# QUARTERLY JOURNAL OECONOMIA COPERNICANA



#### 2016 VOLUME 7 ISSUE 4, DECEMBER

p-ISSN 2083-1277, e-ISSN 2353-1827 www.oeconomia.pl

Kowalska, K. (2016). Network Organizations and Corporate Social Responsibility. *Oeconomia Copernicana*, 7(4), 653-668. DOI: http://dx.doi.org/10.12775/OeC.2016.036

## Katarzyna Kowalska\* Pedagogical University of Cracow, Poland

# Network Organizations and Corporate Social Responsibility

JEL Classification: M14

**Keywords:** enterprise; Corporate Social Responsibility; competition; image; network businesses

Abstrakt: Network organizations largely determine the competitive advantage today. Collaboration between companies and their success is based primarily on the image and trust. The network relations management is included in the supply chain, and the more complicated the chain, the more "fuzzy" the responsibility for the external effects of the business. In practice, network relationships result in numerous abuses, mostly in relations with competitors, customers and clients. However, it can be assumed that increasing competition, also on the Polish market, will force companies to apply socially responsible practices, also in the context of cooperating with local enterprises. The concept of corporate responsibility (CSR – Corporate Social Responsibility) is, in Polish conditions, a relatively unpopular concept, and the rare practice, especially among domestic enterprises. The situation is different on the Western Europe markets or in the USA. Companies operating in these markets are obliged to adapt the business standards to expectations of various stakeholders, and also contractors. The aim of the article is an attempt to justify the socially responsible practices by companies in today's and future market

Date of submission: June 9 2016; date of acceptance: November 2, 2016

<sup>©</sup> Copyright Institute of Economic Research

<sup>\*</sup> Contact: k.kowalska04@wp.pl, Pedagogical University of Cracow, ul. Podchorążych 2, 30-084 Kraków, Poland

conditions. In addition, the article aims to describe network connections, different types of these relations, but also various methods and tools of improving existing network relations. In the context of socially responsible business, it seemed important to also analyze the relationships between organizational culture and actual practices taken by companies.

#### Inroduction

Nowadays, the development of enterprises largely depends on the relationship with other various operators. This situation explains why so many companies, establish cooperation with other entities in order to improve their competitiveness.

In the globalized world, business networks developed largely through subcontracting, which is a particular form of outsourcing and includes direct contacts and bidirectional exchange of knowledge and information between the two parties to the contract (Taymaz & Kilicaslan, pp.633-645).

The benefits of these network relationships apply to both international corporations as well as small (often local) firms which provide various services for the former ones (Gorynia, 2005, pp. 222-235). The tendency of corporations to enter into the network structures depends on the motives influencing investment decisions in the hosting country, the type of technology used by multinational corporations, the degree of autonomy of entities and the sector in which the corporation operates (Przybylska, 2010).

Certainly, business networks can create and they do create a group of small businesses, or medium sized businesses, but from the point of responsible business , it is particularly important to discuss the relationships that are created by the large ones. In case of international corporations, network relationship management is a part of the supply chain, and the more complex is the chain, the more "fuzzy" is responsibility for the external effects of functioning of such enterprises (Ćwik (Ed.), 2011, p. 22) .

To give an example, the well-known Swedish clothing company H & M cooperates with a network of over 700 independent suppliers in Europe and Asia. The company has been criticized for human rights violations, particularly the rights of workers, as well as for environmental pollution (CentrumCSR, 2013, p. 23). It has been shown that the technique of manual and mechanical sanding is still used in factories producing for H & M despite the evidence that such actions lead to fatal lung disease including silicosis (CentrumCSR, 2013, p. 23).

Also, Samsung Group, which employs more than 340 000 people, is accused of numerous abuses in the area of production, including the use of highly toxic substances in the production process, without proper protection

and without informing employees of this fact, and the use of child labor in companies associated with Samsung (CentrumCSR, 2013, p. 29). Importantly, these charges apply to both factories belonging to these corporations as well as to their suppliers.

R. H. Robbins discusses the problem of corporate fraud in the context of the so-called Polanyi paradox. He stresses that besides the direct cost of the product (the price on the package), there are external costs that are passed on to stakeholders cooperating with the company, and finally to employees and the local community, where suppliers are located (Robbins, 2006, pp. 177-182).

The Wal-Mart could be used here as an example to explain the above situation, the so called high cost of low prices of goods offered in the American retail chain. In his opinion, the corporation is so competitively priced because it puts tremendous pressure on their group of more than 21 thousand suppliers, forcing them to reduce the cost of production and labor. Consequently, the reduction in employment , low wages , unsafe working conditions and environmental degradation, are the costs of goods not included in the package, and the greater it is, the lower the prices of the goods drop (Robbins, 2006, pp. 180-181). Moreover, this practice is copied by other companies, which have to cope with the realities of competition imposed.

Therefore many global problems due to the external effects of the market and is part of the cost coveted by the customer of goods and services (Robbins, 2006, p. 181).

In practice, network connections mean numerous abuses, mostly in relations with competitors, customers and clients.

The question is whether under strong price pressure, in terms of complex network relationships, socially responsible actions are justified? Where does the responsibility of the principal manufacturing and services end?

The aim of the paper is to answer the above questions. In addition, the article aims to describe network connections, different types of these relations, but also various methods and tools of improving the existing network relations. In the context of socially responsible business, it seemed important to also analyze the relationships between organizational culture and actual practices taken by companies.

It seems that increasing competition and uncertainty on the international markets means that companies should focus on the key areas of their business. These realities cause (and will continue to cause) a greater demand for network services (largely in outsourcing).

It can be assumed that in the near future, in addition to the traditional risks, like for example risks related to the problem of intellectual property, trademarks, patents, logistics, quality goods, what it is called, reputational risk, will play an important role.

In an era of growing pressure from the public and increasing awareness of consumers the expectations for companies have also changed (especially for the largest ones, whose power and influence gives significant opportunities in the market).

Companies should now put into practice not only the cost effectiveness, but also the integrated effectiveness which includes their impact on society, economics and the environment.

#### **Research Methodology**

The thesis of the dissertation is that the socially responsible actions in the network organization determine the long-term development of companies in a highly competitive market and the analytical-descriptive method has been used in this dissertation.

#### **Cooperation within the Network Organization**

Network organization is a modern form of organization showing the way to organize relations between companies or (and) the units of a single company. Its existence was made possible by reducing transaction costs and transport as a result of the revolution in communications technology and shipping (Mikuła, 2006, p.75).

About network organization, according to the above, we talk in the context of the corporate network , as well as in the context of independent businesses cooperating with each other .

J. C. Jarillo, however, presents a different approach, indicating that the network organization can cooperate with independent companies in which one company plays the role of the chief inspector, who is in charge of organizing the flow of tangible and intangible assets between companies (Jarillo, 1995, p. 8).

Cooperating with each other, organizations often change into the form of a business network in which the complex relationships and dependencies come from competition, and often become a source of competitive advantage of the company (companies) in the market. In confirmation of the above, M. Ratajczak-Mrozek indicates a continuous interaction and inter-

dependence of network connections (as well as infinity in the context of the internationalization process) as a source of competitive advantage in foreign markets (Ratajczak, 2010, pp. 52-76). Long-term relationships between networks through strategic sharing of resources, entities and activities, reduce the risk and uncertainty of the functioning of the market; affect the speed, flexibility and activities innovation, as well as reduce operating costs. Looking at the international situation, they help access foreign markets by reducing all sorts of barriers (Ratajczak, 2010).

K. Przybylska mentions the additional positive effects of the operation of small businesses within international networks, such as (Przybylska, 2005, p. 118):

- increase in the reliability of the company in foreign markets,
- increase in the size and intensity of joint business within the network,
- chance to gain knowledge about foreign markets,
- chance to improve the financial conditions of the company,
- chance to change the way owners and managers of small businesses think and act

It seems that for Polish small businesses, the last two benefits are not to be underestimated, due to the financial and mental barriers that often accompany the development of national companies . On the other hand, for international corporations network relationships are an essential part of the supply chain .

Network links may relate in practice to supply, sales, cooperation with enterprises running competitive businesses (Burt, 2001, p. 110). These areas correspond to terms: backward linkages, forward linkages and horizontal linkages.

In practice, the subject of network connections can be any field of economic activity, for example, logistics, marketing, design, modernization of the products; provision of technical equipment and specialized staff; transfer of modern technology, etc.

For local businesses – because of the frequency of occurrence and the potential benefits – particularly important is cooperation so called backward linkages.

Below are the measures taken by multinational corporations to develop and deepen vertical network relations "backwards".

Table 1. Measures by foreign affiliates to create and deepen linkages

Finding new local suppliers	<ul> <li>Making public announcements about the need for suppliers and the requirements that firms must meet on cost and quality.</li> <li>Supplier visits and quality audits.</li> </ul>
Transferring technology	Product technology:  Provision of proprietary product know-how.  Transfer of product designs and technical specifications.  Technical consultations with suppliers to help them master new technologies.  Feedback on product performance to help suppliers improve performance.  Collaboration in R&D.  Process technology:
	<ul> <li>Provision of machinery and equipment to suppliers.</li> <li>Technical support on production planning, quality management,         <ul> <li>inspection and testing.</li> </ul> </li> <li>Visits to supplier facilities to advise on lay-out, operations and quality.</li> <li>Formation of "cooperation clubs" to interact with suppliers on technical issues.</li> <li>Assistance to employees to set up their own firms.</li> </ul> <li>Organization and managerial know-how assistance:         <ul> <li>Assistance with inventory management (and the use of just-in-time and other systems).</li> <li>Assistance in implementing quality assurance systems.</li> <li>Introduction to new practices such as network management or financial, purchase and marketing techniques.</li> </ul> </li>
Providing training	<ul> <li>Training courses in affiliates for suppliers' personnel.</li> <li>Offering access to internal training programmes in affiliates or abroad.</li> <li>Sending teams of experts to suppliers to provide in-plant training.</li> <li>Promotion of cooperative learning among suppliers.</li> </ul>
Sharing information	<ul> <li>Informal exchanges of information on business plans and future requirements.</li> <li>Provision of annual purchase orders.</li> <li>Provision of market information.</li> <li>Encouraging suppliers to join business associations.</li> </ul>
Giving financial support	<ul> <li>Providing special or favorable pricing for suppliers' products.</li> <li>Helping suppliers' cash flow through advance purchases and payments,</li> <li>prompt settlements and provision of foreign exchange.</li> <li>Long-term financial assistance through the provision of capital; guarantees for bank loans; the establishment of funds for working capital or other suppliers needs; infrastructure financing; sharing of the costs of</li> <li>specific Project with suppliers.</li> </ul>

Source: UNCTAD (2001b, p. 214).

The growing importance of vertical linkages "backward" is due to changes that occur in the design of technology resulting in the need for frequent modifications of production factors and products (Przybylska, 2001). In addition, this type of network links is a key channel of technology transfer, which in international relations and local businesses is a significant advantage for the local businesses.

Technology transfer alone, however, does not guarantee the company its long-term improvement on the market. What is crucial for small and medium-sized companies participating in this type of network relationships is the capacity to absorb technology and learn through using of a particular technology (UNCTAD, 2001a). Only after meeting these conditions it can be expected to see positive changes in technology in the local businesses.

The tendency to use the abovementioned transfer in multinational corporations depends to some extent on the level of product compilation. Foreign entities producing standard products using non-proprietary technologies, choose local suppliers, and do not need to develop any of their skills (Belderbos *at al.*, 2001, pp. 189-208). On the other hand, in places where the products are specialized and technology is advanced, branches develop production in their home countries or establish cooperation with selected suppliers in the host country who are able to meet the high demands of corporations (Belderbos *at al.*, 2001, pp. 189-208).

In addition to the possible benefits of vertical cooperation "backwards", negative outcomes may also appear at the enterprise level, for example, the co-operator could be pushed to development " track " which may result in the reduction of social and environmental standards, and also in the ongoing pressure for cost, which has already been mentioned in the introduction of the article (Hansen & Schaumburg-Muller, 2006, p. 15).

### **Responsible Relationships in the Network Organization**

The increased role of network links can be observed in the retail sector, and is largely due to an increase in the role of the brand. Trade mark, as defined by the agency AC Nielsen, belongs to the retail or wholesale, and applies only to products sold by the company or under the direct control of the company (Colla, 1997, p. 161).

The fundamental role of the own brand in the retail chains development is not only linked to the functions it is playing in pricing and assortment policies, but is also associated with a very important trend in retail, so-called "blurring "the formats of stores (e.g. Tesco in three formats under the same banner). The result of such practices is the increasing role of the

store's own brand. The major role is played by products with a store's label. Products which meet the requirements of the customers of the company, are a kind of added value that ensures the loyalty of those customers and helps to create a positive image of the entire brand network (Krall, 2001, p. 4).

What is more, having a strong own brand allows corporations to put more pressure while negotiating with brand manufacturers and in the result, to get favorable terms of the financial transaction. Strong commercial brand may pose a risk of withdrawing manufacturer's brand(the danger is greater the weaker the manufacturer's brand is) from store chains. Manufacturer dependence on commercial corporations also comes from a double function, which they often have in these entities, namely, providing its own brands for the network, and manufacturing (contractor) the trade brands for these corporations (contractor of outsourcing services).

The example given above shows the complexity of network relations and a growing need for outsourcing, understood as a tool not only used to reduce costs and restructure, but also as a tool used to increase innovation and to get strong competitive market position.

Nowadays, because of outsourcing, companies can enter new markets faster, without the need to build necessary, expensive and time-consuming powers. Moreover, external suppliers guarantee their clients flexibility and quick reactions to meeting consumers needs. It is very important for businesses competing at today's markets.

However, the success of outsourcing projects is a result of the competence of managers and professionals who are responsible for its implementation on the receiving end of service, but also for competence and preparation of suppliers who implement them.

Skillful management of such relationships in the times of increasing public pressure and increasing consumer awareness, requires not only being cost effective, but implementing integrated performance in which the social, economic and environmental effects of network relations are included.

The issue of responsibility for the consequences of the company's activities is evaluated by the economic science, philosophy (especially ethics) and the social sciences, which in practice causes much controversy. However, it can be specified that in the literature there are two main approaches to definitions of corporate social responsibility (CSR) (Nakonieczna, 2008, pp. 56-58):

 ethical dimension of the concept, where the concept is defined as ethical business behavior towards society including the business 's ongoing commitment to act ethically and contribute to economic development while improving the lives of workers and their families, as well as the local community and society (Światowa Rada Biznesu ds. Zrównoważonego Rozwoju);

 the economic dimension of the concept, where social responsibility is treated as part of a strategy of the company, institutionalized and rationalized, and could become a new source of competitive advantage.

The second approach, which is also more popular- corporate social responsibility- is treated as an element of thought-out strategy. Attention is drawn to the fact that the current competitive market situation requires enterprises to support a competitive advantage using unusual factors, also taking care of groups associated with the company allows to generate loyal-ty among potential customers in relation to the company's brand. On the other hand, neglecting the needs of these groups may contribute to the so-called consumer boycott (Nakonieczna, 2008, pp. 56-57).

Companies' (and their workers) attitude to the social responsibility tasks is closely related to the organizational culture of the company.

Organizational culture can be understood as a system of commonly shared believes, values, which develops in organization and controlls the behaviour of its members (Klimkiewicz, 2011, p. 137). The way of understanding and taking responsibility for existing business is dependent on mentioned values, which are part of the culture and connections between this culture and the company's strategy.

Core values relevant to this concept, promoted by the organizational culture are in practice (Klimkiewicz, 2011, p. 137): the company's responsibility for the consequences of its operations, reliable communication with internal and external environment, environmental protection, fulfillment of obligations to employees and contractors, promotion of ethical behavior of stakeholders, transparency of taken actions, creative attitude of the staff, the freedom of decision-making and dialogue within the organization.

Moreover, there are three levels of organizational culture development in the context of dependence between creating values and CSR:

- level 1 compliance culture where relations with stakeholders (public, business partners, employees) do not play an important role, and culture is adapted only to the basic standards required by the public;
- level 2 relationship management culture where organization understands the importance of systematic communication with business partners, but the process of building relations is not the part of long term strategy development of company, but is created based on recognition of current needs of stakeholders;
- level 3 sustainable organization culture where organization recognizes interactions between its actions and the environment and therefore

is more focus on the integrating and multiplication of social, ecological and economic values.

The three levels mentioned above reflect three possible CSR strategies which are based on different values rooted in the organizational culture. This means, at the first level, to adapt to the requirements, at level 2, to respond to the needs of stakeholders and at level 3 – to make an attempt to respect and implement social, ecological and economic values while making business decisions. Taking social responsibilities by the company at the international level requires from the company to consider the cultural differences in each of the hosting countries.

This fact was often used to justify the actions taken by companies for using the so-called double standards of corporate social responsibilities.

Focusing on corporate responsibility to the communities in highly developed countries was explained by cultural relativism. Based on what was said above, the international environment cannot accept one right system for the entities evaluation process. Different countries have different ethical standards – therefore, morality is relative and depends on culture and society. If, therefore common global system of moral judgments cannot be specified, it is also not possible to create one system and standards of corporate social responsibility (Nakonieczna, 2008, p. 49).

This approach however has not found many supporters; the idea of cultural relativism was negated by the development of human rights and their practical application and as well as with the collapse of the bipolar international order (Michałowska, 1994, p. 259). Considering this approach, the minimum obligations in the area of corporate social responsibility should be based precisely on the fundamental international human rights (Donaldson, 1989, p. 62).

The problem of corporate responsibility in the era of globalization largely deals with business relations, including a complex supply chain. It is connected with the aforementioned outsourcing, and it makes it necessary for companies to define the social commitments for their actions and for actions taken by other entities. In the Polish law, civil liability for taking unwanted actions is governed by the rules in article 415-449 in Civil Code. Articles 415 and 146 of Civil Code imposes the obligation to repair any damage caused by their actions, even to a legal person.

From the point of view of civil law, any illegal action can be defined as the behavior that is illegal and leads to injury (Ćwik (Ed.), 2011, p. 26).

It is very important for standards of social responsibility, to assume that the illegal action is not only an act prohibited by a legal obligation, but also breaking the rules of social intercourse (Ćwik (Ed.), 2011, pp. 26-27).

Inciting, aiding and conscious use of the damage caused to another person are also considered as the own actions (Ćwik (Ed.), 2011, pp. 26-27). Intentional action is crucial in such situations and it is why the manager of the company can bear responsibility, for example for inciting his subcontractor to take illegal actions against stakeholders or for tolerating the subcontractor's negative practices in his own interests.

However, the responsibility for actions taken by others (tasks assigned to another entity) refers directly to the activities of subcontractors. The company that assigns certain tasks shall be liable for damage caused by the contractor, unless the company proves that does not take responsibility for faults in the selection of the contractor, or the contractor is a professional in the area of given task (Ćwik (Ed.), 2011, pp. 27-28). Such legislation protects companies that work professionally with companies dealing with the specific task, which in turn means that in the event of injury the responsibility is on the contractor side only. This raises a problem in terms of responsibility in the supply chain; commercial corporations in relationships with manufacturers of commercial brands often puts rigorous cost; however, the responsibility for the quality of manufactured goods remains with the contractor of outsourcing services .

Illegal activities with the participation of international corporations on the Polish market (but especially in underdeveloped countries) occur quite often. Often companies, which usually declare the use of corporate social responsibility, in practice take actions that strike in the basic needs of their stakeholders. According to the report of Supreme Chamber of Control (NIK), the multinational corporations FMCG (fast rotating) in relationships with contractors on Polish market, dictated contracts, ignored the terms and dates for payments, which in practice led to a situation where the economically weaker producers had to pay foreign partners (NIK, 2002, p. 21). Other abuses are, for example: dictating the terms of delivery by the retail chains, including charging suppliers with the costs of transport and storage; charging producers for not ordered promotional campaigns, or imitating popular brands by own brands (NIK, 2002, p. 21). Imitating popular brands means building an opposing own brand. In practice, the brand imitation refers to the selection of products name, form, size, design and colors of the packaging. Such a large similarity in marketing characteristics is aimed at confusing consumers (Domański, 2001, pp. 127-128).

These kinds of practices very rarely find their final at court. Producers, afraid of making the situation worse or even ending the cooperation with foreign corporations, often agree to such activities.

Meanwhile, to improve the competitiveness of companies that base their development on complex network relationships, building lasting and socially responsible relationships is crucial. Firstly, strong network relations, built on trust, reduce transactional costs and create the framework to achieve a competitive advantage in the market. Similarly, lack of trust in partners reluctance to exchange strategic resources between partners, the need to incur additional costs associated with additional control and protection from cooperator, opportunism and loss of valuable time because of rotation of partners (a consequence of the lack of trust).

Building long lasting relationships with partners requires actions to be based on the principles of CSR. Responsible, honest business practices are not only the chances for prospective and profitable network relationship, but also the chances for new business opportunities for the creation of innovation, the benefits for the image of the entire organization network and larger favor from customers and employees.

On the one hand, responsible business relationship is the socially desirable practices of a company, but on the other hand, also company's efforts focused on ensuring ethical behavior of ones who are involved in the supply chain. The management of such relations requires consideration of codes of conduct which provide guidance to suppliers and employees. These codes of conduct and standards contained in them should reflect the actual individual needs of the company and its environment, including also its subcontractors , and therefore should be established on dialogue and mutual understanding between the company and subcontractors (Ćwik (Ed.), 2011, p. 30).

The effectiveness of codes and standards in business relations largely depends on the monitoring of their compliance. It is crucial how it is carried out – are they independent audits? How often are implemented? Do they relate only to first-order suppliers or also their subcontractors? Are the results of the audits know by the public? What actions are taken in case of suppliers constantly breaking human rights and exerting negative impact on the environment? Is the monitoring oriented to activities which increase awareness CSR of suppliers (Ćwik (Ed.), 2011, pp. 30-31)? The answer to these questions is essential to comment the company's commitment to the principles of responsible business.

In Poland, the concept of corporate responsibility is not very popular, and the opinion is that companies look at it with a distance rather than with interest as an important area of their business. This is evidenced by various studies on the awareness and involvement in this area of management, as well as on awareness of the consumers. It is worth looking at the study of management of the project *Corporate Social Responsibility – a report from* 

the first part, ASM, 2013, or the report Responsible business in Poland. Good practice, 2013, by the Responsible Business Forum. The research shows that the implementation of CSR in the Polish market is the matter of declaration, and audits of entities involved in the supply chain are rather selective. This is evidenced by the abuses of corporations in the domestic market (presented in the text in the example of FMCG), breaking the principle of fair competition and cooperation on the market. Serious limitations in this issue are also visible on the side of consumers. It is well illustrated by the results of research carried out in 2010 by the Responsible Business Forum, where the majority of respondents showed little interest in fraud in the production process in geographically distant countries and could not answer what they associate with the responsible supply chain (Ćwik (Ed.), 2011, pp. 63-64).

However, it can be said that the situation on the Polish market is slowly changing. Standards for suppliers and balanced approach to materials sourcing are important evaluation criteria for the companies in the rankings of responsible companies, or for the creation of, so-called ethical stock indices – The Respect Index, established in Poland in 2009 should be mentioned here. For many firms, producing for export The Respect Index is an important differentiator when applying for contracts for export (Ćwik (Ed.), 2011, p. 14).

The importance of reputation on the Polish market will depend on the intensity of competition and on the publicity of negative and positive business practices, on promotion of the concept of CSR, and above all on the level of consumer awareness, as they hold the power to influence the companies.

#### Conclusions

In the era of globalization, the success of companies consists of a complex network connections between entities. It can have a horizontal character (co-competing companies) or vertical (for example, supplier – recipient service).

The second form of integration is growing strongly because of outsourcing, and is the subject of criticism and the synonym for low social and environmental standards.

In the times of social pressure (especially in the developed markets), the companies declare to shift from the priority of cost efficiency and using various marketing procedures trying to communicate the message about their commitment to responsible business. However, these are often selec-

tive activities which at the international level are called ,double standards' of social responsibility.

The problem of company responsibility for taken actions, including also responsibility for actions of other companies involved in the supply chain, is essential to clarify the obligations of corporate social responsibility.

The importance of reputation risk in a complex supply chain is increasing. In many of the examples, we have seen that consumers often are not familiar with whether the company has its own factory, or cooperates in with suppliers. The suppliers abuse is identified by consumers with the retailer (Ćwik, 2010, p. 2).

The implementation of the rules of socially responsible actions is designed to limit the risk and is directly related to the organizational culture of the company. The most important here are values rooted in the culture of the organization and the ability to link this culture with the strategy adopted by the company.

Socially responsible activities (throughout the supply chain) become a market requirement, but on the other hand, they bring numerous benefits to those who implement them. They provide a basis for improving the competitiveness of enterprises by reducing transaction costs, additional opportunities to create innovative solutions, reducing opportunistic actions, increase loyalty of consumers, employees and contractors.

The importance of socially responsible activities in Poland is small, but this situation is slowly changing and it is influenced by actions taken to promote this approach in business and increase of the role of the so-called ethical stock market, which are important characteristic for the company when applying for contracts .

However, the key role in promoting CSR in Poland is played by social attitudes. Indeed, consumers have a great opportunity to change the way companies operate in the market .

#### References

Badanie kadry zarządzającej w ramach projektu "Społeczna odpowiedzialność biznesu – raport z I etapu badania (2013.07). Retrieved form https://csr.parp.gov.pl/files/74/455/456/17648.pdf.

Belderbos, R., Capannelli, G., & Fukao, K. (2001). Backward Vertical Linkages of Foreign Manufacturing Affiliates: Evidence from Japanese Multinationals. *World Development*, 29(1).

Burt, R. S. (2001). *Structural Holes versus Network Closure as Social Capital*. In N. Lin, K. Cook & R. S.Burt (Eds.). *Social Capital: Theory and Research*. Nowy Jork: Aldine Transaction.

- CENTRUMCSRCSR.PL. Brudny zysk (2013). Retrieved form http://www.centrumcsr.pl/wp-content/uploads/2013/10/Raport\_Brudny-Zysk.pdf.
- Colla, E. (1997). La grande distribution en Europe. Paris: Vuibert.
- Ćwik, N. (2010). Wywiad z profesorem N. Craigiem Smithem z INSEAD Social InnovationCenter. Retrieved form http://www.rp.pl/artykul/493936.html?print=tak.
- Domański, T. (2001). *Strategie marketingowe dużych sieci handlowych*. Warszawa-Łódź: Wydawnictwo Naukowe PWN.
- Donaldson, T. (1989). *The Ethics of International Business*. New York-Oxford: Oxford University Press.
- Forum Odpowiedzialnego Biznesu. Raport. Odpowiedzialny biznes w Polsce. Dobre praktyki. (2013). Retrieved from http://odpowiedzialnybiznes.pl/wpcontent/uploads/2014/04/Raport\_Odpowiedzialny\_biznes\_w\_Polsce2013.D obre\_Praktyki.pdf.
- Forum Odpowiedzialnego Biznesu. Wspólna odpowiedzialność. Rola dostaw i zakupów. (2011). Retrieved form https://odpowiedzialnybiznes.pl/public/files/Wspolna\_odpowiedzialnosc\_FOB\_2011.pdf.
- Gorynia, M. (Ed.) (2005). Strategie firm polskich wobec ekspansji inwestorów zagranicznych. Warszawa: PWE.
- Gorynia, M. (2007). Strategie zagranicznej ekspansji przedsiębiorstw. Warszawa: PWE.
- Hansen, M. W., & Schaumburg-Muller, H. (2006). Introduction and Analytical Framework. In H. Schaumburg-Müller (Ed.). *Transnational Corporations and Local Firms in Developing Countries Linkages and Upgrading*. Copenhagen: Copenhagen Business School Press.
- Informacja o wynikach kontroli lokalizacji dużych obiektów handlowych (super i hipermarketów) (2002). Białystok: NIK.
- Jarillo, J. C. (1995). *Strategic Networks. Creating the Borderless Organization*. Oxford: Butterworth-Heinemann.
- Klimkiewicz, K. (2011). Społeczna odpowiedzialność przedsiębiorstwa jako wyraz kultury organizacyjnej. Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu.
- Kowalska, K. (2012). Rozwój polskich sieci detalicznych jako sposób ograniczania siły rynkowej międzynarodowych korporacji handlowych. Warszawa: Wydawnictwo Difin.
- Krall, J. (2001). Silna marka. Istota i kreowanie. Warszawa: PWE.
- Michałowska, G. (1994). Stosunki międzyspołeczne. Geneza, struktura, funkcjonowanie. Warszawa: WUW.
- Mikuła, B. (2006). *Organizacje oparte na wiedzy*. Kraków: Wydawnictwo Akademii Ekonomicznej w Krakowie.
- Nakonieczna, J. (2008). Społeczna odpowiedzialność przedsiębiorstw międzynarodowych. Warszawa: Wydawnictwo Difin.
- Przybylska, K. (2001). Determinanty zagranicznych inwestycji bezpośrednich w teorii ekonomicznej. Kraków: Wydawnictwo Akademii Ekonomicznej w Krakowie.

- Przybylska, K. (2005). Korzyści małych przedsiębiorstw działających w międzynarodowych sieciach produkcyjnych. In J. Rymarczyk & W. Michalczyk (Eds.). *Problemy regionalne i globalne we współczesnej gospodarce światowej*. Wrocław: AE we Wrocławiu.
- Przybylska, K. (2013). *Born global. Nowa generacja matych przedsiębiorstw.* Kraków: Fundacja Uniwersytetu Ekonomicznego w Krakowie.
- Ratajczak-Mrozek, M. (2010). Sieci biznesowe a przewaga konkurencyjna przedsiębiorstw zawansowanych technologii na rynkach zagranicznych. Poznań: Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu.
- Robbins, R. H. (2006). Globalne problemy a kultura kapitalizmu. Poznań: Pro Publico.
- Taymaz, E., & Kilicaslan, Y. (2005). Determinants of Subcontracting and Regional Development: An Empirical Study on Turkish Textile and Engineering Industries. *Regional Studies*, 39.
- UNCTAD (2001). World Investment Report 2001. Promoting Linkages. New York, Genewa: United Nations.
- Ustawa z dnia 23 kwietnia 1964 r. Kodeks cywilny. (Dz.U. 1964 nr 16 poz. 93).