities – innovation is a significant benefit of undertaken actions; there are many examples where actions raised the effectiveness of operation in terms of the quality of products and services, improved business models, quality management and operational improvements through which the development of the organization was much faster.

4. Myth four: corporate responsibility is important only for niche projects – it is important for all projects and it is up to the organization to decide whether to ignore or strategically use the achieved results.

5. Myth five: responsibility of the organisation does not always pay – actions are often superficial while the benefits of responsible action can be noticed only in the long term, and only if they are strongly correlated with the strategic objectives of the organization.

6. Myth six: the growing number of reports on socially responsible activities indicates an increase in these activities – an increase in the number of reports means only greater transparency in the activities of the organization; actions, apart from their measurement and publicity, should be optimized so as to bring the greatest benefit to society.

Naturally, in accordance with E. Freeman and R. Velamuri’s view, commitments to corporate social responsibility cannot be related only to large enterprises. Regardless of size or sector of economic activity, principles of corporate social responsibility are just as important and may have just as significant an impact on the local community.\(^\text{198}\)

According to P. F. Drucker’s statement, corporate social responsibility can be characterized by activity in two main areas. The first one includes the impact the organization has on society and the second, society itself, that is, what the organization can do for society. Social influences result not only from the products on offer or services in support of the environment but also from the facts of providing employment or having an indirect influence on the environment, e.g. its pollution. An important task of the organiza-

tion is to reduce the negative or adverse effects on the environment. The impact of the organization on society and the economy should be restricted as far as possible by the mission and purpose of the institution. Service to society is limited by the need to meet the basic conditions of a market economy, i.e. the profitability of enterprises. It must be borne in mind that the proper functioning of the institution is in the public interest, and each organization is primarily responsible for ensuring its proper functioning. This results in a limitation for the authorities of an organization to such social activities that have a positive impact on its operation. Organization managers should therefore certainly avoid actions that may induce a fall in efficiency or exceed the authority they have\textsuperscript{199}.

Assessment of CSR actions undertaken by organizations requires the adoption of methods of measurement. Enterprises strategically engaging in socially responsible tasks will seek to measure the impact on the surrounding environment and will endeavour to publish the results in a report, for both external and internal stakeholders. For one can perceive the growing conviction of public opinion as to the significant correlation between the influence on the environment and the financial results of the organisation\textsuperscript{200}.

There is no evidence to support the thesis of the negative impact of social activity on the organization’s ability to create wealth, which should weaken shareholders’ concerns about reducing their capital. In every case, corporate rationality maintains CSR activities at a level which, in practice, creates a specific compromise between business activity and the achievement of social objectives. A mutually beneficial situation is always created (a win-win situation), which indicates that responsible business conduct raises the value of the shares\textsuperscript{201}.

Corporate social responsibility is a complex combination of values and principles that describe how an organization should conduct its business. Some entrepreneurs, however, assume that this idea has its roots in supporting the local environment and is sometimes seen as a branch of corporate governance. In reality, organizations’ contribution to the development of their environments is often much higher than the value of taxes paid. As a result

\textsuperscript{199} P.F. Drucker, \textit{Myśli przewodnie Druckera}, op.cit., pp. 85–103.
it is social responsibility that is a strong driver supporting the development of the idea of corporate governance\textsuperscript{202}.

CSR activities usually concern the area of business and other organisations whose aim is profit. Partners’ co-operation in undertaking enterprises leads to mutual development thus influencing a particular industry. Companies’ co-operation can create a specific system of values conducive to their development\textsuperscript{203}. It regards organisations which are sensitive to the needs of their environments or which actually serve their environments due to the value systems they apply\textsuperscript{204}. Appropriate and transparent relationships with its stakeholders may turn out to be an important factor in the development of the company. Social responsibility is, after all “a philosophy of doing business [...] and business seen as responsible [...] leads to an increase in the competitiveness of a company”\textsuperscript{205}.

This does not mean, however, that the concepts and issues of social responsibility cannot be applied to representatives of the non-profit sector, which are universities. In the discussion on the issues of corporate social responsibility researchers usually focus their interest on the corporate sector. It is, therefore, assumed that out of the three main sectors of socio-economic activity in developed countries two – public administration and the social sector – are likely to act in accordance with the principles of social responsibility. In the author’s opinion this simplification seems to be far-fetched.

It must be borne in mind, however, that, regardless of the assumptions, the success of non-profit organisations is highly dependent on balanced strategic relations between the balance of benefits and the limitations resulting from the brand or the type of operation. An item of extreme importance in relation to the brand deserves to be stressed at this point\textsuperscript{206}. Its possession, understood as a recognizable attribute, is the strength of the organization, bringing a chance to win and maintain a competitive advantage, and, as a result, financial benefits, even if they are not the leading goal of the organization.

\begin{footnotesize}
\begin{itemize}
\item T. Wołowiec, Społeczna odpowiedzialność przedsiębiorstwa nową formułą zarządzania, „Ekonomika i Organizacja Przedsiębiorstwa” 2004, no. 3, p. 3.
\end{itemize}
\end{footnotesize}
Observation of public life shows that the public administration sector, otherwise referred to as the state sector, does not quite meet society’s expectations in terms of the administration of the state and its agencies. The institutions of this sector take a lot of actions, often simulated ones, whose actual aim is to improve the image of the sector, not to benefit the public.

Few publications refer to that issue in the context of the university. The third sector is a general term that is referred to social non-governmental non-profit organizations in general. These organizations often focus their activities in the field of health care, social care and education. The university as an outstanding representative of the third; the social sector is a particularly interesting object of study. In so far as the term “social responsibility” is used mainly for businesses with a clear target (accumulation of profit), then in the case of universities as institutions which operate in different economic conditions, and also having some “missionary” nature, there is a lack of unequivocal standards in this respect.

The origin of the study was the thesis that there are certain expectations of an active social role of the university. The essence of social responsibility and the importance of relations with stakeholders were studied in the research. It turned out that universities were building a model of social interaction through a set of appropriate actions. The reasons that affect the undertaking of such actions seem to be interesting from a cognitive point of view. Are they an expression of the need to establish social relations, or rather – following the model of the enterprise sector – a development of the university’s competitive position?

The results showed that the social responsibility of universities is usually associated with the conduct of educational activities in line with the rules of law and morality. Besides, it is focused on the education and formation of young people. Most importantly, the study showed that social responsibility also applies to the university, is an expression of the expectations of stakeholders and contributes significantly to the development of strategies.

The unique nature of the role of universities in the development of socially desirable attitudes was fully stressed by Z. Morawski, who believes that “higher education can be seen as a social system designed to fulfil a specific role within other social systems. Its mission is to acquire new knowledge and disseminate it in society.”

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207 Developed on the basis of the Non-governmental Organisations Portal, www.ngo.pl, 10.06.2010
208 M. Geryk, Społeczna odpowiedzialność uczelni w percepcji jej interesariuszy. Raport z badań, op.cit.
It is therefore legitimate to ask the question as to whether universities function as expected. For in social evaluation of the institutional structure of higher education the following activities are recommended:

- promoting public-private co-operation for the development of higher education,
- initiating co-operation between universities and local and regional self-government authorities.
- In turn, in terms of university management the following actions are postulated:
  - inclusion of representatives of business, politics and civil society organizations in university strategic management,
  - separation of the management of research, education and infrastructure\textsuperscript{210}.

Only some of the recommendations made by external stakeholders have been mentioned. However, if the university intends to properly establish and maintain relationships with the environment, the actions in line with the expectations seem to be more than desirable. The scientific and research potential creates favourable conditions for a full range of such activities.

Due to the management of the transfer of knowledge and the research they conduct, universities play a special role in the economy\textsuperscript{211}, and, therefore, the expectations of them, in terms of social activities, are higher. Universities should observe changes in the market and to educate staff and carry out research in the directions expected and desired from the point of view of the economic development of the country. This role is recognized in the form of a privileged position in the tax systems of many countries, including Poland. Due to the way they use profit, universities are included in the non-profit organisations sector\textsuperscript{212}.

Research practice is subject to ethical limitations and regulations. Similarly to other human activities, science should also be governed by moral principles. Scientific activity is, in fact, governed by accepted standards. They should lead to the harmonization of the values arising from responsibility,

\textsuperscript{210} These and other clues are contained in: \textit{Analiza SWOT Polskiej rzeczywistości społeczno-gospodarczej 2006 widzianej oczami młodego pokolenia}, idea and coordination of the project: M. Gomola, G. Maj, M. Czapka, P. Makowski, Ruch Młodego Pokolenia, Warszawa 2006, pp. 10–11.


understood as social responsibility of science before other values accepted in society, but also the responsibility of non-scientific social institutions before the rights of science.

It is worth remembering that any ethical stance should also refer to responsibility, which means both freedom and obligation\(^{213}\).

Application of science causes an increasing need of responsibility among the community using scientific achievements. At the same time the responsibility of scientists must be much higher but in reality it is each individual’s concern\(^{214}\). In the cases of researchers there is a particular responsibility for the quality of scientific information\(^{215}\).

In the systemic approach, the researcher must endeavour to obtain the greatest possible support from the environment. According to one approach, the researcher reacts objectively to the expectations of the environment by increasing reliability and credibility. We find here enthusiasm and positivism. Another approach assumes targeting only one’s own goals. In this approach, one can see opportunism and the desire to provide a means for the continuation of operations, with no regard for society. The fact is that the system of education must meet the requirements of the environment and it is a true characteristic of the concept of responsible science. Responsibility implies freedom, and at the same time also accepts the limitations of this freedom by a specific obligation. It should be noted that we are all responsible for science and the use of its achievements\(^{216}\).

Tax exemptions, which the legislature has given universities, significantly improve their financial performance. From the point of view of the public interest, it seems to be reasonable that these exemptions should encourage the promotion of social responsibility\(^{217}\). One gets the impression that the special treatment of universities in tax regulations actually assumes their involvement in activities as consistent with the public interest as a given. Since the subject of corporate social responsibility, according to Griffin is “a set of obligations of the organization to protect and to strengthen the society in which it operates\(^{218}\)” it can be assumed that this definition can easily find a place in the mission of each university. Fulfilling the needs of potential cus-


\(^{214}\) Ibidem, pp. 43–44.

\(^{215}\) Ibidem, p. 201.

\(^{216}\) Ibidem, p. 267–269.


customers in a socially responsible manner can clearly identify the main message of the existence of educational institutions of higher education.

One can specify a number of positive examples of effective involvement of non-profit organizations in promoting the idea of social responsibility. Many managers of these organizations take serious efforts to increase the scope of their social impact. After a thorough analysis of the costs and possible outcomes, after an evaluation of potential outcomes or changes and organizational efforts, it is worth engaging in dialogue with stakeholders so as to measure the obtained results in concrete terms. For it is difficult, in the face of the multitude of aims of non-profit organisations, to apply the same measure, using either quantitative or qualitative methods, to the achievements of organisations.

Either way, as P. Frumkin and M.T. Kim confirm, non-profit sector organizations play an increasingly important role in society. This is related mainly to the health care, social aid and education services.

In the changing environment, as well as in the face of the complex socio-economic processes, one can notice a tendency to blur the differences between commercial and non-profit organizations. For hybrid organizations arise whose purpose is to create economic and social values.

The essence of the problem is to coordinate the activities of the university to the greatest possible extent with the needs of the regional economy and the expectations of the local community. It is also important that universities adapt their educational profiles to the latest trends and demands of the global economy. It is impossible to omit the cultural differences, and thus, in the educational process it must be remembered to equip future graduates with the skills and knowledge that will enable them to move smoothly into organizations employing people with different educations, coming from different cultural backgrounds or with different work experience. The extent of such actions is best explained by the term glocal (global + local), or “think global, act local.”

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globally, act locally”, which can be related to the expected educational profile and the range of the university’s influences\textsuperscript{223}.

Universities must, therefore, be guided by global thinking. It is an additional factor reinforcing the actions of corporate social responsibility. The basis for such action must be putting the public interest above self-interest of the organization. Only long-term planning of purposes and systemic operations may condition the reinforcement the effects of socially desirable activities. Besides, they may also be necessary for the survival of the organization in the market\textsuperscript{224}. The research conducted by A. Gawel between 2006 and 2009, albeit in the corporate sector, point to the environment as a determinant of survival. Three groups of factors determining the survival of the organization are identified there. These are: the personality of the entrepreneur, the structure, and the environment in which the organization itself operates\textsuperscript{225}.

As indicated by the results of the author’s research, universities, recognizing the importance of the relationships with the environment, are willing to take action which shapes their image by creating the appropriate social relationships. Moreover, the vast majority of respondents perceive a large or very large impact of socially responsible activities on university management\textsuperscript{226}.

The evaluation of profit-oriented actions which are in line with the principles of ethics and social responsibility is formulated on the basis of the organization’s achievements in this matter. A number of tests and trials have been done to evaluate social and ethical activity. L. Zsolnai proposed to define ethical performance as the adoption by the company of ethical norms, while social performance was defined as the impact of the organisation on its stakeholders\textsuperscript{227}.

Nowadays, the very nature of society imposes on responsibility management. It is related to the fact that each company is an organ of society and fulfils some social function. It requires the manager to subordinate their actions to ethical standards, which may quickly be achieved through self-restraint of their authority. Such activity is also important for the social position of the or-

\textsuperscript{224} Ch. Arena, \textit{The High Purpose Company...}, op.cit., p. 95.
\textsuperscript{225} A. Gawel, Czynniki wpływające na przetrwanie lub upadek przedsiębiorstwa, „Ekonomika i Organizacja Przedsiębiorstw” 2010, no. 9 (728), pp. 3–11.
\textsuperscript{226} M. Geryk, Społeczna odpowiedzialność uczelni w percepcji jej interesariuszy. Raport z badań, op.cit., pp. 44, 63, 72, 74, 93 and other.
The nature of social responsibility

organization, but first of all it should be perceived in a much wider context. Responsibility is the highest duty to the company, society and lifestyle.228

Along with the social changes in the articulation of social needs in correlation with the rate of economic growth, one may expect that the concept of corporate social responsibility will also undergo a gradual evolution. For the cultural context in which the organization and its stakeholders exist is significant. And it is on the needs and capabilities of both partners, as well as developments in this field, that the future form of corporate social responsibility depends.229

1.4. The strategies of social responsibility

The assumption of philosophy is the assertion that we are able to, with the capability to create, shape the world in which we live. The archetype of entrepreneurship and instinct are the most important contributions made by organizations, mainly those conducting economic activity. The great strength of capitalism is that it creates opportunities for the development of new organizations from literally nothing. This is clearest form of social freedom that one can imagine. Every organization first came into being as somebody’s idea, but not just as a thought, also as a will, a sense and an expression of freedom to its creation. The paradox is that an organization once brought to life tends to lose the “will to freedom”. There are many stereotypes about the maturation of business – there is talk of displaying the entrepreneur-founder and replacing them with professional managers. They take over the control over the organization, which makes it more predictable. As a result, the organizations that began their operation as a product of freedom are transformed into oases of economic restraint and caution.230

Accepting the need and desirability of applying the principles of social responsibility, it is worth remembering that the problem of success in this field does not depend only on the desired intent. In the words of T. M. Jones, “as soon as the concept of corporate social responsibility is accepted, the problem, as before, remains its implementation”231.

It is important that among the new methods of organisation management, there appears a new form of cooperation leading from shareholders to stakeholders. This includes changes to the production process and services. Their

recipients are not just passive consumers, but the final form of the product or service is created in response to the jointly identified needs of stakeholders\textsuperscript{232}.

At the same time organizations in a natural way should meet the demands for social responsibility. Corporations are, after all, organs of society and as such are required to actively participate in social life by participating in local community activities and by supporting cultural or humanitarian activities. For example, through participation in the activities of public organizations they take the responsibility of a “good corporate citizen”. Incidentally, these actions may be a source of the development of the organization’s value and increase public confidence in the organization\textsuperscript{233}.

The role of organizations in society is also emphasised by Nien-hê Hsieh, who indicates that transnational corporations are responsible for promoting well-organised and well-functioning organisations in the societies in which they operate themselves and which do not operate in a perfect way\textsuperscript{234}.

Each organization is also established to play certain social roles. Responsibility for it translates into jobs for managers. They must take responsibility for the welfare of society. Their activities should therefore be subordinated to ethical standards. Naturally, this also applies to the efficient management of resources in such a way as to provide the opportunity to achieve the established goals of the organization in the future. The most important, however, is the awareness of the need to take action in the interest of society\textsuperscript{235}.

In the opinion of A. Lewicka-Strzałecki, the task of modern enterprises is not only making money. The essence of their actions is to seek to achieve certain social objectives. The organization operates, after all, in a specific social environment and because of the close relationship it has important obligations to that environment\textsuperscript{236}. However, the advantage of corporate social responsibility is the demonstrated positive relationship between pro-social activities and the achieved financial results. An organization which is better perceived by stakeholders, especially customers, achieves better performance\textsuperscript{237}.

\textsuperscript{236} A. Lewicka-Strzałecka, Odpowiedzialność moralna w życiu gospodarczym, IFiS PAN, Warszawa 2006, p. 18.
\textsuperscript{237} Ibidem, p. 26.
S. Lyndenberg, on the basis of many years of experience, identified three main strategies to influence the business community to take action in the wider public interest\(^\text{238}\):

1. Positive examples of socially responsible activities help to show how the increase in productivity and thus the benefits derived by the company may coincide with the creation of social benefits.

2. Models based on values may affect managers’ convictions about the benefits resulting from ethical behaviour in accordance with social norms rather than from the simple desire to multiply profits by any means, as long as it is allowed by law.

3. Measurement and reward systems allow for assessment of the progress of the business environment in developing the social values understood as creating long-term wealth and rewarding those who, by doing so, achieve the objective.

The analysis of the results achieved in the course of business activity and to the assessment of the extent of its compliance with the principles of corporate social responsibility poses a considerable difficulty for researchers. Currently, numerous reports related to these activities are published. There are serious difficulties in making comparing and evaluations.

For this purpose the Global Reporting Initiative\(^\text{239}\) (GRI) was created, among its many goals, one is to try to implement a systemic standardisation of social activities and formalise stakeholder information regarding these activities. Its assumptions divide reports into three main groups of indicators\(^\text{240}\):

1. Economic indicators – describe the direct and indirect impact of the company on the economic resources of stakeholders as well as on the economic system at the local, national and global levels;

2. Environmental indicators – they concern the natural environment, i.e. land, air and water; they contain products and services that impact on the environment through the consumption of energy, water, gas and other emissions, waste generation, the impact on the degradation of


\(^{239}\) The Global Reporting Initiative (GRI), headquartered in Amsterdam is a large network of many stakeholder groups consisting of thousands of experts in many countries around the world who participate in the work of the organisation, as well as in its management bodies, who develop guidelines for the preparation of reports, provide information included in them and also support its development in a formal and informal manner. Source: http://www.globalreporting.org/Home, 8.01.2009.

the environment, consumption of harmful materials, recycling, pollution, waste reduction and other environmental programs, expenditure on this protection and penalties and fines imposed for non-compliance with the environmental and harmful substances emissions regulations.

3. Social indicators – they illustrate the impact of the organization on the social system in which it operates; they are divided into three groups:
   a. employment practices, i.e. health care for employees and health and safety at work,
   b. human rights – employment of minors, etc.
   c. broad social issues affecting customers, local communities and other stakeholders (e.g. corruption, relations with the local community).

Presumably, however, there are many types of corporate social activities that are not made public. Such a situation is possible especially in small organizations or in those which for some reason do not pay proper attention to the important part of CSR, that is, reporting to stakeholders.\textsuperscript{241}

M. MacDonald and K. Peters announced a set of motives by which organisations are guided when publishing reports of their performance in terms of social activities in 2001. They described them as:

- the need to publicise the achievements among shareholders, employees, the public and other stakeholders,
- commitment to environmental protection and corporate social responsibility,
- a marketing impact tool,
- the need to control the process of the integration of sustainable development principles to the organisation’s management strategy,
- the need to act in a more social manner than before,
- showing commitment to the fight with competition and striving to become a leader of sustainable development.

The Euromed Management report, from a French business school established in 1872 educating nearly five thousand students within 14 programmes, may serve as an example of a report covering socially responsible activities. The report begins with a map of stakes, or the school’s commitments, set

\begin{footnotes}
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out on two levels of responsibility. Another element is to present the mission and vision of the university, developed by a CSR director, and to develop this aim as an attempt to educate a “socially responsible manager”, which explains the comparison with a conventional manager. It is complemented with a statement from the president of a student organisation who emphasizes the role of universities in driving evolutionary changes in society, whose authors should be students. A description of how the university is managed along with a presentation of its financial performance provide an introduction to the presentation of a set of socially responsible activities undertaken by individual university departments. Stakeholders’ expectations, both relating to the functioning of the university and to the undertaken research and didactic activities, were presented in graphical form. The university strategy was shown as five circles merging into a single strategy. These actions are:

4. **Think our research.** The “stake” of undertaken actions and their alignment with principles 2 and 4 of PRME were presented. Undertaken research projects were described and a list of involved professors, indicating the field, publications and other academic activities, was presented.

5. **Train our Pedagogical Approach.** The “rate” of teaching activities was described by showing the extent to which university curricula, both first degree, second degree, MBA and other courses, as well as co-operation with other universities, comply with the principles set out by the Global Compact.

6. **Inform – Communication and Events.** The “stake” is compatibility with the first PRME principle. Measures are taken, such as Sustainable Campus or Equity, whose aim is to organise workshops to popularise wider social responsibility, also in business relations. An important element of this part of the report is a list of organised conferences and participation of university representatives in events organized by other universities or institutions.

7. **Co-create our networks.** Understood as learning from others but also with others. The aim is to give back to the environment as much as is received from it. It is assisted by the active participation of universities in such organizations as REFEDD (a French network bringing together students

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244 Ibidem, pp. 16–17.

245 Ibidem, pp. 18–94.

246 PRME principles have been presented in Table 2.1 in Chapter 2.
involved in sustainable development), the Confederation of the Grandes Ecoles, Responsible Campuses Initiative, the PRME/Global Compact, etc.

8. **Act – a school with civic responsibility.** The main “stake” is the sixth PRME principle related to the initiation of dialogue with stakeholders. Striving for the coherence of actions aims to bring out the strengths of the university. It is facilitated by reducing the negative effects of their operation. This allows for the adoption of best social practices and for being guided by intentions accepted by stakeholders.

At the end of the report the projects carried out by students and best practices, as examples of the academic environment actions, were presented.

A noteworthy accent ending the report is the request to audit it and fill in a questionnaire together with an assessment of one’s satisfaction with its content on a scale of 1 to 5. Criticism, praise and pointing to good ideas are expected. The form of the report, as well as the actions described therein, is subject to assessment.

As befits a report in the field of sustainable development, the publication was printed on recycled ecological paper, it also includes a guarantee that it is 100% natural and written without the GMI – Genetically Modified Intelligence.

Researchers on the subject, however, raise many questions related to the assessment of socially responsible actions from the perspective of the need to make them public. There are concerns that they accidentally serve the purpose of creating a positive image of the organization instead of fulfilling the actual goal of the undertaken activity. Some companies do not take the desired action for fear that, in general, it only serves to improve their public relations. They often accept the vocabulary used or the appropriate techniques, yet the actual action remains unchanged.

A study by KPMG showed that only 40% of large companies lead a formalized dialogue with stakeholders. At the same time 32% of companies use the opinions of community members concerning the published reports, and only 8% provides public responses to the observations reported in this way. This shows that it is easier to take action to move stakeholders away from the mainstream of the organization’s operation rather than fully engage and inform them. Taking innovation-related actions in the field of the regulation of socially responsible activities or reporting, as well as in the area of partici-

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pation in the organization’s operations and in its decentralization, is defined as the new governance. These assumptions, for example, social reporting as a form of democratisation of the relations with the environment, if implemented properly, may help to popularise the idea of sustainable development.249

The legal dimension of corporate responsibility leads to the fact that in the global economy society’s expectations towards the organization are becoming higher. They concern human rights and go far beyond the legal requirements. Organisations often make promises of proper treatment for employees, regardless of the country in which they operate. Breach of these promises may cause loss of public confidence and, in many cases, lead to legal sanctions. Each stakeholder should be aware of certain activities of the organisation and of their compliance with the relevant provisions of law, also in other countries.250

How important is the concept of compliance with the strategy’s methods, as well as with the expectations of stakeholders, may be proved by the fact that Siemens has entered such wording in its code of conduct: “Compliance is not a programme – it’s a way of doing business.”251

One example of action on the edge of law is lobbying. Many companies often undertake lobbying activities whose sole purpose is to effectively circumvent the inconvenient rules or regulations. Organisations go to great lengths to build the image of a responsible member of the community. However, they fail to promote good social policy. It is important that lobbying becomes an essential component of CSR strategy. Without the cooperation and involvement of society, even programs beneficial in their assumptions will have a very limited range.252

The principle of double effect (PDE) consists in the fact that the leader is not only responsible for the results of planned and taken measures but also for the planned or unplanned results of these actions. O. Wiggen and L. Bomann-Larsen have developed a few tips to help with the implementation of the principle of double effect in the decision making process. One should:

1.4. The strategies of social responsibility

- ensure that all activities of the organization are legal, i.e. they are conducted in such a way as to generate sustainable growth in value for stakeholders, and the actions themselves must be based on legal regulations and moral principles,
- take steps to anticipate the effects of the actions in the future, i.e. to identify potential stakeholders properly, to explore the culture, economic and social conditions of the country in which it operates, to identify threats in the form of the risk of double effect, to evaluate the risks associated with involving stakeholders in the development,
- consider who the organisation is linked to – it is an assessment of who is supported financially, politically and morally with the involvement of the organization,
- minimize the phenomenon of adverse side effects, i.e. if it is known that there are cases of violation of the law in a particular environment, it must be ascertained that the organization derives no benefit from this situation,
- use “moral imagination”, i.e. look for alternative solutions in terms of both the location and type of action.

Analysis of the issue of the sustainable development of organisations must lead to the development of a strategy which can both bring value to stakeholders and support social and environmental programmes. It is also important that society is properly informed about such actions. The problem is, however, that it is not enough to publish information on the social activities of the organisation. A true leader must take action to make a profit from each stage of activity, including the socially responsible one. Including CSR in the main strategy of the organisation should be a good way to achieve it\textsuperscript{254}.

Creating an integrated strategy is presented in Figure 1.8.

At the same time, taking integrated action can lead to the achievement of tangible benefits to the organisation. Their influence is shown in graphic form in Figure 1.9.

The nature of social responsibility

Figure 1.8. Integrated strategy

Figure 1.9. Potential benefits of socially responsible actions for the organization.

The strategic model of corporate social responsibility (Figure 1.10) presents in graphic form the relationships between the issue of CSR and strategy. The effectiveness of an organisation requires active policy measures so as to be able to achieve the strategic objectives and targets for social responsibility.
The degree of integration of CSR principles with the organisation’s strategy leads to an increasing range of opportunities to build new relationships and to influence the institutions that affect its development. The most important thing, however, is that activities in the field of social responsibility focus on creating added value, for without profit the organisation will not be able to survive in the conditions of a market economy. Activities in the field of brand building and developing the image may only constitute additional value.

Figure 1.10. Strategic model of social responsibility.


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255 Ibidem, p. 190.
An important issue in the design of a particular business model is the use of its content, the existing structure or the specific internal and external transactions, to create a base for the development and efficient use of the available opportunities. The design of a business model may simultaneously become a source of innovation, and, in a highly dynamic environment, it is a source of protection from competitive pressure. Unfortunately, along with the ageing of the organisation, its willingness to take risks decreases and the pressure for innovativeness wavers.

It should be noted that in the conditions of a turbulent environment, competitive advantage depends on the degree of co-operation with other organizations, and adopted social and environmental policies are essential tools for strategic management. These actions, however, must be supported by the strength of social capital, and it is only the ability to create a network of social relations and to manage them, can a competitive advantage to the organization be provided.

Many organizations undertake integrated actions in this field. Instead of taking multiple individual actions in the areas of social responsibility, environment protection, philanthropy or ethics, they combine these activities including them in the overall business strategy. This significantly increases the efficiency of performance in each of the areas. The most commonly reported long-term effects are:

- the improvement of the condition of the organisation,
- increased employees’ morale, their efficiency and productivity,
- significant competitive advantage,
- increased customer loyalty,
- improved relations with suppliers,
- opportunities for medium- and long-term growth of the organization.

Corporate social responsibility activity may mean taking action whose results may have a different dimension. Figure 1.11 presents in graphic form the range of potential socio-economic benefits arising from the adoption of

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257 P. Kordel, Analiza przyczyn i form kształtowania strategicznych sieci międzyorganizacyjnych: wyniki badań empirycznych przedsiębiorstw w Polsce, „Ekonomika i Organizacja Przedsiębiorstw” 2010, no. 9 (727), September, pp. 29–36.

258 Ch. Arena, Cause for Success, New World Library, Novato 2004, pp. XVIII–XXIII.
an appropriate proportion of activities carried out to make a profit and philanthropic activities.

The social commitment of an enterprise and its ethical operation have a positive impact on the environment in which the company conducts its business activities. The economic effects of such actions are obvious: an increased level of customer loyalty, market stabilisation and the ability to reduce labour costs through a substantial increase in the level of employee motivation\textsuperscript{259}.

![Figure 1.11. Convergence of interests.](image)


Achieving an optimal size in the newly created socio-economic value, however, requires a selective choice of action. In the case of philanthropic activities it will be the choice of such a beneficiary who will most effectively use the resources entrusted. Developing the knowledge and supporting the achievement of the best results of supported people and institutions are also important instruments for achieving the objective. This action is shown in Figure 1.12.

Manager activity in corporate social responsibility may lead to the adoption of one of the four attitudes identified by A. Kinicki and B. K. Williams:

1) obstructionist manager – not only avoids socially responsible activities but even acts unethically, sometimes going as far as illegal activities; this attitude presupposes the primacy of financial gain and resistance to pro-social activities as remaining outside the strategic interest of the organization;

2) defensive manager – a defensive posture, it involves undertaking minimum CSR activities, only in the dimension enforced by legal regulations and others; this attitude presents the greatest similarity to the views of M. Friedman on the objectives of the organization;

3) accommodative manager – takes action to a greater extent than required by law, demonstrating mild social responsibility;

4) proactive manager – actively leads the socially responsible actions directed at stakeholders by using the resources available to the organization to correctly identify and respond to the formulated social objectives.

A similar scheme of the decision-making process expressed in the form of adopted attitudes was presented by J. A. F. Stoner, R. E. Freeman and D. R. Gilbert. They distinguished the following attitudes: reactive, defensive and pro-

active\textsuperscript{261}. Both visions of the description of the social efficiency of business operation, although with some modifications, were based on the idea of the integrated model of socially responsible business operation by Wartick and Cochran\textsuperscript{262}.

The organisation should understand what the real reasons for its success in the marketplace are. It is a close relationship between the achieved market position and natural advantages, such as geographic location, access to customers or skilled workers. It is therefore important to determine how the functioning of the organization is dependent on environmental influences. This must lead to an attempt to determine the social and economic contract, which should be based on trust and credibility on both sides and contribute to the creation of the social capital of respect. It is facilitated by high organizational competence, i.e. the ability to establish socio-economic contracts based on partner relations. Another important clue are the practices of organizational learning inspired by the company in order to use the experience gained from the practice of its operation for the further development of the team of employees so as to increase competitive advantage\textsuperscript{263}. This aspect is highlighted by J. Adamczyk, who claims, however, that market economy is a place for both organizations which are socially active and those less sensitive to the needs of their environments. He puts all hope for the development of corporate social responsibility in the growing awareness of the public, in a strong articulation of needs and their more effective enforcement\textsuperscript{264}.

Developing a strategy requires a proper understanding of the social vision of the organization. It describes the environmental, ethical and social responsibility of the company before the community and society\textsuperscript{265}. It is supposed to be a sort of guidance and help in the orientation of the company to achieve its own objectives in line with social objectives. It is also a commitment to stakeholders that the organization will:

- influence the community in which it operates,
- respond to social needs,
- initiate and develop measures to protect the environment,
- treat their employees with dignity and respect,

• promote human rights,
• initiate ethical and open conduct towards shareholders, employees, customers, local authorities,
• collaborate with external stakeholders in solving local community problems.

According to E. M. Burke, there are three main premises of social vision266:

1. The organisation takes action to ensure stakeholders that it introduces new rules of conduct, especially in the following areas: care for the environment, promoting human rights, adopting codes of ethics, showing openness and transparency in its dealings with customers, employees and local community groups, promoting diversity at work, helping to solve social problems, supporting charities and finally paying taxes lawfully.

2. As studies show267, shareholders, employees and customers pay attention to the attitude of enterprises, their sensitivity to the quality of life in communities and societies; along with the increasing conviction of the public about the growing importance of social vision and with the increased commitment of business actions in accordance with its provisions, the favourable attitude increases; this attitude also improves relations with the authorities and thus the organisation becomes more trustworthy268.

3. The third factor is the effect that an implementation of social vision has on the perception of the company and its brand; social vision should cover a much wider range than the vision of the economic development of the organisation; it results from the fact that the products and services of world-class companies are often associated with widely recognized pro-social activities – a positive response to the ethical, social and environmental expectations of the environment.

The highest form of organisational development is the full integration of the company’s mission and social vision. This leads to perceiving it as an integral part of the vision of the organisation’s development. The company becomes then a truly responsible citizen, and the principles of social responsibility are fully integrated with strategic objectives.

267 Making the Business Case: Determining the Value of Corporate Community Involvement, Boston College, Center for Corporate Community Relations, Chestnut Hill 2000.
The issue of corporate social responsibility is important in shaping leadership attitudes. It is so because the problem of responsibility becomes, beside the aim or values, the leading idea, no matter whether we consider it in a global context or only within a single organization. The significance of the problem is highlighted by research findings published in 2002 by PricewaterhouseCoopers. They prove that social reputation is a feature most valued by managers of multinational corporations (CEOs worldwide). The results point to various components of the social reputation of the organisation. Interestingly, European executives ranked efforts to protect the environment higher than actions for other stakeholders or shareholders.

On the basis of an analysis of the experiences of 20 companies operating on a global scale J. Cramer formulated ten practical steps:

1. The jungle of many different guidelines and standards organizations must proceed as planned in order to effectively navigate in this maze of suggestions and proposals.
   - Action one, measure and evaluate the current state of corporate social responsibility, e.g. on the basis of OECD guidelines.
   - Action two: create a priorities policy and act in accordance with international standards in this area.

2. The creation of codes of ethics is necessary for the proper implementation of the principles of social responsibility. This is due to the fact that internal communication is a tool to effectively promote these principles among all employees. Codes of ethics are necessary to establish proper communication between the organisation and its stakeholders so as to ensure that the management’s intentions were understood correctly.

3. Moral and cultural considerations are important to local communities. This means that local managers should, with greater involvement, take into account the cultural aspects of the environment in which they operate.

4. Internal factors of the organization have a significant impact on whether the main principles of its policy on social responsibility will be implemented with positive results in local branch offices.

5. Activities related to the implementation of CSR strategies should be carried out in a planned manner.


6. Strategy assumptions of operations in a given country should be tailored to the needs of that society and their customs.

7. Organisation of the chain of responsibility in the international context requires a structural approach to the issue.

8. A complete transparency of activities is required so that compliance of the adopted code of ethics with the assumptions of CSR can be verified.

9. Supranational organisations may have a positive impact on the economy of the countries in which they operate, through the main directions of their activity. It is mainly about providing products or services that may significantly affect the technological progress or be effectively used in another way.

10. The future of social responsibility at the international level may take many forms. Actions must always take into account local needs. Nevertheless, CSR should be seen as an opportunity rather than a threat in the global economy.

Communication is an effective tool to influence the people who make up the organization. As an essential component of organisational culture, it serves the purpose of reporting successes and failures as well as of indicating the way to achieve success in the implementation of social responsibility. One way is to try to transform the organisational culture into action and the challenges ahead, and most importantly – with no change in the mainstream of the organisation’s operation. Communication also helps to extend the scope of individuals who are subject to the codes of ethics to suppliers, who partially affect the public perception of the organisation and its products.

Effective communication can be a great bond linking projects in the field of corporate social responsibility within the organisation. It makes communication a key and essential skill needed for every member of the management team. This open formula of exchanging ideas, based on mutual respect, will turn out to be a great support for the implemented strategy; provided, naturally, that managers will be actively involved in its implementation.

In order to build permanent public trust, it is worth focusing not only on the well-being of the organisation and achieving its targets – in the case of universities related to their participation in the education market or to increasing the number of students. Civic and social obligations incumbent on

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managers, often functioning as an unwritten code of conduct, must be treated seriously. The professors of management at Harvard Business School in Boston, R. Khurana and N. Noria, went so far as to develop their own proposal for a code for managers. Other professional codes, such as the medical code, served as their inspiration. Its purpose would include, among others, efforts to restore a lasting social trust, mainly by taking into account public opinion and the practical use of the best knowledge available\textsuperscript{274}. The code is presented in Table 1.8.

Table 1.8. “Hippocratic Oath” for managers

<table>
<thead>
<tr>
<th>As a manager I am a trustee of the society responsible for one of its most important institutions: the company, which through a combination of people and resources produces valuable products and services, which no man would produce alone. My goal is to serve the public interest by raising the value that the company assigned to me creates for society. Durable and sustainable value arises when, in economic social and environmental terms, the company provides results that are measurably higher than the alternative costs of all resources used. In fulfilling my role:</th>
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<tr>
<td>• I am aware that any company is a place where the interests of many different groups intersect and that they may be mutually contradictory. In order to balance and reconcile them I will choose the path that will lead to an increase in the value produced by the company for society in the long-term. The implementation of this objective can sometimes be at the expense of the growth or survival of the company and may require me to take such tough measures as restructuring, business interruption or its sale, if that is what will preserve or increase the created value.</td>
</tr>
<tr>
<td>• I promise I will never put personal gain before the interests of the company whose management has been entrusted to me. Following ones of self-interest is an important stimulus of the capitalist economy but unbridled greed may be an incentive for an equally large, yet destructive, force. Therefore I will avoid decisions and behaviours conducive to realizing my personal ambitions, and harming the interests of the company I manage, and the society which it serves.</td>
</tr>
<tr>
<td>• I vow to present the results of my company in way that will be fair and transparent to all interested parties, so as to allow investors, consumers and public opinion to make decisions based on reliable and comprehensive information. I will make every effort to help people understand how the decisions that affect them are made. My choices will not look accidental or dictated by prejudice.</td>
</tr>
<tr>
<td>• While running the company and making choices, I will use the best available knowledge honestly, conscientiously and consciously. When making decisions I will seek advice from my colleagues and others who may have valuable information. I will also continually invest in upgrading my skills following the progress of the management science, while remaining open to innovation. I will do everything in my power to educate both myself and the following generations of managers, and to contribute to the systematic development of the profession as well as to the improvement of the well-being of society.</td>
</tr>
<tr>
<td>• I promise that I will comply with the regulations and contracts governing my behaviour, my business and the environment in which it operates both in their content and spirit. With my behaviour I will serve as a model of honesty and act in accordance with the values that I profess publicly. I will also require this honesty from others and reveal any action in contradiction with this common professional code.</td>
</tr>
<tr>
<td>• I will not let the decisions I make be influenced by race, gender, sexual orientation, religion, nationality, political preferences or social status. I will make every effort to protect the interests of people who do not exercise power, and whose well-being depends on my decisions.</td>
</tr>
<tr>
<td>• I realize that my position and privileges arise out of the respect and confidence enjoyed by the profession of manager.</td>
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As a result of ten years of research and analyses, D. Birch identified ten rules of civic governance\textsuperscript{275}:

1) action should be taken in the field of corporate responsibility which goes beyond the main business objectives;


communication with the environment should be interactive, not transactional;
knowledge of the diversity of the local community is important for the conduct of business;
action should be taken to reduce the differences between the private and public sectors;
action should be taken in the field of social responsibility which goes beyond the bare minimum legal or customary requirements, etc.;
the development of employees should be supported by expanding their knowledge beyond that required at their workplace, also in terms of social responsibility, promotion of diversity, avoiding discrimination, etc.;
long-term changes must be based on education in all areas related to the activities of the organization;
all activities must be inspired by ethics, not only in actions but also in thinking about the planned future activities;
the values by which the organization is guided should be well known to all employees to the extent that it will make them strongly identify with them;
creating new value for the management, employees, customers, local communities, with the full involvement in the process of all employees, should be the primary rule of business.

Considering the strategies of social responsibility, it is difficult to ignore the role of a responsible leader. It is worth referring to the works of J. MacGregor Burns, who introduced the distinction between transactional and transformational leadership. The former is spoken of when the manager sees an opportunity to exchange one thing. The exchange may have an economic, political or psychological dimension, while the leader is a manager of a mutually beneficial transaction. On the other hand, transformational leadership occurs when both the leader and their follower have the ability to change for the better. At the same time, the person supporting the leader may become one also\textsuperscript{276}.

In the author’s understanding, the leader’s role is to effectively motivate subordinates to move to higher levels of morality, i.e. to enhance their personal moral qualifications and to take into account social needs on a much wider scale. The development of appropriate relationships and employees’

participation in management may be the key to ethical leadership and moral management.

Ethical leadership in management must go beyond process action. Ideas submitted by independent individuals should also be taken into account and used to enhance the technique of ethical leadership. The ideal of ethical leadership supports basic ethical values at the level of the organisation. Certainly, however, ethical management requires a change in thinking about management styles. First, managers need to understand that their primary objective is not only to act as an effective agent of shareholders/stockholders. They also have obligations to the other stakeholders, and their primary role is related to expectations and obligations. The key to ethical management is respect for people and for their autonomy as voluntary participants in an enterprise. An ethical manager should share information and sometimes the decision-making process, rather than promote their own person as the only strong leader.

Creating a business environment for economic organisations is the prerogative of the state as a legislator. In turn, companies have the possibility to decide whether and to what extent they intend to engage in a process of responsibility. The adoption of a specific strategy and the scope of social responsibility are the domain of social action management at the level of each organisation.

It is obvious that any action that an organisation takes will have an impact not only on itself but also on the environment in which it operates. In an attempt to assess the effects of the impact of the organisation on the external environment, one must make sure that the environment includes both the local environment and the more extensive, global environment. The effect of the organisation’s impact may take many forms, such as:

- use of natural resources as part of the production process,
- intensification of competition between organisations operating in the same market,
- enrichment of the local community by creating jobs,
- change of landscape due to the extraction of raw materials,
- distribution of the profits of a company among its shareholders in the form of dividends or wages paid to employees that affect the improvement of their living conditions.

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Many world famous corporations describe their activities as socially responsible, judging them, however, according to two criteria: the financial performance and the social performance. This means that organisations must successfully combine the traditionally understood tasks related to their business and the forward-looking vision of social goals. By doing so, they alter the meaning of corporate social responsibility and enhance interest in playing an increased role in the development of appropriate social attitudes. Naturally, taking such action requires an awareness of their need, and most importantly – constant attempts to clarify the organisation’s practices in terms of social responsibility\textsuperscript{280}.

Planning a responsible management strategy requires taking the interests of the environment into account. High requirements related to the fact of deep corporate interaction with the environment impose, among others\textsuperscript{281}:

- avoiding environmentally harmful activities,
- taking responsibility for the damage,
- integration of quality, ergonomics, safety, environmental protection and efficient use of resources to a set of key objectives, missions and strategies of the organisation.

The results of the empirical studies conducted by P. Berrón and L. R. Gomez-Mejia on a group of 469 U.S. companies based on long-term data showed that the behaviour conducive to protecting the environment is important for the achievement of social trust. One way to support the environment protection strategy may be to adopt criteria and use them to evaluate manager performance. Such activities may contribute to a more sustainable use of natural resources for the benefit of all stakeholders\textsuperscript{282}.

D. Grayson and A. Hodges developed an interesting strategy to adapt the idea of corporate social responsibility in such a way as to bring measurable benefits. They described an analytical process consisting of seven stages which shows what decisions should be taken and in what order. This process


involves making final decisions on the basis of the information obtained successively during the transition between successive steps. Table 1.9 presents descriptions of each of these steps.

Table 1.9. Seven steps of the implementation of the CSR strategy

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Actions</th>
</tr>
</thead>
</table>
| 1   | Identifying the triggers    | • identification of the potential effect of social responsibility factors on the external environment  
|     |                             | • identification of the potential impact of stakeholders               |
|     |                             | • overall, total assessment of the likely impact on the business       |
| 2   | Scoping what matters        | • identification of potential business strategies                      |
|     |                             | • review of the hitherto strategy in terms of the impact of stakeholders' needs |
|     |                             | • further improvement of the strategy in terms of current market needs and on-going management |
|     |                             | • preparation of the ranking of strategies in accordance to their importance to the business |
| 3   | Making the business case    | • a comprehensive analysis of the impact of the proposed policies on the structure of revenues and expenses, with the support of the marketing mix and other activities of the organisation |
|     |                             | • analysis of the consistency of the implemented policies, analysis of key objectives and the market advantage |
|     |                             | • assessment of the relevance of the strategy to organisational culture |
|     |                             | • preparing a ranking of the most attractive strategy                  |
| 4   | Committing to action        | • evaluation of the joint impact of the proposed action on the values of the organisation and the quality of leadership and the return impact |
|     |                             | • assessment of the impact on the adopted principles of management and corporate governance |
|     |                             | • identification of the actions for society which will be undertaken, and proper methods of their communication |
| 5   | Integration and gathering resources | • assessment of the resources to be involved to make an effective implementation of the adopted strategy and the relevant operational changes |
|     |                             | • identification of the missing resources, and identification of their potential sources |
| 6   | Engaging stakeholders       | • assessment of the impact of the proposed strategy on stakeholders and assessment of the return impact |
|     |                             | • identification of the role the organisation should play to fulfil the expectations of stakeholders in the implementation of the strategy |
|     |                             | • identification of the necessary actions needed to play the role expected by stakeholders |
| 7   | Measuring and reporting     | • identification of what data is necessary for the measurement and report preparation |
|     |                             | • preparation of a summary of the actions taken                        |
|     |                             | • ways of assessing the progress of actions                             |


The implementation of the principles of social responsibility affects the structure of the organisation, requires a greater control of processes, may entail the purchase of more environmentally friendly equipment or other modifications. Thus being socially responsible entails additional operational expenses. It is assumed that such a strategic orientation of the organisation must
produce profits in order to satisfy the first condition of CSR, which is to bring benefits to the organization, in other words – sustainable business practice. For it is hard to imagine a continuation of socially responsible activities in the face of increasing losses for the organisation. The benefits of implementing CSR may be greater brand recognition and the ease in finding partners because of the high social reputation, and that, as a result, adds value to the organisation. Moreover, the effective adoption of CSR principles makes the organization more transparent and less vulnerable to corruption risks. An important value is the smaller risk of negative social events, which may affect the image and reduce the value of the brand\textsuperscript{283}.

It is worth noting, however, that relations are of a more durable value than the brand. It is their quality that determines the market power of the organisation. It is due to the two-way communication with stakeholders that long-term relationships may be created. After all, the point is to consolidate the strategic orientation of the organisation towards the customer\textsuperscript{284}.

A higher form of brand building is to focus on the values that the brand brings. It must produce an emotional and functional value. An incessant analysis of the expectations of the stakeholders will lead to the adoption of the appropriate management strategy, the most appropriate one, that is, from the point of view of the expectations of the environment\textsuperscript{285}.

Effective systems for measuring the social value created by organisations have also been created. One such tool is the GoodBrand Social Equity Index developed by GoodBrand Sociovation\textsuperscript{286}.

Proactive environmental management is integrated with the management system. It is related to complex actions involving the formation of services and bringing them to the market, which is accompanied by activities related to meeting the expectations of stakeholders in the field of environmental protection. Measuring the level of proactivity can be made in four dimensions of environmental management: planning and organization of environmental management, environmental logistic processes, ecological design and development services, and ecological production management\textsuperscript{287}. In the light of


\textsuperscript{286} http://pl.sociovation.com/pl/node/80, 20.06.2011.

empirical research, it appears that only adaptation to the specific internal and external conditions of companies can significantly affect the quality of performance and the environmental effects which occur alongside the expected economic achievements\textsuperscript{288}.

Making efforts to implement health and safety management systems may prove to be useful in such activities. More often, however, the need for integration of quality, environment and safety management systems as well as for creating in their place a single, comprehensive and coherent management system is discussed. One must remember to adopt ergonomic solutions, which provide the necessary results and continuous quality improvement in all aspects related to the functioning of the company.

Each organisation must decide for itself whether and how it intends to implement the idea of social responsibility. B. Rok formulated 20 recommendations useful in this action. They are presented in Table 1.10.

<table>
<thead>
<tr>
<th>Table 1.10. Twenty steps to building a social responsibility management system</th>
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<tbody>
<tr>
<td>1. Identification of key internal and external stakeholders.</td>
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<tr>
<td>2. Identification (or modification) of the long-term vision for the company’s development and its operational mission, including the values essential to the operation of the company.</td>
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<tr>
<td>3. Initial formulation of social policy priorities.</td>
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<tr>
<td>4. Designation of individuals responsible for the implementation of the social policy taking into account the representation of managers and employees.</td>
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<tr>
<td>5. A specific “inventory” of the voluntary (not required by law) programmes and commitments made by the company in recent years to various stakeholder groups.</td>
</tr>
<tr>
<td>6. Overview and detailed analysis of the CSR strategies in other comparable universities (benchmarking).</td>
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<tr>
<td>7. Arranging meetings with key stakeholder groups to better understand mutual expectations and the results of previously conducted programmes.</td>
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<tr>
<td>8. Formulation of the rules of the social policy, taking into account the existing expectations and opportunities, the on-going objectives, planned procedures.</td>
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<tr>
<td>9. Identification of detailed procedures on the basis of existing conditions (legal regulations, voluntary commitments, operational objectives, financial outlays).</td>
</tr>
<tr>
<td>10. Creating and implementing the strategy of responsibility towards particular stakeholder groups (in particular: employees, the local community and customers).</td>
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<tr>
<td>11. Integration of the social policy with the internal communication system (intranet, factory newsletter).</td>
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<tr>
<td>12. Providing employees with training and interactive workshops on social policy.</td>
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<tr>
<td>14. Documenting the principles, methods and results (internal reporting).</td>
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<tr>
<td>15. Periodic review by university authorities or an external auditor.</td>
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\textsuperscript{288} A. Ryszko, Zarządzanie środowiskowe w przedsiębiorstwach, „Ekonomika i Organizacja Przedsiębiorstw” 2008, no. 10 (705), pp. 38–45.
During the implementation of the principles of social responsibility, the standards adopted in this regard may turn out to be useful. The Social Accountability 8000 (SA8000) could be an example. It is a norm that can be subjected to the auditing and certification process. It is based on international standards of the protection of human rights, as recommended by the International Labour Organisation (ILO), the UN Convention on the Rights of the Child and the Universal Declaration of Human Rights. The main assumptions of the norm concern:

- prevention of child labour under 15 years of age,
- fight against forced labour,
- health and safety,
- freedom of association,
- preventing discrimination,
- fight against the death penalty, but also with physical and verbal abuse,
- length of the workweek (not exceeding 48 hours),
- equitable remuneration,
- assumptions of the management systems in place.

The process of certification, according to SA8000, involves checking the compliance of the procedures adopted by the organisation with the provisions of the norm. The audit is conducted by an external certification unit, which must be affiliated and accredited by the Social Accountability Accreditation Service.

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289 The mission of the Social Accountability organisation is fighting for the rights of employees around the world by promoting the standardization system, particularly the use of SA8000; http://www.sa-intl.org/, 12.01.2009.
1.4. The strategies of social responsibility

The purpose of the thus devised standardization process is the development of the management process of the issues which are affected by the norm.

Actions towards the adoption of a strategy based on the concept of corporate social responsibility taken by some organisations result from the search for additional sources of income. These actions may have a defensive character. In this case, the company is trying to protect its business from the potential risk of stakeholders turning against it. An example of stakeholders’ protest may be, for example, boycotting its products or services, or non-market activities such as exerting pressure for regulatory change. Customer preferences may also have a positive impact on changing the profile of the market offer through its enrichment with things expected by stakeholders, such as production from recycled materials, or offering services at a high level, in line with the needs of the local market.

Establishing good relationships with stakeholders may bear fruit in the form of effective lobbying for the solutions expected by the organisation. However, this is only possible when a company listens to the needs of the environment and demonstrates an understanding of the needs of customers, employees and local communities.

Taking comprehensive measures related to the implementation of the broader concept of social responsibility in organisational management strategies can lead to certain tangible benefits. For it is difficult to expect that the only motive for these efforts will be the pressure of stakeholders. The results of these efforts may bring the most benefits to organisations which will make social responsibility an integral part of their image. If, however, as claims J. Adam-

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290 The Social Accountability Accreditation Service is structured and operates as an accreditation institution. It manages and directs the conduct of accreditation, including fulfilling, maintaining, extending, reducing, suspending and withdrawing accreditation for appropriate social standards and verification codes, such as SA8000 and InterAction. The main directions of SAAS activity focus on: accrediting and monitoring organisations attempting to act as ones which issue certificates of compliance with social standards, including the Social Accountability 8000, as the standard for ethical working conditions, InterAction PVO Standards and other related standards and norms; providing accreditation services to certification bodies; establishing a requirement for certification bodies how to meet the requirements for audit standards and principles in terms of social standards; providing certainty to all stakeholders that SAAS accreditation decisions and those of certification bodies which are empowered to issue certificates meet the requirements of the norm; constant improvement of the process of accreditation and certification in accordance with the requirements of the ISO/IEC Guide 17011 and the procedure 201 Accreditation of Certification Bodies of Social Accountability Systems. The SAAS staff is responsible for the daily operations whose aim is: expansion of the international recognition of the accreditation programme and its social values, rapid resolution of complaints and problems, annual improvement of the quality and reliability of accreditation services, so as to better fulfil the mission of social standards. On the basis of: http://www.saasaccreditation.org/about.htm, 12.01.2009.

czyk, in some measure accidentally, a single organisation, while benefiting from those actions, creates added value in the form of some good for a particular social group, then it is social contribution of the enterprise\textsuperscript{292}. According to many managers’ and advertising agencies’ evaluation, it is the reputation of the organisation that will in the future play a major role in competition, along with the quality of products or services and the strength of the brand as a criterion for the choice made by potential customers\textsuperscript{293}.

In the future, different channels of communication will probably be relevant. Currently, social networking is such a novelty. In this situation the strength of the brand is more important than ever. The use of new technologies to communicate with customers does not imply any change in the rules of conduct. It is worth taking advantage of the social media to gather information and customer insights\textsuperscript{294}.

The dynamic development of new technologies has changed the existing ways of communication and information flow. As a result, customers are much more actively involved in organisations’ decision-making thanks to the publicly available information, on the Internet. It turns out that this leads to a growing need for greater responsibility of organisations for their actions. Currently, stakeholders form a network of interconnected individuals and organisations. Such tools as Web 2.0 facilitate multi-communication and enable dialogue on an unseen scale. The enormous potential of the combined forces of stakeholders fosters innovation, and consequently – the adoption of solutions which are friendly to the surrounding environment and implement stakeholders’ expectations\textsuperscript{295}.

Naturally, the phrase uttered by the first Polish professor at Harvard University, Mikołaj Jan Piskorski must be kept in mind. He noted that “the relationship between two people is not the same as the relationship between the company and man”\textsuperscript{296}. This is particularly true when planning promotional campaigns using social networks.

Due to the diverse views of researchers it is difficult to measure precisely the benefits of a socially responsible commitment of the organisation. Research conducted by M. Tsoutsoura, based on an analysis of companies included

in the S&P 500\textsuperscript{297} index using data from 1996-2000, showed that corporate social responsibility is positively correlated with better financial performance, and this relationship is statistically significant. Of course, it also confirmed that companies with better financial foundations have greater resources and are thus able to invest more actively in the creation of social relations\textsuperscript{298}.

Another attempt to determine measurement trends was to analyse 58 institutions involved in evaluation and auditing in terms of compliance with the principles of social responsibility. This specific and international companies rating institutions market is based on the stakeholder model, while European institutions place a greater importance on the ideas of sustainable development and environmental protection. Most of the surveyed institutions were established in order to provide economic information to potential investors. As a result, they are a valuable source of information and inspiration, stimulating demand for specific forms of business conduct of companies among their stakeholders\textsuperscript{299}.

The effectiveness of strategic action according to the principles of social responsibility is confirmed by the results of the research conducted in 1988 by the University of Massachusetts among 8,000 managers. It proved that socially responsible commitment leads to a higher return on investment and higher asset values. In turn, a survey conducted in 1994 by the Florida International University shows an intrinsic correlation between social responsibility and high liquidity, as well as good debt indicators in relation to the value of assets in the long term\textsuperscript{300}.

\textbf{Summary}

Researchers of social responsibility define it in many different ways. According to the author, the essence of the interaction between the organisation and its stakeholders should be particularly emphasized. For the issue of social responsibility is closely related to the significance of the interaction between the organisation and all of its stakeholders. The key is to create an effective platform for dialogue between the three leading groups: society, entrepreneurs and the au-

\textsuperscript{297} S&P 500 is an index managed by Standard & Poor's, which includes 500 companies with the largest market capitalization among the ones listed on the New York Stock Exchange (New York Stock Exchange)


\textsuperscript{300} J. Makower, \textit{Beyond the Bottom Line}... , op.cit., pp. 72–73.
The nature of social responsibility

Authorities responsible for the regulation of the market environment. Each group has different goals. However, it is only their common understanding and integrated action can lead to real cooperation and to increase the market position of the organisation as well as to improve the living conditions of people in the environment in accordance with the legal and customary order. The problem was summed up by D. E. Hawkins, who stated that “in the end, we will all have to adopt a balanced vision of today and tomorrow”.

Reasons for adopting the strategy of social responsibility are different. On the basis of their research, K. Møller and T. Erdal confirm that the adopted strategy is dependent on various models of the social environment. Many activities, however, are of a truly transnational nature and despite the many differences they may appear with a similar intensity in countries such as Sweden, the Netherlands or Spain. Many organizations are actively involved in supporting the development of local communities. In addition, K. Møller and T. Erdal formulate the following recommendations:

- promoting the organisation’s involvement in social responsibility should be based on supporting and facilitating the adaptation of the ideas of CSR,
- joint initiatives to tackle issues important to the local community should be supported, so it will be possible to create a common platform for dialogue within the community,
- seeking ways to promote CSR ideas combined with engaging the widest possible range of stakeholders is a task that must be continued in the future.

Nevertheless, it is worth remembering that the growing interest of organisations in implementing the concept of social responsibility is often inspired by the fact that they may pay a high price for the evident lack of this kind of responsibility. In addition, involvement in a socially responsible venture raises broad consent and social acceptance for many activities undertaken by the organisations. Without social acceptance it is more difficult to achieve the targeted strategic market position and guarantee the development and growth of the company.

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302 Ibidem, pp. 274.
CHAPTER 2

Pro-social activity in university management

2.1. The university as a pro-social enterprise

Universities implementing their social function deal with, according to T. Kotarbiński, “co-production of science”; they are also a place where research results are stored. This task does not only consist in collecting volumes of science, but above all in their dissemination by making them available to new disciples of science\(^1\).

Making an effort to create an organization based on universal values is a contemporary challenge. They must be transnational so they can be shared by people on all continents. These values will provide an excellent foundation on which an open society is able to develop. As a result of this process, people will feel the increasing need of social values\(^2\), to which educational activities for the integration of people of different cultures and religions, in the narrower sense people of different regions, will be the answer.

The functioning of the university, and therefore the action of its circles, should be based on a set of values and norms of behaviour. Primarily, the truth along with the exploration, discovery and description which are associated with it, are constitutive values for science and scientists, and scientific life is above all the autonomy of researchers\(^3\).

The internationalization of the process of higher education forces a structural change in universities around the world. With the growing number of students participating in international exchanges, the search for new models of education increases, the pressure to make changes or to implement tried


models grows. This also confirms historical reports that higher education has always been more open to international relations than other sectors.\(^4\)

The state-building role of universities and their transregional impact testify to the important role that higher education institutions play in the economy. In a number of studies, stakeholders indicate the need for a greater social commitment of higher education than just the correct organization of the educational process and advancing research or publishing activities. Changes in universities’ strategies, in response to the expectations of stakeholders, enhance the social role of these institutions.

I. Białecki considers how to perceive academic freedom. Whether and how far should it exceed the freedom of research and teaching, and does it also mean freedom of political involvement? Can extreme views be authorised by the whole university, or are they only the views of individual researchers? Along with the decreasing control of the scientific environment, evaluation based on indicators increases and principles such as altruism and ethical behaviour are losing importance.\(^5\)

The institution of higher education is one of many within the social structure. It is distinguished by a specific set of recognized values. The main task of the university is the “servicing of knowledge”, i.e. its gathering, increasing and dissemination.\(^6\) The ancillary role of the university is important in the face of the duration and the development of science in the cultural environment which shapes its identity.\(^7\)

Central administration offices are important stakeholders of universities. They are likely to have a significant impact on higher education, and even make changes in the way they are managed as well as in their operation using a full range of legal, financial or political means. In turn, the quality of the relationships with the environment has a strong influence on structural and management methods.\(^8\)


\(^7\) J. Goćkowski, *Uniwersytet i tradycja w nauce*, Wydawnictwo i Drukarnia Secesja, Kraków 1999, p. 80.

The university as a system operates in a relatively isolated form. Nevertheless, numerous interactions occur between the university and its system environment. It is an integral part of such complex systems as the international community, the state or society\(^9\). It seems that internal relationships, if only because of the number and complexity of internal stakeholders, may be stronger than external relationships. However, the rising tide of social expectations towards academic institutions should affect the on-going expansion of the scope of the relationships with the environment.

These changes will occur because universities are dynamic organisms which are constantly evolving, thanks to the inspiration from researchers, but also through interactions with the environment in which they operate. Thus, the university can be an example of “integral action” and the environment it is composed of people who receive and conduct a critical analysis of the world through the use of tools and resources available to science\(^10\).

In the eyes of public opinion the university is a broadly understood centre of knowledge, whose potential should be widely used in the interest of its environment. Inspiring and showing directions of regional development, formation and not just training of young people, better dissemination of social activities are just some of the postulates raised by university stakeholders.

Even in ancient times one can find traces of combining knowledge with cognition. According to J. Goćkowski, the university of today cultivates a form of Aristotle’s work. In other words, it is an example of an institution that embodies “culture based on science”. Thus, the shape of the current forms of educational institutions has been overwhelmingly influenced by Aristotle’s teachings included in the *Nicomachean Ethics*, which imposes a certain order of knowledge and cognition. A university which is shaped in this way becomes an area of the integration of new ideas, formulas, programmes. It is also a place of communication between researchers and scholars\(^11\).

The environment of the university, as a place which provides educational services, includes many participants. These are: candidates and students, their relatives (family, friends), academics, higher education administration, graduates’ employers and graduates themselves, politicians and government

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\(^11\) Ibidem, p. 77.
officials. The effect of each of these groups depends on the strength of its influence, social status, goals and needs.\(^\text{12}\)

In turn, the university as a place of action for the academic community emphasises the unique and exceptional nature of the ties between its employees. Nowadays, however, these values are becoming weaker due to both the growing egalitarian character of studying, and the resulting scale of many modern universities, and the selfishness and excessive competition of part of the environment.

J. Goćkowski says, “the university is a koinonia – a community of values and goals [...], which is made up of people participating in the game of scientific truth.” The author conditions the perception of the university as a centre of scientific endeavour of men “who by choice and conviction are participants in the world of science and the circles of substantive competence in the social space which extends beyond the boundaries of the university and the state” on the extent the university is a koinonia.\(^\text{13}\)

The academic community has important obligations to society. Its highly influential impact, which includes fostering a sense of responsibility for the common good, responsibly facing the challenges of modern society, is of particular importance for promoting ethical action and truly social attitudes, both for the environment and for the university itself.\(^\text{14}\)

M. Yunus identifies three main principles of responsibility:\(^\text{15}\):

1. One should act in such a way as not to jeopardize anyone’s life.
2. Actions should be carried out in such a way that the condition of the environment is improved in relation to the situation where the company would not exist. It is about working actively for the natural environment, the surrounding area, and not only refraining from destructive activities.
3. The organization should operate in line with the social and political norms. The company should abide by the law and the principles of co-existence, on both the global and local level.

However, academic circles are often dominated by the belief that university autonomy, understood as the freedom of research and teaching, is an autotelic value. Research serves the purpose of seeking the truth, solving research


\(^{13}\) J. Goćkowski, *Uniwersytet i tradycja w nauce*, op.cit., pp. 51–53.


dilemmas. Understanding the theory, therefore, does not lead to the creation of applied knowledge in a form that could be useful to society. And this contradicts the third constituent component (besides research and education) of the mission of each university, which is public service\textsuperscript{16}.

In view of climate change, universities have also the important task of promoting environmentally sound practices and attitudes, which would be a manifestation of responsibility towards the silent stakeholder – the environment.

Modifying the strategic objectives of each institution under the influence of well-identified social expectations may be a significant contribution of these institutions in the qualitative development of social services. Due to the commitment of universities, the rank of these services will increase and their quality will be constantly raised thanks to the resources of knowledge and the analysis of social needs carried out by the universities.

According to A. Sulejewicz, the university can be perceived in three dimensions. In the market dimension the university is a quasi-enterprise, a business organization which “produces” educational services. In the world of authority an academic institution is an active participant in a functioning state, ensuring the development of a civil society. In turn, the world of knowledge is a space where university “implements the values and methodological demands within the framework of sociologically defined conditions of the existence of the paradigm”\textsuperscript{17}. Also M. Shatock described four characteristics of a university operating similarly to an enterprise\textsuperscript{18}:

- sensitivity to the natural environment and the social context,
- strong internal coherence, close to the concept of community,
- willingness to undertake specific projects and innovations,
- conservatism in financial management related to institutional autonomy.

In countries with mature market economies and developed mechanisms of social control, strategies of the organization have already been substantially modified. The environment requiring specific actions for society has turned out to be a good regulator and promoter of positive changes in the area of the operation of enterprises and other organizations. In Poland and oth-

\textsuperscript{16} I. Białecki, Międzynarodowe badania, debata i polityka edukacyjna, „Nauka i Szkolnictwo Wyższe” 2008, no. 1 (31), pp. 22–33.


\textsuperscript{18} M. Shatock, Managing Successful Universities, SRHE and Open University Press, Buckingham 2003.
er countries that have undergone a systemic transformation of the economy, the pressure on socially responsible actions seems to be insufficient, and even weak. The reason for that may be a lack of public confidence in the institutions or the legal environment. At the same time, the difficult rhetoric of CSR terminology does not facilitate the process of social acceptance of the idea. A good predictor of future changes is the increasing tendency to raise ethical standards and to take action to protect the environment\textsuperscript{19}. All over the globe projects related to environmental protection are among the most popular activities undertaken by universities. In the international study of social responsibility of universities conducted by the author, these projects received 73\% of responses\textsuperscript{20}.

According to A. Lewicka-Strzałecka, the concept of corporate social responsibility was developed in countries with established market economies. Thus, the implementation of this idea in relation to the Polish economy and other countries which underwent a system transformation relatively recently may require a separate strategy. Importantly, its assumption cannot be uncritically accepted or even copied. Instead, it should be a subject of research and attempts should be made to adapt to the specifics of a growing economy\textsuperscript{21}.

On-going changes in the system of values are related to the changes in the economic system, including a favourable attitude active participation in economic life created by the media, which in turn may lead to success in the individual, group or even national dimension\textsuperscript{22}.

The process of system transformation in the Polish economy required the adoption of an entirely new system of values. The set turns out to be an element integrating the system of market economy and provides a set of key objectives and values for the individual components\textsuperscript{23}.

The system of market economy is complex, and it consists of general and specific values\textsuperscript{24}. The former are religious, economic, political, ideological, aesthetic, and moral values, i.e. ones which include such attributes as personal autonomy, intellectual autonomy, etc. In turn, specific values include pro-
cesses, actions, and all activities enabling and reaching final objectives, i.e. general values. They include ambition, hard work, responsibility, courage, independence, self-control, honesty and talent\textsuperscript{25}.

The adoption of a new system of values is an important task for the Polish intelligentsia. Many years of eking out an existence in a socialist economy, devoid of the free market, requires a special effort to demand from society to think in terms of the state and base it on the activity and enterprise of its citizens\textsuperscript{26}. Inspiration for this kind of activity may be found in the construction by the state of a friendly regulatory environment, as well as in the social activities of the institution of higher education, acting as pillars of the knowledge-based economy.

The dynamic growth of the importance of educational services and their role in the creation of the gross domestic product is a reflection of one of the strongest trends in the economy in Poland in recent years, i.e. the huge increase in the role of services in general\textsuperscript{27}. This trend is in line with global tendencies and points to a progressive adaptation of the Polish economy to the economy of developed countries with established market mechanisms. Educational services play a special role in the national economy\textsuperscript{28}. Universities are involved in education at a higher level, they are centres of knowledge and they conduct scientific research. They are permanent elements of public life and constitute important institutions of the modern state.

In the centrally planned economy, the market goal of education was often overlooked. For decades, the market of educational services did not exist in Poland. Its origins date back to the year 1990 – the year of the enactment of the higher education bill. Accepting market attitudes which take into account the obviousness of competitive rivalry in the service sector leads to changes in terms of the offer and the quality of education, as well as in the access to the labour market. Under these conditions, the essential aim of university education should be in line with current market needs. Only such an approach ensures a steady supply of candidates whose goal is to reach the labour market. One may assume that from this point of view, a period of higher education is only a transitional stage on the way to the expected employment.

\begin{itemize}
\item \textsuperscript{25} J. Sztumski, \textit{Społeczeństwo i wartości}, Uniwersytet Śląski, Katowice 1992, p. 29.
\item \textsuperscript{28} M. Geryk, \textit{Rynek uczelni niepublicznych w Polsce}, SGH, Warszawa 2007, p. 65.
\end{itemize}
According to T. Shapiro, the education market is a place of specific transaction, whose subject is an educational service. The result of the implementation of this service is increased knowledge, acquisition of new skills and forming attitudes. Universities manufacture and offer educational services, whereas the candidates, or the students themselves, are the consumers. There is also an additional type of consumer – the companies interested in acquiring educated graduates\textsuperscript{29}.

Universities adopting the market orientation must take into account the need for staff training in the perspective of many decades. Thus, the education of students in accordance with the needs of the market means preparing them to know how to anticipate and respond to changes in the economy in the future. The scope of teaching should take into account the aspect of the global reach of many transnational companies. At the same time the university should actively engage in promoting civic attitudes in the economy, creating conditions for the development of free competition and the formation and development of good relations with stakeholders.

Can one then talk about the university as a social enterprise? According to M. Yunus, it is an enterprise based on the selfless side of human nature. The investor’s goal is to help others without any financial gain for themselves. However, it is an enterprise as it needs to be self-sufficient, i.e. generate revenue to cover its own costs. Part of the economic surplus that a social enterprise generates, is invested in its development, and another part is kept as a reserve in case of unforeseen events. Such an enterprise may be defined as “a no loss nor dividend company”, committing itself exclusively achieving a social purpose. One can therefore talk about a selfless endeavour aimed at solving a social problem. The company generates a profit, but it does not keep it. How big the market is for such services can be demonstrated by the fact that in the United States the total income of non-profit organizations has reached USD1.1 trillion. Thus, there are two types of enterprises: traditional ones, profit-seeking, and social enterprises\textsuperscript{30}.

Corporate social responsibility, which has nothing to do with a social enterprise, deals with a saving a certain pool of funds, by a profit oriented company, for charity, so as to do something good for the local community. The main difference being that a social enterprise dedicates 100% of its resources to achieve social objectives\textsuperscript{31}.

\textsuperscript{31} Ibidem, pp. 44–45
2.1. The university as a pro-social enterprise

The social responsibility of the university requires the development of a genuine academic environment, bringing together researchers devoted to study. The academic teachers employed by universities are called upon to carry out important roles in society. J. Goćkowski emphasises these two roles:

1. The role of the researcher – as one who conducts scientific inquiry, a debater and pedagogue.
2. The role of the teacher – associated with the complex process of transferring knowledge onto students and younger researchers.

These roles are strictly related to the functions of the university. Understood as the creation of knowledge and education of scientists, they lead to the development of the university as an institution and a centre of concentration of knowledge and the practice of science.

Another important function is the creation of intelligence, which is related to the effects of the transfer of knowledge to students by universities. One important element of this task is to instil responsibility for the word in students, as well as specific “disobedience in thinking”, which may serve as an inspiration to scientific inquiry and development. Analysing the functions of a university or other higher education institutions, one can see that they focus on the education of specialists. This reflects the central function of higher education institutions. However, this function should not be extended to the task of student formation, since, according to T. Kotarbinski, the university already has too many responsibilities to bear. Besides, universities serve the state with advice and it also reflects their social function.

The state takes a number of steps to promote higher education. In return, it expects the involvement of academic circles in the development of society. These activities do not conflict with the growing marketization of these services, resulting also from the process of globalization. One way or the other, they lead to an increase in the involvement of universities in social affairs, often on a global scale.

Respect for the world around requires special care for the environment from the university. It should care for both the promotion of environmental awareness and the dissemination of good practices in this area. It is mainly about the so-called deep ecology, which goes beyond the random and superficial approach to environmental problems. The essence of the problem

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32 J. Goćkowski, Uniwersytet i tradycja w nauce, op.cit., pp. 50–64.
is to ask questions about the meaning of human life, society and nature. And
the main action consists in doing good for plants and animals, regardless of
the importance of these activities for man. Along with the undertaken ac-
tions the sense of public awareness of environmental protection is increas-
ing, which cannot be implemented effectively without consciously imposed
restrictions on the use of its goods.

Beside the natural environment, the main stakeholder groups, according
to D. Grayson and A. Hodges, are as follows:

- employees,
- investors,
- customers,
- suppliers and business partners,
- non-governmental organizations and the mass media,
- governmental authority institutions and market regulators,
- the environment and the local community.

Social responsibility of the university is not limited to just managing it un-
der the codes of best practice, it is also the development of socially desirable
attitudes among stakeholders, especially students. A. B. Carroll and A. K. Bu-
chholtz even believe that social responsibility includes economic, legal, ethical
and philanthropic expectations towards organizations. A transparent man-
agement system based on good internal communication between employees
and stakeholders may promote it. In turn, I. Rosam and R. Peddle define
the issue of corporate social responsibility in the following way: “Social re-
sponsibility and corporate governance are concepts that allow organizations
to operate profitably in the conditions of social and environmental respon-

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36 W. Tyburski, *Ekonomia i środowisko przyrodnicze z perspektywy etyki środowiskowej*, „Prakseolo-
37 D. Grayson, A. Hodges, *Corporate Social Opportunity. Seven Steps to Make Corporate Social Re-
38 The code of best practices is a set of activities of enterprises, institutions, colleges, related to the de-
gree of their involvement in the implementation of the principles of social responsibility. In Poland,
annual reports are published describing the best examples of “best practices” in this area. On the basis
Learning, Cincinnati 2000.
40 *Europejskie i światowe standardy etyki i społecznej odpowiedzialności biznesu*, ed. W. Gasparski,
sibility in order to achieve a state of sustainable development and stakeholder satisfaction”\textsuperscript{41}.

The inclusion of the assumptions of social responsibility in the mission, vision and strategy of the university requires a whole range of activities, starting from full involvement of the authorities and university employees and making them aware of the purpose of these changes. The role of relations with employees draws the attention of many researchers interested in the problem, who even claim that the responsibility relating to human resources is one of the earliest ones undertaken by organizations active in the field of social responsibility\textsuperscript{42}. Such proceedings, beside transparency, also reduce the potential resistance of the employees of the organization against changes\textsuperscript{43}. The role of university management is to create added value not in the interest of the founder or the founding body but its primary focus should be on improving the quality of life for the community. In this matter, the university has a big role to play by promoting education as the main engine of change in the development of modern society\textsuperscript{44}.

Examples from some countries show that universities’ interest in the issue of social responsibility is not at a sufficiently high level everywhere. This concerns not as much the implementation of CRS principles in the university itself as their promotion in the corporate sector\textsuperscript{45}.

Many organizations face great difficulties in the implementation of these ideas. The ethical foundations must be translated into a set of operational activities in order to create a description of current activities as to how to introduce the adopted assumptions into college life. Many organizations introducing the principles of social responsibility into their business report difficulty implementing the design of the changes. It is therefore a major task, hence its strong legitimacy and the necessity to involve all employees\textsuperscript{46}.

\textsuperscript{41} I. Rosam, R. Peddle, Implementing Effective Corporate Social Responsibility and Corporate Governance, British Standards Institution, London 2004, p. 3.
\textsuperscript{42} J. Guthrie, L.D. Parker, Corporate Social Disclosure Practice: A Comparative International Analysis, „Advances in Public Interest Accounting” 1990, vol. 3. pp. 159–175.
\textsuperscript{44} B. Szyszka, Basic Ethical Aspects of American Companies Operating in Poland, in: Business Students Focus on Ethics, op. cit., pp. 66.
The profile of the activities carried out by universities covers many areas of social and economic life. It is not about the scope of conducted research and the proposed didactic offer. Universities, being centres of knowledge and skills, are becoming specific sources of information for the other institutions in public life, which is the result of years of research and experience. In the global economy, where the processes and operation of entities are rarely directed at a single market, the range is virtually unlimited.

As J. Wilkin put it, “in the modern economy there is room for both the market economy [...] and the social economy”47.

The university’s relations with the local community have important implications for the development of the region and they emphasize the responsibility of educational institutions in this regard. Violation of good relationships as a result of socially undesirable actions may have serious adverse consequences, as stakeholders’ confidence is undermined. Moreover, as research shows, socially undesirable actions remain long in the memory and negatively affect the image of the organization48. However, this leads to the dilemma: to what extent should the university be open and to what extent elitist? The problem of availability of universities and tuition fees may be closely related to the quality of education and the selection of academic personnel or administrative staff.

The issue of quality is worth a precise definition. To this end it is worth using D. Gavin’s classification, who examines it from different perspectives49:

- transcendental – quality is synonymous with excellence,
- in terms of the characteristics of the product or service – quality defined as the fact that the product or service possesses some distinctive features, attributes – it is an objective assessment,
- based on a subjective assessment of the customer – the buyer evaluates the quality of the service or product,
- based on an assessment of the process of creating the product or service – it relates to the compliance with established procedures and standards,
- including an assessment of the value – quality is defined in this approach in terms of pricing.

Adoption by the university of open, social attitudes may lead to many dilemmas. If the university has sufficient resources, should it only use them for

its own needs, or perhaps also for the needs of its environment? In the Report there were voices claiming that the highest form of social responsibility of universities is to ensure equal access to education, understood as a manifestation of action against social exclusion. Orientation to stimulate economic development through education is more expected than creating added value in the form of profits from educational activities. This corresponds directly with the voices emphasizing that the university is not a commercial organization. Moreover, as respondents pointed out, a reduction of tuition accompanied by scholarships for the best students is one of the most anticipated actions positively affecting the image of the university. Nearly 100% of the respondents considered this argument as very important or rather important⁵⁰. It is worth noting that these actions are judged as favourably affecting the functioning of the university, as well as its perception by its stakeholders.

It is difficult to assess to what extent the social commitments included in the mission of the university are implemented in practice. But the most important issue is whether and to what extent the academic staff and the entire collegiate community bear responsibility before a broad spectrum of stakeholders. Or expanding this topic, it ought to be determined how much action in this field is correlated with the traditional notions of academicism⁵¹. Universities often take the view that the mission they perform is an expression of their social responsibility⁵². They should earnestly perform their legal and statutory duties. This view is at odds with the expectations of the respondents that the social activities will be targeted at college students, but also at the entire society. The main expected activities are: the promotion of moral principles, teaching creativity, education according to the needs of the market and society, in line with the legal and ethical standards. It is also important to shape views in society. The mission of the university consists of scientific research and education to meet the needs of and for society as well as raising its intellectual level. Education is important but so is formation⁵³.

It is easy to see critical opinions. S. Krimsky claims that it is wrong to speak of the university mission. It points to its multitude, similarly to the multitude of departments and institutes. He sees the future of the university, however,
in the social involvement of scientists, supported by community leaders in order to study the threats of the modern world\textsuperscript{54}.

The strategic objectives of the university are often included in its statutory objectives. The most common actions seem to be the ones concerning development, research, didactics and formation by exerting influence on students. They must be at least in line with the will of the legislator\textsuperscript{55}. They are often reflected in the content of the mission or vision of the university. The mission should express values for internal and external stakeholders and the role that school plays in meeting the needs of society, in this case in terms of higher education\textsuperscript{56}.

In the respondents’ opinion, universities should widely inform the public about their activities in the field of social responsibility on its own initiative (through the media, the Internet, press conferences)\textsuperscript{57}. Some people think that just talking about it on the forum for students and faculty is enough. Others, however, believe that such information could be an example for society, a role model. Universities should provide information about socially responsible actions as well as about other important issues. A transparently managed institution should inform the public about its activities. It is met with a clear expectation of stakeholders who feel uninformed and lacking formal media coverage presenting the actions taken by the university. Stakeholders also rate lowly universities’ preparation to transfer information efficiently. 90% of respondents in the national survey and 82% in the international survey emphasized that universities should talk about their activities of so-

\begin{itemize}
\item \textsuperscript{55} Article 13, the Act of July 27, 2005 – Law on Higher Education (Law Gazette 2005, no. 164, pos. 1365) determines what the basic tasks of the university are. And so: “1. The main objectives of the university, subject to paragraphs 2 and 3 are: 1) educating students to prepare them for employment; 2) educating students with a sense of responsibility for the Polish state, for the strengthening of democracy and respect for human rights; 3) conducting research and development work as well as providing research services; 4) education and promotion of academic staff; 5) dissemination and multiplication of scientific, cultural and artistic achievements, also through the collection and sharing of library and information services; 6) education to acquire and complement knowledge; 7) creating conditions for the development of physical education among students; 8) promoting local and regional communities. 2. A vocational university running only first degree courses is not required to perform the tasks specified in paragraph 1 points 3 and 4. 3. The task of a medical university or of a primary organizational unit of a university operating in the field of medical or veterinary sciences may also be participation in the exercise of medical or veterinary care in terms of and in the forms specified in the regulations on health care institutions and the regulations for medical facilities for animals”.
\item \textsuperscript{56} E. Grzegorzewska-Ramocka, \textit{Koncepcja społecznej odpowiedzialności przedsiębiorstwa w marketing strategicznym}, Politechnika Świętokrzyska, Kielce 2005, p. 77.
\item \textsuperscript{57} Detailed results of the research in this area were published in the article: M. Geryk, \textit{ Społeczna odpowiedzialność uczelni, „Współczesne Zarządzanie” 2007, no. 4, pp. 136–143.}
\end{itemize}
cial responsibility. This coincides with the expectation of greater openness in the information policy\(^{58}\).

Most large organizations have institutionalized departments involved in the construction of professional public relations. Their role is to explain to stakeholders how the functioning and development of the organization can affect their lives. However, one should be aware of the risk of the potential one sidedness of the relationship. The image prepared and distributed by the public relations department staff will not necessarily reflect how the university is perceived by the environment. It ought to be remembered that public relations are so important for the development of the organization that they must be closely linked to strategic thinking. The effectiveness of the measures in this area is a real challenge for the managers of universities\(^{59}\).

The literature on the subject points to several levels of social responsibility – from philanthropic activities, through social marketing, social responsibility, corporate citizenship, to “social business”, namely one which on its own initiative is able to solve social problems in a business-like manner\(^{60}\). The research on the perception of the company and the idea of social responsibility conducted by the French researchers from the Audiencia Nantes School of Management among French students and young managers indicates the importance of higher education and its impact on the process. The results demonstrate the need to incorporate CSR principles into the organizational culture of the university\(^{61}\).

Comprehensive relations between universities and the economy, the environment, and cultural institutions offer a unique opportunity to change the image of the university towards the so-called civic university. The university may inspire the creation of new communities, and the main objective will be the promotion of civic attitudes in the modern world. This is yet another area for the development of the university and the expansion of its role in the shaping of future society\(^{62}\).

Maintaining these relationships should resemble a continuous dialogue between the university and its environment. This major activity requires in-

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volvement in shaping long-term relationships. One of the ways of conducting the dialogue and communicating with the environment are activities in the field of community relations. Very often they are part of integrated actions in the field of public relations. When carried out effectively, they allow the acquisition of public support for new ventures. How huge a task universities face is illustrated by the results of a survey conducted in 2007 in Poland by SMG/KRC, according to which 88% of respondents said that the organizations do not take into account the opinion of local communities when undertaking their actions.

The impact of the university should be subordinated to the long-term goal of the liberation of social capital, i.e. interactions based on the idea of co-operation taking place in the social space between individuals. Human resources – knowledge, skills and capabilities of employees – play a very important role in the operation of universities. Their efficient and confident use may prominently affect the increase of the competitiveness of universities. This can be achieved by gathering university employees around the objective of educating the future intellectual elites. The synergy effect, caused by a common commitment, trust and the emerging informal networks, allows social capital to be considered on a par with financial, physical and human capital. It is treated as a key factor influencing the understanding of the essence of value creation.

Social entrepreneurship refers to an individual and implies acceptance of the initiative with social consequences undertaken by the entrepreneur who is guided by a social vision. This can be both a charity and business initiative. A social enterprise can pursue objectives similar to those that some people engaged in social entrepreneurship strive to achieve.

Universities give a lot of effort to the development of social entrepreneurship. An example would be the form of classes taught at The Wharton School whose aim was the formation of groups with the task of establishing an en-

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terprise oriented at solving a burning problem, for example in countries such as Botswana or Zambia\textsuperscript{69}.

The results show that over 80\% of all students, regardless of their field of study, aim to become entrepreneurs\textsuperscript{70}. At the same time, the number of those who intend to create a socially sensitive organization, directed toward achieving social objectives while attaining a profit is growing. Rutgers Business School uses the existing potential of entrepreneurship to help create and develop local projects which lead to the creation of new jobs. Local entrepreneurs, acquired through the local media, are invited to classes on urban entrepreneurship and economic development. Thus, the resources and talents owned by the university are used to create wealth, stimulate economic growth, and also to solve social problems\textsuperscript{71}.

Social capital is closely related to the construction of flexible structures based on the flow of information and knowledge. The ability to use social contacts significantly affects the efficiency of these structures. The use of social capital to raise awareness among university stakeholders creates significant economic utility. That is why the organization’s and its members’ decisions are taken with greater awareness and responsibility\textsuperscript{72}.

Decision-making, not by an individual but by a team, is of crucial importance for effectiveness. A team of people usually has access to richer sources of information, so it is a good idea to entrust making important decisions to a larger group of people\textsuperscript{73}. The diversity of this group brings a potential added value due to the greater diversification of information and knowledge. The effectiveness of such conduct has been proven by research, which has indicated that\textsuperscript{74}:

1) through diversification better results are achieved,
2) teams use variety in different ways.

\textsuperscript{70} The research concerns students’ preferences at Rutgers Business School in Newark, New Jersey, USA.
3) the paradigm of similarity and attractiveness plays an important role, which is to say that people will be more interesting for people who are similar to each other than the other way around,

4) detailed analysis of information is an important process by which teams can improve their performance and achieve better results,

5) openness to experimentation and innovation is positively correlated with achievements,

6) focus on openness to experimentation is the most important factor influencing the effectiveness of teamwork.

In the complex organization the university is, we deal with the possibility of applying the principles of the human relations school of management. The social system in universities is the result of human action and unwritten agreements between the organization and its employees. In addition to the formal organizational structure, there is also an informal system of hierarchy. A diagnosis of potential problems in the area of co-operation can be performed by means of case studies concerning the breach of the informal social structure by the formal organizational system. These actions are necessary because of the strong dependence of the quality of educational services on interpersonal relationships, due to the leading role of the human factor in the sphere of services.  

Assumptions about the relationship of academic institutions with the local community and their involvement in local and regional development activities may be an example of a global transfer of ideas. It is obvious to an entrepreneurial university that it analyses the problems of local or regional communities and takes action to resolve them. In this way, universities become part of the local self-government sector. It is therefore assumed that their activities will be a more locally centred than nationwide. However there are cases where the development of the university’s local activity is incompatible with the developmental assumptions of the region. A risk arises then of a conflict situation, and its eventual outcome depends on the pressure of politicians, both local and regional, as well as national ones.

The results of the research conducted by A. Boehm show that co-operation between the organization and the community should be based on the rule

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of reciprocity rather than on philanthropy, and that the resulting benefits should be mutual. In order to reinforce the adopted strategy of co-operation, it must undergo changes, taking into account the needs of the environment and the potential of the organization. Besides, the parties shall give priority to local needs over actions on a larger scale. If the parties show reluctance to engage the media to publicise information on their activities, then it is worth considering them in accordance with the information strategy of the organization. Strategic planning of future activities in the field of social responsibility is necessary and should always have a long-term nature. At the same time, any action is to be evaluated in terms of its effectiveness; what is most important – the activity undertaken should bring additional benefits, not only to complement the operation or to form pressure to obtain the support of specific social groups. In a study conducted by the author of this monograph, respondents easily indicated the many benefits that society may reap from the operation of a socially responsible university. Among others, inspiration for other institutions was emphasized, or even bringing civilizational values to society. Universities receive branding benefits, prestige and a higher degree of integration with the environment, which may lead to an increase in their revenues. In their statements the respondents emphasize the benefits for the whole society, not just for the university. The foreign survey results indicate the perception of external benefits in the long term. They refer to the net of social relationships and good conditions for development rather than material benefits. At the same time, the impact on the region is an important determinant for the university to be considered socially responsible. Unfortunately, the scale of these activities is still too low, and it should be noted that universities constitute a specific showcase of their regions.

The history and development of European culture have shaped the environment conducive for the search of a social consensus. There is, therefore, a need for the development and education of young people in this field. However, the issues of business ethics are not present in the curricula of all business schools. It must be borne in mind that knowledge is inexhaustible and can serve the general public. The more intense is its use, the greater is its growth.

It seems that also in this regard, institutions of higher education are facing


a major task to perform\textsuperscript{80}. Results of research show that the issue of business ethics and social responsibility must be included in the research and didactic activities of universities, which emphasizes their primary responsibility\textsuperscript{81}.

### 2.2. Social goals in university activities

The university as a social organization plays an important role in shaping the attitudes not only of graduates. Its objectives cannot be narrowed down only to the education of future intellectual elites. After all, among the important tasks of educational institutions there are: the promotion of civic attitudes and anticipation of their changes in the future. These ideas must be carried out by suitably prepared people who can become leaders of future changes.

In broad terms, the most important task of the university is to promote the principles of social development by raising the level of intellectual potential. These actions should be conducive to the increasing public awareness and identification with the surrounding reality. It can be assumed that these responsible tasks relate primarily to the vision of the future of societies and are thus particularly important. The fate and shape future interpersonal relationships may in fact depend on their successful implementation.

The traditional university structures, university governance applied so far, the quality and efficiency of education, age and environmental diversity of students, the Internet, the expectations of the economy in need of skilled workers – all that requires discussion in an international forum\textsuperscript{82}. Universities need to respond to the new needs of societies and actively participate in their development.

Extreme caution is recommended for universities, however, when undertaking actions specific to the business sector. Note the article in the magazine “The Lancet”: “Today’s universities are constantly encouraging their academics to be more enterprising and try to commercialize their intellectual property. Meanwhile, the co-operation between industry and scientific institutions as well as mixing the public interest with private interests may end very badly”\textsuperscript{83}.


\textsuperscript{81} Towards greater corporate responsibility. Conclusions of EU-funded research, European Commission, Directorate-General for Research, Brussels 2009, pp. 35–36.


An important problem is to maintain an adequate level of identification with the university environment, with its stakeholders. The openness of the organization to all fields of the current and planned operations may even turn out to be a hindrance, too much dispersal of areas of activity may in fact lead to a dilution of the strategic objectives. In today’s world, all educational institutions of higher education, regardless of their latitude, are oriented to international co-operation in many aspects. It may take a physical or virtual form, and be carried out as an international exchange of scientists and students, but also as a co-operation over the Internet and its tools⁸⁴.

Inspired by the Global Compact agenda⁸⁵ the university environment has created “Principles of Responsible Management Education”, presented in Table 2.1. This set of voluntary standards, adopted by both institutions educating at the first-degree level (undergraduate) and MBA, is related to the education of future leaders and should be closely integrated with the educational process. In line with its statement: “The mission of the PRME initiative is to inspire and defend the idea of responsible managerial education, research and leaders’ global thinking.”

At present (2009) 475 educational institutions, most of them from Europe, are affiliated with the PRME or the United Nations Global Compact⁸⁶.

Table 2.1. Principles for Responsible Management Education – PRME

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Principle 1. Aim:</strong></td>
<td>We will develop students’ capabilities so they can create future generations of sustainable values for business and society and work for the sustainable development of world economy.</td>
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<tr>
<td><strong>Principle 2. Values:</strong></td>
<td>We will include the values of global social responsibility, as it is presented in the United Nations Global Compact agenda, in our academic activities and curricula.</td>
</tr>
<tr>
<td><strong>Principle 3. Method:</strong></td>
<td>We will create and develop educational base materials, processes and environments that will enable effective gaining of experience in the teaching of responsible leadership.</td>
</tr>
<tr>
<td><strong>Principle 4. Research:</strong></td>
<td>We will encourage research and concept work that will deepen our knowledge in creating sustainable value in the social, environmental and economic dimensions.</td>
</tr>
<tr>
<td><strong>Principle 5. Partnership:</strong></td>
<td>We will make contacts with the managers of enterprises to expand their knowledge about the challenges of social and environmental responsibility and to do research on effective approaches to meeting these requirements.</td>
</tr>
<tr>
<td><strong>Principle 6. Dialogue:</strong></td>
<td>We will facilitate and support dialogue and debate among educators, business people, the government, consumers, the media, civil society organizations and other interested groups and among stakeholders on important issues related to global social responsibility and sustainable development.</td>
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⁸⁵ See section 1.3.

The experiences of the implementation of the PRME principles at Cranfield School of Management point to the intention of preparing the students to have a kind of “moral compass”. The school adopted the recommended codes of ethics, which may facilitate contacts with stakeholders, understanding that students are deeply interested in sustainable development and improving the practice of social responsibility, the aim being to embed these ideas deeply in the strategy. A new generation of business leaders must be familiar with the principles of social responsibility and ethics to the extent which allows for the conduct of free dialogue with employees, managers, unions and society. The challenge of business schools and entrepreneurs is in the effective implementation of the new maxim, paraphrasing the words of M. Friedman, “the main task of business is sustainable business” 87.

The European Foundation for Management Development (EFMD) has also had an impact on the formulation of the PRME principles. Thanks to the partnership agreement between the UN Global Compact and the EFMD an innovative community called Globally Responsible Leadership Initiative (GRLI) was established, which consists of more than 60 companies and business schools on five continents. Its range covers more than 300 thousand students and one million employees. The GRLI mission is “to be a catalyst influencing the development of the generation of globally responsible leaders”. Formation of globally responsible behaviours should be the foundation of the proposed graduate profile of each institution. The perception of the world economy, but also of the knowledge and skills, in the broad context are the attributes of a globally responsible leader 88.

W. Gasparski claims that “business ethics should be [...] taught compulsorily” 89. He argues that it is not just the degree of their business and career professionalism but above all their composure and the applied moral principles that testify to the manager’s professionalism. And yet they cannot be used without a thorough knowledge of what higher education should particularly be promoting.

In M. Wójcicka’s opinion, the effect of openness to the needs of the university environment is the introduction of market values to its operation. An institution oriented in such a way will focus its attention on the market and its

needs. Greater sensitivity to the results of the evaluation of market capacity in terms of the suitability of graduates and their employment will be an expression of this, as well as taking into account the regional or environmental aspects that occur in the local labour market. Educated students should be sensitive to social problems and take responsibility for their actions. They should be prepared in line with the assumptions of “technological citizenship” in a way allowing them to comfortably exist in the era of information exchange and functioning in the existing networks of social relationships on a global scale. Besides, “cultural citizenship” is about the ability to create and adapt cultural resources to the new needs instead of sheer reproduction of these resources.

B. Kleymann, P. Tapie and E. Cornuel draw attention to the growing role that universities play in shaping the future adult citizens who will be stakeholders of educational institutions as well as play an active role in the construction of a modern society. Universities need to pay more attention to the education of students in the contextual understanding of the mechanisms that underlie the dynamics of social and industrial development. In addition, concern of the common good is necessary, understood as a recognition of the interdependence which occurs between each organization and the environment, both the natural and social one. To achieve such ambitious goals appropriate staff is needed. Its quality will be determined by the value of responsibility for their actions. The extensive range of professional responsibility of scholars includes following certain standards and rules in force in a given socio-cultural circle. At the same time it is necessary to care for the cognitive actions, the content of the knowledge passed on to others, the decisions and projects in progress, or even the content, style of projects and elaborations prepared by an expert in a given field of science.

Creating economic and social development in a sustainable way is a new challenge facing educational institutions. The challenge is well above the statutory education of students. It requires that universities operate in proximity to the market and society, taking into account the wider public interest. Reality is undergoing dynamic changes, and it is only the universities willing to respond to the changes, including the political ones, who will increase their capacity for action and credibility. For today’s leaders must possess knowl-

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edge of economy and society, be adept at modern technology but also know the current trends in politics\textsuperscript{93}.

The main objective of the university is to promote the development of the community so as the skills of graduates would meet the needs of the future. This can be achieved through educating students until they gain high qualifications, as well as through research, leading to technological and socio-economic developments which will solve problems but also respond to future opportunities\textsuperscript{94}.

Nowadays, in the face of the fast changes in the functioning of society, it seems that everything is subordinated to the dynamic transfer of information. This rate is most easily accepted by young people, who adapt to it adopting the modern forms of communication as right and proper, and most importantly – sufficient.

No country will be able to face global competition without a constant supply of young scientists, specialists in new technologies or engineers. The process of education must equip students with the knowledge to cope with complex problems of the present as well as to find answers and create a new reality. Therefore, effective educational leaders are needed, who will be able to learn from each other, constantly strive to reach their objectives and push forward authoritatively despite the many obstacles. The point is that the university should help people to become leaders of their generation, mainly in the field of science and technology\textsuperscript{95}.

The university plays an important role in the local community. This is because of the potential for academic institutions to stimulate the complex economic, social, cultural and technical processes. However, the main goal of a socially responsible institution, i.e. the education of young people for the needs of the local business environment, plays a leading role. The diffusion of knowledge, occurring as a result of scientific exchange and the education of students, provides “knowledge power” for companies. Another important function of the university is active research and development. The ongoing feedback between the university and the environment in the form of borrowing the practical knowledge and implementing it in training programs is – besides its creation and diffusion – the innovative function of the university.


Support for local entrepreneurship must also be included in the set of significant roles of universities. This is reflected in the development of technological infrastructure, such as innovation centres, business incubators or technology parks.

The idea of academic enterprise was established in the United States, and from there it moved to Europe and Asia. It concerns scientific research funding, whose direction is sometimes hampered by the interests of many different groups. Academic entrepreneurship opens a space for a potential cooperation between universities and the business community. On the one hand, this leads to the creation of mechanisms for the funding of science, on the other – the research community in return are ready to present the results of research which can be implemented for the benefit of research sponsors and indirectly to the environment.

S. Krimsky claims:

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• it is possible to maintain fidelity to the truth in scientific environments, but it is worth noting that science funded by private business is exposed to bias,
• science funded by private business develops only in those directions behind which lie commercial benefits,
• loss of disinterestedness is equal to the loss of sense of public mission among scientists,
• science cannot be held hostage to authorities, in other words, it is worth reminding that science considers scepticism as a virtue.

Government, local government institutions and business representatives recognize the need for collaboration with academic circles. Scientific work and conducted studies allow for carrying out analyses and choosing a methodology, streamlining the planning and the policy in force as well as the decision-making tools in technological processes or those related to environmental protection\textsuperscript{99}.

S. Krimsky believes, however, that even in the market-oriented universities, major decisions will continue to be made under the influence of true knowledge, not the system of supply and demand\textsuperscript{100}. In his understanding, academic staff will be guided by the public good (pro publico bono). At the same time, he defines the academic study as representing “an independent critical position on public issues that require specialized knowledge”\textsuperscript{101}.

The changes in the world of higher education after 1990 have significantly altered the public perception of the role of educational institutions – public expectations towards universities have increased and they are perceived as the only institutions capable of promoting social ideas. Under these conditions, educational institutions have been forced to make an effort to familiarize young people with the ideas of civil society in order to properly shape and socially sensitize future managers. For there is a danger that managers will derive the knowledge about the processes taking place in the economy only from case studies and theory. Such training is undertaken in three ways\textsuperscript{102}:

1) introduction of subjects which include knowledge about corporate social responsibility, business ethics and the transfer of the more general

\textsuperscript{100} S. Krimsky, \textit{Nauka skorumpowana?}, op.cit., p. 168.
\textsuperscript{101} Ibidem, p. 319.
knowledge of the role and social expectations in the current state of economic development,
2) familiarizing students with the real socio-economic problems of the world,
3) functioning of universities as micro-societies, i.e. treat them not only as places of learning, but as places to live and work in for the collective academic community.

According to the education policy shaped under the influence of the OECD, the World Bank and the European Union, education is to create human and social capital, prepare for life in the information society and the knowledge-based economy. In addition, it is to create competences facilitating self-fulfilment and good coexistence with others. At the same time the process of education should be verifiable and measurable by means of a set of adopted indicators.

However, S. Krimsky states critically, sometimes the relationships between universities and business can be an obstacle in performing the tasks of a public university. In his opinion, “grants, donations and contracts are not offered to universities selflessly”, and definitely the clients are not interested in pure science. This also applies to the conflict of interest in a situation when scientists hold shares in companies which commission universities to do research for them. This is due to the emphasis on getting the desired results, and this phenomenon is most common in the pharmaceutical industry.

The problem of quality in relation to the higher education system should be considered in a multidimensional manner. J. Kochanowski indicates the need to analyse the phenomenon in terms of the following aspects:

1. organizational quality – which means a high quality of the organizational culture, procedures subordinated to the basic purpose of the university but also the efficiency of the decision-making process, the quality of communication with the environment,
2. academic quality – understood as the attention to the teaching process and a careful selection of academic staff but also appropriate and effec-

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104 S. Krimsky, Nauka skorumpowana?, op.cit., p. 73.
105 Ibidem, p. 77.
106 Ibidem, p. 92.
107 Ibidem, pp. 80–84.
tive methods of measuring the didactic process along with the evaluation of staff and training curricula,

3. entrepreneurial quality – in this aspect the university is evaluated as an active participant of the market, one which starts relationships with partners in the business environment, shapes the profile of the educational offer according to the needs of the market and applies marketing techniques in order to gain customers,

4. quality understood as market effectiveness – which is essentially a measure of market efficiency of education, expressed, for example, as a ratio of individuals employed after the educational process has ended or the pace of graduates’ professional careers.

A responsible task of universities is to meet the expectations of society, especially of young people, in terms of the proper design of the educational process. Higher education should facilitate professional networking after graduation, it may also significantly strengthen the human capacity for creative work as well as for autonomous, entrepreneurial work and create added value for society. That is the sign of a responsible treatment of the education process – to inspire students to acquire knowledge and skills not only to take up work, but also so that they are able, as entrepreneurs, create jobs.

It is important to remember, however, the appropriate protection of intellectual property rights. For there are many examples of scientists losing the benefits of or rights to the results of one’s own research.

Comprehensive measures for the dissemination of knowledge and its continuous enrichment are the basic tasks of the university. Having accumulated scientific potential, it organizes the process of knowledge transfer. However, the ever changing environment requires a constant readiness to undergo changes in this process. This in turn entails changes in education profiles or modification of curricula. The efficiency of actions is facilitated by the commonness of young people's ambition, expressed in the need to have a university degree. This is accompanied by a high determination – 82% of people believe they will get higher education and intend to take the effort to study immediately after secondary school. At the same time, only 7% of secondary school graduates are going to work immediately after graduation. It follows clearly...
that young people relate their professional future to obtaining an appropriate education at a higher level and only then do they plan to take up jobs\textsuperscript{111}.

These data open up new possibilities for universities of influencing the youth. The effectiveness of such an influence may be significant because of the role of universities in society. From here there is only one step to enrich the curricula with relevant content, which, however, must be supported by the implementation of these principles by the university itself. An example, both institutional and personal, may be a valuable asset in the didactic process. Its multidimensional character and coherence will carry a clear message on what role the university plays in society and what function its graduates must perform.

While taking the trouble of changes in training plans, it is worth making a reference to the results of research on personal values understood as a set of constitutive elements of personality. Treated as intellectual and emotional orientation, it plays an important role in the educational process and in the seeking of the meaning of life by the individual. Research conducted by J. Krupa shows that a high place in the hierarchy of personal values is taken by activity expressed through participation in various areas of life and through the declared readiness to respond to its manifestations, mainly of an external character. Students who identify themselves with these adopted values and live according to them, are also able to create them through an active and creative approach to life. In their efforts, they create their vision of the future\textsuperscript{112}.

The education process can also be seen as a form of investment. Initially, it requires a considerable financial expenditure, but the intellectual assets acquired through the expenses will definitely yield a high return, and the effects of their use will be seen for many years. And most importantly – the expected future results justify the current expenditure\textsuperscript{113}. In addition, it can be assumed that this investment is sustainable, because it increases the ability of students to express opinions, to develop the ability to analyse the information that they receive, and consequently it increases their ability to assess, value and prioritise their own personal preferences\textsuperscript{114}.

Education, also that of future leaders of social and economic life, is a major task of the university. According to M. C. Gentile, universities are now


\textsuperscript{112} J. Krupa, \textit{Autorefleksja studentów nad sensem własnego życia i jego źródłami, „Edukacja Humanistyczna”} 2007, no. 2, pp. 90–94.


\textsuperscript{114} Ibidem, p. 109.
at a crossroads. The way in which they educate future leaders is subject to severe criticism from academic circles and their local environments. Education based on narrowly understood achievement of short-term effects in the form of a rapid return on investment dominates. In turn, research is inspired by the demands posed by the ranking list in prestigious academic journals\footnote{More on this in section 3.2.}, and not by the actual needs of the economy and its representatives. Improperly educated managers have serious difficulties in the smooth handling of the multicultural business environment. In turn, universities use mainly academic language, and only partly apply the language of economic practice. Therefore they rarely communicate the knowledge of operational management or of human resource management effectively\footnote{M.C. Gentile, \textit{The 21st Century MBA}, „Strategy + Business” 2008, Special Issue, Autumn, pp. 14–25.}.

The main function of education is to prepare partial members, i.e. candidates for membership of social groups, to participate fully in the social life of these groups. The role of the member in the group is determined by the social relation between them and the group. The social relationship consists of social contact, i.e. the relationship between two parties, and the social responsibilities of each party towards the other. In turn, the social contact is the principle whereby between some individuals or groups there are some relationships and these groups have certain obligations to each other. For each member, the social content of the group should be a vital psychological complex, and that content is an area of co-experience, empathy and cooperation of all who share it\footnote{F. Znaniecki, \textit{Socjologia wychowania}, Wydawnictwo Naukowe PWN, Warszawa 2001, pp. 121–123.}.

Proper preparation should begin as early as secondary school. A serious task awaits teachers working in such institutions. They will have to create a suitable background for further training run at universities. The problem is that teachers need to learn the assumptions of business ethics, social responsibility and corporate governance, at least in a way detailed enough to enable a discussion with youth on these issues. In view of the considerable curricula overload at the secondary school level, their enrichment with the principles of social responsibility may be a difficult task.

Education in colleges and universities at teacher training faculties requires a specific approach. As regards the relevant substantive and methodological preparation of graduates, the primary responsibility rests with the university\footnote{A. Marszałek, \textit{Metody aktywizujące a rozwój (ksztaltowanie) postaw studentów}, „Innowacje w Edukacji Akademickiej” 2006, vol. V, no. 1, p. 43.}. Although this responsibility concerns not only teacher training faculties, but...
basically all the fields of study, it mainly pertains to those related to the management of groups of people, directing them, or those which in the future will require close relations with the representatives of business and social life. One way or the other, the process of forming an appropriate profile of a graduate should begin much earlier, even at the level of preparing appropriate lecturers.

It is hard to escape the issue of responsibility then, also in terms of the role of the researcher employed by the university. Being, what J. Goćkowski called, “an actor, a creator of the role” the researcher should\(^\text{119}\):

- take responsibility for themselves and their actions (quality of research, research honesty, accuracy of expression, etc.),
- take responsibility for their students,
- take responsibility for the pursuit of the truth as far as the available powers and means allow it and keep the action in accordance with the standards and ethos of the “scientific outlook of the world”.

Having completed their studies at the tertiary level, graduates are prepared to work in any sector of the economy. Therefore, universities play a unique role in the education process, which imposes special obligations on them in terms of the responsibility for the quality of the skills acquired by the graduates.

This role of universities is also emphasised by representatives of business circles. During the EFMD conference in June 2011 in Brussels, Josef Winter, Chief Compliance Officer of Siemens AG, said that universities play an overwhelming role in creating change in social attitudes, which underscores the importance of the social role they play in the environment.

The transfer of knowledge is not merely about implementing the adopted curriculum, which includes the content required by the standards, in compliance with the usual practices and university procedures. The purpose of this process is such formation of the profile of a graduate that they are able to use their knowledge and skills in the best interests of society, but also of their own.

The role and purpose of university education should be to prepare graduates for society in such a way that they, thanks to their skills and also the established moral norms, will be able to be conscious knowledge workers. Such graduates will be innovative and stimulate the growth of the company. In the modern world, sensitive to the social needs, future managers will be able to successfully manage organizations in accordance with the principles of social responsibility\(^\text{120}\).

\(^{119}\) J. Goćkowski, \textit{Ethos nauki i role uczonych}, op.cit., p. 33.
This means that the university can and should actively participate in the formation of attitudes of social responsibility. Important methods of action should be: creating conditions and encouraging the formation of student organizations, partner treatment of students or the emanation of good models of academic circles. Thus, one of the tasks of the university is not only to ensure a sufficiently high standard of education but also to create moral and cultural attitudes, styles of behaviour or systems of values. Only then will the university be a key factor contributing to the development of the region.

It must be kept in mind that the education sector is a priority area of activity in modern societies. If education is to shape actively the information society based on knowledge, then its task is to provide theoretical knowledge, shape certain practical skills and appropriate attitudes. These attitudes are a system of values which we accept, the process of their transfer can be varied – from humanistic education, through imitation or encouragement, to educationally desired activities.

In the literature on the subject one can find many voices talking about a different role of the university. K. Olbrycht believes that the university, in the face of certain socio-economic conditions, does not have any specific commitments to stakeholders. The fact that it operates in “unfavourable conditions” is a factor that relieves it of the sense of moral or social obligation. According to that author, it is difficult to speak about a programme formation of social bonds in relation to higher education, unless it would be concerned with preparation for professional understanding, supporting bond creating processes, diagnosing or using social cultural resources. The operation of today’s universities – on the border of a mission and a trade in educational services – is not conducive to thinking in terms of the solidarity of members of the academic community for the common pursuit of the truth, scientific discoveries, mutual inspiration and collaboration in research, improvement of ways of thinking and acting, offering each other the time needed to achieve these objectives.

On the other hand, H. Samsonowicz believes that “universities are responsible to society for the initiation of thinking processes, for highlighting a wide

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range of topics to ponder on, to reflect, in other words, to raise the intellectual level, i.e. the creation of a thinking community”\textsuperscript{125}.

The role of universities in the development of socially responsible attitudes is invaluable, and several years of interaction in the learning process gives great opportunities to exert a positive influence on young people. Including content referring to business ethics or corporate governance rules in study plans and curricula will at least raise the graduate’s awareness, notwithstanding, changing their attitudes\textsuperscript{126}.

University teachers have a much better position in the academic community than students. This kind of power should be followed by responsibility. Opening new horizons of knowledge before the student, which is a specific call to explore new experiences, must be underpinned by the support of experienced individuals, so that they are able to meet the challenge. The key to the problem is accepting the assumption that the education process is not a simple intellectual event. Education is a holistic matter\textsuperscript{127}.

The issue of respect for the main value of the university, its intellectual capital, is related to that\textsuperscript{128}. It is worth remembering that it is not only in the higher education sector but elsewhere that the survival of the competitive market is heavily dependent on the constant increase of the role of intellectual capital and its cyclical measurement. It is a factor stimulating innovativeness and it builds the competitive advantage of organizations\textsuperscript{129}.

This dependency has already been indicated by B. Jałowiecki, who said that “in proto-scientific societies there exists an institutionalized way of transferring knowledge, and the university becomes the most important institution in this area”. Under the influence of the environment and the development of organizations, universities transform into very efficient institutions whose purpose is to train highly qualified personnel for society\textsuperscript{130}.

\textsuperscript{128} M. Geryk, \textit{ Kapitał intelektualny uczelni źródłem jej przewagi konkurencyjnej}, „Studia i Prace Kolegium Zarządzania i Finansów” (SGH) 2010, p. 99.
An interesting aspect of the issue is the question of ethical control. Its role would be to determine whether the university includes strategic objectives, internal and external goals of stakeholders at all levels of management. The role of such a body could be described as an ongoing assessment of whether the university meets its social responsibilities in the expected extent. It seems that the possession of such an evaluative body by each university would facilitate the impartiality of the evaluation of these actions\textsuperscript{131}.

According to A. C. Bawa, there are four important premises related to education while addressing the needs of the community. The first is the involvement of students, a combination of studying and meeting the demands of the environment, which will help them to build their “social consciousness”.

The university’s reaction is partly inspired by the internal institutional needs for improving the quality of education and promoting institutional social awareness, in other words by the second premise. This is also a response to the strong criticism of the higher education system as being a kind of ivory tower, able only to draw support from government grants and the forces of social activity. The third premise of social learning is inspired by the actions of active representatives of lecturers and students. Those groups of the academic community use various forms of involvement, which may stem from the ideological precepts of commitment or the need to extend the base of the university’s operation, in order to harness the university authorities to act to better meet the needs of the local community. This form of involvement is to build the credibility of the community-based social commitments, as a legitimate and necessary form of science and research.

The fourth category includes those projects which are created with inspiration and with the support of authorities and local communities. Their mission is to mobilize the university to take a position on specific issues concerning the development of the local community. These projects are often a response to particular crisis situations which arise in communities. A group of researchers starting a project of an important social significance could be another form of inspiration\textsuperscript{132}.

In the research on social responsibility of the university conducted by the author of this monograph in 2007, the respondents asked about the understanding of the term indicated “not only education but also formation”\textsuperscript{131}


\textsuperscript{132} A.C. Bawa, Rethinking the Place of Community-Based Engagement at Universities, in: Higher Education and Civic Engagement: International Perspectives, op.cit., pp. 56–57.
as their first thought. This is an important voice in the ongoing debate on whether the role of the university is only education or is it also formation.

Students often build inter-university structures operating for the student community or even for local residents. The existence and operation of civil society organizations is still one of the most important conditions for the functioning of civil society. The university may thus participate in the shaping of attitudes of responsibility, mainly by enabling and encouraging the formation of student organizations, partner treatment of students as university stakeholders and presenting good models of action. Students should make sure that their voice is heard and that they are important representatives of the academic community. The task of the university is to provide the conviction that dialogue, meeting and working for others as well as active participation in social life have real value.

In a study on the impact of economic studies on the moral of level students conducted in 1981 at the University of Wisconsin the truth of the assumption that people interested in their own benefits make a rational calculation of the costs and benefits resulting from the kind of cooperation whose effect is the public good was verified. In the absence of coercion or of other stimuli, rational egoists should refrain from this form of cooperation, expecting to benefit from the public good at zero private cost. The results of the research showed that the reason for the students' lower interest in working for the public good may be not so much greed as the fear of losing their private resources.

Social capital, which gives a sense of social responsibility, is the foundation of the democratic political system. At the same time, despite the development of technology, cooperation of all communities and common sharing of the responsibility for others is necessary. In order to examine the social perception of the primacy of finance over ethics research has been conducted among students of management. According to the survey, 63% of students said they tried to avoid profitable transactions when lack of ethics came in to play, and 64% prefer to remain not wealthy rather than to profit from corrupt activities. Over 80% of respondents did not support buying illegal music. Howev-

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133 M. Geryk, Społeczna odpowiedzialność uczelni, „Współczesne Zarządzanie” 2007, no. 4, p. 139.
er, 57% would not feel guilty if they cheated the tax office, and only 31% are opposed to cheating at exams. The research revealed dangerous gaps in ethical education, resulting from negligence in earlier forms of education. This implies the need to involve ethical and philosophical elements of knowledge in the process of education\textsuperscript{137}.

The issue of unethical behaviour is certainly not a Polish specialty. At American universities commissioned writing of scientific works is a known phenomenon. As it was described in “The Chronicle of Higher Education”, an author working under the pseudonym of Ed Dante only in the year preceding the publication, i.e. in 2009, had written, mainly on behalf of students, more than 5,000 pages of scientific papers. He had written theses (master degree) in psychology, a Ph.D. in sociology, a lot of papers in the field of international diplomacy, bachelor degree works on tourism, business administration and accounting. He wrote various works on such subjects as history, cinema, labour relations, pharmacology, sports management, safety of navigation, aviation services, sustainable development, local government budgeting, marketing, anthropology, literature or public administration, and even theology. He adds that he studied at three dozen universities where distance education was conducted\textsuperscript{138}.

Thus, as illustrated by the example cited above, there is a problem of ethics in higher education, and indeed it is difficult to ignore. The future will show how perfect are the methods and tools which have been created to address such pathological situations.

The vision of the university as a kind of ivory tower is currently undergoing a change in the direction of a social, civic university. The tasks related to the creation, transfer and dissemination of knowledge and its achievements are very incredibly important and they decide on the pace of the economic development of each country. The problem lies in the way in which this transformation and “return” of universities to society take place\textsuperscript{139}.

The idea of the civic university also applies to the discussion of the programs on the development of public administration or the reasonableness of the idea of civil society, both in the wider community as well as between the academic environment and society. Currently, the university is more often seen through the prism of money, position, and an institutional but also


personal profit. It seems that the public authorities supervising universities cannot cope adequately with the issues of entrepreneurship and individualisation of activities. The implementation of the idea of creating a civic university may pose many difficulties not only because of the excessive distance between educational institutions of higher education and society, but also because they were excessively linked with society in the periods when it was opposed to that idea\textsuperscript{140}.

Thus the university was confronted with the serious task of anticipating the future needs of the country’s economy, which, in the situation of rapidly progressing changes in the world, is not an easy task. In addition, universities should make an effort to predict the trends of society’s development and evaluate what professionals it will need in the future. This applies not only to the needs of the labour market, but also some suitably shaped attitudes, like, for example, the awareness of environmental protection or care for the sustainable development of urban areas.

Responsibility of the university thus extends from the transfer of reliable knowledge to the development of the ability to recognize needs in terms of socially responsible attitudes. The percentage of educated people is increasing due to growing schooling, which is why one may assume that the role of the university and its effect on the propagation of expected attitudes will grow in the future.

The university also faces the responsibility of proper selection of its teaching staff. They must comply with the requirements imposed in this regard by the university itself for they are supposed to create its scientific potential and intellectual strength. It is the university, and therefore also the lecturers, that are responsible not only for the last stage of education but also for the elimination of any deficiencies of lower stages of education.

The globalization of the world economy calls for changes in the education of future leaders. They will be subject to much greater challenges than the current leaders. Running a business will require the development of new skills: firstly, professional shrewdness forced by the highly competitive environment, secondly, a broad expertise and knowledge of the relationships prevailing in the world, thirdly, having a kind of “ethical compass” so actions are guided by business ethics and knowledge of what is socially permissible and what is not, and finally, future leaders must be capable of “civil commitment”\textsuperscript{140}

to the community. And most importantly – these four imperatives must be interconnected\textsuperscript{141}.

Management and entrepreneurship in conjunction with the acceptance of social responsibility in the global economy are possible through continuing education. This increasingly common system of education will continue to grow along with economic development. It causes a constant need for new types of professionals in narrow specialisations. The most important challenge in the education of future managers is such development of programmes that they include knowledge, skills, and most importantly – ethical issues, provided in an integrated form\textsuperscript{142}. The mere transfer of information, without developing social awareness, may lead the introduction to the market of people who in their actions will often be guided by objectives conflicting with the objectives of stakeholders. Their work could lead to the damage not only to the environment but also to the organization they manage, even if by lowering the prestige of the brand.

Positive participation of the university in the life of the local community should be understood as an example of activity known as stewardship. The issues of leadership, method of management, expressed in terms of care for the assets or adoption of strategies, will only be a background to the activities undertaken by universities\textsuperscript{143}.

Education of socially responsible students requires not only the introduction of an additional subject to the plan of study but also making the issue a key aspect of the educational process. CSR integration in education at the tertiary level also means treating the issue of social responsibility as the main way of acquiring knowledge, developing new, socially desired skills or organizational abilities. Each educational organization must make efforts towards sustained implementation of social responsibility in its strategy. Both the idea of CSR and the organization itself may benefit from this, not only by attracting attention to social needs but also because it allows for identification of new ways of achieving strategic objectives. G. Cisneros described the main benefits of socially responsible education\textsuperscript{144}:


\textsuperscript{142} A. Walravens, Governance Challenges and Their Implications for Management Development, in: Proceedings of the 15th CEEMAN Annual Conference, op.cit., p. 57.


• increase of public awareness,
• greater recognition and evaluation of CSR efforts,
• the creation of new ways to involve employees in socially responsible actions,
• increased sense of pride in belonging,
• the creation of new and more motivating ways to educate,
• better understanding of the needs of the market,
• the education of future leaders.

How important the role of the university is and how great the challenges and opportunities for development it faces is indicated by researchers in the field – L. Gardiner and P. Lacy. They emphasized three trends, albeit relating to education at the MBA level, but at least in part they may turn out to be representative of Polish universities\footnote{L. Gardiner, P. Lacy, \textit{CSR in the mainstream: New future for MBA education}, „European Business Forum” 2003, vol. 16, pp. 72–74.}:

1. There is a need, as reported by both the business community and the students themselves, for research, education and training in the field of corporate social responsibility.
2. The European diversity of approaches to CSR allows for an assumption that there will be an increase in differences and a difficulty may appear to focus on the main purpose of the action.
3. European business schools still have a long way to go in integrating the issue of the role of business in society in their training programs.

Analysing the role of universities in relation to future managers, one may find it useful to use the example of China. As it turns out, most of the business leaders responsible for the high rate of economic growth were not trained in any business school. This is illustrated by the number of MBA graduates in 2010: – in China – 40 thousand, while in India – 100 thousand, in the European Union – 150 thousand, and in the United States – 160 thousand. And this despite the launch of nearly 240 MBA programs in 2010 (for comparison, in 1991 there were only 9)\footnote{X. Wu, during the workshop: „The Opportunities and Challenges: Business Education in China in 2025” par of the conference EFMD, Bruksela, czerwiec 2011.}.

The potential of an economy is expressed in opportunities to develop future-oriented branches of production and services based on intellectual cap-
They can be created by investing in knowledge and skills. Studies conducted in the United States indicate that the rate of return on capital investment is twice lower than the rate of return on investment in skills.

One factor that may have a decisive influence on the effective education of socially responsible graduates is the appropriate preparation of staff, both secondary school teachers and university teachers. The process of education should be subject to a set of agreed goals and skills that a university graduate should possess.

One may take the view that universities or business schools provide entrepreneurs with graduates and from the point of view of the issue of social responsibility play a role of specific “providers”. It is about providing society with graduates well-prepared to cope with the changing requirements of the labour market. Besides, they should be aware of their civic attitude, socially committed and open to face new challenges in the public space. It is likely that soon the saturation of curricula with CSR issues will constitute an important basis for evaluation and comparison of universities’ educational offer. In addition, it is worth mentioning the suggestions concerning the desired activities offered by educational institutions.

- the subject “corporate social responsibility” should be mandatory,
- these issues should also be present in the curricula of other subjects,
- there should be classes in the analysis of social phenomena and needs as well as their changes,
- in the educational process analysed case studies must always be presented with an explanation of their social context,
- there must be focus on the relationships that universities intend to create with corporations.

Only an operation which is carried out in a comprehensive and integrated manner may contribute to the achievement of the desired social effect – education of a graduate responsive to social needs and feelings.

In the author’s opinion, it is the university as an educational institution preparing the future intellectual elite of the country that has a special task to perform in this respect. The competitiveness of our economy, but also the future...
level of living conditions, and most importantly, the quality of life in Poland, may depend on the effectiveness of its implementation.

2.3. University marketing and social responsibility

2.3.1. The need for marketing

The rise and impressive growth of private universities in Poland were the result of a strong, unmet demand for higher education services. Now, 20 years after the establishment of the first private university (after 1989), this market displays the characteristics of maturity. The existing private universities in some respects rival public institutions, and the outstanding ones become their equivalent partners in terms of the scale of education, their competences, as well as ongoing research.

Adverse events, such as the deepening demographic low or the growing number of universities, lead to the weakening of the growth potential of the market. Private universities, which do not benefit from the support for their statutory activities from the country’s budget, are particularly vulnerable to the impact of these events, hence the sector of the higher education market is interested in any marketing activities aimed at increasing opportunities for development and further market expansion.

Every year there are fewer and fewer people entering the age appropriate for studying, whereas the schooling rate increases, supported by the tangible social pressure on being able to legitimise oneself with a higher education diploma. However, it seems that the number of students admitted to universities will decrease over time. It will not be significantly affected by the activities promoting Polish universities among the potential candidates from abroad. On the other hand, one does not see indications of the threat of competition from branches of foreign universities in Poland. The current legislation, which requires that the vast majority of academic teachers, representing a minimum of staff, be Polish citizens, causes that such activities will not bring a quality other than that offered by the universities already existing on the market.

One may therefore say that the market has reached a state of relative stability. However, the prospect of the potential risks for the development of

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150 The first private university established in Poland after 1945, apart from the Catholic University of Lublin, was the Private Higher School of Business and Administration in Warsaw, now Private Higher School of Business, Administration and Information Technology in Warsaw. It received authorization from the Minister of Education on 29th June 1991 under the provisions of the Act of 12th September 1990 on higher education. Based on information from the Ministry of Science and Higher Education: www.mnisw.gov.pl and www.pwsbia.edu.pl.
the market requires its participants to make mature decisions of a strategic nature. They include the search for new areas of development of the university through the creation of new fields of study whose scopes are different from those offered previously, applying for EU funds to enable the extension of university education or investment in the sustained improvement of the quality of studies.\footnote{M. Geryk, \textit{Wpływ funduszy europejskich na dynamikę rozwoju uczelni}, Conference: „Science, Technology, Higher Education and Society in the Conceptual Age” (STHESCA 2011), Kraków 5–7.07.2011 (unpublished paper).}

The environment in which the university operates, is an open system, which means that its business is dependent on many external stimuli. In turn, it is also influencing the environment. The micro-environment consists of those components of the environment that determine its functioning and which are reciprocally influenced by the university. That group includes both the competing universities, potential candidates, but also other institutions, such as banks, suppliers, graduates, the media, etc. The remaining forces which affect the universities and on which it has no impact are collectively referred to as the macro-environment, which is a set of economic, demographic, legal, cultural or political factors. Finding out about the state of the environment is possible due to successfully conducted market analysis, which is a set of activities such as market research, marketing intelligence, macro-environment monitoring and forecasting.\footnote{A. Pabian, \textit{Marketing szkoły wyższej}, Oficyna Wydawnicza ASPRA-JR, Warszawa 2005, pp. 34–66.}

Introduction of the new currency in Poland, the euro, may turn out to be a challenge. In the field of education services an additional development pressure may appear. An increased transparency and competitiveness of universities’ offers may be an important factor. The amount of tuition fees in euro may be an important evaluative factor. The fact that Poland is not only a full member of the European Union, but also operates the common currency, would be an important factor influencing the decision to take up education at a Polish university.\footnote{M. Geryk, \textit{Wpływ przystąpienia Polski do strefy euro na strategie zarządzania uczelniami}, in: \textit{Polska w strefie euro. Szanse i zagrożenia}, ed. J. Ostaszewski, SGH, Warszawa 2008, pp. 377–385.}

It is not easy to assess accurately the extent to which the value of the offer of Polish universities may rise due to the strength of the brand of the single currency. Especially for people from non-European countries, the legitimacy of Poland as a place where one can study will improve. In view of the efforts made by an increasing number of universities to launch education in English
and other languages, the easy comparability of educational costs and costs of living may have a significant impact on the decisions of customers.

Increased competition is likely to be a negative effect of the convergence. It can be assumed that marketing pressure at foreign universities encouraging to studying at their head offices will increase. In addition, branches of foreign universities will appear in Poland. Due to their know-how, especially in the field of educational services marketing or management efficiency, they might significantly jeopardize the viability of Polish universities.

It can be concluded that further development of the sector of educational services at the higher level is beneficial to the development of the whole economy. Not only because of what the process of preparing human resources may bring an extra growth impulse for the sector, and thus the whole economy, but also because of the intense scientific exchange with universities in other countries or student exchange.

Watching the changes in the higher education market, one can see a growing long-term span of activities undertaken by university management. More and more frequently they take the form of strategic management. In the literature it is defined in many ways, but according to one definition, it is a stream of decisions and actions that lead to building an effective strategy or effective strategies to serving the purpose of meeting the objectives of the company. The functioning of private universities is similar to the operation of enterprises, so the quoted definition can be fully applied also to higher level educative entities.

Universities make conscious efforts to ensure keeping and even increasing their market share. Before taking appropriate action the university should properly identify the needs in terms of process management, improvement of didactic and research work, as well as the factors affecting the participation of students in the education process.

Following G. S. Becker’s assumption that “the economic approach provides mental constructs useful for understanding all human behaviour”, as a certain explanation of the way of thinking about the possible similarity of behaviours of universities to that of other organizations, one may assume that universities will also pursue to take a properly exposed position on the market of educational services. If we measure this position with scientific strength

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155 G.S. Becker, Ekonomiczna teoria zachowań ludzkich, PWN, Warszawa 1990, s. 37–38. It is difficult, however, to agree uncritically with the orthodox adoption of the assumptions of pan-economics and refer it to all and sundry areas of social life, including family life.
and position in the academic world, then it is hard to imagine it without an appropriately strong community of students. And that certainly requires taking more decisive actions of a marketing nature.

University marketing activities do not differ from similar measures taken by the business sector and other participants of the market. Educational institutions should, however, put more emphasis on building ethical procedures when promoting and recruiting candidates. The solution may be to harmonize the marketing message with the real content and quality of the proposed educational service. When building a proper marketing strategy and properly identifying the target audience, one can succeed on the market regardless of the evaluation of the university’s brand. For in the market there is room for both outstanding universities and for weaker ones, which recruit less demanding candidates.¹⁵⁶

Researchers on the subject, such as I. Maignan and O. C. Ferrell, suggest to boldly use the ideas of social responsibility as a marketing impact tool associated with the creation of value for the organization.¹⁵⁷ Market research results highlight the strength and intensity with which the implementation of these ideas has an impact on the attitudes of customers and their behaviour. They also illustrate how identification with the objectives of the organization may influence customer attitudes.¹⁵⁸

Many organizations use their image in order to increase market share by creating the impression of being a good socially responsible organization.¹⁵⁹ The development of the university corresponding to the requirements of the changing environment can only be achieved by relying on factors which affect the formation of the demand. For the point is to provide educational services in the expected form and quality. Its proper preparation is largely dependent on the organization’s capabilities or its ability to develop them. And it is these unique and characteristic capabilities of the organization that should be especially nurtured as constituting its competitive advantage.¹⁶⁰

The growing interest in the issue of social responsibility and the opportunities of its application for the development of the image lead to promoting

the instrument approach. However, a threat often appears of reducing the serious idea of CSR to being a tool for maximizing market effects. In this approach, the main objective may be to achieve a socially responsible image of the organization and not to become a university actually constructing social well-being\textsuperscript{161}.

A strategy which ensures the university’s operation on the market is essential to its survival. Therefore, it is also the strategy that should be aimed at the needs of the market. It should be dominated by those elements of a marketing strategy that provide for possible changes and market trends as well as identify the potential of future needs. The aim of the strategy is not only to meet the needs of the market, but also create entirely new markets\textsuperscript{162}. And this is just the field of the right activity of the university – creating a unique marketing strategy for educational services in higher education. It should first of all project needs in terms of education for the next several decades. These forecasts should, of course, be closely correlated with the analysis of changes in the labour market resulting from the socio-economic development or technological progress.

It is worth taking advantage of the thought by R. Simon, “only active participation in the incessant discussion with one’s own environment leads to success”. In fact, the most important thing is to identify the target groups correctly and to streamline the offer in accordance with customer expectations\textsuperscript{163}.

Research shows that business strategies must be supported by deliberate marketing. The essential thing is that university managers not only be aware of the need and purpose of these activities, but that the areas of marketing and management of student relationships management be an important part of their interest. The need to delegate powers and responsibilities to lower-level employees, even if only resulting from the size of the university, should not limit the level of authorities’ interest in the actions in this area. Only full determination of managers will convince all employees about the importance of these activities. Besides, prompted by the university, indicators for measuring the effectiveness of marketing activities should be established and agreed upon. In fact, regardless of the industry, a well-formed set of indicators al-

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lows for the disclosure of the basic relationships between the main factors influencing the development of the organization. Cost-effectiveness of CSR inspired marketing activities is neither greater nor lesser than that of the development programme of a new service or of another investment made by the university. One may even find that the economic added value will become a function of the excellence of the strategy and its implementation. Adoption of a strategic and creative approach in terms of social responsibility may significantly contribute to the increase of the value of the entire organization.

In the market economy, at the present stage of its development, strategic decision making requires full access to information. Such access is one of the basic factors of development. The information, however, must be carefully selected, up to date and of a high quality.

A good example of obtaining information could be the implementation of a marketing information system. It is a set of procedures and methods of planned analysis as well as appropriate presentation of the results for their application in marketing decisions. Executive directors often emphasize the strategic role of marketing supported by an information system. It is confirmed by the results of a study conducted on a group of 30 companies, including 20 large and 10 medium ones. This system can be used at different levels of the construction of the marketing strategy, from the designation of market trends, through sales forecasts, to a demand and competition analysis.

It must be kept in mind that the basis of true marketing is the adoption by the university of the “from the outside to the inside” orientation whose main premise is the direction of the process beginning at the starting point, i.e. at the point of emergence of the needs expressed by customers, a preparation of a services offer being the response to these needs, in this case, higher education services. A. Pabian even formulated a definition, which assumes that “university marketing is about discovering the needs and desires of the market in terms of higher education and addressing them effectively through study and other forms of education.”

The main objective of strategic management is to define and identify the target group of the recipients of services. Planned projects must take into account a range of possible changes in the environment and in the organization itself. Regardless of the degree of development of the organization it must be assumed that there is always a need to innovate and implement changes. They may include such activities as:

- constant updating and expanding of the educational offer by introducing new fields of study and modifying the ones already existing in the offer of the university – these changes should take into account the projected transformations in the labour market or legal and socio-economic changes,
- constant support of scientific development and improving the level of teaching – these actions should help to facilitate the integration of the environment and improvement of qualifications,
- conducting continuous market analysis – which should lead to corrective action and inspire innovation.

The theoretical contribution to the development of management systems based on the principles of social responsibility stems from a new research perspective, combining business ethics with modern economic theory of the organization. It emphasizes the importance of organizational culture, trust and reputation as factors which increase organizational efficiency and ultimately profitability\textsuperscript{170}. This contribution can be represented as three important influence factors\textsuperscript{171}:

1. adoption of general rules for managing the relationships with stakeholders construed as an acceptance of a “social contract” which is a proposal for stakeholders, and an expression of commitment to the environment,
2. definition of preventive policies, which allow for the determination that the interactions between the company and its stakeholders carry a potential risk,
3. communication and reporting thanks to the involvement of stakeholders, who evaluate achievements on the basis of the principles and objectives announced in advance, and compare them with the actual accomplishments of the organization.

All organizations define their business goals, and most define their sets of core values. But few of them have implemented business models which are fully consistent with these values. Delivering exceptional performance in many aspects of operation is possible only if the core values are the foundation of the strategy. Every action must arise directly from them\textsuperscript{172}.

2.3.2. The effectiveness of university marketing strategy

A university strategy is best developed on systemic terms and designed in the form a model. The model of a strategic system should consist of the image and mission, objectives of the system, execution strategies and the strategic offer. The image of the university has a marketing dimension and – just as the strategic mission – a timeless character. The image is understood as the logo together with the visual identification system, the traditions, the experience, and other unique differentiators of the services on offer. A well designed logo of the company should primarily reflect the profile of its activity, be tailored to the target audience, present the mission and highlight its competitive advantage. Taking into consideration the local conditions in which the university operates is of no less significance\textsuperscript{173}.

The key to success on the market of educational services is to distinguish the university’s services from the offer of its competition. Good communication with the environment is also important. Therefore, efforts should be made to modify the offer in such a way that a new and unique value or characteristic is proposed, which only our organization has or – which is probably closer to the truth – which only our organization mentions or does faster than the other market participants\textsuperscript{174}.

In the face of the changes in the market and the loss of importance of price competition, competition based on the image of the university is gaining in importance. Such components of the university’s brand as the environment’s opinion, accreditations held, position in the rankings or graduates’ professional careers, will be the main motivation for the choice of a given university as a place of study. In view of the changes in the educational services market, the competitive position of the university is changing rapidly. The type of con-

\textsuperscript{172} Ch. Arena, Cause for Success, New World Library, Novato 2004, p. 40.
\textsuperscript{173} D. Dworak, Na początku jest wizja, „Media & Marketing” 2009, no. 1–2 (332), pp. 8–10.
\textsuperscript{174} A. Newell, Whatever the medium, it’s the message that counts, „ Global Focus” 2008, vol. 2, no. 2, pp. 48–51.
ducted research and the interaction with the environment, including the foreign one, are important preconditions for long-term success\textsuperscript{175}.

The strategic mission has the nature of an offer and it is a kind of promise for stakeholders. It should contain the philosophy of the organization and the factors describing its otherness from other universities operating in this sector of the market. The strategic objectives of the university are the most important group of objectives derived from its mission, which apply to a specific time horizon. Their character may be:

- economic – concerning the implementation of economic and financial tasks,
- marketing – related to tasks in the area of the market,
- technological – related to the means of production and manufacturing methods,
- social and humanistic – associated with man as a managing and executive entity\textsuperscript{176}.

Execution strategies are otherwise called executive procedures and technologies. Economic objectives are realized mainly through technical and organizational progress and investment activities, whereas marketing objectives – through promotion, advertising, an adequate distribution system and pricing policy.

The strategic offer includes a specification of the current and future services in the form of a trade name, destination, indication of the potential recipient, the level of quality. It should also affect employees and managers – it serves an important motivating role then\textsuperscript{177}. The resulting heightened awareness of all employees is likely to bring about full involvement of the whole team which makes up the organization. Such actions are required by processes management, like for example quality management systems\textsuperscript{178} consistent with ISO 9001.


\textsuperscript{177} L. Berliński, op.cit., pp. 473–476.

The discussed set of activities is supposed to help the final recipient of the service achieve a maximum satisfaction by better matching of the scope and quality of educational services to the market expectations\(^{179}\). The university’s orientation towards customer needs may lead to its adoption of regular market analysis procedures. Observing these changes as well as appropriate and rapid implementation of innovations may largely decide on the market position in the future.

Developing an effective marketing strategy involves fundamental issues in terms of organization and leadership. The university needs to see itself not as a provider of high-quality educational services but as an organization which meets specific needs of customers. The style and course of action must be identical for the university authorities and all employees\(^{180}\).

Therefore, it is good to note T. Weston’s statement that a good rule of marketing is to invest in recruiting and retaining clients at all times, not just when the economic climate is good\(^{181}\). This means that the task of responsible marketing is to always conduct brand image building actions, regardless of the current economic situation or the situation in the market for higher education.

In taking the ambitious task of formulating a marketing strategy it is necessary to take into account three elements: the planned increase in market share, total quality management (TQM) and the power of the internal potential of the organization as well as that of the external environment. Such a presentation of the strategy includes most of the conditions which may have a significant impact on the final shape of the strategy\(^{182}\).

In many countries, economic conditions are also a source of signals addressed to the managers of educational institutions to develop important and more relevant curricula which would assist regional development programs. The role of the university would therefore be to continuously adapt curricula to meet the evolving expectations of the local labour market and economic environment. Such and attitude would be a manifestation of global thinking and local action\(^{183}\).


An important element which has a big influence on the final shape of marketing management is the environment of the organization. Among others, examination of the socio-cultural environment is helpful when identifying the preferences of potential customers. This environment has a profound impact on the formation of opinions and attitudes, and these can put further pressure on the development of the desired socially responsible actions. The components of the socio-cultural environment are demographic and cultural factors (personal ethics and business ethics), adopted attitudes, and the current issues affecting the functioning of the organization.

In addition to the activities consistent with the adopted strategy of development, each university should take care of an appropriate marketing setting. It seems that the awareness of the need to intensify efforts in this regard is growing among managers. Examples of the leading private universities confirm that only institutions providing educational services at a high level, supported by a coherent and positive image, may count on a sustained market success. Such measures are also in line with the expectations in terms of the role of social responsibility of the university.

Traditionally, marketing is described as a set of four Ps, i.e. product, pricing, promotion, placement. Each of these activities may have an important ethical meaning. The question of how important is an educational service to society as well as the problem of whether it is of sufficient quality are just a few of the questions that the university needs to find an answer to. At the same time the whole complex of marketing activities must be inspired by responsible conduct, taking into account social aspects in every area, e.g. in the formulation of the price or the reliability of market research. It is worth mentioning the three important questions about the ethical issues in marketing strategy set by J. Desjardins:

- To what extent are the participants considered to be free and autonomous representatives, and not treated instrumentally to achieve an objective, meaning: sales?
- To what extent does the transaction bring real and not merely apparent benefits?
- What other values could be at risk in the transaction?

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185 The Koźmiński University in Warsaw, among other factors due to the high quality of research, as evidenced by the power to confer a PhD degree in the discipline of management science, and the Aleksander Gieysztor Academy of Humanities in Pultusk, because it has created one of the largest Polish private universities in an area without strong academic traditions seem to be excellent examples of that.
Only a full analysis of the activities related to these issues will allow the organization to avoid conduct which is contrary to the idea of ethics in marketing.

Among the whole range of activities related to the image of the university and its marketing strategy the communication marketing tools seem to be the most relevant from the point of view of social responsibility. The difficult to identify realm of the emotions arising between the university and its environment builds its reputation. Other tools of communication marketing, such as advertising or PR, also serve to support brand building actions. If we consider the fact that 95% of information reaches human beings through the sphere of emotions, then we see how much importance should be given to the set of activities related to creating a brand and building reputation.\textsuperscript{187}

Managers of organizations are well aware that reputation is an incredibly important factor. Businesses that enjoy a better social assessment attract potential customers better. Moreover, they are seen as providers of higher value, which often allows them to charge a higher fee than their competitors. Customers in turn are more loyal. Since up to 70–80% of the market value of the company comes from the difficult to quantify intangible assets such as brand value, intellectual capital, goodwill, organizations are forced to demonstrate special caution so as not to reduce in any way its reputation by its actions.\textsuperscript{188}

Intellectual capital is particularly noteworthy here. Research conducted on a group of 600 Taiwanese companies in the pharmaceutical and biotechnological industry shows that intellectual capital is a specific phenomenon when it comes to the interaction with the environment.\textsuperscript{189} It has also been proven that organizational capital or social capital have actually a negative impact on the creation of knowledge.

It is also worth mentioning the group of customers who are entirely committed to a much loved brand. Described as “extreme consumers”, according to research from China, Europe and Japan, identify themselves with their favourite brand in 100%, and 94% of them never take into account the pur-

chase of competitive brands\textsuperscript{190}. This shows the status of all activities related to the complicated matter of brand building.

In an attempt to assess marketing activities related to the development of the image and brand of the university, only long-term effects should be used. Examples from the business sector unequivocally confirm that the taking of actions aimed at achieving high but short-term effects in sales could lead to the weakening of the power of the brand and change its perception. Measurement of long-term effects, however, poses great difficulties – they are harder to perceive than short-term effects. According to the results of studies by the research agency Information Resources Inc. (IRI), the long-term effects of advertising tend to be as much as 60\% higher than the short-term effects. Here is a suggested set of long-term indicators\textsuperscript{191}:

- analysis of base sales, i.e. assessment of a hypothetical sale at a price which has not been lowered.
- changes in base sales over studied periods, and statistical significance of these changes,
- forecasted customer response to changes in prices and offers,
- changes of reactions to regular prices and price, weighted statistically.

The efforts undertaken to satisfy various stakeholders are sometimes obvious and may result from concerns about maintaining good reputation and credibility. For in the face of strong competition from other market participants reputation is scarce and difficult to copy or forge\textsuperscript{192}, it is also an important source of differentiation and competitive advantage. By influencing the market position, it stimulates the growth of the organization in financial terms\textsuperscript{193}.

Researchers on the subject, representing different branches of science, emphasize the advantage and importance of building a good reputation, as well as the factors and processes involved in its creation and promotion. In the event of a breach of a good reputation effective remedy action should be taken. A model of such activities is shown in Figure 2.2.

The complete model includes most of the identified factors which may affect reputation\textsuperscript{194}:

- the characteristics of the organization, such as its organizational structure, size, history, etc., may serve as different dimensions of reputation development,
- due to the multidimensionality of the concept of reputation, one must remember that each of the dimensions is characterized by different dynamics of development,
- the effectiveness of activities related to creating reputation is dependent on the types of stakeholders and recipient groups.

It turns out that the organization’s reputation is as important a form of capital as other components of assets. Its interesting definition was presented by Z. Malar, who said that “reputation is a determinant which allows the company to function in turbulent times on an every day basis”. It performs many important functions\textsuperscript{195}.


• it provides the opportunity to expect higher prices for the services offered,
• it enables the rationalization of operating costs,
• it allows for a flexible running of a human resources policy,
• reduces the risk of running the business.

Reputation is important for all market participants, however, is the subject of more intense concern for these universities whose activities and market share are higher. At the same time, the greater investment in its development and consolidation, the greater will be the effects of promoting reputation.\(^{196}\)

Research conducted by R. Fisman, V. Nair and G. Heal has shown that the issue of social responsibility can play a role in shaping the organization’s brand. The most important observation is that social responsibility is important for companies that care about their own brand; another important observation is the fact that it has the greatest impact on profitability ratios of those companies whose advertisement spending make up for a high share of total costs. This may also mean that companies make the most profit from responsible proceedings.\(^{197}\)

Figure 2.3 shows the influence of the environment on the process of creating the power of

![Diagram](image-url)

**Figure 2.3. The influence of the environment on the brand**


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According to B. Brüggenwirth, CSR provides effective ways to build brand strength. An important element of this activity is to find a balance between social responsibility and the other values that make up the strength of the brand. Figure 2.4 shows a diagram of the brand positioning, including the value of social responsibility. Prior to the start of activities related to creating the brand its values should be defined. Corporate social responsibility creates an environment containing these values. The inspiration for these activities can be twofold – defensive or offensive. The former occurs because stakeholders need socially responsible activities, but also because of the organization’s desire to avoid risk. In the latter case, CSR is an expression of autonomy which, by strengthening the power of the brand, improves the market position of the organization. A set of actions set out in the diagram of brand positioning includes the attributes of the service, benefits and consequences of actions, as well as the final values. It should be borne in mind that brand building means creating specific relationships with stakeholders based on the values that they share.\footnote{B. Bruggenwirth, \textit{The CSR Brand Positioning Grid}, in: \textit{Management Models for Corporate Social Responsibility}, ed. J. Jonker, M. de Witte, Springer, Berlin–Heidelberg 2006, pp. 140–146.}

\begin{figure}[h]
\centering
\includegraphics[width=0.6\textwidth]{figure2.4}
\caption{Brand positioning}
\label{fig:brand_positioning}
\end{figure}

\begin{itemize}
\item Based on identity (we do we offer?)
\item Based on market rules (what is in it for me?)
\end{itemize}


Care for the high quality of the marketing impact alone turns out to be insufficient, in the face of the current state of development of the market. With the development of the university and its approaching the model of a knowledge-based organization, social factors play an increasingly important role in shaping image. Features of organizations such as collaboration, creating
relationships with internal stakeholders through dialogue and finally social responsibility affect the correct set of communication tools with society, thus creating its appropriate and desired image\textsuperscript{199}.

Many organizations adopt formal codes of conduct. Often they relate to the principles of building relationships with employees. However, their main goal is the complex process of brand building. Such organizations are often known to the public, and their results are particularly sensitive to the evaluation of their reputation. It can therefore be assumed that the main message of the introduction of codes of conduct is to protect reputation. These measures must be reliable and effective. Otherwise they can only be perceived as action in the field of public relations, rather than an attempt at socially useful activities\textsuperscript{200}.

University marketing activities, particularly in the field of public relations, must be subjected to strict ethical evaluation. Development of appropriate assumptions must be the task of the university and these should be consistent not only with the theory but also the expectations of the environment and enhanced by the experience of the organization. A. W. Page developed a model set of ethical directives and included it in five points\textsuperscript{201}:

1. Relationships with society should always be analysed.
2. A system for employees, whose task will be to provide information about the organization's strategy, market practices, etc., must be developed.
3. Employees who have direct contact with customers must be given the necessary information to make the right decisions.
4. Society must be informed about the objectives of the organization in a planned and open manner.
5. Efforts should be planned and systematic, and the results subjected to periodic control.

For a full presentation of the issues of public relations one of the first definitions, announced by O. Spengler, is worth quoting, according to which public relations\textsuperscript{202}:

- expresses the relationships prevailing in the organization,
- illustrates the superior-subordinate relationship,

\textsuperscript{199} H. Bloom, R. Calori, Ph. de Woot, Zarządzanie europejskie, Poltext, Warszawa 1995, p. 25.
• instructs how to conduct business negotiations,
• teaches different techniques and tricks to ensure the superiority and success in business conversations,
• teaches general culture of talks, making agreements and negotiations with the parties.

Individuals involved in public relations are often faced with many ethical dilemmas. The way they build the image of their school, how they respond to the expectations of stakeholders, using the mass media channels, forms the point of view from which the environment perceives them and most importantly – the organizations they represent

The building of the image of any organization should be carried out in an ethical manner. An example of such a set of ethical principles was established in the Public Relations Society of America (PRSA). Its main idea is to commit the work of those involved in public relations to the “fundamental values of human dignity and using man’s rights in an unconstrained manner". In addition, the main message of the PRSA is to promote freedom of speech, freedom of assembly and free press as necessary in public relations. This organization has also adopted the assumptions of a code of ethics, consisting of six core principles, which are: support (advocacy), honesty, expertise, independence, loyalty, justice

There are many cases of people’s concerns about the real purpose of socially responsible activities. Sometimes these actions are identified with marketing or public relations projects. In fact, a frequently unfounded suspicion appears when the activity of the organization in this field helps to improve its image and the main objective is to attract new, loyal customers and strengthen its competitive position in its area of market functioning. Besides, B. Frame thinks along similar lines, assuming that CSR is used by many organizations almost as a public relations tool. The consequence of this situation is a com-


\[204\] The Public Relations Society of America, headquartered in New York City, is the world’s largest organization of professionals involved in public relations. It has over 32,000 members. In the structure of the PRSA is more than 100 branches throughout the United States, 19 sections of professional and community interest groups which represent business, industry, companies, independent advisors, the military, the government, associations, hospitals, schools, consulting firms and non-profit organizations. The Public Relations Student Society of America (PRSS) has nearly 300 branches in colleges and universities in the United States. Based on www.prsa.org

2.3. University marketing and social responsibility

mon discrepancy between declarations and the actual state of the organization’s actions\textsuperscript{206}.

Public relations is a rational system of communication with the environment. It shapes social beliefs about the achievements of the organization and influences a better understanding of the processes taking place in the economy. Public confidence in the overall activities in the field of public relations is reflected in the strong confidence in the people involved in this activity. Integrated action and perfect conduct make the case that the PR system brings effects and it turns out to be extremely useful. This means that people working in the PR industry receive huge social (trust) credit but these activities carry a potential risk to society. That is why public relations should apply ethical rules of conduct including the delicate matter of communication with stakeholders\textsuperscript{207}.

Highlighting the achievements in the field of social responsibility, being expected by stakeholders, is undoubtedly good. Transparency measures and the presentation of the impact on the environment bring added value through mutual support and encouraging entities to such action. One cannot forget, however, that the issue of corporate social responsibility is much broader than just the creation of the image through the use of appropriate techniques of public relations\textsuperscript{208}.

A centuries-old rule of public relations is becoming increasingly important. Informing the public about the achievements of the organization turns out to be right. However, if it is used only to improve the image, not the actual implementation of elements of ethical action, then we have to deal with the chaos of information, or even propaganda serving the purpose of misleading the stakeholders.

From the point of view of the social impact of universities, sponsorship seems to be interesting. The name of this action is not fully congruent with its actual function, which consists in supporting various forms of socially acceptable activities, such as sport, culture and ecology. Sponsorship may reduce the costs of these activities, while avoiding negative associations linked with the purely commercial nature of the kind of message which advertising is\textsuperscript{209}.


Activities in the area of public relations should become an important instrument for achieving the objectives of the university. Setting up a schedule of activities and projects will systematize the course of the following steps, so as to lead to the achievement of the intended objectives. The priority of public relations is to create and develop a positive image of the university. Appropriate quality of the forms of communication with stakeholders enables the university to provide representatives of the local environment with information on its activities.  

Marketing efforts should not be aimed at the promotion of services offered by the university or the promotion of the idea of social responsibility only for its own sake. Such campaigns should be addressed to stakeholders in order to lead to better relationships. The university should play an active role in social change. This interaction of the business community and the academic circles, due to its power, may significantly affect the operation of governments. This strength is also reflected in the individual recipient of the product or service, who, in fact, has power over those who supply them.

Marketing of educational services may have characteristics similar to those of the activities of non-governmental organisations. They take actions leading to a mutually beneficial partnership. The implementation of the social option of marketing allows for the implementation of a development strategy based on the orientation towards the consumer, a competitor, towards the coordination function, which takes into account the long time horizon and focus on the expected benefits. Actions coordinated in this way may create a map of the scope of decision-making activity of stakeholders.

An example of a good combination of actions which take into account both the marketing objectives of the university and social needs is cause related marketing – CRM. If it is successfully implemented, it enables the organization to achieve its intended objectives, such as creating a new service or changing the image while maintaining good social relationships and supporting non-governmental organisations. The main benefits to the organization are: increased customer loyalty, improved employee motivation, improved social image, and finally a growth in sales. The social benefits achieved at the same time are: implementation of objectives of non-governmental organizations, a growing level of involvement in social issues, a better image of non-governmental organisations, and improved reputation.

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211 The Body Shop International website, www.thebodyshop.com
212 A. Styś, B. Iwankiewicz-Rak, Możliwości adaptacji instrumentów marketingu w procesie zarządzania organizacjami pozarządowymi, „Współczesne Zarządzanie” 2008, no. 2, pp. 93–100.
mental organizations. Thus, socially engaged marketing is an important part of the social responsibility program of the university, and its implementation is beneficial to all parties involved in the process\textsuperscript{213}.

Universities often use rules similar to relationship marketing, also known as affiliate marketing. L. Berry presents it as follows: “Affiliate marketing involves creating, maintaining and enriching relationships with the customer. Acquiring new customers is only the first step in the process of marketing”\textsuperscript{214}. Marketing activities in higher education are aimed at the creation and management of knowledge transfer. The aim, however, is not only to achieve customer satisfaction, market share or high income, but above all, to strive to gain social acceptance. Through the use of relationship marketing, the major focus of the organization is not on the conclusion of a single transaction, but on building lasting relationships with customers, especially with the local environment. The fundamental principle of educational services marketing remains the focus on providing knowledge, and the factors that have a significant impact on the success of the marketing strategy are:

- market analysis,
- forecasting the future demand for this type of service,
- changes in prices,
- university public relations,
- provision of services expected by the market,
- use of the promotion and sales technique\textsuperscript{215}.

As early as in 1983, L. Barry presented a vision of marketing based on the individualisation of the customer relationship, saying that the choice of the strategic option is dependent on the characteristics of the customer and the context. Therefore, creating proper relationships with customers will only be possible if the following conditions are met\textsuperscript{216}:

- the current relationships with customers must be analysed and steps must be taken to improve them,
- what constitutes a significant value for the customer must be carefully identified,

\textsuperscript{213}B. Rok, Odpowiedzialny biznes w nieodpowiedzialnym świecie, Akademia Rozwoju Filantropii w Polsce, Forum Odpowiedzialnego Biznesu, Warszawa 2004, p. 35.
\textsuperscript{215}M. Geryk, Rynek uczelni niepublicznych w Polsce, SGH, Warszawa 2007, pp. 83–90.
• knowledge and analysis of customers’ impressions will lead to a better matching of the product or service to their expectations,
• the level of customer satisfaction must be constantly measured.

This very important skill – developing and maintaining good relationships with customers, i.e. recipients of services – is an art that mastery of which may decide on the occupation and maintenance of a distinct position on the market.

When taking initiatives concerning the marketing strategy, it is good to use the resources of intuitive thinking. Intuitive cognitive knowledge may differ materially from rational knowledge. In fact, it depends on emotional states, experiences, cognitive structures, encoding of information. These elements are excreted in marketing techniques and those needed to communicate with the environment. University managers should also apply custom solutions, because thanks to experimenting or proper interpretation of intuitive solutions, they can build innovative and competitive strategies.

The unpredictability of the environment and the risk entailed by running a services business lead to a situation where universities may resort to creative marketing. A manifestation of such an activity may be the constant modification of curricula, so that the dynamics of the changes constantly stimulate the interest of potential buyers. This creative influence on consumer behaviour in the market is expressed mainly in the university’s activity and its response to the reported needs for new educational services. This allows the university to offer personalized in form and content issues which most fully meet the needs of the market.

In Poland there are 318 private universities and 448 higher education schools in total. They present a lot of different attitudes of different marketing maturity, but all of them take at least rudimentary steps to promote the services they offer. More sophisticated projects, based on research results, are undertaken by only about 1/3 of the universities.

Among the many channels of information distribution and ways to reach potential customers, the Internet is increasingly suggested as the first source of information about the university. Worldwide studies show that even close


to 70% of student candidates have indicated the Internet as a useful tool in making decisions about the choice of college. At the same time more than 50% of the respondents indicated the Internet as the most important source of information on business schools. The significance of the medium is raised by the indication by 24% of the respondents that when starting searching on the Internet, they did not have any preference for the choice of university\textsuperscript{220}.

It is important that the process of branding was coupled with the kind of tool of communication which the website is. For the website of the university often decides about its image in the perception of potential candidates. Comprehensive action in this matter should carry a consistent message from all faculties. The website should be the main source of communication and information exchange between the university and its students but also other stakeholders. There are many technological possibilities of improving academic sites, such as virtual platforms, the chance to listen to lectures or the latest interactive Web 2.0 technology\textsuperscript{221}.

Taking the trouble of creating a marketing strategy requires the university to estimate the expected level of recruitment under the assumption of often mutually exclusive factors, such as maximizing revenues from tuition fees ensuring a high quality education. The segmentation of the target market may allow the university to fine-tune its educational offer for a precisely defined group of customers.

R. Štefko introduced measures that should be routinely performed when creating a marketing strategy for the university:

1. The recruiting department should analyse candidates’ applications in terms of quantity and quality.
2. Both the accepted and rejected candidates should be tested with questionnaires evaluating demographic factors, interests of candidates, abilities and the perception of the image of the university.
3. The effectiveness of the use of funds allocated to the creation of the image of the university and promotional actions should be carefully monitored.
4. Qualitative factors of recruitment activities must be examined in order to obtain information on possible savings, as well as on the needs for training the staff responsible for the promotional activities of the university.


5. It is important to compare the expectations of candidates with the results of research on student satisfaction\textsuperscript{222}.

When analysing the financial side of the functioning of the university in terms of marketing and promotional activities, it is worth taking a look, in particular, at the level of spending on these activities. The effectiveness of promotional activities related to the ongoing recruitment of candidates may be analysed using an indicator, which is the cost of obtaining a student, or a measure expressed in financial terms, which is a quotient of total expenditures and the number of accepted candidates.

The use of this indicator does not allow for a full assessment of marketing activities, such as image building and branding. This will, however, allow for a more efficient allocation of costs. The present author’s many years of experience in university management shows that the current level of recruitment is relatively poorly correlated with the amount of expenditure incurred on the wider marketing activities.

Research conducted by the author in October 2005 concerning the conditions of operation, management and prospects of development in the sector of private universities gave answers to a number of important problems in this field. When assessing the factors affecting the current situation of the university, respondents highly evaluated the quality of management – 92\% of the respondents rated their skills as good or very good. Two out of three respondents, or 67\% of them, rated the condition and level of equipment of their university as good or very good. As many as 84\% rated the quality of financial management as good, while 55\% rated the financial situation as positive\textsuperscript{223}.

Private universities create a durable sector of higher education in Poland. The experience acquired in the course of two decades, over half-a-million students, as well as the accumulated assets testify to the strength and ability to respond to market changes. It seems that in the coming years, proportions of public and private universities in didactic services will remain at a similar level. Public universities quickly adapt to the requirements of a competitive market, they invest in the development of its facilities and look for savings.

\textsuperscript{223}The study concerned the conditions of activities, management and prospects of development of private universities in Poland. Ultimately, it was to include a group of 304 private schools, defined as all private universities entered by the minister responsible for higher education in the registry of private universities and associations of private universities as of 3\textsuperscript{rd} October 2005. The survey was conducted in the period from October to December 2005. See M. Geryk, Rynek uczelni niepublicznych w Polsce, op.cit., pp. 129-133.
Efficient marketing and rapid adaptation of the structure of the faculties on offer to the expectations of the market may partially offset the risks that arise for the survival of the university.

A properly managed university, endeavouring to reach a clearly defined objective, in the future will resemble a knowledge-based organization, in line with M. Huysman’s definition, according to which it is such a form of organization which allows its members to learn in order to achieve valuable results in terms of innovation, efficiency and a better position in their environment. With the potential of the academic staff, supported by an efficient team of administrative staff, the university can constantly enrich its knowledge of the needs of the surrounding market. The size of these actions does not have to be restricted and may be global in scope, not least due to the high mobility of graduates, as well as the unlimited range of international cooperation of the university itself and the researchers it employs.

However, it is difficult to ignore the aspect of scientific development. Educational entities focused on purely didactic activities are facing a challenge which is important from the point of view of the intellectual development of society. The university should always make an original contribution to science in the form of research and disseminate it effectively. This approach would have an impact on the environment representatives who are strategically important for the successful development of the university, such as the academic circles, business representatives, students, etc. Activity in this area would be the fullest expression of social responsibility.

2.4. A socially responsible university as a stimulator of pro-innovative actions in the local environment

Innovation is the driving force of economic development. With the development of modern technologies and the progressing globalization phenomena, companies recognize the increasing role of investment in research and development. The Global Innovation 1000 research conducted by Booz&Company, proved that, in 2007, the 80 largest U.S. corporations allocated 146 billion U.S. dollars for research and development purposes, of which 80.1 billion US dollars went to other countries. On the other hand, a group of 50 leading European companies allocated a total of 117 billion U.S. dollars, including 51.4 billion on research conducted outside Europe. In Japan, the 43 largest

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companies exported abroad 40.4 billion U.S. dollars from the 71.6 billion of its research funds. The results clearly show the increasing role of the so far developing countries. In addition, the phenomenon of transferring research and development funds to other countries demonstrates responsible investment in the future of these countries. Globalization of research and development is not a new phenomenon. Many corporations have been placing their research centres in other countries for years. Today, however, as many as 83% of the foreign centres are located in China and India as they are countries with relatively low-cost labour and highly skilled workers. Investing in these type of services will stimulate further development of the economy of these countries. At the same time as many as 91% of the world's 1,000 largest corporations take research beyond the countries where they are headquartered.

The computerized global economy is organized around centres of decision-making and control, which are able to coordinate, innovate and manage interconnected activities of networks of companies. Awareness of the role of universities in this process may most fully determine its success, while emphasizing the role and responsibility of universities in creating an educated society and innovative economy.

Innovations are based on ideas which shape the future. The search for new ideas requires more flexibility and building a better communication between innovators and the entities associated with the mainstream of the operation of the organization. Finding the right balance between exploitation, i.e. achieving the best possible results from ongoing operations, and exploration, i.e. searching for new sources of revenue, requires organizational flexibility and excellent quality of interpersonal relations.

In view of previous experiences, including those from the recent global financial crisis, one should want to take into account the fact that those organizations that do not stop investing in innovation even during a recession, achieve better results when a good economic climate returns.

Innovation is an important factor in the development of the organization, they build competitive advantage and lead to increased efficiency. Its correct implementation requires a precise setting of the target, based on a sound diagnosis of the needs of the organization and the environment, a development of

options and choosing the best strategy envisaged for implementation. As a social phenomenon, which is reflected in the management of innovation processes, it is an important factor influencing the rationalization of business processes not only in the economic, but also the social, in both local and global, dimensions.\(^{230}\)

It is difficult to overestimate the role of innovative ideas in improving the efficiency of the organization. However, studies show that as many as 64% of employees in Polish companies believe that employers rarely appreciate this form of involvement, as they claim that being creative and innovative is part of the basic set of employees’ duties.\(^{231}\) Organizations which care about innovation should reward their employees in a special way by giving feedback to the creators of innovation, and in the case of a decision to implement – to provide the information to all members of the organization. This communication tool may have a significant impact on higher motivation of employees and ultimately encourage them to seek new solutions of an innovative nature.\(^{232}\)

Constant pursuit to increase the value of the organization indicates that the main source of development is innovation. It develops new branches of products or services, they build new distribution channels, they create new processes or models. Technological innovations sometimes lead to the creation of new industries. In this framework two types of companies are created: brand new operators, independent and created from scratch, and new units of already established enterprises, serving to diversify business.\(^{233}\)

Innovations arise mainly as a result of focusing on the creation of new ideas. The problem lies in the choice of an idea which will bring market success, in taking care of its development and the appropriate allocation of the resources of the organization as well as managing its development in the most efficient way.\(^{234}\)

The organization’s activities aimed at creating innovation usually involve a tedious and complex process, containing elements of creative destruction of

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\(^{231}\) Results of a survey conducted among members of the portal Pracuj.pl within a survey held in 21 countries by an alliance of international recruitment sites The Network. A total of 25 thousand people responded to the survey. Based on M. Warzybok, Rzadko doceniana innowacyjność, “Harvard Business Review Polska” 2008, October, pp. 15-16.

\(^{232}\) Ibidem, pp. 15–16.


the organization’s current condition. Therefore, these actions raise understandable resistance, as they introduce new solutions. Obstacles may come both from within the organization and from the outside. Internal obstacles concern the lack of financial resources, skills and experience, as well as the shortage of suitably qualified staff. The external ones, in turn, are the difficulties in obtaining raw materials and financial resources (i.e. supply-side problems) as well as market restrictions, its dysfunctions and the needs of consumers (i.e. demand difficulties), and the environmental barriers, e.g. government restrictions.\(^{235}\)

Analysing the way organizations approach the issue of innovation, Infovide-matrix together with the Cutter Consortium have been carrying out the survey “Enterprise Innovation Revolution” since 2007. In 2008, 223 respondents participated in the study, mostly from Europe and the USA. Additionally, 200 institutions and enterprises from Poland were surveyed. The survey methodology was based on the “innovation chain”, whose components were:

- the development of inventions and new products,
- value innovation,
- management innovation,
- business model innovation.

The results confirm that both Polish and foreign companies attach importance to innovation. Among the Polish respondents 70% indicated that they conducted research and development and created new technical solutions, while in the international study only 40% claimed so. Commitment to value innovation amounted to only 40% of the Polish services companies, while nearly 55% in the other group. There are also significant differences in the perception of the role of corporate culture – only 30% of the Polish companies see it as a factor stimulating innovation processes, while 50% of the foreign companies think so.\(^{236}\)

Orientation towards innovation activities is the distinctive feature of a smart organization. Its other advantages are systemic thinking and process action, but above all the ability to continuously analyse its own skills and develop them. A smart organization is formed through continuous learning, creating and disseminating knowledge, and thus it has the ability to build its own


future. An important skill is the assessment of the environment and the ability to adapt to changing conditions\textsuperscript{237}.

Innovation management, defined by J. Birkinshaw, G. Hamel and M.J. Mol, who assumed that it is “inventing and implementing practices of management, processes, structure or technique, which is new in relation to the previous condition and focused on achieving the further objectives of the organization\textsuperscript{238}.

In a broader sense it includes four main perspectives:

1) the institutional perspective, which focuses on the socio-economic conditions in which ideas appear and the practice of management takes place\textsuperscript{239},
2) the fashion perspective, focused on the dynamic interactions taking place between providers and users of different ideas of management\textsuperscript{240},
3) the cultural perspective, which deals with the reactions of organizations to the implementation of new management practices\textsuperscript{241},
4) the rational perspective, which explores how innovations, innovations management, and the individuals who deal with them, influence the efficiency of the organization\textsuperscript{242}.

The most important advantage of innovations management is the introduction of new solutions to the structure of the organization. It can be assumed that it is a specific synonym of a particular form of organizational change. However, the consequences of the implementation of innovation management are serious, mainly because its effects have an impact on a wide range of stakeholders. Three main sets of consequences may be identified here\textsuperscript{243}:

1) the impact of management innovations on the various indicators used by companies implementing them,
2) the impact on the achievements and results of organizations implementing innovations,
3) benefits for the community in such aspects as the quality of work or productivity resulting from the innovation.

\textsuperscript{237}J. Penc, Zarządzanie w warunkach globalizacji, Difin, Warszawa 2003, p. 58.
It is innovation that is the attribute that happens to be most frequently emphasized in the case of a cluster. It leads to scientific benefits but also to the development of technological capabilities. For it is often clusters that attract foreign capital, which is more likely to be invested in new technologies. Competitive pressure produced in this way stimulates the development of the economic environment and thus of the entire region.\(^{241}\)

Technological advances have significantly increased organizations’ competitive advantage through innovation. Cooperation of representatives of different sectors may create synergies. These multilateral relations (alliances) provide access to the information, knowledge and experience owned by related entities.\(^{245}\)

Active participation in the creation of modern society and promoting economic development is an expression of the socially responsible activities of universities. The measure of their quality and effectiveness is the extent to which the environment will accept these actions. This can be most fully assessed by a social audit, which measures the social impact and the quality of ethical activity in relation to stakeholders but also in terms of the implementation of universities’ own strategic objectives.\(^{246}\)

Systemic development and implementation of innovation often appears to be too difficult a task for a single organization. Innovative clusters constitute the form of cooperation which creates a platform for efficient links between universities and business in a region. Importantly, the results of empirical research confirms the growing awareness of the need for joint projects and initiatives for the development of innovative solutions.\(^{247}\)

The issue of innovation networks – clusters – becomes a more and more important issue among researchers on the subject. It seems that this integration of entrepreneurs and local centres of expertise may become a potent growth stimulator in the near future.

This creates a promising foundation for the formation of economic and social values. The concept of that value focuses on the relationships between social progress and economic development. The idea is that the organizations should look for development opportunities in economic and social values, leading to social benefits achieved as it were in parallel with the development


of organizations and the increasing level of their innovativeness. The assumptions of economic and social value reach even further than social responsibility. The basic value is to assess the economic and social benefits in relation to costs or service activities conducted jointly with local communities.\textsuperscript{248}

Universities unite many intellectuals, who are an important resource. They are the holders of knowledge that is constantly changing and improving in the course of empirical studies. Due to the opportunity of its commercialization they create appropriate institutions and organizations whose scope of activities can be broadly defined as application of knowledge for market purposes. The phenomenon of the formation of intellectual entrepreneurship, according to S. Kwiatkowski, has “two sources: the relocation of intellectuals to a changeable world and the movement of entrepreneurs towards a mental, spiritual world”. The source of the former are social changes and the attractiveness of entrepreneurship resulting from them, while the latter stems from the development of education and the resulting increase in educational attainment. Empirical studies have shown that intellectual entrepreneurs not only move in many environments, but with their knowledge and intelligence integrate the process of collecting and selecting information. They have a kind of intellectual freedom that allows them to make the right decisions which require a sense of time and place (timing). And most importantly: they attach great importance to ethical issues and development, including the intellectual one, in their undertakings.\textsuperscript{249}

Representatives of the academic world should be more creative in developing and disseminating new ideas, which through the numerous endeavours could be successfully applied in economic practice. Supporting innovation and competitiveness processes by universities becomes a long-term factor in the development of society. The role of supporting processes will continue to increase in connection with the development of knowledge-based economy, which involves many different academic disciplines, and which is the real source of innovation.\textsuperscript{250}

The essence of promoting the idea of innovation is education connected with the development of individual creative abilities. The aim is to train and prepare for effective participation in innovative organizational cultures, in the places which create innovation. Thus, the role of the university is the enrichment of

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curricula to provide prospective graduates modern knowledge of many aspects of life and the ability to creatively participate in the innovative world\textsuperscript{251}.

The interest of researchers in the attempt to measure the activity of students in the field of entrepreneurship demonstrates just how important this issue is. In 2006, an international survey was conducted which included a 600-strong population of full-time students in Lithuania, Latvia, Ukraine, Hungary, Poland and Russia. Analysis of synthetic measures indicates that among the studied countries the best climate for entrepreneurship prevails in the Baltic states. In the adopted “business index” Poland was last but one, ahead of Hungary\textsuperscript{252}. The results proved the validity of the subject matter and highlighted the differences among geographically and historically close countries.

Another form of socially responsible innovation activity of the university might be to establish a close cooperation with business and make a collaborative attempt at solving real problems. This means waiting for a more active role among academic circles in the process of innovation management. This approach will provide significant value to the organizations involved and, at the same time, restore the universities’ due role as influential creators of new and useful knowledge about management\textsuperscript{253}.

It is difficult to expect that technological innovation will develop on its own. The rate of changes of an innovative character, design and implementation of technological changes, are shaped by educational structures of appropriate quality. After all, technological development requires new qualifications and a growing need for education capacities. This can only be ensured by change oriented institutions, which build a responsible vision of changes and improvements to meet the needs and expectations of society, also in relation to technological innovation\textsuperscript{254}.

It ought to be kept in mind that many of the most important innovations do not come from the independent work of scientists or artists. Their main instigators were people who took advantage of social processes creatively in order to invent new ways of solving problems. Then it becomes possible to develop attitudes conducive to the innovative environment\textsuperscript{255}.

\begin{thebibliography}{9}
\bibitem{255} O. Quintin, \textit{Creativity and innovation at the heart of the struggle for the future of Europe}, „The Magazine” 2009, no. 31, pp. 9–11.
\end{thebibliography}
At the end of the nineteenth century economist Alfred Marshall described production networks as industrial districts. He identified a growing demand for qualified personnel in areas where highly specialized companies were located\(^{256}\).

Beginning in 1980, the interest in regional development increased significantly. These issues have been dealt with by representatives of many scientific disciplines, thus many different definitions and theoretical descriptions have been created, often quite vague. The following have been called clusters: regional agglomerations, regional networks, regions of knowledge, industrial districts, new industrial areas, local production systems, local *milieux* enterprises, and finally local and regional innovation systems\(^{257}\).

Networks are open structures, able to spread so long as they are able to communicate, or share the same communication codes (for example, values or objectives of the action). A network-based social structure is a highly dynamic, open system, susceptible to innovation without compromising its balance. Networks are appropriate instruments for the economy based on\(^{258}\):

- innovation, globalization and decentralized clusters,
- work of employees and companies showing flexibility and adaptability,
- culture of endless deconstruction and reconstruction.

An example of a network connection is a cluster, which, according to M.E. Porter’s definition, is a concentration of geographically related companies, suppliers, service providers, businesses operating in related industries and associated institutions, often competing with each other, but also cooperating. Clusters which reach a critical mass, i.e. bringing together the necessary number of companies and other institutions, creating the effect of agglomeration and being extremely successful in competition in certain fields of activity, are a striking feature of virtually every national economy, regional or even urban, mostly in developed countries\(^{259}\).

Cluster, or a group, is a group of geographically approximate companies and institutions combined together and affiliated directionally, including product manufacturers, service providers, universities and associations of manufac-

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turers. They arise from the relationship of different industries and activities within a specific location\(^{260}\).

Local production systems (French: systemes productifs locaux) are groups of cooperating companies in related industries, as well as state institutions, industry and social organizations, research and development centres, higher education and vocational schools, located in the same region\(^{261}\).

Figure 2.5 shows five elements which make up a cluster.

T. Altenburg and J. Meyer-Stamer proposed a division of industrial clusters into three main categories\(^{262}\):

- clusters composed of micro and small enterprises producing low-quality goods intended for the local market, operating in industries with low entry barriers,
- medium-sized mass manufacturers of various goods, versed in the needs of domestic consumers,
- clusters created by transnational corporations operating in high-tech and complex industries, such as electronics and automobile manufacturing.

![Figure 2.5. The five main participants of a cluster.](image)


Territorial production systems are based on resources specific to the region and which provide an advantage. In addition, the development of enterprises is affected by the environment understood as a set of:

1) expertise in the field,
2) the principles and rules of action, conceived as readiness to assist other market participants,
3) widely recognized norms which are respected with no additional regulations,
4) relational capital, or the value which derives from the existence of the relationship of cooperation, reciprocity and trust.

There are many arguments for the statement that clusters are drivers of internal and environmental innovation:

- operation within a cluster is a specific combination of cooperation and competition,
- the atmosphere of cooperation facilitates group innovation and the flow of information,
- cluster participants have the opportunity for continuous monitoring of the market and can quickly respond to the emerging needs of potential buyers,
- flexibility and innovation allow for a quicker satisfaction of new needs,
- the proximity of market partners fosters common introduction of innovation within the cluster,
- knowledge on the demand for employees with appropriate skills may be transferred to universities, and they, in turn, may introduce adequate changes in their curricula.

Cooperation leading to the creation of clusters and the idea of scientific and technological parks are supported by many government programmes. The innovative effectiveness of businesses, regions and the whole economy depends on effective cooperation between enterprises, universities, scientific research institutes as part of a common innovation system at a current local, national and international level.

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One example of innovation-oriented activities of the university may be spin-off companies created by graduates, postgraduates or, finally, university collaborators, with its strong support, in order to transfer technology from universities or other research institutions\textsuperscript{266}. Enterprises of this type, also called splinter companies, are primarily concerned with commercialization of technological novelties\textsuperscript{267}. These entities can also be defined as new, independent companies, having its origin at the centre of another entity which aims to commercialize the knowledge of the parent unit\textsuperscript{268}.

A more extensive definition of a cluster was presented by S. Szultka, who described it as “a spatially concentrated group of simultaneously competing and cooperating companies in related sectors or associated with each other in the so-called production chain as well as institutions and organizations related to each other by a system of formal and informal relationships based on the so-called trajectory of development (technology, markets, etc.)”\textsuperscript{269}.

The significance of the idea of innovation networks for the development of local economy is supported by the following arguments\textsuperscript{270}:

- the need to reduce risk and economic uncertainty,
- the need for a constant and repeatable collaboration between related companies and specialized institutions, including research and educational institutions,
- the need for close and direct contacts in order to exchange and create new knowledge.

A dynamically developing cluster is characterized by three basic processes: the dynamics of local development, global appeal and global reach. Since the leading clusters are characterized by high costs (wages, land, etc.), they develop in parallel with their competitors but the power of their advantage lies in innovation.


\textsuperscript{268} Results of the “IPR Helpdesk” project coordinated by the University of Alicante with the support of the Institute of Intellectual Property Law at the Jagiellonian University, May 2006. Based on W. Popławski, S. Bachelor, *Przedsiębiorstwa odpryskowe w Polsce*, op.cit., p.65.


However, it is difficult to ignore the issue of raising capital for innovative projects. Research initiative requires major investments, so obtaining a partner often turns out to be necessary. Universities, or rather their departments specialized in supporting the early phases of project development, e.g. in the new technologies sector, may turn out to be helpful institutions.\footnote{271}{K. Brzozowska, *Kapitał dla przedsięwzięć innowacyjnych*, „Ekonomika i Organizacja Przedsiębiorstwa” 2008, nr 9 (704), pp. 29–35.}

An attempt made by Z. Chyba to empirically investigate this phenomenon has led to the conclusion that as many as 90% of enterprises created in this way operate in the field of new technologies, while only 10% represent the traditional industries. Most of them are small businesses employing up to 50 people. Importantly, among the eight spin-off companies included in industrial clusters, as many as six found that belonging to the cluster has increased their competitiveness.\footnote{272}{Z. Chyba, *Klastry przemysłowe a przedsiębiorstwa spin-off*, „Ekonomika i Organizacja Przedsiębiorstwa” 2008, nr 3 (698), p. 68.}

The study’s general conclusion seems to be the most important, which states that it is necessary to undertake further work in order to encourage academic enterprises to cooperate within clusters.\footnote{273}{Ibidem, s. 70.}

On the basis of another study, conducted by W. Popławski and S. Bakalarz among entrepreneurs and researchers, it was found that despite many positive signs of the success of spin-off companies, representatives of science relatively rarely take such action. The following reasons for this phenomenon were identified: \footnote{274}{W. Popławski, S. Bakalarz, *Przedsiębiorstwa odpryskowe w Polsce*, op.cit., s. 67.}

- lack of motivation to attempt to commercialize their scientific achievements,
- the risk of failure associated with the potential loss of material resources,
- phenomenon of the grey area at universities, manifested in the conduct of research at the university for another entity,
- the conviction in academic circles that scientific work should not aim at financial gain,
- lack of funding to start activities.

It must be kept in mind that among the factors that could weaken the potential involvement of researchers in the creation of innovative enterprises there may be lack of knowledge and skills in the management of even a small business. Knowledge, e.g. in the field of new technologies, or the development...
of a potentially good and new market product do not transfer to the knowledge of marketing or human resources management. It seems that participation in clusters and entrepreneurship incubators, which could provide, for example, accounting services, would be of certain assistance in this respect.

Another attempt to respond to the concerns of the scientific community would be to set up companies by institutions with capital, whose research division would be managed by inventors and the market research and marketing part would be taken care of by specialists in these fields. One can also imagine a collaboration between scientists from many disciplines. We would be dealing then with a model example of successful cooperation and transfer of knowledge and technology.

Figure 2.6 is an illustration of the way in which an academic company of the spin-off type enters the market.

As a result of research analysis conducted by J. Baruk, it was concluded that the awareness of the need to establish various forms of cooperation between industrial companies is increasing. Between 2003 and 2005, nearly 25% of companies were involved in such cooperation. A relatively high rank of cooperation with universities and research and development institutions was also disclosed, compared with low interest in cooperation with units of the Polish Academy of Sciences, at 0.5% of the surveyed companies. A positive correlation was also found between agreements on cooperation in the field of innovation and the size of companies measured as the number of their employees. Additionally, the fact was found that 94% of industrial enterprises with cooperation agreements with other domestic or foreign entities are innovative companies, i.e. those which have recently introduced at least one technological innovation.\footnote{J. Baruk, \textit{Otoczenie przedsiębiorstwa a działalność innowacyjna}, „Ekonomika i Organizacja Przedsiębiorstwa” 2007, no. 12 (695), pp. 40–45.}
In turn, studies by A. Sosnowska and S. Łobejko evaluated the experience of cooperation between scientific institutions and innovative companies in Poland. It was pointed out that:

- businesses start cooperation with scientific institutions before launching the production,
technology transfer between science and practice is hampered by the difference in the mode of operation of both spheres,
- companies fear proposals and complicated procedures for obtaining financial support for innovation from the European Union,
- widespread use of information technology will contribute to the deepening of relations between research institutions and companies.

According to A. Sosnowska and S. Łobejko, the reasons for closer links between innovative companies in the sectors of science should be sought in the strong need for continuous development and innovation, scientific achievement and the high qualifications of the management of those companies. Widespread awareness of the need for cooperation with universities may also have a base in the genesis of innovative companies. Often, these organizations were created as the so-called spin-offs by former researchers. This regularity was confirmed, anyway, in the course of empirical research on a group of 22 companies, where as many as 64.8% of respondents indicated universities as partners with whom they work and 52% pointed to research and development units.

A perfect example of extraordinary market success, having deep support in relationships with research centers, is the company Google Inc., considered to be the most valuable in the world – the brand is now worth 114 billion U.S. dollars. It works in a way similar to a huge research university. It employs valuable people, allowing them to conduct research in groups according to their interests. A measure of the progress of their work can be found in their carefully evaluated results. In this way, Google’s founders, Sergey Brin and Larry Page have created an academic community in a large corporation.

The current techniques and methods of brand valuation have been taken from the methods of companies valuation. Institutions dealing with this professionally valuate efficiently all financial and economic conditions. The greatest difficulty, however, is posed by an attempt to assess the competitiveness of the brand from the point of view of its customers and other market participants. Among the many methods of valuation, cost (or replacement), market and revenue methods are distinguished. One should, however, strive...

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to standardize the valuation processes, as brand value, especially on a global scale, is of particular importance. As examples of the numerous acquisitions show, frequently the critical value is just the value of the brand, i.e. those elements which accountants refer to as “intangible or legal assets”.

It is worth noting here that, among Internet companies, Google stands out as an extremely innovative company. This company is the creator and promoter of a new approach to innovation in business and management. It is included in the duties of each employee, and technicians have to spend 80% of their time researching the basic area of information and advertisement, while the remaining 20% following technical designs of your choice. Also, the managers are required to spend 70% of their time on the core business, 20% working on different projects and 10% searching for completely new ideas. Such a clear focus on innovation, supported by a management strategy, has resulted in dozens of new products and features. Such are the effects of being a pioneer in the development of organizational culture and in the process of innovation management281.

The role of innovation in achieving a market advantage is stressed by the results of a study by the Boston Consulting Group whose aim was to indicate 25 most innovative brands. The top ten included such companies as Apple, Google, Toyota Motor, General Electric, Microsoft, Tata Group, Nintendo, Procter & Gamble, Sony and Nokia. These companies achieved from 8% to 73% of growth in the last financial year282.

The risk of doing research and subsequent attempts to commercialize it is illustrated by the results of an annual survey conducted by Booz Allen Hamilton on a thousand largest budgets spent by corporations on research and development. It turns out that only 10% achieved a higher efficiency of expenditure incurred for these purposes than in previous periods. The study confirmed that the building of an innovative value chain may significantly improve the return on investment in research and development. Application of the greater competitive advantage obtained in this way brings bigger and sustainable financial results283. Figure 2.7 shows the innovation value chain.

282 A report from the study conducted in November 2007, based on an electronic survey of 2500 worldwide companies selected according to their market value. The findings were published in “Business Week”, 28.04.2008, pp. 62-63.
It turns out that the benefits for the economy and individual companies are so large that it is worth taking measures to stimulate universities to engage more broadly in the development of clusters and operating within them. Referred to academic circles as a “professor companies”, these entities are a positive sign of the emerging cooperation between research and business. It seems, however, that greater involvement of universities and research institutions as organizations, not only in order to materialize research results, could also make a difference for universities. It would be a model example of a symbiosis between a research centre and an entrepreneur who knows how to effectively place the subject of innovation on the market. The benefits achieved in this way would also support the further research activity of universities, acting as a specific material remedy for the ills of the research community in this area.

Universities, whose management strategy is based on the principles of social responsibility, should educate staff and carry out research in the directions expected and desired from the point of view of the country’s economy. At the same time, as P. F. Drucker stated, the university should conduct science-oriented education, which is to invest in research, to be a learning organization, seeking innovative ideas, but it should also manage the knowledge based on the capital of employees in order to enable the transfer of knowledge and skills. Only such a combination of actions will allow the university to be considered a 21st century organization.

Striving for flexibility, characterized by openness to change and understood as the ability to keep up with the changes in the environment will be a chal-
lenge for such a university. It may be supported by the assumptions of the reform of the science and higher education system, developed by the Ministry of Science and Higher Education, providing for changes in the pro-innovation activities, including:

- implementation of projects like “IniTech”, on research and development with the greatest chances for commercialization of results,
- introduction of scholarships for internships in innovative industries for young science and research employees,
- creating a website containing information on research work carried out by universities and on technical and procedural solutions sought by companies,
- legal support for agreements and contracts concerning the transfer of knowledge and intellectual property,
- new management of the research infrastructure, enabling its effective use through innovative industrial projects,
- the development of a method for knowledge and technology transfer from science to industry,
- tax incentives for consortia partners to conduct research which has been commercialized.

An OECD report on higher education in Poland shows that the commercialization of academic knowledge is crucial to the development of the Polish economy. It is important for activities in this area to be developed and expanded. They are important at both national and local levels – they create new jobs through the transfer of knowledge from universities located in the region. When promoting spin-off projects, universities should provide assistance in the patenting process as well as in overcoming barriers in starting business ventures. The aim is to liaise between businesses and universities in order to set up a two-way exchange of experiences. Enterprises would receive knowledge and patents, while universities would be subject to the influence of the participants of the market game, and these suggestions would be a valuable clue to modify their curricula.

The process of innovation requires not only different models of funding or various forms of research and development cooperation. Conditions for close

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contact between all participants in the innovation process must be created. It is important to realize that the main purpose is to search for the most important ideas in order to effectively launch new business processes. It is worth keeping in mind that innovation is based on the ideas that are shaping the future, and appropriate relations between exploitation and exploration require knowledge and organizational flexibility.

The results of many studies confirm the validity of the idea of the creation of innovation networks in the form of bunches, or clusters. The potential high market bonus resulting from the competitive advantage gained through the use of innovative products and services seems to be a sufficient driving force to promote activities of this kind. The university through participation in network projects achieves a unique opportunity to cooperate closely with the business community and gain funds for further activities, including research. An additional impulse is thus obtained knowledge of the needs of entrepreneurs for appropriately educated graduates. The use of this knowledge will allow the university to obtain innovative advantage over other participants in the education market, but it will also highlight the true social role universities play in creating a knowledge society.

Some authors, such as L. Woźniak, even postulate the development of industrial and educational clusters. According to his assumption, secondary schools would take part in the proper preparation of their graduates, while universities would create faculties and design plans of study together with the business sector. Such cooperation would ensure that the education of future employees would go along with the projected trends in the region or country development.

The idea of clusters seems to be an optimal solution for an innovative economy. It opens opportunities for cooperation of many business entities, educational and research institutions, creating a potential added value for the region. The participation of the university as a centre of knowledge in emerging clusters seems almost necessary for the ongoing support of other entities with the latest developments in science and technology. Scientific research and its subsequent commercialization, which ensures market success, is a true task of a university which has the ambition to play a socially responsible role in a modern, pro-innovation society.

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Summary

In the eyes of the public the university is an organization based on universal values and a centre of knowledge which has duties to society – to inspire, to indicate the directions of development, to educate future generations. University activity should lead to the release of social capital.

The university as an educational institution shapes attitudes, disseminates civic ideas. The main tasks of the university are: promoting community development by raising the intellectual level of society, adapting education to the needs of the society of the future, especially for the local business community, anticipating these needs, and promoting business ethics. The aim of these actions is the proper formation of the graduate – one who is sensitized to social problems and ready to take responsibility for their actions.

Universities have a relatively low activity in preparing students for the social challenges of the modern world, the evolution of human societies, the financial and economic power of transnational corporations or forecasts in terms of ethics for future generations. Research conducted by the EABIS\(^292\) among 160 management schools have shown that training in social responsibility is still at an insufficient level and still is not part of the teaching culture of these institutions.

University marketing activities do not differ from similar measures taken by the business sector and other market participants. Educational institutions should, however, put more emphasis on the development of procedures of ethical promotion and recruitment of candidates. The solution may be to harmonize the marketing message with the real content and quality of the proposed educational services. By building a marketing strategy and properly identifying the target audience, one may succeed in the market regardless of the evaluation of the brand of the university. For in the market there is room for both outstanding universities, as well as for weaker ones, which recruit less demanding candidates\(^293\).

Researchers on the subject, such as I. Maignan and O.C. Ferrell, suggest to boldly use the ideas of social responsibility as a marketing impact tool associated with the creation of value for the organization\(^294\). Marketing research results highlight the strength and intensity with which the implementation of

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\(^{292}\) The European Academy of Business in Society (EABIS), based in Brussels, is an association of businesses, schools and academic institutions, created with the support of the European Commission to combine the practices of social business and its theory. Source: www.eabis.org, 14.10.2009.

\(^{293}\) T. Maliszewski, Problemy (nie)etyczne a budowanie przewagi konkurencyjnej wyższych szkół niepublicznych, „Nauka i Szkolnictwo Wyższe” 2008, no. 1 (31), pp. 117–133.

these ideas has an impact on the attitudes of customers and their behaviour. They also illustrate how identification with the objectives of the organization may influence customer attitudes\textsuperscript{295}.

It can be assumed that a significant proportion of universities see social responsibility as a way to achieve a competitive advantage. Many organizations use their socially responsible image in order to increase market share by creating the impression of good and responsible institutions\textsuperscript{296}. The appropriate development of universities, in line with the requirements of the changing environment, can only be ensured by relying on factors affecting the formation of demand. For the point is to provide educational services in the expected shape and quality. Its proper preparation is largely dependent on the capabilities and abilities of the organization to prepare it. And it is these unique characteristics of the organization that must be particularly nurtured as deciding on the competitive advantage\textsuperscript{297}.

The growing interest in the issue of social responsibility and the opportunities of its use for the development of the image leads to the popularization of the instrumental approach. However, a risk often appears in reducing the serious idea of CSR to a tool for maximizing market effects. In this approach, the goal may be to achieve a socially responsible image of the organization and not to become a university actually contributing to social well-being\textsuperscript{298}.

A strategy providing the opportunity to stay in the market is essential for the survival of the university. Thus, the strategy should also be aimed at the needs of the market. It should anticipate possible changes and trends in the market and identify the potential of future needs. The strategy aims not only at meeting the needs of the market, but also in creating entirely new markets\textsuperscript{299}. And this is exactly the right field of activity for the university – creating a unique marketing strategy for educational services in higher education. It should first of all design the needs in terms of education for the following dozen or several dozen years. These forecasts should, of course, be closely correlated with the analysis of changes in the labour market resulting from the socio-economic development or technological progress.

\textsuperscript{299} J. Penc, Zarządzanie w warunkach globalizacji, Difin, Warszawa 2003, p. 45.
The cost-effectiveness of CSR inspired marketing activities is neither greater nor smaller than that of the development programme of new services or another investment made by the university. One may even find that the economic added value will become a function of excellence of the strategy and its implementation. Adoption of strategic and creative approaches in terms of social responsibility may significantly contribute to increasing the value of the entire organization.\footnote{D. Sanders, \textit{Dlaczego CSR staje się tak ważny dla firm? Strategia, nie filantropia}, „Magazyn Odpowiedzialnego Biznesu (Responsible Business Magazine)” 2003, no. 4 (18), pp. 16–17.}

In a market economy at the current stage of its development strategic decision making requires full access to information. This access is a key factor in development. The information must, however, be carefully selected, up to date and of a high quality.\footnote{A. Balicki, \textit{Analiza rynku}, Wyższa Szkoła Zarządzania, Gdańsk 2002, p. 18.}

A good example of obtaining information could be the implementation of a marketing information system. It is a set of procedures and methods of planned analysis as well as appropriate presentation of the results for their application in marketing decisions.\footnote{D.F. Cox, R.E. Good, \textit{How to build a marketing information system}, „Harvard Business Review” 1967, vol. 45, no. 3, pp. 145–154.}

Executive directors often emphasize the strategic role of marketing supported by an information system. It is confirmed by the results of a study conducted on a group of 30 companies, including 20 large and 10 medium ones. This system can be used at different levels of the construction of the marketing strategy, from the designation of market trends, through sales forecasts, to a demand and competition analysis.\footnote{N.M. Goni, \textit{Marketing Information Systems and Strategy Levels: An Empirical Study}, „Journal of Centrum Cathedra” 2008, vol. 1, no. 1, pp. 71–77.}

Marketing activities are presented as a result of increasing competitive pressures, as well as the result of the achievement of maturity in the market for higher education. At the same time advancing globalization processes necessitate the use of new marketing impact techniques. However, they must always be consistent with the principles of the social responsibility of the university, since the adoption of strategic and creative approaches to corporate responsibility contributes to the growth of the value of the entire organization.\footnote{D. Sanders, \textit{Dlaczego CSR staje się tak ważny dla firm? Strategia, nie filantropia}, op.cit., pp. 16–17.}

In the face of the changes in the market and the loss of importance of price competition, competition based on the image of the university is gaining in importance. Such components of the university’s brand as the environment’s opinion, accreditations held, position in the rankings or graduates’ professional careers, will be the main motivation for the choice of a given universi-
ty as a place of study. The type of conducted research and the interaction with the environment, including the foreign one, are important preconditions for long-term success.\textsuperscript{305}

Education is a priority area of activity in modern societies. It is expected that the university should make a contribution to science through scientific research and its dissemination, which is the fullest expression of social responsibility. The university, due to its intellectual resources and research facilities, should be a stimulus for pro-innovation activities in the local community.

People who make up institutions, i.e. representatives of the academic community, should be creative – they should develop and disseminate new ideas. The university needs to invest in research, be a source of innovation. It should participate in clusters, cooperate with business, be open to change and propagate these changes. Research results should be effectively implemented in a way that will benefit the whole of society, and then universities will fully deserve to be called centres of knowledge and innovation.

Pro-social intentions should guide all university managers. As institutions of a special sphere of influence, universities must assume greater responsibility for their actions and their effects in the social dimension. This is important because it influences effects perceived in the long term. And these may have serious implications for the shape of society in the future and for the level of its intellectual development.

The strategy of university management in the light of stakeholders’ expectations

3.1. Stakeholders’ expectations

The subject of a university’s operation is its educational service, which plays a special role in the global economy as well as in national economies by shaping future economic and political elites. They are an important factor in forming the state as they influence the creation of social attitudes relevant from the point of view of the functioning of the state. Educating future scientific and research staff, they build a modern society, and thus have an impact on the pace of economic development and the level of competitive advantage. Through the management of the transfer of knowledge and because of the research they conduct, universities are important institutions in socio-economic life. Playing the role of a knowledge and skills centre requires shaping and maintaining correct relations with stakeholders. Therefore, it seems important to examine whether social responsibility issues can be related to the university and how this subject is perceived by stakeholders. At the same time, it is important to know if universities develop their own management strategies, guided by the principles of social responsibility, as well as the identified needs of stakeholders.

The most important problem faced by higher education institutions, is the constant search for balance between the needs and expectations reported by the students, the authorities and the wider community, i.e. all university stakeholders. It is not infrequent that educational services do not meet the needs of potential students. They sometimes even miss them com-

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The strategy of university management in the light of stakeholders’ expectations

It is also likely that the services will even go far beyond the future needs of students. At the same time, stakeholders are seriously interested in universities’ achievements in implementing their strategic objectives. As A. Guskin and M. Marcy write, “this century higher education experiences a paradoxical situation in which it is much more critical in relation to the future of society while at the same time being under strong pressure to prove their usefulness in educating students and to convince society as to the legitimacy and effectiveness of the resources spent to that purpose”.

In terms of university development, marketing activities associated with the creation and promotion of the brand and forming relationships with stakeholders are important. Higher education institutions are included in the tertiary sector of the economy, i.e. the sector of non-profit organizations, or more precisely, organizations operating not for profit, where the transparency of activities may be an important factor. Not only long-term goals, but also regular reports on activities or information about the current management should be widely publicized. In this regard, theorists’ opinions coincide with that of society, and this position is confirmed by the results of the study presented in Figure 3.1.

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6 M. Geryk, Social Responsibility of the University as Perceived by Its Stakeholders, “Współczesne Zarządzanie”, 2008, No. 3, pp. 85-92. Between 14th and 16th March 2007 the author conducted a study on generally understood issues of social responsibility of the university, regardless of the profile or form of ownership. The survey was carried out on a 300 strong, representative sample of adult residents of Tricity. The maximum estimate error for a sample of that sample is ± 5.6%.
Figure 3.1. Should the university provide information on its pro-social actions in some particular manner – survey results.
Source: results of own research conducted on the basis of telephone interviews

In a market economy, customers, in this case student candidates, and people who have an influence on their decision about choosing a place to study, make a choice. This choice, determined by many factors, is subject to an evaluation on brand strength and efficiency in terms of socially responsible activities. This also applies to the subconscious analysis of the costs incurred by the organization. The competitive environment in the educational services market intensifies the search for new discriminants among institutions of similar profiles of services. One of the most important ones is investing in the enhancement of the quality of education.

However, the fiscal policy is often subject to rigours. It happens, as claims Wellman, that “higher education institutions operate in a manner that the economist, Howard Bowen, described as the ‘revenue cost theory’, according to which these institutions strive to gain as many resources as possible while spending as much money as they have”\(^7\). As examples from the U.S.A. show, the system of financing higher education reveals some dysfunctional features. The changes were observed along with the decrease in subsidies. This phenomenon coincided with the growing costs of education per student, and society’s interest in the growing costs led to lower credibility of the whole higher education sector\(^8\).

In the face of declining support, increasing competitiveness of the sector and a stronger solicitation for existing funds, university authorities should safeguard a greater degree of efficiency in the use of their financial resources, so that, as far as possible, the quality and credibility of their own institutions


is ensured\(^9\). This trend is common in virtually all education markets worldwide. Today’s strategic leaders managing universities must strive to achieve the great goals contained in the vision. They should make decisions in a firm, consistent manner in line with the approved programme for the strategy. The main roles focus on four dimensions: the recognition of the university, fundraising, intellectual leadership and operational management. Management style should, therefore, increasingly resemble the one known from the business sector. Taking into account the specificity of the university requires acting as the “first among equals” in such a way as to take advantage of the organization’s attributes without losing the confidence of influential academic staff. For the point is to fulfil the individual goals of professorship while achieving long-term didactic objectives, research excellence, as well as short-term financial stability. However, the role of an actual leader in the organization is the most important one. Stable leadership and the implementation of the strategy are the most desirable attributes of a modern leader of an educational institution\(^10\).

It thus appears that university managers have an important role in increasing the social responsibility of their respective educational organizations. The highest authority of the university administration may be presented as a change agent, entrepreneur, mediator, strategic planner and, finally, a consensus builder within a department or the entire university\(^11\).

It can be concluded that, although a team of academic teachers may serve as the specific “soul and heart of the university, department authorities act as a ‘binder, adhesive’, serving as a liaison between the lecturing staff and administrative employees, between discipline and the institution and sometimes between parents and lecturers”\(^12\).

The vast majority of the population is waiting for information on school activities relating to social responsibility. It seems that universities should not only focus on activities that build organizational culture or competitive advantage, but also to recognize in their actions the expectations and needs of stakeholders.

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\(^12\) Ibidem, p. IX
Tips for socially desirable directions of the action of universities may also be found in the current regulations relating to the higher education sector. The main tasks of the university, according to art. 13 of the Act of 27th July 2005, Law on Higher Education, are:

1) educating students to prepare them for employment,
2) educating students with a sense of responsibility for the Polish state, for the strengthening of democracy and respect for human rights,
3) conducting research and development work as well as providing research services,
4) education and promotion of academic staff,
5) dissemination and multiplication of scientific, cultural and artistic achievements, also through the collection and sharing of library and information services,
6) education to acquire and complement knowledge,
7) creating conditions for the development of physical education among students,
8) promoting local and regional communities\textsuperscript{13}.

The essence of the social responsibility of the university should be primarily activities which go beyond the obligations imposed by law. Admittedly, some of them pertain to important problems of stakeholders, but, from the point of view of the present author’s considerations, the reasons for such action are also important.

Therefore, if universities act or should act in a socially responsible manner, then the question arises, how should they make this activity manifest itself? Should it be the same as the impact of actions specific to the business sector, or should it look completely different? It is also important if society’s expectations towards universities are higher than in the case of enterprises, and whether one can speak of such an attitude in relation to the university at all.

The dynamic development of modern technologies requires rapid changes in the educational process. The ability to learn quickly, to adapt to changing business circumstances, that is, openness to market challenges, is desired. A modern university, where the teaching process has been entrusted to experienced researchers, who constantly analyse the global economy and the phenomena that occur in it, may handle such challenges. It seems that in the near future, only those universities that are modern and market-oriented have a chance to survive and gain a significant higher education market share. Such

action is fully justified in view of the long-term benefits of linking the university with the image of ethics, which at the same time depends on social acceptance\textsuperscript{14}. To meet these requirements, universities are trying to find ways to remain drivers of the knowledge-based economy, seeing the opportunity of financing the development of educational institutions in, for example, industry.

Transforming the university into a knowledge-based organization may be a response to the expectations of stakeholders. In the public’s opinion, educational institutions should be pioneers of change and explorers of new solutions. With the accumulated intellectual potential and cooperation with the business sector they should also indicate ways to implement new solutions.

Frequent attempts to introduce new forms of education, based on social involvement, undertaken by universities, are a way of enriching their existing curricula. It is also the way in which higher education institutions respond to the need of educating the widest range possible of socially involved graduates and citizens\textsuperscript{15}.

Many organizations make efforts to create their own culture. This would be impossible without competent employees with a lot of unique skills. Depending on the adopted model, there are many roles that each employee could play, such as instigator or coordinator of changes. Thus, a learning organization, such as a university, in order to grow must take up a lot of challenges, always relating, however, to the knowledge and competence of the leader, i.e. the person with the vision of the university in the future\textsuperscript{16}.

Such an organization should be made up of employees with the ability to create, acquire and disseminate knowledge. The factors that are important to the learning process are the structural elements of a learning organization. These are: a supporting environment, specific processes, procedures and practices of learning and leadership that reinforces them. Researchers D. A. Garvin, A. C. Edmondson and F. Gino developed a survey as a tool for the assessment of learning processes in organizations. Thanks to its application it has become clear that\textsuperscript{17}:

- modelling the desired behaviour of employees, leaders are able to encourage them to develop the habit of learning,


• the building of a learning organization requires sensitivity to the differences between procedures, processes and behaviours,
• relative results are the most important, they show how the organization fares in comparison to competitors or against comparative data,
• each of the elements of a learning organization is a multi-dimensional category, responding to the actions of various forces.

Another concept of university development relies on a resource-based view of the firm. It explains how the organization’s resources affect its performance in the rapidly changing competitive environment. This concept combines features of the analysis of the phenomena occurring in the organization with the analysis of the industry and the competitive environment. It uses a broad strategic approach due to combining internal and external perspectives. It reveals how some market participants achieve higher profitability, how to implement practically the idea of core competencies and how to develop effective diversification strategies. This objective requires the monitoring of two variables – the changing market environment and the competitive environment. A strategy combining continuous analysis of capabilities may survive further fashions in the field of management\textsuperscript{18}.

Making responsible decisions must be consistent with the expectations of stakeholders. At the same time, the management process should be based on an accepted set of values. J. Little formulated four qualitative criteria, including the following values\textsuperscript{19}:

1) be responsible, i.e. fulfil the assumption of the mission, vision, and the adopted set of values; this is the main reason for the existence of the organization, a kind of promise leading to doing good;
2) be reasonable, i.e. being guided by the adopted strategy and policy, which ought to be realistic;
3) be intelligent, follow the plan and apply the existing capacity;
4) be attentive, adopt measures which bring tangible benefits.

Many institutions, especially business schools, omit comprehensive training in the field of social responsibility and ethical business conduct in their syllabuses. Some authors, such as R. R. Ellsworth, even claim that all or al-

most all business schools orient their students only to create the best return for shareholders.

This problem is compounded by universities’ relatively low activity in preparing students for the social challenges of the modern world, e.g. the evolution of human societies, the financial and economic power of transnational corporations or forecasts in terms of ethics for future generations. Research conducted by the EABIS among 160 management schools have shown that training in social responsibility is still at an insufficient level and still is not part of the teaching culture of these institutions. Only about 12% of the world’s leading business schools run compulsory classes in this area, 32% offer it as a subject of your choice, and only 20% of universities provide funding for research on this topic.

It can be assumed that with the development of new technologies in the near future new jobs will appear. The ability to retrain will therefore become a condition of survival for an employee in the market. It is estimated that people now entering the labour market will change their specializations six or seven times or they will completely change their qualifications. The expected career model changes from the model of stable employment to the model of multiple employment changes.

Observation of the growing wage expectations of employees as well as acceptance of the inevitability of the change of profession in the future, lead to the conclusion that the role of the university will be to develop the graduate profile in such a way that the main emphasis will be placed on independent thinking, the ability to find new solutions and openness to change. These features will most likely determine a successful career in the future. Working will involve lifetime learning. Due to the volatility of the labour market, a university student must be aware that graduation is only the beginning of changes.

Surveys of the professional developments of graduates should be a useful tool for modelling university management strategies. Such knowledge can help improve the quality of education and influence the modification of the sub-

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21 The European Academy of Business in Society (EABIS), based in Brussels, is an association of businesses, schools and academic institutions, created with the support of the European Commission to combine the practices of social business and its theory. Source: www.eabis.org, 14.10.2009.
23 M. Klimkowski, J. Kostyła, 10 zawodów dla naszych dzieci, „Wprost” 2000, no. 19.
ject selection structure in a given field of study. In turn, without such surveys it is impossible to determine whether the university educates in line with the expectations of employers, or even if there are reasons to make changes in the university management strategy\textsuperscript{26}. Responsible education of students then seems to be a major challenge for a modern university which intends to fight competitively with the best institutions of higher education.

As C. A. Rabasso and J. Rabasso point out, based on the works of N. Chomsky, among others: Ideas and Ideals, a responsible manager, who would be able to meet the demands and expectations of the first decade of the third millennium, will oscillate between many different models of intercultural management of educational organizations\textsuperscript{27}.

Actions taken under the ideas of social responsibility of the university should lead to the desired results. It is difficult to expect, however, that decisions to change the strategy will always be driven by altruistic reasons. Business organizations very frequently use pro-social activities as an important factor in creating appropriate image relationships and see them as purely marketing activities. Universities should perceive their image not only as a name, trademark or the quality of service, but also as an organization with a reputation, social recognition and guided by ethical principles in their actions\textsuperscript{28}. Such actions include informing the environment about the values important to the university and to the environment itself, but also taking actions to confirm them, i.e. treating stakeholders as partners\textsuperscript{29}.

Development of appropriate attitudes and sensitivity to social responsibility issues should also be found in the curricula of virtually all faculties. In this way, universities would alert students to a weighty social problem, which they also tackle in their strategies and current activities. Such action would have signs of a consistent action, consciously subordinated to the selected target. Research shows that while the leading Polish universities have introduced the subject covering CSR issues or business ethics, studies in this area are but residual. Whereas in Europe the idea of business ethics is currently experiencing a boom. The issue itself only developed in the last century. Previously, however, some of the leading American universities, such as Yale University,

\textsuperscript{26} M. Kabaj, Nowe metody badania jakości i przydatności kształcenia w szkołach wyższych, „Polityka Społeczna” 2006, no. 5–6, pp. 1–7.
had introduced the issue of ethical behaviour to their mission\textsuperscript{30}. The history and development of European culture have shaped an environment supportive of searching for social consensus. Therefore, there is a need for the development and education of young people in this respect, and the institutions of higher education are facing a major task\textsuperscript{31}.

In Poland, there are many non-governmental organizations which complement the activities of universities in the dissemination of the idea of social responsibility. The Responsible Business Forum is a good example. However, despite undertaking a number of initiatives, students asked about the reasons for social engagement of an enterprise mentioned promotion (48\%) and public relations (11\%)\textsuperscript{32}. These results show how much remains to be done in terms of shaping the desired behaviours among students. On the other hand, the results of a study on the motivation and job satisfaction of management professionals indicate that the usefulness of the knowledge gained in college is high. An interesting factor differentiating the performance of the surveyed graduates was the success or failure of their professional careers\textsuperscript{33}.

A modern university, with ambitions to influence the development of, not only, the local community but also intending to address the global competition of educational institutions of higher education, must be guided by the principles of social responsibility. Shaping the future of intellectual cadres of the country, influencing their appropriate development, but also skilful anticipation of possible changes in the socio-economic situation is a challenge for a civic university. A university strategy, constructed with the university stakeholders’ needs in mind, will determine the active participation of educational institutions of higher education in creating a global knowledge-based economy. Such action may determine the success and market position of the university itself, but also of its graduates, and the impact on the strength of the university’s brand seems not to be underestimated.


\textsuperscript{32} J. Woźniczka, Edukacja na rzecz społecznej odpowiedzialności biznesu w Polsce i w Europie, in: Wpływ społecznej odpowiedzialności biznesu i etyki biznesu na zarządzanie przedsiębiorstwami, op.cit., pp. 158–160.

3.2. Social policy development of a higher education institution

Universities, both state and private, play an important role in the development of society and the wider economy. With their scientific potential they are creators and providers of advanced ideas and their applications. Habits of the scientific community require checking the theses posed in the research process and oblige to disseminate its results among scholars, pending their approval. This allows universities to occupy a unique position in relation to other public institutions.

Creating a college community and close relationships with stakeholder groups requires an attempt to establish partnerships relations. They can be defined as “a sense of community created by social systems”. This requires the involvement of a wide range of stakeholders and a gradual introduction of dialogue with the local community. It is important to understand its needs and expectations as well as to plan activities that the university may undertake for society.

The subject of university operation is educational services, and their dynamic growth in Poland coincides with global trends. Higher education shapes future social attitudes, and the range and time horizon of its impact indicates the specific role of this sector in the functioning of modern societies.

Universities are often perceived as “temples of knowledge”. That fixed image stems from the perception of institutions of higher education through the prism of historical patterns. Currently, universities are more strongly associated with the local community. Unfortunately, society’s perception of the scope of services and the role they play has also changed. Today, these institutions simply provide educated personnel for enterprises, institutions, and create development opportunities for young people, offering the opportunity to gain a diploma, also mediate the transfer of knowledge. It follows from this that the idea of a civic university is still alive and will be a challenge for the following decades.

In pursuing its mission, the university should strive to develop new knowledge and improve the methods of its transfer as well as the development of multi-profile education. However, the transfer of knowledge should be seen as its dissemination in a manner that will be of greatest benefit for the stimu-

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The strategy of university management in the light of stakeholders' expectations

The strategy of university management in the light of stakeholders’ expectations is the expected response to the challenges of integrating modern economies.

Such an important task can only be realized by an efficiently managed university. Strategic management in the context of social responsibility is a process associated with the formulation of the strategy, which should create the best possible relations with the university environment. According to Griffin, the purpose of this type of management is to achieve the planned strategic objectives. Other authors, in defining strategic management, stress the long horizon of decisions and the focus on the future evolution of the environment.

The mission and vision of its development are of particular importance for the development of the university. Formulating them should be preceded by a thorough analysis of the market position of the organization, its ability to gain competitive advantage and, finally, the ability to develop and achieve goals. The vision is a general concept, the desired image of the university and its position in the environment, and the mission is an expression of long-range goals and aspirations; it is a recognition of the strategic vision for the needs of management. Undertaking works on defining the vision and mission is not only an expression of maturity of the university and its authorities, but also an attempt at social dialogue through the publication of intentions and plans. The content of these documents must be disseminated not only among the staff and students of the university, but among all its stakeholders.

It should always be borne in mind that the strategy and the manner of its implementation are two different issues. Taking concerted action involving all levels of the organization’s management is a very difficult and responsible task. All individuals involved in the implementation of the strategy should be fully convinced that their decisions determine the success of the whole comprehensive change.

Theorists define such actions as visioning. According to P. Boyle, the term comes from a combination of two English words: vision and planning. Visioning helps to plan a vision of the future of the university. It then covers

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the basic elements, i.e. the mission, vision, core values and competencies, and strategic planning\textsuperscript{41}.

Identification of strategic planning is, according to R. Krupski, simple. To put it in very simple terms, one can identify three main approaches to this issue: market orientation, market and resources orientation and resources orientation. As research shows, nowadays resources orientation dominates in strategic planning in Polish enterprises. This is particularly true of services. It can therefore be assumed that these results may be of interest from the point of view of strategic planning issues in higher education\textsuperscript{42}.

The aim of implementation of the vision is to liberate the enthusiasm and energy to carry it out among all university employees. B. Nanus even claims that the vision “launches the future by calling the skills, talents and resources necessary to make it happen”\textsuperscript{43}. The vision is more fully described by P. C. Nutt and R. W. Backoff, who assume that the “vision encompasses a bright and compelling symbolism of an innovative way of gaining improvement, recognizing the traditions and drawing on them, engaging in actions that people may undertake to bring about change. Vision uses from the emotions and energy of people. With the help of the right wording, it arouses enthusiasm, such as the one that accompanies people participating in sporting events and other activities undertaken in their spare time, and it moves at the same time the energy and commitment to the workplace”\textsuperscript{44}.

This underlines the importance of inter-organizational networks, which are based on relationships. This requires reconciling two seemingly contradictory attitudes – competition and cooperation. The combination of these two special issues – co-opetition – “is a strategy of a joint creation of value, it is a strategy of competition in the distribution of this value in conditions of partial convergence of objectives and the changing structure of a positive-sum game”\textsuperscript{45}.

According to E. Stanczyk-Hugiet, the issue of inter-organizational relationships is the result of the dissemination of the resources theory in the management of organizations. The development of mutual relations binding the cooperating parties will contribute to the growth of co-opetition, causing


at the same time a reduction of the rank of competition. Therefore, the processes of learning, expanding the boundaries of trust and cooperation are extremely important. In effect, they lead to synergistic, positive results, beneficial for both parties.\textsuperscript{46}

Increased competition in the higher education market requires measures to increase the market efficiency of universities. Through strategic planning these entities create a specific platform for marketing planning. This in turn inspires the implementation of marketing management, which includes three main problem areas: research and market analysis, planning of the impact on the market and the organization of market activity.\textsuperscript{47} By analysing the market, educational institutions identify the factors determining their competitive advantage over the other players in this sector of services.

The market position of the university is determined by the strength of its brand and the phenomenon of recognition, especially in the environments similar to the target group, i.e. young people at the age when decisions on college education are made. However, development of a brand in the kind of education enterprise which defines the university is not an easy task. The image of the university consists of many elements (such as the quality of services and their promotion) whose precise examination requires a thorough analysis of the preferences of potential candidates and a formulation of a list of criteria that guide the individuals interested in choosing a university.\textsuperscript{48} Many researchers combine the concepts of image and reputation, which in turn is the perception of the image by external recipients and is based on their own conceptual apparatus.\textsuperscript{49} The subjectivity of the recipients complicates the process of building the brand of the university and creating its image, therefore, only the best-managed organizations, rich in highly qualified management staff, can achieve a lasting recognition.

A good example of coordinated action when creating the image may be the implementation of the idea of a civic university. It covers not only meeting specific guidelines, such as outlining the objectives, describing the actions taken, selecting those responsible for taking them, deadlines and efficiency

\textsuperscript{46} E. Stańczyk-Hugiet, Koopetycja, czyli dokąd zmierza konkurencja, „Przegląd Organizacji” 2011, no. 5, pp. 8-12.
ratios. This understanding of the enterprise assumes that the idea of “citizenship” requires:
- constant refreshment of the strategy,
- sustained efforts to solve problems,
- making an emotional effort,
- caring for people,
- grasping the opportunities to achieve almost impossible goals,
- a sense of delicacy, especially in terms of university sensitivity to the phenomena of integration, social justice and openness.

The functioning of the university in the market necessitates the adoption of market morality. Many universities in their current practice adopt the orientation towards profitable operations. Often the basic functions of the education process tend to be displaced by less important issues as a result of treating studying as a completely commercial service. According to M. Kołodziejak and J. R. Sobczyk, a much more profound reflection on the potential harmful social effects of such trends is necessary. After all, it may have an impact on the adepts of the teaching process and their attitudes during their future professional activity and market.

The profound impact of the university on social behaviours also manifests itself in the form of a suitable quality of the teaching. Teaching business ethics, social responsibility issues or, generally speaking, sensitizing students to the complex issue of the participation of each organization in deciding on the quality of life, is a large and serious task of every educational institution of higher education. The identity of business ethics refers to European standards of philosophical and ethical thinking. There is therefore a need for greater emphasis on better cognitive organization in the field of business ethics and social responsibility. The main focus of these activities should be directed at the construction of individual managerial ethics, as well as its institutional version.

The ongoing multilateral environmental changes affect the activity of each university. The environment is the totality of the phenomena, processes and institutions that shape both its current state and development prospects. Among the many arguments put forward by J. Penc it is worth noting the increasing competition from countries that not so long as a dozen or so years ago were

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not competitive when it comes to educational services, as well as the growing importance of information, which has become an important commodity. An interesting thread is the realisation of the growing needs of stakeholders and that the fact that society places an increasingly greater emphasis on the ethical aspects of operation\textsuperscript{53}.

In line with the legislature, the implementation of most of the main goals of the university requires having its own library resources. The department of scientific information, the library and the reading room, are those parts of the university which significantly combine the majority of the functions of the university, in practice allowing their implementation. Besides, the quality of libraries and the organization of library work are important factors that affect the assessment of the quality of education made periodically by National Accreditation Commission teams.

The general opinion is that state universities usually make efforts to expand their libraries, whereas some private universities do not devote sufficient attention to their development. The reasons for this phenomenon may be due to the fact that students of universities located in large academic centres have the opportunity to use the library resources of other, mostly reputed and more affluent, schools. This situation weakens the pressure on the development of the departments of scientific information in non-public schools. This phenomenon can be partly explained by the principles of financial management and rationalization of costs arising from the requirement of cash flow maintenance, although from the point of view of university development, such action should be regarded as misguided and short-sighted. It is worth noting that between 1999 and 2004 the share of expenses related to library purchases and the publishing activity of private universities accounted for only 6%, but this was the sixth position in the structure of costs behind salaries, construction projects, purchase of equipment, endowment and others\textsuperscript{54}.

Private universities, unlike state ones, in practice it do not receive subsidies from the state budget for the implementation of their statutory objectives. The opportunity to support them provided for in the Law on Higher Education is far from an actual implementation. Lack of support from budget funds, however, does not explain the behaviour of some universities. Despite the dif-


\textsuperscript{54} The study, conducted by the present author in November and December 2005, concerning the business, management and prospects of development of the sector of private universities in Poland, included the population of 303 private universities as on 3\textsuperscript{rd} October 2005.
ficulties and lack of support, higher education institutions work to produce elements ensuring their independent functioning. As was mentioned earlier, the library as a department of scientific information is in fact one of the most important assets of universities. Library resources, collected over many years, whose scientific value is invaluable, require substantial funding. It is also difficult to estimate their replacement value, if only because of the commonplace circulations of books these days. Hence the creation of the library and its systematic development are integral elements of the development strategy of the university.

Undertaking the effort by the university to create from scratch its own library resources is a very difficult task. The prospect of long-term development should include the future, planned size of the library and reading room, and the annual task plans should include the planned size of the annual budget. Any fluctuations in this matter may undermine the long-term effort of those involved in the process. Hence the need for stability and giving a high rank to any tasks concerning the library.

Resources should be fully capable of supporting the educational process. Besides, in its resources the university should have books and magazines necessary to perform pro-social functions. The very fact of creating a university, and with it a dynamically developing library, is usually met with social appreciation. Libraries quickly assume the role of real repositories of knowledge, especially in places with no academic traditions. The Aleksander Gieysztor Academy of Humanities in Pułtusk is a good example. The Andrzej Bartnicki University Main Library – one of the largest and richest libraries created by a private university – has 128 thousand volumes and library units.

It is difficult to find a simple recipe for a successful establishment of a library. The experience of scientific information department employees combined with the knowledge and involvement of the science and didactics staff may contribute to the development of resources. These relations must be permanent, since experts in a given field are expected to closely follow new publications and to assess their substantive relevance.

These actions are a manifestation of social the responsibility of the university understood as a set of such behaviours that respect the universally ac-

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56 The data were taken from the website of the Aleksander Gieysztor Academy of Humanities in Pułtusk, www.ah.edu.pl, 24.02.2009.
cepted norms, values and social expectations. Naturally, the vast majority of researchers refer this term only to the corporate sector. In the present author’s view, this kind of thinking is incomplete, as one cannot restrict such an important aspect of economic and social life to one of the three sectors of the economy. Broadly defining social responsibility, J. McGuire says that corporations bear not only their typical economic and legal responsibility, but also a certain scope of responsibility to society as a whole.

The question how the university should operate to follow the principles of social responsibility and to develop library resources in a manner consistent with the expectations of stakeholders still remains current. Meeting the requirements of state organs of regulation and control, such as the State Accreditation Committee and the Ministry of Science and Higher Education, seems only a minimum threshold only beyond which socially responsible activities may begin.

It is easy to imagine a package of measures to promote the idea of education and development of skills in areas that are consistent with the profile of the university. The library should then accept a formula open for external stakeholders, i.e. local communities, non-governmental organizations, etc. In view of the loss of the role of local libraries, it is the university that should be the perfect partner for local residents. The constantly updating its resources institution would make them accessible not only to students and scientific staff. Library development plans should take into account a broader range of readers.

The results of the survey conducted among students of economic universities in Gdańsk, Gdynia and Sopot testify to the positive impact of social orientation of each organization, and the universities in particular. The aim of the study was to describe the basic problem of organizations, i.e. what management perspective they should adopt. It turned out that the “social responsibility as a management concept, or perhaps a philosophy of action for companies, is becoming an increasingly effective medium of communication serving to build trust with investors and to acquire them.”

firmation includes the results of a global reputation of its research, according to which social responsibility is the area on which more and more activities of organizations will be focused in the coming years. The benefits of these actions will bear fruit in better effects in building reputation and brands of universities, which in the face of an increasingly competitive market of educational services may be an important advantage conditioning the market position of the organization. A range of social activities does not have to be at odds with the mission of the school. Each university operates in a particular social space. Participation of its members creates a community in every university, and the university, implementing the educational process, does it for its community. On the other hand, during its operation the university meets the social needs of its science and education employees, administration, suppliers, authorities, etc. At the same time, in order for that role to be consolidated and to maintain a long-term market position in the changing economic environment, stakeholders require balancing the interest of the public and the interest of the university. Doing so may generate “social capital”. According to J. S. Coleman, “social capital is defined by the function it performs: it consists of certain aspects of the social structure and facilitates certain actions of individuals, who are inside these structures. Like other forms of capital, it is characterized by productivity, as it makes it possible to achieve certain goals which would be unattainable in its absence”. A synergy of university aspirations and stakeholder expectations may create value, i.e. social capital.

The idea of the social responsibility of universities is sometimes interpreted in many ways. In his work, The Case for Service Learning, E. Zlotkowski writes: “Even if social responsibility of colleges and universities were only supposed, in fact, to develop the skills of individual students, many would proof enough that what higher education offers, and the needs of the modern world are still inconsistent”.

In higher education, responsibility may have two main dimensions: responsibility for teaching activities and responsibility for research conducted. The former consists in periodically checking the knowledge acquired by the students. This assessment requires accurate information about the requirements for passing a course, i.e. a presentation of the content of the sy-

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60 E. Grzegorzewska-Ramocka, Koncepcja społecznej odpowiedzialności przedsiębiorstwa w marketingu strategicznym, Politechnika Świętokrzyska, Kielce 2005, pp. 73–74.
labus along with the presentation of compulsory and optional literature. Responsibility in this matter means a clear presentation of requirements on students. In terms of research activity adepts of science should be subject to periodic evaluation based on measurable results, i.e. the quantity and quality of publications. However, the quality should be expressed in terms of scientific impact or the environment’s appreciation of monographs 63.

When assessing the quality of publications the scoring system used by the Institute for Scientific Information in Philadelphia or similar institutions in other countries, such as DEST in Australia, may be helpful.

In the scientific environment an institution which enjoys a well-deserved recognition is the Institute for Scientific Information in Philadelphia (ISI), the so-called Institute of Philadelphia. This institution, founded in 1960 and until 1992 led by Eugene Garfield, has contributed to science with the creation of science citation indices, or databases, which on the one hand have been a common source of bibliographic information, and on the other hand have contained abstracts with a list of references, which made it possible to see how many times a specific publication has been cited and by whom. It was a novelty in the information market.

The Garfield Institute has created databases which became the basis for the development of bibliometrics and science metrics, and introduced into circulation terms clearly evocative of the ISI, such as the impact factor 64, or the “Philadelphian list”. For many years it has had a monopoly in the field of citation indices, which have determined the rankings of scientific institutions, fields of science and scientists. It has offered, for a fee, access to several databases, of which the best known are: Science Citation Index, Journal Citation Reports, and Current Contents. The first Science Citation Index (SCI), designed for the natural sciences, was published in 1964 as a five-volume edition, which has noted articles from 613 journals and contained 1.4 million citations.

The innovativeness of the SCI, besides the idea of indexing bibliographic reference and footnotes, also relied on the creation of a multidisciplinary index, which allowed the researcher to become familiar with the literature of re-


64 Impact factor, or a measure of influence, is one of the tools of quantitative ranking, categorizing and comparing of scientific journals. It is a measure of the frequency with which an “average article” published in a journal was quoted during a year. The annual measure of impact is the ratio of the number of citations and recently published articles. The impact factor of a journal is calculated by dividing the number of citations in a given year by source citations in this journal in the last two years. How to calculate the annual citation index: A = total number of citations in 1992, B = 1992 citations in relation to the articles published in 1990–1991 (as a subset of A), C = number of articles published in 1990–1991, D = B/C = impact factor in 1992. Based on: http://abhayjere.com/impactfactor.aspx
lated fields by the right set of keywords. The success of the SCI has encouraged Garfield to create more indices – for the social sciences and humanities. Social Sciences Citation Index and Art & Humanities Citation Index were started.

Journal Citation Reports (JCR) is an interdisciplinary database, in which, on the basis of the dynamics of citations of articles from a journal, its immediacy index and impact factor, or the citation index are determined. The impact factor (IF) is a measure of prestige and impact calculated for ISI-indexed journals.

The list of these journals is variable and subject to constant selection. In about 70% it is made up of American magazines. It now comprises 63 Polish titles, against the total of nearly nine thousand magazines. The list of journals listed in the JCR database is different from the so-called Philadelphian list, or the Master Journal List – a free list of journals, available on the Internet, covered by the evaluation of experts from the institute, who monitor a given title for some time before qualifying it for indexation in the ISI databases. The list now totals almost 14 thousand titles, among which 158 are Polish. Another ISI product is the extensive Current Contents databases – abstractive databases of journal articles from selected fields of science. Among them there are: Agriculture, Biology & Environmental Sciences Current Contents, Clinical Medicine, Current Contents, Art & Humanities Current Contents, as well as their the sub-databases within specific disciplines.

At this stage of development, the ISI has been taken over, with all its achievements, by the corporation of Thomson. The flagship products of Thomson Scientific – among several dozens of others – are the databases of the Derwent World Patent Index (the largest database of patents, trademarks and brands), and the Web of Science. The Web of Science – the database of database – contains the most important indices; currently it is the Thomson Scientific Master Journal List, available at: http://www.thomsonscientific.com/cgi-bin/jrnlst/jloptions.cgi?PC=master, Science Citation Index Expanded 1900 –, Social Science Citation Index 1956 –, Art & Humanities Citation Index 1975 –, Index Chemicus and Current Chemical Reactions.

The database is made available to users on a subscription basis. It provides access to almost nine thousand selected titles of magazines in all (230) academic disciplines. In Poland, the most widely used is the database Science Citation Index Expanded. Its users (23 universities in 2006) formed a consortium, and the base is made available from the ICM server. Thomson Scientific

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has created a search platform called the Web of Knowledge\textsuperscript{66}. This tool (available for free to any subscriber to Thomson products) allows for a simultaneous search of all, or only indicated, resources of Thomson, databases which a given institution already has, as well as the open access type of databases, such as PubMed and Agricola.

### 3.3. Ethics in university management

#### 3.3.1. Business ethics

Ethics deals with the creation of systems of thought from which one can derive the rules of conduct. The word “ethics” is derived from the Greek *ethos*, meaning custom, understood not only as a phenomenon, but also its social and physical environment. Ethics is the space in which moral norms function, serving the role of normative systems in societies, beside such systems as the state law or religious morality\textsuperscript{67}.

In its functional meaning, formed as early as in ancient times, ethics is a branch of general philosophical considerations concerning the relationship between good and evil. It can be argued that ethics as a science of morality is one of the disciplines of philosophy\textsuperscript{68}.

Prominent eighteenth-century philosopher and economist Adam Smith in many of his works dealt with the moral philosophy which, in his view, included natural theology, philosophy of law, theory of justice, and ethics. In his later works, such as *The Wealth of Nations*, constructing his economic theory, he drew on a number of assumptions about human nature and social processes. Addressing the issue of social harmony in the relations of private and collective social interest he admitted the primacy of the collective social interest, which is one of the basic premises of his social philosophy\textsuperscript{69}. Smith devoted quite a lot of attention to the ethical aspects of the market economy. In his work *The Theory of Moral Sentiments*\textsuperscript{70}, he argues that one usually cares primarily about one’s self-interest. However, the problem is to find a way to meet it in such a way as to bring on as many benefits to society as possible.

Ethics, broadly speaking, is the study of values, principles and justifications. It attempts to answer the following questions: What is good? What is wrong?

\textsuperscript{66} http://wokinfo.com/, 26.10.2009.


How to distinguish good from evil? What does it mean to live a decent life? What makes a man be perceived as good? Why are some things considered good, while others are considered wrong?\textsuperscript{71}

Ethics is part of philosophy associated with good conduct, being a good person. It has both a social and personal dimension, and is necessary for living in society. Every society needs it, in spite of the different traditions, practices and institutions. Similarly, every society must have a view of morality, which is usually its own product, shared by all its members. The most common of these is respect for human life and compassion for others\textsuperscript{72}.

Ethics is the study on morality of actions, when an individual has a choice: help or harm. This study attempts to solve the dilemmas of what is harm and what is help, trying to solve the complexities of moral choices. These moral choices concern rights, responsibilities, privileges and duties. The word “moral” in its colloquial meaning refers to matters of religion, or the sense of sin. “Evaluative” or “ethical” may be synonymous with the word “moral”. They refer to a situation in which one set of interests is important, while the others are rejected. All decisions have a moral dimension\textsuperscript{73}.

Ethics deals mainly with trying to find out what values and rules of behaviour are assessed as moral. It also deals with defining “decent life” in the conditions of happiness and good, at the same time providing justification for many different situations and contexts that can help one make a morally correct decision\textsuperscript{74}.

Business ethics is a very important issue in economic activity. Its significance is emphasized by the fact that ethical choices are inevitable. The challenge for business ethics is to improve this inevitable process of making ethical decisions. For the most important goal is to achieve long-term values of the owner\textsuperscript{75}.

In many historical sources, business ethics often involved criticism of economic activity and of the practices used by entrepreneurs – and therefore also of the ability to create added value and make profits. The current view on this issue relates to thinking about profit in terms of productivity growth accompa-
nied by social responsibility and the role of the corporation as complex communities, serving its employees and the local environment. The evolution of business ethics thus includes the transition from the criticism of financial gain to a more constructive and useful assessment of the organization's involvement in the implementation of social objectives within the rules of the market\textsuperscript{76}.

The main goal of business ethics is to solve problems on how to proceed in conducting business activities in relations with partners or competitors in the market. Business ethics focuses on the behaviour of man, therefore, it is no different in this respect from ethics in general\textsuperscript{77}. Most people would agree that ethics deals with human activities in the moral realm, while business ethics deals with economic activities. They can be described at three levels: the entrepreneur, company ethics and systemic actions\textsuperscript{78}.

The semantic range of business ethics is wide. For example, Cz. Porębski defines it as “a specific reaction of an important aspect of social life to the challenges posed by the transformation of civilization”\textsuperscript{79}. It may be assumed that any action of the organization or its employees may have an ethical or unethical dimension. Ethical dilemmas in business may include issues such as\textsuperscript{80}:

- behaviour towards customers, suppliers or competitors, e.g. marketing and sales activities, the principles of fair play in competition,
- treatment of employees, or the hiring process, principles of motivation, development paths, the rights and obligations of the employee, employee’s dismissal,
- the impact on the environment – pollution, recycling, sustainable development,
- behaviour in the international expansion operations, e.g. the use of power and advantage, respect for human rights and the transfer of production to countries with lower production costs.

According to A. Bednarski, the science of organization and management, as an independent branch of science, examines human activity in terms of

its efficiency. Full analysis is not, however, possible without an assessment of the ethical attitude. Besides, ethical attitudes prevail while taking any decision, so one can talk about moral tasks contained in the process of management. This applies to the whole of economic life, or entrepreneurship, with its internally shaped morality of the subject of actions and the environment.  

Business ethics is not a separate part of ethics. Its basic assumptions are the same for all human and social behaviours. It must be borne in mind that without moral principles it will be difficult to lay the foundations of a stable society, in which economic activity or any other positive activity will be able to function in conditions of peace and security.

Business ethics can also be defined as “an examination of economic events, activities or decisions, where it is important to resolve whether they are good or bad”. This term is often used in a very broad sense, including among others, corporate social responsibility.

When analysing the question of whether business ethics is a form of professional conduct or whether it should be society’s ethics, W. Gasparski argues that social actions must be based on reciprocal relationships which will facilitate the exchange of goods. Only consistent, based on scientific grounds, composition of actions, guided by ethical standards, becomes necessary for the business community.

At the same time in another work, Gasparski claims that business ethics is not tantamount to the concept of corporate social responsibility. In his view, business ethics is influenced by the theory of human behaviour, known as praxeology. The term and concept of praxeology was first announced by Alfred Espinas in 1890 in the journal “Revue Philosophique de la France et de l’Etranger”, in the article Les origines de la technologies he wrote about this separate discipline of study and described it in these words: “and so the word ‘practice’ suggests the term ‘praxeology’ to denote the science of the most general forms and the highest principles of action in the world of living crea-

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81 A. Bednarski, Zarys teorii organizacji i zarządzania, Dom Organizatora, Toruń 2001, pp. 443–444.
83 Ibidem, p. 291.
The strategy of university management in the light of stakeholders’ expectations

The Polish researcher T. Kotarbinski dealt with praxeology in many of his works. As the creator of scientific praxeology he located it among the philosophical sciences, namely within ethics and logic. The Polish researcher T. Kotarbinski dealt with praxeology in many of his works. As the creator of scientific praxeology he located it among the philosophical sciences, namely within ethics and logic.

Moral values, beliefs and principles, which determine how organizations and their members act towards each other and towards people outside the organization, form an important part of organizational culture. At a time when most of the actions for which companies are intensively monitored and evaluated by customers, investors and the government, organizations and their employees cannot afford to engage in activities which harm the reputation of the company. Creating an ethical organizational culture is a top priority for many companies because failure to fulfil that need may be catastrophic for the development of the organization and its market position.

Acceptance of ethical values and related control measures may sometimes raise objections as they may pose a threat to broadly understood interests of the organization and its environment. The implemented rules may introduce customs, such as best practices or standards of good behaviour. They result in the weakening of the ability of members of the organization to assess actions in terms of right or wrong. The general opinion is that acting in accordance with ethical principles leads to higher productivity, if only because people spend less time making these assessments.

It is worth noting that the mere adoption of a set of good CSR practices does not guarantee that the organization will be focused on the needs of society. Often managers form a symbolic shield around the organization, separating it from interacting with the environment. Organizations should instead be focused on the goal rather than on taking actions which are frequently superficial.

Business ethics, as belonging to management sciences, revises the traditional moral concepts taking into account the modern scientific achievements. This is due to the fact that the addressees of the norms which create the standards of business ethics are not individuals acting on their own behalf but on behalf of the organization they represent. And the organization itself is a creation, whose operation is determined by the structural and functional essence

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of the organization and the expectations of stakeholders, rather than subjective characteristics of managers\(^\text{91}\).

The scope of business ethics is very broad. Mainly because any action performed by the organization or its employees may be taken either ethically or unethically\(^\text{92}\).

The main areas of interest of business ethics have been collected in relation to the branches of moral philosophy\(^\text{93}\):

- analogous to theoretical ethics – identification of the phenomena of operation in organizations in which there are moral dilemmas and may be subject to assessments from the point of view of ethical values,
- analogous to normative ethics – it is a system of standards, it determines what should be done and what should not,
- analogous to descriptive ethics – the subject of business ethics is the analysis of moral beliefs and the actual conduct of business people, supported by empirical evidence,
- analogous to applied ethics – for the purpose of developing a practical set of tools to influence and impact the ethical attitudes of business people.

Business ethics issues may be treated as synonymous with ethics as such or acknowledge the fact that its assumptions are different from those of general ethics. Adopting the former assumption, of ethical behaviour in economic activity must be based on the same principles as any activity in relation to the family or friends. In this case, business ethics and ethics are identical concepts. In the other approach, ethical behaviour in the operation of an organization, such as a university, is largely inspired by expected achievements of designated goals.

Universities are created to implement their statutory provisions, to achieve a sustainable competitive advantage in the market of higher education, and it is this action that their authorities should focus their endeavours on, in this aspect understood as ethical ones\(^\text{94}\).

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Public interest in the issues of business ethics is now the greatest in the history of societies. The period of the development of the field in question accounts for the last three decades, and the increased public interest was triggered by a number of scandals occurring in the environment of the biggest companies. However, it appears that not only the social expectations tend to increase. Organizations, in accordance with these expectations, also introduce codes of ethics and comply with, although not entirely, social expectations. Figure 3.2 shows the change in the quality of business ethics in comparison with previous years.

The researchers who include ethics in philosophy suggest three phases, known as descriptive ethics, normative ethics, and meta-ethics. Descriptive ethics is closely related to anthropology, sociology and psychology, and is based on these fields. Normative ethics includes the assumptions of descriptive ethics. It usually strives to discover, develop and evaluate the basic assumptions or moral values or a moral system of society or humanity in general. Meta-ethics is similar to normative ethics. Firstly, it deals with the terminology of moral issues, terminology. Secondly, it examines the logical reasons for moral behaviour. And thirdly, it analyses hidden presuppositions and subjects them to critical analysis.

Figure 3.2. Business ethics today and in previous years


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Business ethics occupies a special position in the field of applied ethics as it deals with the application of general ethical principles in specific situations\(^9^6\), and behaviours of individuals managing business organizations, which, given their objectives, do not always follow the rules of morality. It must be borne in mind that business operation, even in the case of the university, as a social phenomenon has a social dimension. There are three levels of business ethics:

1) micro-ethics – defining the rules of fair exchange between individuals; it is concerned with the nature of promises, commitments – the importance of individual action;

2) macro-ethics – institutionalized cultural and economic rules for the whole society; it deals with issues of social justice and the purpose of a free market;

3) molar ethics – concerns companies.

Business ethics, as the name suggests, is a field combining ethics and business. This issue has a national, international, and global dimension – just as business ventures are. It may turn out to be helpful in solving problems in a more systematic way. It must be borne in mind, however, that business ethics alone will not change business practices. It may only provide arguments testifying to unethical proceedings within a business\(^9^7\).

Perhaps P. Rotengruber is right submitting the postulate for a much wider promotion of business ethics and seeing this action as a priority task. He indicates that the genesis of this postulate is the claim of “competence exclusion of large sections of society” and “their symbolic incapacitation”. It is interesting that this author puts hopes in “the sphere of material reproduction” as a remedy for “communication dysfunctions of modern society”\(^9^8\).

Although most ethical issues consider the ethical functioning of the individual within an organization operating in a community, the most important questions focus on the role of the organization, in particular the university, in society. These questions are targeted primarily at university governing bodies.

In its descriptive sense, business ethics refers to the values, standards, and the foundations of business operation. This term includes the name of


the scientific discipline which is in fact an interdisciplinary issue which gathers information from a variety of scientific disciplines, such as philosophy, management, economics, law, etc.99

A wide range of theories describing the issues of ethics may be presented as a kind of lens, which focuses ethical decision-making in a particular issue, such as rights or responsibilities. A graphical illustration of the problem is shown in Figure 3.3.

In turn, Figure 3.4 shows the role of many theories of ethics. Looking at an ethical problem from the perspective of the theory of ethical conduct, we have at our disposal a variety of solutions allowing for a moral evaluation of the analysed problem. Thanks to this broad spectrum of concepts university management can fully analyse the problem and find different solutions as well as a justification for the decisions made.

Figure 3.3. The typical approach to the theory of solving ethical dilemmas in management

Figure 3.4. The perspective of ethics theory in dealing with ethical issues in management.
Source: Ibidem, p. 120.

Business ethics determines standards of conduct in business operation by taking a dual, axiology and performance approach. Axiological justification relies on referring to certain moral systems, such as Kantianism, utilitarianism or virtue ethics. This approach, placing business ethics within the theory of ethics, requires a good knowledge of normative systems. On the other hand, the performance approach is to prove the thesis that acting in accordance with ethical principles brings benefits. The main argument for this approach is that, due to its reputation, the university may once again get the customer that has been acquired before. The requirement of constant raising of qualifications and self-development facilitates further education in many forms of postgraduate and lifelong education at universities. This approach, however, is sometimes criticized for being targeted at the interests of the organization, while ethical principles serve only as a tool to achieve intended objectives\(^{100}\).

### 3.3.2. Ethical organization management

Management is without a doubt one of the greatest inventions. For over one hundred years the development of management science, supported by the efforts of people, has allowed for strong economic growth. At its inception, management was supposed to solve two major problems – to affect the less skilled workers, so they can be more efficient and competitive, and to coordinate these efforts, so as to allow for the production of goods and services in large quantities. The problem was the effectiveness of operation, and the solution – bureaucracy with its hierarchical structure, the objectives to be achieved, the exact definition of roles within the organization, the developed rules of conduct and adopted procedures\(^{101}\).

Management of each organization present in the socio-economic life must take into account the fundamental principles of coexisting in a particular environment. A major part of businesses and other institutions directs its activities at individual customers. An important element of business success is the ability to create sustainable and correct relationships with potential customers, but also with individuals and institutions that may have an impact on consumer decisions. An important factor in organization operation is the attitudes presented by the workers who create it. They are the result of the adopted management strategy and the quality of human capital.

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Currently there is a social debate among representatives of the business sector, employers and workers organizations, academic and expert institutions on the necessary changes in the economic policy of the European Union. The main message is the positive impact of social dialogue in the dissemination of civic attitudes in the economy and thereby increased competitiveness. This will lead to improvement in people’s lives, while increasing the efficiency of enterprises’ operation, accompanied by a limited negative impact on the environment\textsuperscript{102}.

Each organization must have collected rules by which it intends to operate. Ethical principles adopted by an organization or a university are a set of factors which include moral obligations in relation to a wide range of recipients, i.e. stakeholders. Depending on the country of operation of the organization, these rules are slightly different in scope. While in the United States and Britain they concern mainly ethics, in other countries they are mainly based on the assumptions of the unique culture of the region\textsuperscript{103}.

However, regardless of the country of operation an ethical organization should always apply the principles of best practices. It should be understood as the avoidance of unjust conduct, but also as action which is good from a moral point of view. Actions derived from the principles of justice and from moral conduct should have both a limiting character for the organization and a prescriptive one when it comes to identifying courses of action in particular cases\textsuperscript{104}.

In the era of globalization, internationalization of general business contacts, student and academic exchange, or the increasing universal access to the Internet, it becomes important to attempt to determine common expectations of stakeholders from different cultural backgrounds, with different religious or philosophical beliefs\textsuperscript{105}.

Each organization has its own unique “atmosphere”. It should be understood as a specific environment, a set of adopted principles and methods of action, grouping the key elements of operation. A set of universal components leading from ethical climate to benefits is shown in Figure 3.5.


\textsuperscript{105} W. Gasparski, \textit{Podstawowe zagadnienia etyki biznesu}, in: \textit{Etyka biznesu, gospodarki i zarządzania}, op.cit., p. 29.
3.3. Ethics in university management

![Diagram](image)

**Figure 3.5.** The relationship between ethical climate and benefits for organizations.


Under the influence of social responsibility the terms defining “Pareto efficiency” should be amended. If all public institutions, authorities, organizations, the media were more aware of the common aspirations that go beyond the regular business practice, they could create “reputation capital”. This would lead to a new level of competition, and thus to new, socially responsible actions, going beyond daily business practice. This phenomenon is illustrated in Figure 3.6.

![Diagram](image)

**Figure 3.6.** Reputation capital and social benefits


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Ph. Kotler already pointed out the importance of reputation. Reputation affects both income and the cost. A positive reception of possessed reputation affects the benefits measured in sales volume and employees’ or business partners’ evaluation. As far as costs go, it leads to their significant reduction. Most importantly, however, reputation, as research confirms, is an important value for the customer, who is, after all, a stakeholder of the organization.\textsuperscript{107}

Researchers on the subject, both practitioners and theorists, agree that it is difficult to precisely determine how organizations should work to fulfil ethical principles or those concerning social responsibility.\textsuperscript{108} This phenomenon also applies to universities, which emphasizes the importance of the problem in question.

The issues of business ethics may be presented in many dimensions. It is a good idea to try to narrow down the phenomenon to three main relationships:

1) the internal dimension and the external dimension, within which close interactions between the inner life of each organization and its stakeholders take place; to maintain a balance seems to be an important objective;

2) the strategic level and the operational level – balance is necessary, but strategic objectives and the changes they implement should be given a priority, and only then should particular operational activities be taken;

3) countermeasure actions and philanthropic activities – some of the positive, ethical activities of the organization may minimize or even compensate for the negative impact on the environment.


\textsuperscript{108}R. Steare, How to create an ethical culture, „People Management”, 9.02.2006, pp. 46–47.
Figure 3.7. The Dimensions of business ethics

It must be, naturally, assumed that universities have different strategic objectives than, say companies. Regardless of the identifiable differences, however, the task of any organization is constant development and efficient use of resources to achieve the desired results. Social responsibility principles require treatment of employees – the most important asset of the organization – in terms of a subject, not an object, of management. In turn, increasing productivity requires adequate investment in human capital, notwithstanding the construction of proper relations based on partnership and the understanding of the need for social dialogue\textsuperscript{109}.

The importance of ethics in the management organizations is emphasized by M. Paskin. In his opinion, an organization may have a poorly developed organizational culture. It is important, however, that it is built on a strong foundation of ethics. Culture may not be very susceptible to change, but ethical attitudes in every action are important. Best practices in dealing with business partners must be the basis\textsuperscript{110}.

3.3.3. An ethically managed university

In the case of the university it is the founder, or founders, who determine the expected results of its operations. Under the law, it does not carry business for profit, but we can talk about achieving positive financial results as a means to achieve its statutory objectives. They include an expansion of the educational offer and investment in facilities. Social responsibility is defined by not excluding profit as a result, but excluding it as a motive: if a social action is taken simply to make a profit, it is not an act of corporate social responsibility\textsuperscript{111}.

Managing a team of employees should be done in accordance with ethical principles. First of all it should take into account the respect for personal rights, fairness, distributive justice and freedom of choice. With the adoption of these principles the organization may be defined as a social system, and its management style as objectives management\textsuperscript{112}.

Many sources influence making decisions by individuals. In a specific way they compete for acceptance expressed by the decision of a given individual.

Sources of ethical standards and ways of influencing the decision-maker are shown in Figure 3.8.

![Figure 3.8. Sources of ethical standards affecting an individual](image)


University managers are often involved in the decision-making process. They are influenced – like every individual – by lot of factors and standards which are dependent on the time and place of making the decision, a specific situation, etc.

Another important issue is the extent to which society can expect ethical attitudes of business leaders. It is understood that fulfilling their function they are only liable to the organization in which they work. It is difficult to assume, however, that they somehow owe society a specific action. Nevertheless, many managers perceive the public interest as completely consistent with their personal interests and the interests of the organization. The situation in which leaders work requires the knowledge that socially responsible actions may have an impact in the long term, while shareholders expect profits to rise on a regular basis113.

The organization should make efforts to promote the desired actions, especially those that have a positive impact at a national level. The aim should

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be to avoid adverse effects, even if efforts towards positive actions would turn out to be ineffective\textsuperscript{114}.

The university has many opportunities to promote ethical behaviour. For example, they can use appropriate management principles based on legal regulations or the promotion of behaviours involving the reporting of unethical actions, the so-called whistleblowing\textsuperscript{115}. Promoting these principles among academic staff is a perfect model of ethical conduct, which gives an clue on how to proceed in times of moral dilemmas. The range of whistleblowing be quite wide. Faulty products or deficient services may lead to further threats. Brave individuals, who report irregularities, should be cared for, as the cases described in the literature on the subject show, such attitudes are often faced with undeserved harassment on the part of other employees.

Already in 1972, R. Nader wrote that the most important obligation of employees was to protect society as operating over a single organization. Liabilities towards corporations are secondary\textsuperscript{116}.

It is worth making an effort to precisely define what is meant by the concept of whistleblowing. J. P. Near and M. P. Miceli described it as “the disclosure by current or former members of an organization of illegal, immoral practices, the results of which have an impact on other individuals or organizations”\textsuperscript{117}. Such action may be compared to the function of a referee on the pitch, who, by whistling, stops the match\textsuperscript{118}. This ambiguous term, present in the global economy, greatly expanded its range after the introduction of the Sarbanes-Oxley Act (SOX)\textsuperscript{119}. The concept of whistleblowing has been known for many centuries but only for a few decades it has been associated with the economic life.


\textsuperscript{119} The Sarbanes-Oxley Act of 2002, adopted on 30 July 2002, also known as the Reform act of accounting principles and the protection of investors, known for short as SOX or SARBOX, is part of the federal law of the United States. It was created in response to the many scandals associated with the management of corporations and “creative” accounting, such as those of Enron and WorldCom. These events, because of their reach, shocked the public opinion. The disclosure led to a serious decline in the value of trading stocks and led to large losses suffered by investors. The main proponents of the Act were Senator Paul Sarbanes and a deputy in the House of Representatives Michael Oxley. The reunder Public Company Accounting Oversight Board was created, which was responsible for the supervision, regulation and control of accounting firms, acting as auditors of public companies.
This term describes the unique role of an employee of an organization as a kind of exposer in situations when they see illegal and immoral practices. It is important that these actions are undertaken independently by the member of the organization, and their aim is to prevent breaches of the law\textsuperscript{120}.

This phenomenon in question may raise many moral dilemmas. Individuals, who wish to make public certain events or information, assess whether publicizing the problem is consistent with the public interest, they also attempt to establish the person or entity responsible. This intention is in conflict with loyalty to their organizations. It should be remembered that professional ethics requires responsibility and loyalty to colleagues. Even after considering the first two dilemmas taking the role of a whistle-blower may raise additional concerns. The mere involvement in the information campaign about a problem may compromise their chances for further development of their professional or social careers, regardless of the achieved outcomes\textsuperscript{121}.

An individual who makes public a negative or undesirable phenomenon must meet several conditions to be treated seriously by the recipient. The effectiveness of such measures will increase if the person is reliable, the event will actually be an example of law breaking, evidence will be convincing, and the organization where the whistleblower comes from does not approve of acts of retaliation\textsuperscript{122}.

The response from law enforcement will always be less accurate and delayed if we compare it with an alarm raised by people from within the organization. There are many examples proving that such an attitude is worthy of mention. In 2002, three whistleblowers were announced people of the year by the Time magazine\textsuperscript{123}.

Unfortunately, the reporting of illegal actions is not common practice in many organisations, including universities. This is not due to the lack of such activities, rather it is due to the custom of not disclosing activities which may jeopardize the good name of the institution. But more often at the root of the silent attitude is the belief that the disclosure of certain events will not lead to taking any remedial measures\textsuperscript{124}. Confirmation of such attitudes may

\textsuperscript{120}W. Rogowski, Whistleblowing: bohaterstwo, zdrada czy interes?, op.cit., p. 23.
be found in the results of a survey by J. Figg, according to which, out of 125 surveyed internal auditors, as many as 76% said that the irregularities reported by employees had turned out to be real. These results highlight the importance of whistleblowing unambiguously. The major percentage of positively verified reports makes it necessary to give special importance to this activity and even place it among the strategic actions of the university.

One should also look at the reasons that inspire employees to report unethical activities. Disclosure of a phenomenon is a serious problem for the employee. It is important to consistently promote openness in this regard. A different path leading to the intended objective should always be suggested. This is based on the belief that people in the organization are rather pragmatic and are committed to the aim pursued. It is important that the process leading to it be ethical and moral. It must be borne in mind that the solving of problems of a moral nature is an intrinsic part of the functioning of any organization.

One-person or collective bodies managing educational institutions are therefore facing an extremely difficult task. Inclusion of ethical issues in management requires particular expertise, knowledge of social expectations and their successful positioning against the potential of the university. For it is difficult to build an atmosphere of mutual uncertainty, motivating the team to look for and report irregularities, and at the same time to prove the fact that this attitude is essential for the development of the organization and in line with its mission.

According P. F. Drucker, “social responsibility – of a business, hospital or university – may appear in two areas. It may result from the influence the institution has on society, but it may also appear as a problem of society as a whole. Both of these areas should be a concern for managers because the institution they manage exists because of the need of society and the community.” This quote precisely describes the strategic objective that should guide university managers. The most important, however, is the fragment saying that universities exist because of the need of society and the community.

Adoption of such an assumption requires proper configuration of the profile of the services on offer, in this education but also, substantially, formation. It turns out that for a large part of the population formation by institutions of higher education is obvious and desirable (see the author’s research results included in Chapter 4 of the monograph).

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Developing a long-term strategic plan of the university requires an in-depth analysis of the market, which must lead to the conclusion that points to the presence of many strong entities with a competitive nature. The survival of the university on the market requires achieving higher efficiency than its competitors have. The question about the impact of ethical guidelines on the selection and development of strategic objectives is crucial. Sensitivity to social needs imposes their obvious modification in such a way that there is no risk of conflict with social values.

Ethical values must take precedence over all activities of the organization. The phenomenon of striving to maximize productivity, to develop and expand can be observed. This striving may result from the tasks adopted during strategic planning. Operating within the four main functions of management – planning, organizing, managing and controlling – one should always be guided by ethical principles. This primary task of the representatives of university authorities requires to be implemented in line with their knowledge and skills, while respecting the laws in force, but above all ethically.

An ethical manager should manage the university using the known organizational techniques and applying motivational skills to achieve their goals. Assessment of managers, however, is always based on evaluating their effectiveness and efficiency in action. Ethics is intended only as a background of smooth operation.

Within such an “ethical territory” the rivalry of competing organizations takes place. The idea is to take no action which is ethically questionable, such as the creation of faculties educating specialists in archaic professions with no future in the rapidly changing labour market.

It must be borne in mind, however, that the assumptions of ethical and social responsibility issues will be understood by every organization slightly differently. One may even assume that we will get as many different versions as there will be stakeholders involved. It is difficult to work out a universal model for all. Every organization or university should develop its own model of “the practice of social responsibility”. It will require precise definition of values and placing ethical issues in the centre.

An effective planning and implementation of a comprehensive set of activities related to “ethical management” at the university is a big enterprise.

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The organization of the process will be as it is in the case of the corporate sector. This requires a multidimensional approach and depends on correct undertaking of many activities. Implementation of these measures and giving them a logical sequence can lead to the desired results. Adequate preparation, training, in-depth analysis of management levels and the existing levels and groups at the university, as well as the analysis of the organizational culture increase the chances of a positive implementation. Figure 3.9 shows a schematic illustration of the algorithm steps leading to the full implementation of a system that supports ethical action at the university.

Figure 3.9. Stages of implementation of a new ethical orientation of the university

Organizations create ethical systems which can actively support actions in this respect. Their main purpose is to encourage actions in line with the objectives of the organization and the principles of distributive justice while ensuring moral support. The organization should adopt a system of ethical incentives organized in such a way as to bring the desired effect. An essential element is the flow of important information. Systems of ethical notification should provide full access to every piece of information to key persons in the organization. These systems must also fulfil three functions:\(^{130}\)

1) encourage alertness – all parties should recognize what is necessary to achieve the ethical objective of the organization as well as to detect defects and actively seek remedies,
2) facilitate the provision of relevant information through an open voicing of one’s opinion, warning, etc.
3) important information should be communicated to those responsible for dealing with its consequences and using it to maximize effects ethically.

The organizational structure in itself makes it possible to act ethically at different levels of ambition – the remedial and philanthropic dimension of the structure represent two very different levels of commitment and dedication. This is a fairly strict division of levels of ambition, but they can be divided into many more subsets. B. Andersen identified at least five such levels of ambition, appropriate levels of activity and dedication\(^ {131}\). They are presented in Figure 3.10.

The organizational structure of the university is composed of many interconnected elements. These parts are combined in different structures, and employees have specific tasks to perform. The development of such an extensive body is dependent on the degree of interaction between all the elements. A suitable atmosphere for innovation, effective communication or striving to be an intelligent organization are fundamental to the development of the university as an extensive organizational structure\(^ {132}\).

\(^{132}\) Ż. Geryk, Motywacja w uczelniach niepublicznych w Polsce, SGH, Warszawa 2010, pp. 139–148
3.3. Ethics in university management

Universities should create their own corporate codes of ethics, a set of specific set of values relevant to the university, its employees and stakeholders. The dos and don’ts contained in them, such as a limit on the value of gifts a lecturer can receive during diploma exams, will serve as a guide useful in certain situations of the employee. It can be assumed that such a code would be a set of possible answers to potential questions about the ethical nature of human behaviour preferred by the university\textsuperscript{133}.

The importance of ethical codes and the huge need for development in this area was pointed out by W. Gasparski. In his Polish research he noted that in a country of 38 million only 6 thousand organizations have public codes of ethics, emphasizing their crucial importance for the proper functioning of ethics programmes. Due to their importance, they should play a greater role in creating a good reputation. At the same time, it must be remembered that codes of ethics are not the only factor affecting the image, yet they are the first and most important element of the assets\textsuperscript{134}.

\footnote{R.C. Solomon, C. Martin, *Above the Bottom Line*, op.cit., s. 124–125.}

T. Oleksyn collected a set of core competencies for ethical leadership\textsuperscript{135}. These are:

- competent development of the mission, vision and strategy of the organization,
- a system, holistic, approach, and the ability to achieve synergy effects,
- deep knowledge of management,
- good knowledge of the competition and the market,
- knowledge of the organization and the assigned actions,
- effective and ethical leadership.

The role of a leader is to participate in a creative way in developing the mission and vision of the university. It is important that the basis for their creation were ethical values. For in the economic life there are too many examples of missions derived solely from the broadly understood needs of the customer. It is worth reminding the practice of “creative” accounting used by formerly one of the leading consulting firms Arthur Andersen. These actions, however, in the long term led the company into bankruptcy, and became one of the vivid examples of ignoring ethical issues in relations with clients.

The essence of ethical university management is appropriate construction of the decision making process. It is a good idea to consider various theoretical models in order to develop an appropriate model of action for an institution.

An in-depth analysis of the ethical decision-making process, carried out on the basis of research by T. W. Loe, L. Farrell and P. Mansfield\textsuperscript{136}, confirms that the model proposed by T. M. Jones provides the most comprehensive synthesis of ethical decision-making\textsuperscript{137}. Jones based his work on a model previously announced by J. Rest\textsuperscript{138}. According to its assumptions people make decisions when:

- recognize moral issues,
- carry out a specific moral evaluation of the action,
- establish a reason to act in accordance with that assessment,
- finally act in accordance with their intentions.

\textsuperscript{135} T. Oleksyn, Zarządzający i zarządzanie – wybrane kwestie i dylematy etyczne, op.cit., p. 198.
Figure 3.11 shows the process ethical decision-making. It is not necessary, however, that all the stages follow one another. This model distinguishes the importance of knowledge of ethical action from proceedings in this matter or the desire for ethical action from the knowledge on which action is the best from the point of view of ethical principles\textsuperscript{139}.

Figure 3.11. The process of ethical decision-making


In the view of R. C. Ford and W. D. Richardson, ethical decision-making models divide factors affecting decision-making into two main categories: individual factors and situational factors. The former include demographic factors such as age and sex, and those that are acquired with experience and with the creation of social relations, i.e. education, personality or attitudes. While the latter are the specific characteristics of the context affecting the question of whether an individual will take an ethical or unethical decision. These factors include reward systems, workstations, organizational culture, as well as such issues, related to decision-making, as moral questions or their ethical framework\textsuperscript{140}. These factors are presented in Figure 3.12.

Figure 3.12. The basics of understanding of ethical decision-making


It must be borne in mind that customers – buyers of educational services – are also stakeholders. It is therefore possible that they stop themselves from purchasing if a product or service does not meet expectations in terms of social responsibility, which is a manifestation of negative ethical consumerism. Its opposite, that is, positive ethical consumerism, occurs when purchasing decisions are affected by the ethical or socially responsible behaviour of the manufacturer or provider of services\textsuperscript{141}.

Each institution should submit its activity to an ethical audit, i.e. a tool assisting management, in order to create the necessary conditions for the adoption of “ethical orientation” and as a result an effective implementation of the ethical approach\textsuperscript{142}. This requires an analysis of the following issues:

- which values guide the activities of the university,
- whether it acts in accordance with these values,
- whether it achieves the desired effect in the public eye.

The results of an analysis of the reality of an institution will be used to select and implement specific solutions. An audit makes it possible to identify stakeholder expectations and juxtapose them with the knowledge and capabilities of the university as an organization. It allows for an assessment of the norms and values which community members and other stakeholders are guided by. On the other hand, it includes an analysis of the procedures and the documentation of the university\textsuperscript{143}.

Conducting such an audit allows for a precise examination of the degree of compliance of the actions of the university with the expectations of customers. The results may be used as an indication of the directions of the desired changes and the continuous improvement of operation. Thanks to them, the institution may modify (or even create) its own code of ethics. Then it will not be just a set of organizational norms shared by members of the academic organization, but it will be enhanced by the topics of particular importance for other groups of university stakeholders than staff and students. Most important, however, is that the said code is consistent and encompasses the widest range of activities and impacts of the university on its environment possible. Codes of ethics may be in the form of concise elaborations as well as detailed or very complex ones. Most relate to the desired quality of service, describe


\textsuperscript{142} W. Gasparski, \textit{Wykłady z etyki biznesu}, WSPiZ im. L. Koźmińskiego, Warszawa 2000, p. 154.

\textsuperscript{143} Ibidem, p. 155.
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the degree of coherence in the relationship with the environment or, in simple words, remind that the most important person is the customer. They are supposed to provide a valuable hint for managers, employees and teachers, as to what values the organization is guided by. The codes describe various operational and social issues, including staff matters. They may cover only a narrow range of cases, and in other cases they may be very broad descriptions of the goals of the organization in this regard\textsuperscript{144}. Sometimes they may include detailed guidelines, such as a description of permissible gifts that an employee may accept from a person outside the organization. The effectiveness of policies put down in that way depends on whether they are applied, especially by the top management of the organization. Then there is a chance that the other employees will accept these principles in everyday activity\textsuperscript{145}.

An important feature of codes of ethics is that they are not sanctioned by law, they are only internal regulations of the organization. In other words, it is a voluntary initiative taken by the university management.

Admittedly, J. Filek would not be satisfied if the principles of social responsibility did not have a “hard” mandate in the legislation, for she expects the implementation of a specific social contract to involve the observance of the established law. She even indicates that the lack of appropriate legislation and its effective promotion will ultimately lead to a decline in the popularity of social responsibility, or even a “natural death” of the idea\textsuperscript{146}. This is in opposition to voluntary conditions or organizational self-limitation, which are reflected in the adopted codes of ethics.

University managers should keep in mind the thought of P. F. Drucker: “no institution exists by itself and for itself”\textsuperscript{147}. The main message of the functioning of the university is to provide knowledge and research results to society, not only to create new jobs. An organization must be part of the community and this issue needs to be understood in many dimensions: psychological, geographical, cultural and social. The impact it has on the environment through the provided employment, knowledge, education, should fulfil the expectations of good neighbourhood, thereby creating added value in the form of educational services which raise the quality of life of stakeholders\textsuperscript{148}.

\textsuperscript{146}J. Filek, Rola prawa i etyki w kształtowaniu modelu gospodarczego, in: Biznes, prawo, etyka, op.cit., pp. 79–90.
\textsuperscript{148}See Ibidem, pp. 16–17.
It is worth keeping in mind that the social dimension may significantly prejudge the future of the university, its chances for developmental or survival at critical moments. It is social acceptance of the idea of a functioning university that is the true power of its brand. Thanks to appropriate relationships education institutions receive feedback in the form of information on what knowledge is needed by the environment and the adoption of what role it expects. The rank social and ethical issues should be emphasized in a lasting manner in the long-term strategic objectives because of responsible role of the leader. They bear this responsibility before the university, but also indirectly before all stakeholders, as in the social sense they act in their interest\textsuperscript{149}.  

In order to give ethical issues appropriate importance in the structure of the organization, it is worth considering whether a separate position or the whole department should be created, whose task would be supervision over appropriate orientation of the current management. This position, known as the Chief Ethics Office (CEO), would be taken by a person responsible for monitoring all activities related to ethics\textsuperscript{150}. These actions include creating standards of conduct, their dissemination, monitoring of processes, and motivating employees to ethical action. The main duties of the person in such a position may be defined as:

- due diligence over process in search of unethical behaviour or even instances of law-breaking,
- monitoring and auditing of systems,
- reporting,
- whistleblowing.

When focusing on issues concerning morality, it must be remembered that the issue of business ethics must be considered from different perspectives. Its main current relates to the management process. This issue often relates directly to the persons performing managerial functions in the organization and describes options for possible behaviours of these people. It can actually be described as “managerial ethics”\textsuperscript{151}. Decisions taken by the management are interpreted differently from the point of view of a regular employee or the other stakeholders. This means that all management decisions are placed in a social context and based on the provisions of the law. It may be concluded that activities of the university have an impact on the quality of life of the social environ-

\textsuperscript{149} Ibidem, p. 37.
ment, and a positive balance of this interaction may have a positive influence on the development of the organization with increased customer satisfaction.

Making ethical decisions requires an analysis of important factors, such as:\(^{152}\):

- an impact assessment, because the results of the decision are likely to affect other people,
- the possibility of a free choice of alternative solutions,
- whether the planned decision may be assessed as ethical by one or more parties – it may mean that in its making objective considerations were taken into account.

Acting in line with the above mentioned guidelines can help managers avoid the error of making an incorrect decision. It is commonly known that business ethics is closely related to the behaviour of individuals as members of the organization or the local community. It is also important which values the university is guided by and to what extent it shares such values as truth, trust, unity, respect, justice by applying them in its policy and the current activity\(^{153}\). The following components may be helpful in the creation of ethical principles of university management and in the development of codes of practice or curricula\(^{154}\):

- the text of the mission and values that the university is guided by,
- the code of ethics, which contains a description of behaviours desired and expected by the staff,
- identification of the reporting and consultancy channels whose mission is to facilitate employees to report acts contrary to ethics and issues requiring advice in this regard,
- risk analysis and management,
- individuals dealing with ethics, managers,
- consultants on ethics,
- training and practice in the field of application of ethics,
- auditing, accounting and reporting.

An ethical manager is a person able to competently fulfil stakeholder expectations, while keeping the benchmarks of efficiency and implementation


\(^{154}\) A. Crane, D. Matten, Business Ethics, op.cit., p. 171.
of the mission and vision of the university. The key competences of university authorities are:

- competent development of mission, vision and strategy, and effective establishment of proper relations with the environment,
- system and holistic approach, and ability to achieve synergy effects,
- preparation and acquired skills in terms of organizations management,
- knowledge of the market of higher education services and the legal regulations in this area,
- effective and skilful leadership.

In the case of universities, the principles of the leadership paradigm focused on the principles of S.R. Covey have a particular application. The four main pillars of this paradigm are: credibility, trust, delegation of responsibility and adaptation. These principles require soft skills management skills from university managers. An ethical boss should avoid a prescriptive style of leadership, especially in relationships with people in the scientific community. Cooperation within the framework of organizational structure of the university imposes respect of cooperation in place of hierarchical dependency.

Are we ready then to accept leaders who act in accordance with the teachings of P. Drucker, who understand that their key task is to play the role of a kind of “caretaker” or “overseer” and at the same time act as a consumer – a recipient of the world’s resources? The hardest part, however, is that a leader should perform their task in such a way as to give a better legacy for future generations. This challenge will certainly be very difficult in the current, turbulent times.

Implementation of ethical principles will introduce governance characteristic of intelligent organizations, using the potential of all employees as fully as possible. The primary task of the authorities will be to lead people effectively and evaluate their work in such a way that knowledge, skills and ability to create shared added value become more important than their positions. Achieving better results by the university, both in the market and quality dimensions, should also be considered as a sign of efficient and ethical management.

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156 Ibidem, p. 201.
Taking integrated actions in this regard may lead the organization to achieve the state of “moral organizational excellence”, as described by W.M. Hoffman. It can be created thanks to appropriate proportions of two components: organizational culture and the moral autonomy of the individual. Moral organizational structure must be shaped in such a way that ethical objectives, structures and strategies are included in the conceptual and operational framework of decision-making. On the other hand, the autonomy of the individual must be understood as information about a moral reference point, common to the entire organization, which also has to promote the moral autonomy of its members\(^{159}\).

Nevertheless, it must be remembered that the codes and standards of ethical conduct which serve as guidelines for the organization may be subject to the impact of the environment. The globalization of markets, including the market of higher education, the emerging risks or growing uncertainty of the environment of the university may lead to a significant erosion of these regulations\(^{160}\). This adverse effect requires a rapid response and changes in decision-making and management as such\(^{161}\).

Ethical issues in management are very important, therefore the people managing the university should have a sufficiently strong position in the academic environment, but first of all they should be characterised by significant ethical values. Acting as the rector or chancellor requires not only an excellent orientation in the rules of the market, but also the relevant leadership abilities\(^{162}\).

Researchers and scholars have always been expected to act in a highly ethical manner. The essence of it was the public’s confidence and faith in the truth of scientific claims, impartiality and courage to announce them in public. Unethical actions occur in a number of professional groups, however, the academic circles are under special surveillance from society because of the significance of their work and its achievements. They affect the whole of society, and through the international reach of scientific publications – also even further. The specific responsibility for ethical conduct rests therefore on adepts of sci-

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ence, who not only describe the real world, but the design, examine and develop new solutions. The social effects of implementation of the ideas described by them, then, may be far-reaching\textsuperscript{163}.

Offering high-quality educational services, in terms of quality systems developed to support the process of education, is an ethical challenge for every university. The growing awareness of customers expecting modern training programmes, based on the results of research and on the needs of the labour market, seems to be a modern attribute of the quality of educational services\textsuperscript{164}. A striking example of the change in ethical sensitivity of managers is that 99\% of them think it important, or even very important, that their company is guided by ethical principles in its operation. It should be assumed that there is indeed a high proportion of university managers who agree with the opinion of managers from the corporate sector\textsuperscript{165}.

It has to be remembered that ethics should be an important, even integral, part of the set of issues that shape the future manager. Implementation of this practice at the university is a difficult issue, which does not mean that this effort should not be taken. Since there is no settled canon of how to pass the knowledge of ethics, it means that lecturers must have a deeper understanding and analyse and evaluate the needs of recipients of the didactic process with greater attention\textsuperscript{166}.

Understanding of quality as presented by J. Banks – “quality is the complete satisfaction of specified customer requirements at the lowest own cost” – does not find its full reflection in the case of educational institutions\textsuperscript{167}. We should rather talk about the fullest possible satisfaction of the needs of the student, understood as the sum of the needs of stakeholders. Only such an approach to quality allows it to be matched with the ethical expectations posed to modern universities.

Naturally, in order to objectively evaluate the performance of the organization, an effort should be made to conduct an audit at the ethical, economic and efficiency levels simultaneously. An ethical audit would aim to support organ-

\textsuperscript{163} S. Sudol, \textit{Metody badania w naukach o zarządzaniu i etyka badacza, „Organizacja i Kierowanie”} 2007, no. 4 (130), pp. 23–33.
izations in creating an ethical climate\textsuperscript{168}. When analysing the combination of ethics and strategy, as a summary, a statement by R. C. Solomon is worth recalling here: “an ethical strategy occurs when we apply ethical principles not because they are good but because it is simply good business too”\textsuperscript{169}.

3.4. A description of the process of strategic university management

3.4.1. The nature of strategy

Research shows, admittedly with respect to the business sector, companies which adhere to social responsibility in their operation gain public confidence and enjoy a good reputation\textsuperscript{170}. According to the consulting firm McKinsey, as many as 80% of the potential investors are willing to pay up to 27% more for the shares of companies implementing the CSR policy. This is due to the faith of shareholders in a greater likelihood of growth of such companies and increased market confidence\textsuperscript{171}. In turn, according to Europe/Mori\textsuperscript{172} CSR research, 70% of European buyers believe that the involvement of companies in socially responsible activities is important and would be able to pay more for products or services developed in accordance with CSR principles. And the other way around, one in six customers would be willing to boycott a product as a result of low social reputation of the manufacturer\textsuperscript{173}. There are no obstacles to assume that, in relation to universities, as a quasi-enterprises operating in the education sector, this phenomenon is likely to look similar, because every business operation has an impact on the environment by offering services and hiring employees. It is hard to imagine, therefore, an escape from obligations of a social character\textsuperscript{174}.

Organizations whose activities generate interest and admiration because of their effectiveness, have unique “organizational capabilities”. The term includes such skills as the ability to innovate and respond quickly to changing


\textsuperscript{170} J. Filek, \textit{Wprowadzenie do etyki biznesu}, Akademia Ekonomiczna, Kraków 2001, p. 11.


\textsuperscript{172} http://www.csreurope.org/, 24.02.2009.


customer needs. They are an extremely important, intangible element of the assets. Achieving this level of development of the organization requires a series of integrated actions written in its strategy.

Skills possessed by employees are a major source of competitive advantage, and a strategy to capitalize on them efficiently should give them a sense of being really valuable. This applies to employees at all levels of the organization, regardless of region or country.

Designing the future of the university, it is appropriate then to promote a value system based on the principles of social responsibility. The university is to be more focused on the needs of the environment and to shape the profile of its educational offer as well as its management strategy to meet its expectations, also in terms of organizations quality management. Then it will fully deserve to be called an organization which serves the environment.

First, however, one needs to assess the key elements concerning the perception of one’s organization and its position in the environment, including its competitors. On this basis, among others, a long-term vision of the development of the management strategy should be adopted.

To put it in simple words, it can be said that the main task of universities is to develop and to offer educational services to potential customers in an innovative way. Its major advantage has to be some key differentiator, bringing a new, better and therefore competitive quality on the market. And the adopted primary objective should be at the core of the strategy by targeting each element of the operation of the organization. This difficult task is an important test for the organization wishing to achieve its objectives and build a lasting competitive advantage.

In other words, being socially responsible can promote the creation of a new quality of educational services in response to the reported market demand. Besides, it must be kept in mind that external stakeholders often evaluate the organization in terms of its activity and effectiveness, measuring these

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actions in terms of economic responsibility. They can also evaluate it as one that fulfils most of the social expectations\textsuperscript{181}.

To enable the perception of the organization in a broad perspective, it is necessary to develop and adopt a management strategy and to act in accordance with strategic planning. A. Kinicki and B. K. Williams define strategy as “a plan of action which sets the directions of development of the organization”, and strategic management as “a process that involves managers in the formulation and implementation of policies and setting strategic goals”\textsuperscript{182}.

In turn, strategic planning is, according to B. W. Barry, “a process determining what the organization intends to achieve, as well as setting out how to run the organization and use its resources to achieve these goals in the coming months and years”\textsuperscript{183}.

The adopted organizational structure as a specific frame which links different teams as well as organizes and orders their work has a significant impact on the effectiveness of organization management. Good organization and an appropriate structure are essential elements of a modern university. However, it is necessary look for the optimal model among the many types of organization and choose one which is the most suitable for the intended purposes\textsuperscript{184}.

At this point it is worth mentioning the classic definition of strategy proposed by A.D. Chandler. In his opinion, strategy is “the establishment of the long-term goals of an enterprise and the adoption of codes of conduct, as well as the allocation and distribution of resources and the means necessary to achieve these goals”\textsuperscript{185}.

As J. L. Bower and C. G. Gilbert claim, to develop a strategy it is important to separate responsibilities between different individuals and groups, i.e. to have an organizational structure. Another important factor is the decision-making process within the organization. Often the strategy is formed gradually, at all levels of the organization, along with the allocation of resources and the means to implement specific projects or initiatives. Shaping the strategy in an organization is the part of the prerogatives of the leader which cannot be delegated. In other words, the shaping of the strategy is a process related

\textsuperscript{181} M.G. van Dongen, \textit{In Search of the Link between Corporate Social Responsibility and Legitimacy}, Maastricht University, Maastricht 2006, p. 57.
to the adaptation of bottom-up processes to top-down decisions, often different from the previous practice of the organization\textsuperscript{186}.

Representatives of the education services sector should find G. Johnson and K. Scholes’ perspective interesting. They argue that the strategy of the organization boils down to matching the goals of organizations to the availability of the necessary resources to achieve them. This definition is clearly shown in Figure 3.13.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure3_13}
\caption{Components of strategic management}
\end{figure}


It can therefore be assumed that strategy is about making choices. Decision-making is indeed a key issue in strategy. For it to be successful the quality of thinking of the management of the organization is essential\textsuperscript{187}. The leader must impose a strict discipline of thought on their subordinates. It is essential to ensure that at the right time the entire organization takes specific and effective measures relating to the choice of the direction of the changes taking place across the sector. Strategy sets out the changes that the organization intends to take, as well as those which it has been decided to avoid\textsuperscript{188}.

The main task of the leader is to build an effective team and to motivate it to achieve the intended objectives of the organization. Researchers on the subject suggest some guidelines related to the diversity of management strategies. Firstly, people open to experimentation and innovation should be chosen, which may lead to taking full advantage of diversity. Secondly, various individuals should be encouraged and motivated to work together in order to increase efficiency. Thirdly, if the interest in diversity is small, a motivated person should be included in the team who will raise the morale of the group. Fourthly, groups open to innovations can be used to create a separate group focused on diversity\textsuperscript{189}.

How important is the issue of motivation in relation to higher education has already been noticed by Ż. Geryk, who argued that a university staff (in this case a private one) recognized the need for an appropriate incentive system, and its construction is an extensive process dependent on the type of group of employees to whom it is addressed. Attention should also be drawn to the differences in the perception of the issues of motivation between employees and university managers\textsuperscript{190}.

In their deliberations, R.E. Freeman, J.S. Harrison and A.C. Wicks even propose the adoption of a systematics of leaders, dividing the group into\textsuperscript{191}:

- amoral leaders – guided mostly by achieving results; as a rule, this attitude is secondary when ethical values are moved beyond the strategic focus;


• value-based leaders – they take it for granted that values are an important part of leadership; they are guided by the belief that a leader must have a strong character and defend such values as honesty, respect or reliability, while remaining authentic and capable of proper conduct; 
• ethical leader – they are oriented to analyse values, principles, loss and benefit, the effectiveness of relations with stakeholders; a characteristic of ethical leaders that they are guided by humility and curiosity in the face of multiculturalism; they must be able to express how the organization improves the quality of life of stakeholders; they should be involved in the development of social dialogue.

To the significant managerial skills, such as: knowledge, skills, experience, personality traits or motivation a whole set of features must be added needed to implement the concept of social responsibility of the university. First of all, a broad knowledge of social orientation, enriched with empathic understanding of the needs and expectations of stakeholders should be included there. Mental change and complete readiness to act in an open and transparent manner are essential. Humanization of the relationship with the environment can bring the desired results, so this valuable skill of university managers may be an important source of competitive advantage192.

Strategic management should be considered as a management concept based on theoretical knowledge, implemented in practice. This process consists of several stages: strategic analysis, creation of output options, the choice of strategy, its implementation and monitoring of the process. L. Białoń adopted her own definition of strategic management, based on a concept from the 1980s193:

• strategic planning always concerns on a long time horizon,
• problems are solved in a systematic way,
• organizations must be able to continuously adapt to the changing environment,
• decisions must be preceded by strategic analysis and made on the basis of accurate and up-to-date information.

Implementation of a strategy is a difficult and complicated task. Even organizations commonly considered to be managed perfectly experience that. On the basis of research analysis carried out in more than 50 countries G.L. Neilson, K.L. Martin and E. Powers determined the essential conditions for the implementation of the adopted management strategy. The foundations of effective action are: establishing clear decision-making powers and ensuring the flow of information to the right people. If these two areas are in good order and function properly, then the remaining two – the proper structure and harmonized motivating factors – regulate themselves in some measure by themselves\textsuperscript{194}.

3.4.2. Effective university management

The effectiveness of the implementation of the strategy increases when organizations reach for any available opportunities to acquire knowledge and skills. As a study by L. Capron and W. Mitchell shows, the likelihood of survival for the following five years is as much as 46% higher for organizations acquiring their resources using various methods. Admittedly, the study, included 162 telecommunications companies around the world and it can be assumed that processes of strategy implementation there are different than in the case of universities\textsuperscript{195}.

Universities as representatives of the non-profit sector adopt different strategic objectives from the business sector. Broadly speaking, universities are to provide educational services in the field of higher education at the highest level possible within the budgetary regime\textsuperscript{196}. And budget assumptions are dependent on the amount of funds and their sources – either with support from the state budget or its agencies, or independently from students and sponsors.

Naturally, this does not mean that activity which is not focused on achieving profits is supposed to be more ethical. Although some scholars say so; for example, S. M. Selva Malar believes that operating for profit leads to dispensing with any other activities than those taken for shareholders. The degree of this resignation, depending on the business profile, may be more or less damaging to society or the natural environment\textsuperscript{197}.

An organization is a system with strong mutual interactions with its environment and is dependent on it. A systems approach to the issues of university management includes a set of interrelated and interdependent components, such as society, employees, etc. Universities as representatives of open systems are exposed to strong links with the environment. They draw on its resources in the form of candidates, and after the educational process is complete provide educated professionals into the labour market.

Identification of the environment is essential for the proper formulation of the strategy of the university. Acquisition of information, in fact largely subjective, is done through the prism of cultural conditions and forecasts on the future shape of the organization and its environment. This can be done through a thorough observation of the environment, description and identification of its characteristics, systematics of these features and an attempt to classify the examined environment to the appropriate type. The degree of environmental diversity and its dynamics or stability are the characteristics defining its volatility. Evaluation and prediction of changes in the environment are essential to the effectiveness of the adopted management strategies and their market success.

Changes introduced by universities in the field of management are relatively new. It should be noted that in many countries, universities are subject to strict state control, and the most liberal in this respect market of the UK has also been subject to scrutiny since the 1980s. It can be said that universities were rather “administered” than “managed”. The academic world was not susceptible to change, which was a result of the collegial manner of university administration. The changes that occurred after 1990 suggest that universities attach great importance to financial departments that are better empowered in organization, as well as to the rights to academic achievements, whose co-owner, after all, should be the university. Introduction of innovation, while maintaining the academic tradition, requires an improved strategic management process and making daily decisions.

The issue of the organization serving its environment is developed by B. Wawrzyniak, who confirms that, currently, the organization must “meet

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the needs of a diverse set of stakeholders\textsuperscript{201}. One may talk about such and organization when the degree of its social responsibility is high. Naturally, it is difficult to make such a measurement, but it can be assumed that the main elements of the concept of such an organization are:

- the expectations of different groups of stakeholders,
- regulators, which are a set of rules designed to ensure the implementation of stakeholder expectations,
- adaptation of the organization as its adjustment to the expectations of the environment.

In view of the fast changes in the global economy, according to K. Obłój, there will soon be a “new school of thought about strategy, which will focus on innovative ways to use people to build what I call intelligent, productive communities”\textsuperscript{202}. The main assumptions of the adopted strategy are:

- acceptance of the division between leaders and teams of followers,
- giving priority to the transfer of knowledge in order to promote competition and skills development,
- the formation of the phenomenon of “older twins” whose superiority lies in the control of standards and the complementarity of elements of strategic advantage.

Organizations operating in a changing environment should be capable of effective change management. This is one of the most difficult challenges facing managers. They must clearly recognize the social relationships that the changes may destroy\textsuperscript{203}. E. Deming, who as early as in 1980, after an interview with the NBC devoted to the economic success of Japan, became a great discovery for American managers, said: “you do not have to change, survival is not mandatory”. This idea proves how important is continuous changing of the organization under the influence of signals coming from the environment.

The university, as a specific “service company”, must effectively manage variability. This priority task can determine the profitability of the educational offer. It is important to keep in mind the requirements of subtle treatment of the problem. F.X. Frei described five types of variation:

\textsuperscript{201} B. Wawrzyniak, Odnawianie przedsiębiorstwa na spotkanie XXI wieku, Poltext, Warszawa 1999, pp. 213–125.


1) arrival variability – it results from the fact that not everybody needs the service at the same time,
2) request variability – variability of customer demands is a major challenge for the development of the service offer,
3) capability variability – due to the increased capabilities, knowledge or experience customers can easily perform the task associated with the use of the service,
4) effort variability – it is related to the potential contribution of the customer in the process of providing the service,
5) subjective preference variability – customers use a variety of criteria for evaluating services, which have an individual character, yet introduce an element of uncertainty to the operational processes.

The diversity and multitude of customers-students enforces shaping the behaviours using a variety of many stimuli. Permanent participation of customers in the production of educational services is important. Mastering variability management in conjunction with customer participation may be an important source of competitive advantage.

Change is a phenomenon central to the development of modern organizations. It has an impact on the objectives, resources, processes, concepts of operations, but also on the management paradigm. In turn, imposing changes requires first of all intensive innovation activities. Furthermore, their effectiveness is conditioned by a set of employees with unique skills and qualifications. The strength of the leader and the characteristics of the organizational culture allow for a successful control of the scope of the knowledge transfer. Research results also confirm a strong correlation between efficient knowledge management and the innovativeness of the organization. This means that knowledge management can stimulate innovation, understood as connecting knowledge in the environment of creativity of employees to a coherent organizational vision.

The importance of knowledge in the organization is also confirmed by the results of studies published by R. Krupski. They suggest that as many

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as 70.2% out of 151 surveyed companies indicated the knowledge, skills and talents of employees as the most important factors for the prevention of hazards\textsuperscript{208}.

The correct formulation of the knowledge management strategy should make it possible to achieve the objectives of the mission and vision of the university. The choice of a particular knowledge management strategy is influenced by many factors. They have been collected in Table 3.1.

Table 3.1. Selected external and internal determinants of the choice of the knowledge management strategy.

<table>
<thead>
<tr>
<th>External factors</th>
<th>Internal factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• identified strategies of the competition</td>
<td>• mission and strategy of the university</td>
</tr>
<tr>
<td>• interrelationships between key competitors</td>
<td>• competences of the organization</td>
</tr>
<tr>
<td>• level of stability and maturity of the sector</td>
<td>• market position of the university</td>
</tr>
<tr>
<td>• talent management systems in the environment</td>
<td>• the level of innovation of educational services</td>
</tr>
<tr>
<td>• the purchasing power of customers</td>
<td>• talent management system</td>
</tr>
<tr>
<td>• the economic situation</td>
<td>• the level of competence of employees</td>
</tr>
<tr>
<td>• method of protecting knowledge from the competition</td>
<td>• organizational culture</td>
</tr>
</tbody>
</table>

Source: author’s own work on the basis of: B. Mikula, Organizacje oparte na wiedzy, Akademia Ekonomiczna, Kraków 2006, p. 145.

It can be assumed that, in the present state of economic development and in the face of increasing competition resulting from globalization processes, the only certainty is uncertainty. Therefore, one must look for an agent that under such conditions could ensure a lasting competitive advantage. In the variable conditions it can only be ensured by the ability to adapt and adjust to changes and by innovation in action. These skills result from the knowledge possessed by the organization. Thus the only really reliable factor leading to a lasting competitive advantage is knowledge. In turn, the source of new knowledge is always the people who draw it either from the achievements of science or from their own experiences. However, the personal knowledge of each employee may always be transformed into organizational knowledge, which constitutes the value of the organization and may affect its competitive advantage\textsuperscript{209}.

However, regardless of the conduct applied, there remain three main pillars of the strategic management process: people, strategy and operational activities. It is difficult to imagine effective implementation of the objectives of


the mission and vision without committed employees. The task of the university is to link people effectively with specific, important tasks, as well as the development of future leaders. The assessment of the extent to which and how the university intends to pursue its strategic objectives requires a critical assessment of the capabilities and competencies of the organization. On the other hand, the adopted action plan must include all kinds of activities of the university, i.e. the creation and design of educational services, their marketing, but also an analysis of the revenues generated from the sale of services. Effective links between these pillars significantly increase the probability of market success of the university primarily in the long term\textsuperscript{210}. 

Adoption of such assumptions is not only a manifestation of market orientation or a recognition of the demographic threats in the present state of society. Doing so is a clear sign of the social responsibility of the university, which, in relation to the business sector, B. Rok defines as “a strategic and long-term approach based on the principles of social dialogue and the search for solutions which are beneficial to everybody”\textsuperscript{211}. Therefore, modern society expects from the university a mature attitude of an informed participant in social and economic life, exerting a significant influence on the direction of the economic development of the country. The selection of scientific research and its subsequent use, as well as the training of staff in the desired areas can stimulate development or strengthen negative trends. It has been observed that universities, as part of the higher education system, can exist and even thrive remaining in stark contradiction to the market, especially the labour market and its needs. High social assessment of the university as well as the prestige given to scientific and educational employees promote conservative attitudes, which treat the present condition as close to normal. This specific pressure and a sense of pride can lead to the frequently encountered attitude of educating in accordance with the capabilities of the university. Opportunities for graduates are of no importance.

Typically, universities create fields of study basing on the available academic staff. Relatively rarely are the results of research or projections concerning professions for which the future demand will be the greatest analysed. Although education is carried out under non-market conditions, one can notice the attention to its quality. Despite the now widespread acceptance of the operation of universities in accordance with legal regulations, belittling


\textsuperscript{211} From: B. Rok, Odpowiedzialny biznes w nieodpowiedzialnym świecie, Akademia Rozwoju Filantropii w Polsce, Forum Odpowiedzialnego Biznesu, Warszawa 2004, p. 18.
of the role of the labour market as the instigator of university didactic activities is observed. Naturally, one cannot deny strong research centres the right to influence the shape of the future work environment. It is difficult to come to terms, however, with the fact that often education of students takes place without a market analysis or attempts to anticipate the trends on the labour market. Universities should closely monitor market developments and to educate staff and carry out research in the directions expected and desired from the point of view of the country’s economy\textsuperscript{212}.

In the situation that had existed until 2004, i.e. prior to Poland’s entry to the European Union, unemployment reached a record high of 19.8%. With such a high rate of unemployment, an employer’s market was in force in the economy, expressed in the constant raising of the required qualifications, and the frequent non-compliance with the principles of the labour code or customs. It is fair to say that during this period it was graduates who sought employment, often agreeing to perform work inadequate to their training or qualifications, as well as for remuneration lower than expected. The decrease in the unemployment rate, mainly due to the migration of economically active people, although still remaining in the records of job offices, and thus caused deficit of skilled workers affected the market changes leading to the formation of the employee market. In mid-2007 employers not only had to settle for the employment of professionals with lower skills, but also to offer them competitive salaries.

Reasons for choosing a given course of study may actually decide on the chosen professional career path. The motivation of university candidates is:

- internal, resulting from the interest in a given field of knowledge and the interest in working in this profession as well as from the recognition of the profession as important from the point of view of social utility,
- external, in which the dominant factor is the expectation of personal gain resulting from the working in a specific profession,
- accidental\textsuperscript{213}.

The choice made by secondary school leavers is often determined by ambiguous factors. Young people are often guided not so much by the possibility of future employment as the opinion of the environment which in fact


boils down to looking for “an interesting field of study in a good university”. If the basis of taking such an important decision are unspecified reasons, then it is difficult for the university to give a precise market reply to such potential demand. However, it seems that both candidates and universities are systematically approaching their positions, looking for the perfect model.

Research conducted among students and graduates of Polish universities indicate that a noticeable part of the students have a job while studying. A survey of graduates from the Higher School of Humanities and Economics in Łódź\(^{214}\) has shown that over 87% of students are already working. As for graduates, the rate is even higher – 88.1%\(^ {215}\). Such high rates of employment during studies contradict the thesis of graduates looking for jobs. It turns out that they carry out their professional activity in parallel with scientific development and studying. It may also mean that active individuals, distinguished by the dynamics of action in their environment, take up higher education. At the same time, the decision to study may be, in addition to these factors, caused by the desire to improve one’s professional status by changing employment to one characterized by a higher social prestige or associated with higher pay. Thus we can talk about people already working who through the process of higher education intend to considerably improve their value in the labour market.

Poland’s accession to the European Union and the opening of labour markets in many Western European countries has led to significant changes in the process of employer selection, as well as in terms of how employees are motivated. Qualified Polish workers are employed in countries which opened their labour markets, mainly in Great Britain and Ireland. The experience and capital gained in this way can be effectively used after returning from the temporary emigration\(^ {216}\). Beginning in 2004, the unemployment rate registered in Poland was decreasing and in September 2009 it reached 11%\(^ {217}\).

Companies plan to develop human resources on the basis of an analysis of current and future staffing needs. This is influenced by both external and internal conditions. The former include the situation on the market, the competitiveness of the other participants, the legal regulations and the policy of

\(^{214}\) Currently: the Academy of Humanities and Economics in Łódź.


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the state. Internal factors, in turn, are the mission and vision, and the structure and culture of the organization\(^{218}\).

Assessment of staffing needs is closely related to the great role of organizational culture in the functioning of all systems of knowledge management. It is a communication platform that enables the implementation of specific tasks of the university. One of the key traits of organizational culture is the reduction of the phenomenon of uncertainty of functioning within the organization\(^{219}\).

At the same time, in the practice of university management abstract rules forcibly ordering a process which by nature is disordered should be avoided. Success lies in developing interpersonal communication skills in such a way that through guidance and the recommendations orientation of the process towards the expected direction, while retaining complete control over it, is achieved\(^{220}\).

A study in the Warmian-Masurian Voivodeship indicate that nearly 65% of state owned enterprises found employment as sufficient, and the main problem (indicated by the remaining percentage of respondents) was the acquisition of new, skilled workers\(^{221}\). The main motivator is (50%) remuneration. It can be concluded then that the outflow of employees abroad will be stopped when the wages will rise to the level expected by them. Expectations of changes in this area are reflected in the contents of the European employment strategy\(^{222}\), which devotes a lot of space to issues of motivation resulting from material and non-material values and to the shaping of working conditions in a manner consistent with the expectations of employees\(^{223}\).

In discussions on the development of education following positions may be distinguished:

- training of future employees in a narrow specialization, which allows for a quick adaptation to the workplace,


\(^{219}\) I.K. Hejduk, A. Turek, Kultura organizacyjna w zarządzaniu wiedzą w administracji, „Ekonomika i Organizacja Przedsiębiorstwa” 2008, no. 6 (701), pp. 3–10.


\(^{221}\) P. Bórawski, Ocena zatrudnienia i motywacji pracowników w przedsiębiorstwie, „Współczesne Zarządzanie” 2007, no. 2, p. 135.


\(^{223}\) A. Czerniak-Emerych, M. Gableta, Wytyczne Unii Europejskiej dotyczące zatrudnienia a kierunki badań w obszarze człowiek i praca, in: Współczesne zarządzanie, op.cit., p. 76.
• training of staff in a more general and comprehensive manner, which will increase the adaptability for future work\textsuperscript{224}.

In the present author’s opinion the second model, as a more versatile one, will find wider application.

The complexity of the problem of human resource management and the process of educating future staff for the economy and society shows the enormity of the tasks facing higher education institutions. Promoting openness to new solutions and unconventional thought processes is to encourage the preparation of future personnel to operate under varying market conditions.

Understanding the complex issues of management is not easy and it is an extremely challenging task. Its complexity, in practice, is proven by numerous examples of the many companies that overnight found themselves in a crisis, or even ceased to exist. There are also numerous failed attempts to rescue the organization through its restructuring\textsuperscript{225}. Although it is difficult to provide concrete examples of crises in higher education, population projections and growing competition seem to indicate that in the near future, in the academic environment, regardless of latitude, many institutions may be in a crisis situation.

3.4.3. The role of leadership

A factor which may help overcome market difficulties is strong leadership. Passion in action and focus on the objectives is the most frequently observed phenomenon of the entrepreneurial process which leads to success\textsuperscript{226}. At the same time passion is the measure of managers’ involvement, leading to a successful outcome. Studies confirm that it affects better preparation to take on challenges. It also results from the fact that passion helps draw people’s attention and has strong motivating effect. It can therefore be assumed that “entrepreneurial passion” is a “strong state of enthusiasm, accompanied by cognitive qualities and manifestations of behaviour of a high personal value”\textsuperscript{227}.

\textsuperscript{224} Polityka ekonomiczna, ed. B. Winiarski, Akademia Ekonomiczna, Wrocław 1994, pp. 88–89.

\textsuperscript{225} B. Wawrzyniak, Odnawianie przedsiębiorstwa na spotkanie XXI wieku, Poltext, Warszawa 1999, pp. 17–18.


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However, negative examples should also be borne in mind. As A. Campbell, J. Whitehead and S. Finkelstein write, there are many examples of incorrect decisions with severe consequences made by intelligent and responsible people who enjoy great authority. Therefore, efforts should be made to involve a larger number of decision-makers in order to avoid routine or wishfully made decisions\(^{228}\).

It is true that universities may pay less attention to activities related to corporate social responsibility in the face of the crisis in the world which appeared in autumn 2008\(^{229}\). This means that social responsibility is often seen as an addition to the current activity which does not constitute an important part of the management strategy. In reality, it is the essence of business and in the time of economic slowdown its role is even more important, even if because many difficult and unpopular decisions must be made then, but in a responsible manner\(^{230}\).

Transformational leadership in the academic environment has potential for growth and can help academic institutions to meet the challenges and adapt to environmental changes\(^{231}\). In turn, J.M. Burns describes it as the type of leadership which carries both the leader and his subordinates to higher levels of motivation and morality. A feature of this type of leadership is effective communication of values and such action as to gain the support of colleagues\(^{232}\). This type of leadership is defined by D. P. Cushman and S. S. King. It requires five skills\(^{233}\):

1) anticipation of future developments,
2) creation of a development vision for the organization,
3) ensuring the compatibility of the old and new values of the organization,
4) empowerment,
5) understanding oneself.

---


Table 3.2. Transformational leadership behaviours

<table>
<thead>
<tr>
<th>Behaviour type</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealized influence</td>
<td>Refers to those leaders who are guided by high moral and ethical standards. Its aim is to evoke the loyalty of subordinates.</td>
</tr>
<tr>
<td>Inspirational motivations</td>
<td>It concerns leaders who have a vision of the future based on values and ideals. They arouse enthusiasm, build trust among supporters.</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>Leaders challenge the accepted norms of the organization, support those who think differently and thus affect the subordinates in order to develop innovative strategies.</td>
</tr>
<tr>
<td>Individual consideration</td>
<td>Aimed at recognizing the unique needs concerning the development of subordinates, support and consultation of their actions.</td>
</tr>
</tbody>
</table>


The needs for desirable traits among managers of educational services can be compared to the expectations put upon managers operating on a global scale. They should inspire the team of university employees in such a way as to take advantage of and develop the common potential of the whole organization. The goal would be to have both the leader and the team adopt the following principles234:

- acting in a manner more characteristic for owners and entrepreneurs than for employees or hired staff,
- solving problems and dealing with a sense of their importance,
- accepting responsibility for fulfilling commitments and values of the organization,
- sharing the assumption of global leadership and using a language full of tolerance and willingness to take on new challenges,
- the creation, maintenance and development of systems and procedures developed for the measurement and assessment of leadership behaviours.

Often, as says M. Bratnicki, entrepreneurship processes are aimed at initiating new projects or at a significant change in the essence of operation of already existing organizations. Through this process managers shape the future

vision of their organizations. The expected outcomes are the materialization of the idea which is a product of their imagination. Hence the importance of a strong personality, not just knowledge or experience of university managers\textsuperscript{235}.

Participatory management, as a process which involves employees in making the fullest possible participation in the setting of university objectives, decision-making, in the common search for ways and means to solve them as well as changes in the organization, is the way in which universities can engage in dialogue with internal stakeholders\textsuperscript{236}.

It is mobilization and emotions, however, that are essential for transactional leadership. Leadership in emotional terms may be presented in three aspects\textsuperscript{237}:

- managerial, meaning fascination with the business game and its outcome,
- spiritual, i.e. concerning the perception of social values, such as honesty and reliability, equal opportunities for development, progress,
- aesthetic, which is associated with satisfying aesthetic needs, such as balance and harmony in business.

It must be kept in mind that emotions play a special role in management. The leader must be able to achieve goals using emotions. This means a special role of emotional intelligence and its skilful use in the process of organization management\textsuperscript{238}.

Figure 3.14 shows a schematic diagram of transactional leadership.

\begin{itemize}
  \item \textsuperscript{235} M. Bratnicki, \textit{Konfiguracyjne ujęcie przedsiębiorczości organizacyjnej}, „Ekonomika i Organizacja Przedsiębiorstw” 2008, no. 6 (701), pp. 17–22.
\end{itemize}
It is advisable that leaders be inspired by a combination of transformational and transactional leadership. Openness to experiments and a high intellectual level of leaders influence the achievement of the goals of the organization. Therefore leaders are wanted who know how to face the challenges contained in the vision²³⁹.

Global challenges facing universities require the emergence of modern leaders. It is mainly about the way managers think and perceive the changing environment. In addition, they should have skills supported by intuition, which allows them, thanks to an adequate level of emotional strength, to face the challenges of the future. Z. Malara indicates that the main attributes of such a person are²⁴⁰:

- professional skills, so necessary in a global economy,
- developed skills and leadership qualities,
- appropriate psycho-physical characteristics, which are a source of motivation.


Modern managerial duties are related to the creation of the mission, vision, values, ethics or cultural models. The lengthy process of gaining trust based on fair conduct is related to the improvement of the ability to change and adapt to the needs of a changing environment. Thus, fairness, trust and commitment are the key values essential in university management.

Trust management may be defined as “a set of actions which create the systems and methods which allow individuals dependent on each other to make judgments and decisions relating to the reliability of potential transactions which contain risks and which are associated with other individuals [...], as well as enabling the participants and the owners of those systems growth and meaningful representation of their own reliability and of their systems”.

Building a strategy based on trust may lead to gaining a significant competitive advantage. It is especially important as currently trustworthy institutions are gaining in importance in the assessment of stakeholders. Trust management must therefore be permanently inscribed in business strategy and constitute the most important potential of the organization, for it leads to the development of a real trust in the opinions of all stakeholders, and thus, to a sustainable growth strategy which makes it possible to beat the competitors, regardless of changes in the environment.

In other words, it is a comprehensive approach to the problems of internal and external relationships in the organization which allows it to properly identify the strategic areas of activity which are responsible for these relationships. In terms of internal relationships, it analyses employees’ trust towards each other and towards the management or to the organization itself and its goals. From the external perspective, it is an attempt to assess the trust of the media, the community, and any other organizations or institutions.

The results of empirical research conducted using a personality questionnaire, the so-called Meyers-Briggs Type Indicator, seem to confirm the importance of the impact of the sphere of emotions. Studies have shown that all modern managers who have successfully managed transnational corporations, leading them to flourish, are intuitive and rational people. The uniqueness of those people is the fact that they represent only 5% of the population.
The process of strategic decision making is an event so momentous that these decisions should be taken with the simultaneous participation of knowledge and intuition. Only such a combination can help to avoid unnecessary risks while providing creativity, i.e. the characteristic of a manager so necessary for the development of any organization\textsuperscript{245}.

The problem of the “caste of managers” was described by A.K. Koźmiński. In his view, in the conditions of social change they even form a distinct managerial layer. In their hands is the economic power, which, thanks to the massification of managerial functions and roles became, substantially fragmented. This layer bears similarities with the social groups, known from history, aspiring to dominance\textsuperscript{246}.

Leadership, in contrast to management itself, is based on dialogue, the process of transfer of knowledge and skills, asking and requesting, appeal, commitment, empathy, the ability to identify oneself with specific issues or phenomena, understanding, reciprocity and finally solidarity. Real leadership is not based on close supervision – instead, a leader uses suggestions and recommendations, they often expect and ask to do something. To achieve the objectives they do not apply sanctions, they rather reprimand, instruct, warn if the results are different from what was expected. Leadership, therefore, does not impose dominance and the basis of the relationships is understanding\textsuperscript{247}.

University managers are often evaluated not on the basis of the results achieved by the university but according to the extent to which they were able to persuade colleagues to conform to the expectations of the organization. Making managers aware of the importance of the social aspects of organizational life is an important social achievement of the human relations school of management\textsuperscript{248}.

University authorities, i.e. the university managers actually managing educational institutions, create, to varying degrees, the formal side of the organization. It is also them who provide a specific organizational culture, and the belief system of the staff affects the context for activities of the other members of the organization. The social system in universities is the result of human action and unwritten agreements between the organization and its employees.


In addition to the formal organizational structure, there is also an informal system of hierarchy. Diagnosis of potential problems in the area of co-operation may be performed by analysing cases of violation of the foundation of the informal, social structure by the formal organizational system. These actions are necessary because of the strong dependence of the quality of educational services on human relationships – due to the leading role of the human factor in this sphere of services\textsuperscript{249}.

A higher form of transactional leadership is personalistic leadership, i.e. is one which includes moral standards and individual dignity in management processes. In the personalistic management process, particular attention is paid to the community character of the operation of the organization. In such corporate culture can ideas of transactional leadership and ethical management be fully realized, by creating an environment conducive to the development of the individuals which it is composed of\textsuperscript{250}.

Facing contemporary challenges posed by the increasingly competitive market of educational services, free of any boundaries, effectively, requires a fundamental rethinking of the structure of the fundamental composition of the university. It is important to determine whether the primacy must be given to the existing, well-established by academic habits structure of the university, or to the mission of the university. Authority at the university should, according to J. Woźnicki, “continually formulate new goals and incessantly determine the conditions for their implementation, so as the qualitative and quantitative criteria for determining the status of the university and its opportunities for development are met well as it is possible”\textsuperscript{251}.

\subsection*{3.4.4. The 21st-century university}

The effects of demographic decline and the reduction of budgetary support for universities imply the development of entrepreneurship. Undertaken actions result from the acceptance of the strict budgetary regime of every university and are manifested in innovation activities, such as the development partnerships with other universities or obtaining external financing to the university as well as undertaking joint ventures to raise funds which the university cannot acquire by itself. Academic entrepreneurship inspires to make efforts

\textsuperscript{249} Ibidem, p. 122.
\textsuperscript{250} B. Bombała, \textit{W kierunku etycznego przywództwa: przegląd koncepcji zarządzania XX w.}, \textit{An-}
\textsuperscript{251} J. Woźnicki, \textit{Uczelnie akademickie jako instytucje życia publicznego}, Fundacja Rektorów Polskich, Warszawa 2007, p. 69.
to increase scientific power but also stimulates the development of cooperation with the business sector and contributes to the development of research activity by extending the interests of the researchers associated with the university as well as by enabling access to new sources of financing for this activity.\textsuperscript{252}

Three characteristics of “entrepreneurial university” were specified while attempting to define it\textsuperscript{253}:

1) a firmly anchored source of decision-making,
2) a wide range of development activities,
3) diversified sources of financing the statutory activity.

Stagnation and lack of change in higher education are hardly accepted by modern knowledge society operating in the innovative economy. The dynamic development of modern technologies requires rapid changes in the educational process. The skills of quick learning skills and adapting to changing business circumstances are expected, in short – openness to market challenges. Such challenges can be met by a modern university, where the learning process was entrusted to experienced researchers who constantly analyse the global economy and the phenomena occurring therein. It seems that in the near future, only those universities, modern and oriented to market needs, are likely to survive and gain significant market share of higher education. Such action is fully justified in view of the long-term benefits of linking the university with its ethical image while indicating its dependency on social acceptance.\textsuperscript{254} To meet these requirements, universities try to find ways to remain the main actors in the knowledge-based economy, seeking opportunities of financing the development of educational institutions in, for example, the industry.

The transformation towards a knowledge-based economy brings new challenges and opportunities, especially in the field of sustainable development considered in many areas – social, economic or environmental. This orientation creates a favourable ground for economic development, especially in terms of the dynamic growth of sales of non-material services.\textsuperscript{255}

\textsuperscript{252} B.R. Clark, Creating the Entrepreneurial University, IAU Press/Pergamon, Oxford 1998.
The quality of university management is an important issue, and the methods and tools used decide on the position of the university in the markets and on the atmosphere among employees. The following testify to the quality of management:

- structures for direct contacts with customers,
- conceptual management,
- open communication systems,
- cooperation in solving problems,
- continuous education,
- leadership roles in the development of the organization,
- strategy of organization culture with its ethical contents,
- focus of processes on customer,
- IT networks for internal and external communications,
- decentralization of power and flexibility of structures,
- wide range of incentive instruments,
- competence complying with the requirements and a rational division of labour\textsuperscript{256}.

However, it seems that public expectations in relation to the role of the university and its mission are much greater. Activities of the university should be as nearly as possible in the interests of the region. An important aspect of these should be the alignment of curricula and study plans with its specificity. The profile of education should also be adapted to the latest trends and demands of the global economy, so graduates formed in this way can smoothly operate in organizations employing people with different educational backgrounds, coming from different cultural backgrounds and with different work experience\textsuperscript{257}.

Involvement of stakeholders in the process of university management, although difficult, may turn out to be extremely helpful. Especially organizational stakeholders are a valuable source of knowledge on management, both operational and strategic. Efficient building of appropriate relationships requires the initiation and conduct of a dialogue with those stakeholders who are essential to the success of current operations, to the overcoming


of cultural differences or to the implementation of codes of conduct in accordance with the principles of sustainable development. Unlike in the conventional business model it is good to conduct a continuous dialogue with stakeholders and build mutual trust. It is the only way an organization can avoid the demanding attitudes from its environment, and in the long term, such cooperation will bring many mutual benefits. However, when it comes to achieving the intended strategic objectives with the strong involvement of stakeholders, expanding the collection of stakeholders by additional groups is worth considering:

- stakeholders who do not know the issues which are important for them, such as neighbours, who do not know that they could expect a specific activity of universities; this group is interested in successful economic activity of the organization, however, they are not able to assess to what extent it can pose any threat;
- stakeholders without the will or the ability to report their expectations clearly, such as groups of the socially excluded.

The assumptions of business ethics point the way to further development and improvement of university organization. P. Ulrich claims that they establish standards for the creation of values by the organization, and indicates that this activity is carried out at different levels of corporate morality. The first is the level at which the organization focuses closely on the implementation of the adopted mission, ignoring social needs. At the second level, managers must be guided by the objectives of social responsibility, which creates a new socio-economic order. It is not until the next level of development, referred to as normative management, that university authorities will be able to initiate responsibly the development of the environment and support it with relevant communication solutions. These levels are presented in Figure 3.15.

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The main purpose of higher education is to foster the development of education and equip students with the knowledge, which enhances their productivity and, in fact, indirectly accelerates the development of knowledge-based economy. Achieving this would be the result, an expression and purpose of social responsibility of the university towards its stakeholders. A university managed in such a manner would correspond to the assumptions of a 21st-century organization, which means it would be:

- flexible and thus able to carry out both large and small projects,
- dynamic, i.e. able to modify its strategy,
- multi-tasking, i.e. implementing social goals beside its statutory objectives,
- oriented to education, i.e. investing in research, learning, seeking innovative ideas to be used to gain competitive advantage,
- knowledge managing, i.e. based on the intellectual capital of its employees and enabling the transfer of knowledge and skills,
- serving customers-stakeholders, i.e. meeting the needs of employees, students and other stakeholders,
- open and able to change.

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Studies confirm that the organization’s ability to learn is a factor significantly supporting its market orientation. The main drivers of organizational learning are: the quality of organizational culture, individual employees’ attitudes, and practices. The method of expanding the organization’s ability to learn is to support staff development and participatory management, which eventually leads to a faster response to market changes and to the orientation towards the needs of the customer.\footnote{A. Leszczyńska, Zdolność do uczenia się a orientacja rynkowa przedsiębiorstwa, „Organizacja i Kierowanie” 2008, no. 2 (132), pp. 102–113.}

Organizational culture should be regarded as an essential element of building competitive advantage. A distinct identity of the organization, as a basis for the creation of its positive image, is a quality of a strong organizational culture. Culture is designed to distinguish the organization in its environment, but also to enable its domination over it.\footnote{Cz. Sikorski, O zaletach słabej kultury organizacyjnej, „Zarządzanie Zasobami Ludzkimi” 2008, no. 6 (65), pp. 39–48.}

Empirical studies conducted by A. Glińska-Noweś helped to identify a number of effective tools for shaping modern organizational culture. The most important is that it was possible to demonstrate that organizational culture conducive to the liberation of the positive potential of the organization should largely be based on trust, openness to the environment and the reduction of power in the organization.\footnote{A. Glińska-Noweś, Kształtowanie kultury organizacyjnej – współczesne wyzwania, „Organizacja i Kierowanie” 2007, no. 3 (129), pp. 73–86.} All identified impact tools are shown in Table 3.3.

**Table 3.3. Tools for influencing the key elements of contemporary organizational culture**

<table>
<thead>
<tr>
<th>Key elements of organizational culture</th>
<th>Influence methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual trust</td>
<td>• teamwork</td>
</tr>
<tr>
<td></td>
<td>• joint meetings, including those of an integrating nature</td>
</tr>
<tr>
<td></td>
<td>• model set by management, including open and honest communication</td>
</tr>
<tr>
<td></td>
<td>• raising awareness of the organization’s objectives and clear rules of conduct</td>
</tr>
<tr>
<td></td>
<td>• fulfilment of obligations towards employees</td>
</tr>
<tr>
<td></td>
<td>• selection of staff</td>
</tr>
<tr>
<td>Openness to the environment</td>
<td>• training</td>
</tr>
<tr>
<td></td>
<td>• selection of staff</td>
</tr>
<tr>
<td></td>
<td>• raising awareness of the company’s goals</td>
</tr>
<tr>
<td></td>
<td>• TQM</td>
</tr>
<tr>
<td>Need for power</td>
<td>• promoting the “experts”</td>
</tr>
<tr>
<td></td>
<td>• teamwork</td>
</tr>
<tr>
<td></td>
<td>• selection of staff</td>
</tr>
</tbody>
</table>

Organizational culture has commonly been treated as an agent binding the “inside” of the organization. The set of principles which the organization is guided by, makes it possible to predict how it will act in certain situations. Traditionally, organizational culture shaping tools are sought in the following areas\(^{265}\):

- the strategic objective – often expressed in numbers, with a specific date for its implementation;
- the structure – indicates the centres of power, determines the degree of employee autonomy, its components are:
  - procedures – defining the responsibilities of employees,
  - leadership – regarded as the primary carrier of values and cultural norms,
  - motivating – as a factor enhancing the sense of belonging to the organization,
  - communication – allows for continuous, transparent dialogue, shapes the mentality of employees.

The common credit of trust is an essential factor in the development of the university. Loyal teamwork, based on openness, trust, empathy, and mutual acceptance, is an important factor increasing the efficiency of the organization. Building a network of trust and promoting solutions which will support cooperative behaviours among employees is extremely important for further development. Such effects can only be achieved through innovation in the prevention of mental and physical health, but above all in the development of ethical attitudes expected of higher education employees\(^{266}\).

Thus, a twenty-first century university has to be first of all open to change. Currently, due to the pace of changes and their nature, the skill necessary for survival in the market is the ability to manage change, as it allows for achieving the desired flexibility. The characteristics of a modern flexible organization are as follows:

- the ability to keep up with the changes in the environment,
- the ability to change the organizational structure,
- a high level of legitimacy of employees,
- possession of an effective system of responding to customer feedback,
- constant development of competences of the employees.

\(^{265}\) G. Aniszewska, Kształtowanie kultury organizacyjnej w organizacjach międzynarodowych w sytuacji fuzji i przejęć, „Zarządzanie Zasobami Ludzkimi” 2008, no. 6 (65), pp. 27–38.

The strategy of university management in the light of stakeholders’ expectations

- the ability to find a balance between the stability necessary for high-quality operation of processes and the destabilization caused by the need for frequent changes\(^{267}\).

A modern, flexible, twenty-first century university – if it does not intend to base its advantage only on these grounds, but also be socially responsible – should be guided by three main principles in its actions:

- sustainable development – it means managing the available resources in such a way as not to limit the possibility of future development,
- responsibility for actions which have consequences for many different groups of stakeholders,
- transparency, which manifests itself in the preparation of periodic reports analysing the actions of the institution and their effects, as well as sharing this information with a broad group of stakeholders\(^{268}\).

Management strategies of Polish universities in the near future will need to be modified in connection with the entering the euro area. The balance of these changes, in the present author’s opinion, will be beneficial for all universities. Competitive pressure and the opening to easy comparison with other universities will mean that only strong universities capable of responding to changes will remain on the market. The successful leaders will be able to compete in this market throughout the European Union.

When shaping the university management strategy, a global perspective must be taken. The growing competition for the customer of an educational service and the related quality improvement requires making deliberate efforts within a long-term time horizon. The university should adopt a global orientation and “continually improve itself, expand its capabilities, spirit (corporate identity), vision and mission, which will be reflected in the formulated strategy that takes into account the phenomenon of glocalization, i.e. combining the idea of a global and local operation”\(^{269}\).

The design of university development strategy should take into account certain specific elements of European governance. This management model, shaped by the cultural context, the context of trends in the economy, the environment, and the changing fashions in management, is a specific combination

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\(^{267}\) P. Grajewski, Systemowe uwarunkowania działania współczesnej organizacji, „Zeszyty Naukowe” (Wyższa Szkoła Zarządzania w Gdańsku) 2006, no. 2, pp. 111.


\(^{269}\) J. Penc, Zarządzanie w warunkach globalizacji, Difin, Warszawa 2003, p. 204.
of the best features derived from the many cultures that make up the European identity. It makes it possible to keep a certain distance to the currently fashionable management methods and techniques. Strong attachment to the obligations of the organization towards society is also important²⁷⁰.

**Summary**

Organizations which effectively form close relationships between strategy, plans and achievements, often experience the cultural phenomenon of the multiplied effect. Over time they turn their strategies into great achievements. These synergistic actions, as an expression of social responsibility, can contribute to the creation of a new quality of educational services in response to market demand. External stakeholders evaluate the organization in terms of its activity and effectiveness, measuring the activities in terms of economic responsibility. They also check if it fulfils most of the social expectations²⁷¹. Leaders of such organizations are more willing to take the risk of changes and it is easier for them to inspire associates and jointly build a huge organization²⁷².

The impact of the university should be subordinated to the long term goal of the liberation of social capital, i.e. interactions based on the idea of cooperation which take place in the social space between people²⁷³. Knowledge, skills and the capabilities of human resources play a crucial role in university operation. Their efficient and competent use may have a prominent influence on the increase of the competitiveness of the university²⁷⁴. This can be achieved by focusing university employees around the objective of educating future intellectual elites. The synergy effect, caused by the mutual commitment, trust, and the emerging network of informal relationships, causes social capital to be considered on a par with financial, material and human capital²⁷⁵.

²⁷¹M.G. van Dongen, *In Search of the Link between Corporate Social Responsibility and Legitimacy*, Maastricht University, Maastricht 2006, p. 57.
It thus appears that in projects which lead to the creation of social benefits not just financial performance or the achievement of the objectives of the organization are at stake but also benefits for the general public, such as the welfare of stakeholders.\textsuperscript{276}

Efficient creation of appropriate relationships requires initialization of dialogue with those of stakeholders who contribute to bridging cultural differences or to the implementation of codes of ethics. Dialogue with stakeholders and building mutual trust are the main objectives of these activities.

However, P. F. Drucker’s important statement that there does not exist such a plan of actions of the organization which in the long run could be unchangeable must always be borne in mind. Thus, variation, transformation, improvements are an inherent feature of the management process. Actions which have already been taken should always be evaluated and subjected to continuous modifications, which means that one cannot remain attached to the existing methods, but also to the services on offer. The offer must always follow the expectations of the market and consumer needs.\textsuperscript{277}

The most important message of strategic management is the knowledge that it is the assumptions of business ethics that point the way to further development and organizational improvement of the university. The adoption of such assumptions greatly increases the chances of success of the plan of action of the organization. It can be assumed that these actions will be appreciated by stakeholders and positively received by the market of educational services.\textsuperscript{278}


THE IDEA OF SOCIAL RESPONSIBILITY OF THE UNIVERSITY

4.1. THE CONCEPT OF SOCIAL RESPONSIBILITY OF THE UNIVERSITY IN THE AUTHOR’S RESEARCH

The problems of corporate social responsibility turn out to be a familiar issue in academic circles as well as among all stakeholders of the university. Multi-stage research on identified groups of stakeholders, supported by the opinions of academic teachers, other employees and finally university managers, allowed for a clarification of a more complete and, in the present author’s opinion, representative position.

The analysis contained in the publication Social Responsibility of the University as Perceived by Its Stakeholders. Research report\(^1\) was based on the results of a study involving the broadly understood issue of social responsibility in relation to the environment of academic institutions and their stakeholders. This important issue, so far attributed to the business sector, was analysed in terms of its relevance to the participants in the system of higher education.

The research was addressed both to a group of internal stakeholders (rectors, chancellors, deans, as well as academic and administrative staff) and external ones, identified as representatives of the wider local community – residents, business, journalists. In order to evaluate the extent of the occurrence of the phenomena of social responsibility of universities representatives of foreign universities from around the world were surveyed.

The findings led to an attempt at outlining the concept of the social responsibility of universities, understood as a certain socially expected role that each, regardless of latitude, higher education institution should play. The keynote, however, is the quality of the relationships binding these organizations with their stakeholders, and these groups, given the current state of socio-econo-

\(^1\) M. Geryk, Social responsibility of the university as perceived by its stakeholders. Research report, SGH, Warsaw 2011.
nomic development, actually include the whole of society and all participants of public life.

First of all, not only the public understanding and the need for the phenomenon of social responsibility of universities should be stressed, but also a high evaluation of its role in the public consciousness. This is expressed by applying by exerting a stimulating effect on the development of the region and the creation of its intellectual resources.

It would be a truism to say that dynamic development of the region is not possible without having the intellectual base in the form of a university. This is confirmed by decisions of investors to locate their research centres, manufactures or factories in places where there is adequate staff available or it is possible to educate them.

Higher education reflects the interests reported by various stakeholder groups, such as student organizations, trade unions, associations, the business sector or the local authorities. The role of universities is to provide educational services, i.e. didactic activity and scientific research\(^2\).

The position of the university is often associated with the major role it plays as a centre of knowledge. Thanks to the conducted research, especially one which can be implemented in practice, there is added value, which considerably increases the development potential of the region, the macro-region, the country or the world. It is therefore important to ask whether scientific achievements are used effectively and whether the scope of the achieved benefits brings positive effects for universities and their stakeholders.

The true role of the university in this approach, paired with the response to social needs, decides on its position as an important institution of social and economic life. This role is so much more complete as it is a specific response to the needs more and more boldly articulated by various groups. For the environment expects an active role of the university. It is hard to imagine a return to the university understood as a “temple of knowledge” available only to few people. Social expectations clearly position the university as an important institution which, in addition, should play an active role in the socio-economic life. A certain egalitarianism results from a much wider availability of higher education but also, due to the development of the global network – the Internet, from easier access to the technological achievements.

For one must be aware of the constantly relevant words of N. Chomsky: “The main contribution that the university can make in a free society,

is to maintain its independence as an institution responsible for the free exchange of ideas, critical analysis, experimenting, exploration of numerous ideas and values, examination of effects in terms of values, which are themselves a subject of detailed analysis”.

Focusing only on the strict statutory purposes of the university is not a full response to the public demand. It is necessary to listen to the voices of the changing environment. This is important, because without ongoing dialogue, which is at the basis of social responsibility, it is difficult to speak of “social interaction” so necessary for a proper articulation and understanding of the expectations of both partners, i.e. educational institutions and their stakeholders. The need for dialogue is the need to recognize the validity of stakeholders and for the confirmation of the fact that, in a sense, the function of the university is to serve society. After all, research is conducted and appropriate personnel educated to satisfy the need for the formation and development of current and future social and economic relations, in both macroeconomic and microeconomic dimensions.

The university as a leading social partner should be a model of development. With the accumulated potential it should read the expectations of stakeholders associated with its significant role in shaping the directions of development and inspiring its pace. Because of their access to knowledge, universities are seen as organizations which are either efficiently organized or which can rapidly improve their functioning processes, thereby increasing the efficiency of operation. That constitutes a major challenge and the need for ongoing analysis of the social evaluation of the university.

Adopting the role of a “model” in terms of research discovery, serving above all the development of the region and the country, but also of the institution educating future staff, is the key role of the university, which is related to influencing the most sensitive aspects of socio-economic life and strengthening the profile of a higher education school as a very important public institution.

4.2. The influence of social expectations on the development of the idea of social responsibility of the university

Every organization needs some environment for its proper functioning. The quality of these relationships depends on the manner of and ability to respond to public expectations, which are often not articulated explicitly. Meeting these demands is the true indicator of the degree of acceptance and

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The idea of social responsibility of the university relevance of the actions of the entity for the representatives of the environment, understood as the stakeholders of the organization.

These expectations have a strong impact on the change of attitudes among managers of universities and other institutions of the higher education system. For they also encompass the desired vision of the shape of educational institutions in the future. This projection of the important role for the development of society turns out to be so valuable a clue for the academic environments that they start listening to the needs of the environment more closely.

The problem of social responsibility is known to the public, this at least is the conclusion of the analysis of the research extensively presented in the Report. The idea of social responsibility is becoming increasingly common in the enterprise sector. Admittedly, only 24% of the adult Polish population have encountered the concept of social responsibility of universities, and as many as 42% said they had no opinion on the matter, however, it can be concluded that linking social responsibility with university operation is legitimate. This term, however, is sometimes understood incorrectly: as activities for the sake of both the external and internal environment. It is expected to be expressed in actions for employees, but also for the wider local environment. The point is that actions in this matter should be inspired by a real need for the development of social relations of the organization, rather than profit as the main incentive.

The characteristic features of a responsible university are the stability of operation, attention to a sufficiently high level of education and the quality of research. This requires appropriately broad powers to conduct education in many directions and levels. Responsibility will be manifested in activities influencing the immediate environment, the whole region, also through the training of responsible graduates. The necessity of such knowledge among employees is also indicated by B. Pogonowska, who even suggests increasing the number of classes in business ethics and after the course a presentation of the issues of social responsibility. The development of an educational institution should be based on the traditions of the state and the region, it should also be prepared to change on a regular basis, e.g. to make the educational offer more attractive. It can be argued that this means a strong development pressure, based on

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4 M. Geryk, Społeczna odpowiedzialność uczelni w percepcji jej interesariuszy. Raport z badań, op.cit.
4.2. The influence of social expectations on the development of the idea of social responsibility of the university

It should be noted, however, that nearly 49% of the respondents defines social responsibility of the university as a combination of several major activities: transfer of knowledge, education and formation of attitudes of students, and all that accompanied by the high-quality of education. So they locate social expectations in relation to the university not too far from its mainstream activity, linking it to the transfer of knowledge. It should be strongly emphasized, however, that nearly one third of the respondents report a significant difficulty in defining the term, which indicates that it is not so widespread in the public perception.

A positive reference must be made to the growing conviction of the need for a more active role of the university. Although stakeholder expectations are only taking shape, certainly they already constitute a seed of a vision of the future relationship between education institutions and the environment.

Among the surveyed representatives of the academic circles the issue is much better known. As many as 93% of the representatives of private universities and 87% of the representatives of state universities claim that the concept of social responsibility of the university is very well known to them. However, understanding of the concept is varied. The first understanding concerns the shaping of the educational process in such a way that graduates present civic and socially committed attitudes, and in their professional lives take non-profit action in favour of the social environment. The second understanding involves taking action directly by universities; a socially responsible university should offer the best education possible, to prepare for life in modern society and to educate ethical and responsible managers, capable of working for the local environment.

It is often assumed that social responsibility of the university should be restricted to students, identified as groups of recipients, some of the stakeholders. In this narrow definition the actions of the university should be focused on didactic, educational activity. Nevertheless, these tasks should also be addressed to a wider environment, and the role of the university is to share the possessed knowledge accumulated by the academic and professional staff in many areas. All this underlines the important influential role of the educational organization. The constant presence of the university in the media should be focused around important social issues.

Although the university accepts people aged 19 years and older, many of the respondents indicate society’s expectations of not only education, but also
formation. Thus society feels the need of a more active, more involved role of educational institutions. At the same time responsibility for the education of future generations is emphasized, but more in terms of civic education. Such tasks, however, are not so unequivocally accepted by all institutions as mandatory.

The research activity of academic centres should certainly be focused on doing sound scientific research, and its practical nature should allow for effective utilization of the potential of the knowledge and skills of the university. This approach, consistent with the postulated changes in higher education, emphasizes the “social utility” of academic work. It is also about the purposefulness of the research action. Its effects should be beneficial to the university, either directly or through a variety of spin-off projects.\(^7\)

Multidisciplinary university influence should be reflected in socially desirable activities, such as:

- education of the public, by organizing lectures open to the public,
- forming opinions, i.e. using its potential to shape and promote socially desirable behaviours,
- scientific research and its implementation in such a way that the social benefits are as large as possible,
- influencing the labour market through constant monitoring of its needs, the state of development, the extent of changes and flexible adjustment of the educational offer in line with the expectations of the future labour market,
- actions for children, i.e. activities promoting studying, such as public lectures and facilitated access to education,
- supporting people with disabilities by providing the right conditions to study and by elimination of architectural or social barriers,
- measures to promote health, sports, culture, arts and charity actions,
- measures for employees and students, reflected in the support for initiatives, promotion of scientific papers, etc.
- the creation of the political and economic reality, i.e. data collection, their analysis, and forecasting the future of the environment.

It can be argued that the surveyed university stakeholders, both in Poland and worldwide, do not differentiate their expectations depending on the le-

gal form of the organization, or whether the university is state or private, and expect that socially responsible actions will be undertaken by universities of both types. It follows that these institutions are perceived in terms of social responsibilities as equals. Thus a specific legal or founding formula does not differentiate the assessment of undertaken actions. Most important, however, is that these institutions cannot exist only for themselves, and should increasingly consider their presence in the context of the general public.

Incentives to undertake pro-social activities tend to be interesting. Usually these are activities which positively affect the image of the university and the strength of its brands and then they result from the goals of the entire university as an institution. The main inspiration for action in this case comprises the possible benefits for the brand which the organization can achieve. In other situations they are inspired by the activities of staff and students and therefore they result from the actions of individuals and people contributing to the university. In this case, they are initiated by a real social need felt by internal stakeholders.

However, it is difficult to avoid the conclusion that pro-social activities of educational institutions are often inspired by the potential benefits that the organization can achieve. Naturally, in parallel there may appear social benefits in the form of meeting the expectations of stakeholders, but when it comes to the original source of this type of action then it should rather be seen in the stimulating effect on the development of the university.

### 4.3. The vision, mission, and strategy of a socially responsible university

A clear suggestion appears that universities should focus primarily on their basic statutory activity. This in tasks involving education and scientific research that opportunities to expand relationships with stakeholders should be seen. One way or the other, respondents generally assume that focusing on the core activity of the university plays the leading role. Despite extensive social expectations towards institutions of higher education, in social perception they are responsible mainly before stakeholders identified as students, graduates or, less frequently, other members of the public. Thus, the recipients of knowledge, the direct participants in the process of studying, are, in the narrow sense, the core group of university stakeholders. It seems therefore that – a bit differently from the corporate sector – society expects non-standard services from universities, but ones closely related to the processes of education and research.
The vision and mission of the university, adopted under the influence of this knowledge, should include the topics expected by stakeholders. These are mainly focused around the need to establish proper relationships and stronger social ties with the environment. Besides, the work of the university should be focused on creating benefits for society in the form of well-educated graduates and doing research which coincides with the needs of modern society.

In a slightly expanded meaning, social responsibility of the university is not only focused on its core business, but also on additional activities, such as actions for children, the disabled, health, sports, arts and culture, environmental protection, and support for charities. Often, however, formation is expected of the university, understood as the inculcation of desirable attitudes and social norms in the future intellectual elites.

In this case, the expectations and aspirations of society for universities to exercise the important formation function are clearly visible. It can be assumed that in the common perception universities are still a link in the state education system, even though they only educate adults. Therefore, the scope of responsibility for the undertaken actions in the case of universities is substantially expanded. Indeed, it is expected that universities will devote more attention to the formation of civic attitudes among their students and to the promotion of the desired behaviours. Perhaps this goes beyond the main strategic interest of universities but it does not reduce society’s expectations in this regard.

It seems that corporate social responsibility should be a permanent part of the strategy of the university also because it fits well with the values specific to the academic ethos.

The university is the employer of many people. Employees and the huge numbers of those receiving instruction are the groups interested in the proper functioning of the university as a social organism. Observers of higher education institutions pay attention to the appropriate treatment of these internal stakeholders.

This is reflected in the results of actually all the studies, in which a very important item in the set of university responsibilities is appropriate treatment of its own employees and students. Depending on the study between 71 and 80% of the respondents expect such manifestations of social responsibility. It is understood not only as the creation of appropriate working conditions, elaborate systems of social support and the use of appropriate incentives to work, but also as development of information society, organization of conferences and symposia, or even taking initiatives for the circles apparently not in the direct interest of universities such as the university of the third age.
Assessing the pro-social activity of the university, the respondents approach its commitment for the local community in one way, and to the whole of society in another. For it seems that actions which are closer to those assessing them are naturally more desirable. Their assessment, for that matter, looks similar – activities associated with the local community tend to be rated as better. Actions for children or supporting one’s own employees or partners are also indicated. Expectations of some social role appear, and yet it is difficult to assume that, in fact, important actions of the university will be focused on this area.

In one of the stages of the research on the issue of social responsibility of universities two groups of Polish universities were evaluated – state and private. It was found that nearly 75% of the people representing state universities and just 41% of those from private universities see important differences in the social responsibility of both these forms of ownership of the organization. This can be explained by a common belief in the more commercial nature of the operation of private universities and the different social expectations that go with it – a greater emphasis on didactic activities and a lesser one on research activities. The validity of this view seems to be confirmed by the fact that the indications of the surveyed representatives of foreign universities were similar.

It is also assumed that state institutions should engage in pro-social activities more strongly and to some extent it should be their obligation. Stricter assessment and shorter history of the operation of private schools lead to the need to prove, through pro-social activities, that they are more active, which is reflected in a more comprehensive educational offer and better relations with the business environment or more personalized relationships between students and staff. These differences can be summarized as a social expectation of increased activity on the part of institutions with a public lineage. On the other hand, the operation of private schools tends to be often assessed as inspired by the need to gain a greater part of the educational market.

Stakeholders are unlikely to differentiate between universities in terms of their legal status, they have similar expectations towards them. This confirms the fact that the environment perceives educational institutions as one and does not subject ownership relations to a deeper analysis.

It turns out that these activities are held in very high regard which are intended to facilitate access to education for the widest possible range of young people. The process of education is associated with incurring substantial expenses, even if studying at a university does not entail the payment of fees.
All the surveyed university representatives noted that various forms of scholarship support are an expression of responsible activities. Organization of various academic competitions was also very highly rated, as well as activities related to the promotion of gifted students. In addition, the universities themselves do not refrain themselves from providing information on these activities, and even, in a vast majority, declare such a need. This may testify to the need to publicize the enterprises leading to social development and those which meet the expectations of the environment. At the same time it points to a need and conviction of society that the role of the university is not only to find talent, but also appropriate training and later promotion of talented youth. In the present author’s opinion, universities have a huge range of possibilities in this area. At the same time the achievements in this field to date should be assessed more critically. Apart from a few exceptions, the promotion of young talent is not part of the strategy of higher education institutions.

For a full understanding of the phenomenon of social responsibility the reasons for engaging in activities in this area are worth analysing. There are widespread opinions that higher education institutions should mainly deal with their main statutory activity, which is education and scientific research. Therefore, the university should focus mainly on education, but also on formation of young people. It can be inferred then that universities readily engage their employees and students in activities for the public.

To highlight their position in the education market, universities adopt the measures leading to the improvement of their image. One may say that all the respondents indicated that they seek to raise the position of their universities in the eyes of the public; much less important were the motives associated with the sense of moral duty. Other motives were: support for outstanding students, respect for the work of employees or environment protection. Interestingly, copying activities of other universities was the motivation for the adoption of a socially responsible attitude for only one third of the surveyed universities. Public pressure, felt by universities, is also very important. Significantly, more than half of the surveyed institutions are convinced of the obvious benefits of social activities to organizations.

The presence of any organization in the public life requires building the right relationships, also at the level of communication. Both universities and all stakeholders are fully aware of the need for wide and well prepared information about the undertaken actions, especially in the field of social responsibility.
Leading universities have extensive public relations departments, as well as a spokesperson. These activities common in other sectors of the economy are also becoming important for higher education institutions. For there is a growing conviction that the activities of the university should be an example of transparent functioning for other entities. For this purpose all communication channels should be used, such as the Internet, press, the radio, television, press conferences, forums and even social networking.

However, actions taken towards this end are rarely perfect. Research shows that there is lack of complete information in the media. The hardest part, however, is to create a mass media message in such a way that it strengthens public relations, and which is not a mere praise with no support in facts. Journalistic circles point out that they acquire information about the activities of universities only thanks to their initiatives. It is surprising that university representatives appreciate the importance of media communications in such a small extent. It is particularly vivid in the face of the demographic decline of most modern societies, including Poland, and the growing competition from universities from the whole world.

The importance of the problem can be proved by the fact that 90% of the surveyed stakeholders expect such information in the form of a report. It would be best if its preparation was entrusted to outside bodies, which would increase the impartiality and independence of the presented facts and figures.

A prominent streamlining of the process of informing the public about the achievements of the university would therefore be the expected solution. Provided in a suitable form and by means of the available medium the news should also be evaluated and audited by external institutions. It is about giving the information the quality of impartiality, as well as of their maximum credibility.

A university which recognizes the importance of social activities expected by stakeholders, should inscribe it in its strategy, and thus put it in its mission. Social activities carried out occasionally, aimed at achieving a single, direct order, will not have such a social impact as strategically planned measures, executed according to a long-term plan and targeted to achieve the overarching objective, which is to create sustainable and good relations of the university with its environment, based on mutual benefits. Besides, it is difficult to imagine the multitude of disparate activities in this area. They have to, for their synergistic efficacy, be linked to the main axis of strategic action. For it is only then that we can deal with conscious action based on relevant social relations.
and the pursuit of long-range goals, relevant from the point of view of both the university and stakeholders.

4.4. An assessment of the changes in university management resulting from social expectations

Dealing with socially responsible actions is sometimes perceived as unnecessary effort on the part of the university. It often brings no benefit and even leads to losses. If this involves excessive engagement of excessive resources in activities unrelated to the core business of the university, then it is difficult to speak about direct benefits. We can also talk about lack of benefits when socially responsible action complements other activities and does not require any extra resources. It must be borne in mind, however, that socially responsible activities when properly used may be one of the cheapest forms of promotion. Creating new channels of social contact, establishment of relations with the environment and dissemination of information about the activities of the university, and especially its developmental movements, are examples of activities that can be perceived as a form of promotion.

Naturally, it is difficult to ignore in these considerations the achievement of social benefits. Values such as raising the level of education, the creation of the image by providing a model of an appropriate institutional attitude, or meeting education and formation needs, also the prestigious ones, provide a simple answer to the articulated social need for greater involvement of the university in the formation of citizens. Besides, one must also notice the long-term effects, such as the development of a knowledge-based economy. Creating a foundation for responsible personnel and appropriate education supported by formation and propagation of relevant ethical and moral behaviours, are still important elements of creating the future intelligentsia. Seeking benefits for the university itself, one can also indicate the growth potential and the opportunity to gain a greater number of students, which can lead to an increase in revenues.

Although the activities in social responsibility often mean additional expenses or organizational effort, no reply was provided testifying to the burden of such activities. On the other hand, benefits were pointed to, but also the rank of the impact of social responsibility of the university on the daily management of educational institutions.

This may mean that “pro-social activities” can be evaluated as a harbinger of extra work, but in practice it turns out that the actual load of new tasks on employees is not excessive. Often, they are only a fuller implementation
of the existing tasks. Emphasizing the benefits may also be associated with a better and more efficient use of resources, i.e. a more efficient organization, a better quality of social relations or more appropriate forms of communication with the environment.

In a market economy, each organization needs to effectively solicit customers or funds which condition its survival and development. It is no different in the case of educational institutions. Both raising funds in the form of grants for research and increasing the number of students paying for their tuition require a strong support of marketing techniques. These tools lead to the creation of competitive advantage, and still they may be supported by activities in the area of social responsibility.

The surveyed representatives of universities and their stakeholders do not see a contradiction between social responsibility and promoting the university. What is more, it is common belief that marketing activities are necessary and are a natural part of business. It is important that promotional activities have an ethical nature and contain only verified and true information. Putting emphasis on the quality of education and prestige was among the expected activities, and marketing actions should be the background rather than the main purpose of the action.

Therefore, higher education institutions can, and indeed should, undertake effective marketing activities. They are received positively by stakeholders, even if they are often the sole purpose of pro-social activities. Society does not take a negative view of marketing activities and accepts the fact that they may be in a closely related to the activities in the area of social responsibility of the university.

The potential of the university, its experience and the acquired knowledge are insufficient to achieve the luxury of recognition and high evaluation by the public. The only guarantee of recognition is having the brand. This value, if it is properly linked to the reputation and quality standards, according to many, actually proves the existence of the organization. Acquiring a brand takes many years of successful and goal-oriented work. Only consistent messages, linking the image issues with the possessed potential, can affect the creation of a strong brand.

The message carried by the strong brand name, logo, and supported by an appropriate form of external communication, increases the rank of the university among stakeholders, especially among employers, but also students and applicants. It should characterize the powers held by the university, the great selection of lecturers, and accreditation as a form of external
assessment or job prospects for graduates. This set of characteristics is supposed to testify to the prestige of the university, the high-quality of its educational services and the many values of the education obtained in this way.

The image of the university is influenced in the highest degree by external evaluation by accrediting bodies – as confirmed by 73% of the respondents. This seems obvious. In the public opinion the expectation of impartiality of assessment is prevalent. Hence, examination of the quality of university achievements made by external and independent institutions, often accreditation ones, is assessed highest.

Surprisingly, both in the research on Polish universities and in the research on the representatives of universities from all continents, little attention was paid to the resources held by the university library – only 10% of the respondents in the national survey in 19% in the global one. Perhaps it was assumed that respected organization should have those resources. In addition, the expansion of the base of scientific information does not fit into the main stream of activities in the field of social responsibility of the university – for it is directly linked to the main tasks of the university, which are essential for its normal functioning as a research and didactic institution.

The significance of university activity in the field of social responsibility for the building of its image was assessed positively by 40% of the respondents in many countries. However, it is worth noting that the respondents from the United States and Canada barely notice (11%) the importance of this factor. Another important difference is the preference for a larger number of students, understood as the size of the institution, by the European universities as a factor creating the image, and a larger offer of courses of education (curricula) by the North American and Asian respondents.

The different perception of the significance of social actions in North America and other parts of the world may be due to the more market-oriented approach to the operation of any organization. Such significant differences can, however, give rise to astonishment when it is American and Canadian universities that make extensive use of grants from various institutions, often represented by their graduates. These facts, however, illustrate the phenomenon of lower expectations for university activity in the fields which go beyond the development strategy. It turns out that North Americans do not expect pro-social activities of the university, perhaps they locate them in other organizations.

Socially responsible actions taken by universities are usually well received. Both stakeholders and the surveyed university managers emphasize the role of universities in the education of responsible, socially sensitive people,
thanks to a greater emphasis on personal development through the creation of the desired attitudes, beliefs and the respect for ethical standards. Importantly, the role of the university in the development of the information society and the promotion of culture and the arts is much higher assessed than support for the education of children and young people or for the natural environment. High public expectations in relation to higher education institutions are persistent and widespread among stakeholders. They also mean that universities should treat their statutory objectives more broadly and complement them with socially desirable activities, which in addition may bring multilateral benefits, although as difficult to measure as they are.

It can be said that a greater focus on the needs of society forms a better image of educational institutions. At the same time the environment makes a number of suggestions or clues for more preferred courses of action.

When trying to develop a set of socially responsible actions, it was found that social responsibility of the university is mainly to do with activities related to the statutory activity of the university and with a set of additional activities, such as actions for children, people with disabilities, health care, development of sport, culture and the arts, and the natural environment. An important aspect are actions for its own staff and students, but also activities such as the development of information society, the creation of the university of the third age, or even organization of conferences and seminars.

The expected benefits of undertaking socially responsible activities are: society’s education through open lectures and the positive impact on the labour market through education according to its needs. Another advantage is the creation of political and economic reality by observing, analysing and forecasting the future, promoting children’s education or helping applicants to be accepted by a chosen university. Yet other examples are activities for people with disabilities, such as providing suitable conditions for studying, supporting charity actions organized by students, supporting initiatives and promoting scientific work of one’s own scientific staff and students.

Activities of the university which are related to the protection of monuments and organization of charity actions are met with the relatively least interest of stakeholders, as being too distant from the identified set of social expectations towards higher education institutions.

Projects related to environmental protection achieve higher assessment from the respondents if they lead to an increase in society’s environmental awareness associated with social concern, which is well received by all stakeholders.
Summary

Multi-stage research on the social responsibility of the university, preceded by a thorough analysis of its stakeholder groups, helped to formulate the concept of social responsibility of the university. The attempt to relate the issue present in the corporate sector to higher education was made possible by empirical research.

The results were obtained which confirm the expectations of society in terms of active participation of the university in the development of science. Respondents perceive universities as centres of knowledge, their activities, however, should be much more focused on the needs of stakeholders. Features of a responsible university are: strategic stability of operations, attention to the high level of education and the quality of research. All actions should be taken in the context of the needs of the region, while respecting its autonomy and tradition.

Universities should also play an important educative and cultural role – for they are still seen as an important link in the state education system, even though they educate adults.

Social expectations draw a picture of the university as an institution which is involved and acting in a thoughtful and considerate manner, above all in the interest of the region. The task of the university is to promote education, spread knowledge and act as a model of ethical conduct. The need to promote talented youth was also noted. Stakeholders also expect to improve the effectiveness of communication by publishing information about the activities of the university. These expectations are not diminished by the attempts to include social activities in marketing strategies.

The high prestige of the university is a strategic objective of action both at in the country and abroad. The possessed powers, accreditation, assessment of job opportunities for graduates, enhanced by high social assessment, are the factors which build the image of the university.

Meeting the extensive social expectations may require increasing the efforts from the university, as well as lead to a growth in expenses. However, the potential effects of these activities may be long-term, social benefits, such as creating a knowledge-based economy. At the same time the impact on the socio-economic environment is not only desirable but also highly valued by respondents.
Conclusion

Changes in higher education which have been taking place in recent decades have a variety of sources. The increasing globalization has led to a greater openness of higher education markets, resulting in a marked increase in the international exchange of students and teachers. At the same time the noticeable demographic decline in developed countries has led to an increase in university enrolment in emerging markets, especially in China and India. This has led to a situation where it is relatively easy to compare educational services offered by universities.

The present author’s detailed analysis of the market of stakeholders’ needs, based on extensive scientific literature on the topic, but first of all the multi-stage empirical research show that universities are increasingly attentive the needs of their environments. It seems that this phenomenon – quite expected by society – is now commonplace. The issue of social responsibility is defined differently by researchers of the problem. According to the present author, the nature of the interaction between the organization and its stakeholders deserves particular attention. For one of the main determinants of social responsibility of the organization is the quality of the relationships with stakeholders. The most important thing is to enable an agreement between the three leading groups: society, entrepreneurs and the authorities responsible for the regulation of the market environment. Only integrated action, despite the different goals of each group, may lead to effective co-operation, to the growth of the market position of the organization, to the improvement of the living conditions of the people in the environment. According to D. E. Hawkins, “in the end, we will all have to accept a balanced vision of today and tomorrow.”

Developing a strategy requires a proper understanding of the social vision of the organization. It describes the environmental, ethical and social commit-

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10 Ibidem, p. 274.
ment of the company in relation to the community and society. It is a specific guidance and help in the orientation of the university to achieve its own objectives in line with social objectives.

The highest form of the development of an organization is the full integration of the mission of the university with its social mission. This leads to the perception of the social vision as an integral part of the development of the vision of the organization. It is then than the university becomes a truly responsible citizen, and the principles of social responsibility are fully integrated with the strategic objectives.

D. Grayson and A. Hodges developed an interesting strategy of adapting the idea of corporate social responsibility in such a way that it brings tangible benefits to the business. They described an analytical process consisting of seven stages, which shows which decisions should be taken and in what order. This leads to making final decisions on the basis of the information obtained successively during the transition between the successive steps.

Taking comprehensive measures related to the implementation of the broader concept of social responsibility and its integration in the organization's management strategy may lead to tangible benefits. It is difficult, however, to identify them unambiguously. Besides, studies by K. Møller and T. Erdal confirm that the adopted strategy of implementation of social responsibility depends on the different models of the social environment. Nevertheless, many activities are of a truly transnational nature and regardless of the many differences they may exist with a similar intensity in countries such as Sweden, the Netherlands or Spain. Many organizations are actively involved in supporting the development of local communities. K. Møller and T. Erdal formulate the following recommendations:

- promoting the organization's involvement in corporate social responsibility should be based on supporting and facilitating the adaptation of CSR ideas,
- joint initiatives to tackle important issues for the local community must be promoted, so it will be possible to create a common platform for dialogue within the community,

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• seeking ways to promote CSR combined with engaging the widest possible range of stakeholders is a task that must be continued in the future.

It is good to remember, however, that the growing interest of organizations in implementing the concept of social responsibility is often inspired by the fact that they may pay a heavy price for the evident lack of this responsibility. In addition, involvement in socially responsible projects raises wide consent and social acceptance for many activities undertaken by the organization. Without social acceptance it is much more difficult to achieve the targeted strategic market position and to ensure the development and growth of the university\textsuperscript{14}.

In the public opinion the university is an organization based on universal values and it is knowledge centre which has duties to the community, such as inspiring, showing directions of development, educating future generations. University activity should therefore lead to the liberation of social capital. After all, as an educational institution, it shapes civic attitudes and disseminates civic ideas.

Thus, the main tasks of the university are: to promote community development by raising the intellectual level of society, to adapt education to the needs of the society of the future, and especially for the local business community, to anticipate these needs, to promote business ethics. The aim of these actions is appropriate formation of graduates – ones who are sensitized to social problems and ready to take responsibility for their actions.

Education is a priority area of activity in modern societies. It is expected that the university should make a contribution to science through research and its dissemination – the fullest expression of social responsibility. The university, due to the possessed intellectual resources and research facilities should be a stimulator of pro-innovation activities in the local community.

The people who form universities, i.e. representatives of the academic environment, are expected to be creative – to develop and disseminate of new ideas. The university should invest in research, be a source of innovation, it should also participate in clusters, cooperate with business, be open to changes and propagate these changes. Research results should be effectively implemented in such a way that they benefit the whole of society, and then universities will fully deserve to be called centres of knowledge and innovation.

\textsuperscript{14} D. Cogman, J.M. Oppenheim, Kontrowersyjny biznes dla społecznie odpowiedzialnych, „Trzeci Sektor” 2008, nr 13, pp. 76–82.
Pro-social intentions should guide all university managers. As institutions of a special sphere of influence, universities must assume greater responsibility for their actions and their effects in the social dimension. This wide range of operation is important because it produces results visible in the long term, which can have serious implications for the shape of society, the future generations and the level of its intellectual development.

Organizations which effectively create close relationships between strategy, plans and achievements, often experience the cultural phenomenon of a multiplier effect. Over time they turn their strategies into great achievements. These synergistic effects, resulting from social responsibility, may contribute to the creation of a new quality of educational services in response to the reported market demand. External stakeholders evaluate the organization in terms of its activity and efficiency by measuring these actions with economic responsibility, but also in terms of meeting the majority of social expectations. The leaders of socially responsible organizations are willing to take the risk of changes and it is easier for them to inspire colleagues to jointly build a large organization.

The impact of the university should be subordinated to the long term goal of the liberation of social capital, i.e. interactions based on the idea of cooperation taking place between people in the social space. The following play a crucial role in university activity: the knowledge, skills and capabilities of human resources. Their efficient and confident use may prominently affect the increase the competitiveness of the university. This can be achieved by focusing employees around the objective of educating future intellectual elites. The synergy effect, caused by a common commitment, trust and the emerging informal networks, makes the social capital be considered on a par with the financial, physical and human capital.

However, P. F. Drucker's important statement that there does not exist such a plan of actions of the organization which in the long run could be unchangeable must always be borne in mind. Thus, variation, transformation, improve-

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15 M.G. van Dongen, In Search of the Link between Corporate Social Responsibility and Legitimacy, Maastricht University, Maastricht 2006, p. 57.
17 Por. Przedsiębiorczość i kapitał intelektualny, red. M. Bratnicki, J. Strużyna, Akademia Ekonomiczna, Katowice 2001, p. 128
ments are an inherent feature of the management process. Actions which have already been taken should always be evaluated and subjected to continuous modifications, which means that one cannot remain attached to the existing methods, but also to the services on offer. The offer must always follow the expectations of the market and consumer needs^{20}.

The most important message of strategic management is the knowledge that it is the assumptions of business ethics that point the way to further development and organizational improvement of the university. Adoption of such assumptions greatly increases the chances of success of the plan of action of the organization. It can be assumed that these actions will be appreciated by stakeholders and positively received by the market of educational services.

The analysis of theoretical achievements and of the results obtained during the multi-stage study has led to the confirmation of the original research hypothesis, which read:

**Socially responsible actions of universities are expected by all stakeholders. They also benefit both society and schools. Therefore such actions should find their implementation in the strategies and missions of educational institutions.**

On the basis on the gained knowledge, supported by theory and empirical data, the present author has formulated the following recommendations for all university managers in the world:

- universities should consciously integrate all activities on the strategic and operational level with the ideas of social responsibility,
- it must be continually endeavoured to improve the relationships between the university and its environment,
- it must be remembered that university stakeholders are virtually all institutions of social and economic life and society as a whole,
- efforts must be made to upgrade the ways of informing stakeholders of any action of the university, not only those related to the issue of corporate social responsibility,

**and most importantly:**

- university managers must be fully aware of the responsibility for the implementation of their tasks, as stakeholders pose great challenges on higher education institutions and very high ethical, moral and quality requirements.

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