Social Responsibility of Organizations.
CSR 1.0, CSR 2.0 and what's next?

Contents

Introduction

The presented volume of the Research Papers, devoted to the social responsibility of organizations, refers to the Visser's concept of CSR 1.0 and CSR 2.0. The concept does not concern so much the computer science categories but the progress and need to redefine its role in society. It is worth emphasizing that the CSR transition has different features depending on a company and country. It is a complex and diverse process, both from the perspective of time and space.

Within the framework of scientific discussion held on the CSR transition, several key areas of changes are pointed out. Firstly, early CSR understanding, often identifying it with philanthropy, slowly gives way to partnership relations and cooperation based on good communication between a company and a community. Secondly, the initiatives now should not be a minimalist response to social and environmental stakeholders' expectations but should be initiated by company's initiatives included in strategic plans and well-thought-out investments. Thirdly, the actions marked by image aspects and "produced" by PR departments will no longer constitute a credible motives confirmation for taking pro-social initiatives by a company. Enterprises will be judged on actual credible initiatives in the area of environment, society and ethics. Fourthly, a specialization (although still valid) will be gradually replaced by performances integrated into core companies' operations. Fifthly, the effects of pro-social activity of enterprises, being visible as a form of a product or service, should not be any longer a niche project, but should be directed to a wide audience. In other words – it is about converting the "nice-to-have" product to the "must-have" one. Sixthly, the expansion of the CSR concept from the local initiatives to the global venture will allow a more culturally diverse and internationally applied concept.

Summing up the transition from CSR 1.0 to CSR 2.0, it is important to mention the five principles that constitute the new approach: *creativity*, *scalability*, *responsiveness*, *glocality* and *circularity*. It is worth noting that the content presented and discussed by the Authors of the Research Papers, directly or indirectly relates to the above-mentioned principles. For example, the issues discussed by J. Szumniak-Samolej, K. Bachnik and M. Andrejczuk refer to the principle of *creativity*. The *scalability* principle corresponds with the issues mentioned by D. Teneta-Skwiercz, E. Jastrzębska, N. Saadi and A. Skrzypek, J. Kroik and J. Skonieczny, M. Roszkowska-Menkes as well. The next principle – *responsiveness* – can be visible in the papers written by G. Aniszewska, W. Huszlak, D. Teneta-Skwiercz, K. Bachnik, E. Jastrzębska and J. Szumniak-Samolej. The core idea of *glocality* principle is represented in the papers of K. Bachnik, E. Jastrzębska, D. Teneta-Skwiercz, J. Szumniak-Samolej. The last principle – *circularity* – is visible in K. Bachnik's and J. Szumniak-Samolej's paper.

In response to upcoming changes and parallel emerging questions "what's next?," I present with pleasure the Research Papers of Wrocław University of Economics, which not only describe current problems connected with the CSR concept, but also point out the new perspective and directions of CSR.

At this point, I would like to address my thanks to the reviewers of the Research Papers, whose efforts in the form of comments and suggestions expressed in the reviews contribute also a special part to the CSR discussion held on the pages of the current volume.

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WHAT DOES CSR REALLY STAND FOR?
AN ANALYSIS OF CORPORATE DEFINITIONS
OF CSR IN POLAND

CO NAPRAWDĘ OZNACZA
SPOŁECZNA ODPOWIEDZIALNOŚĆ BIZNESU?
ANALIZA DEFINICJI CSR NAJBARDZIEJ
ODPOWIEDZIALNYCH FIRM W POLSCE

Summary: Corporate social responsibility (CSR) is perceived as the building block for modern literature focused on the primary purpose of a firm and its role in society. CSR, however, can be still described as knowledge in a continuing stage of emergence with neither a dominant paradigm nor universal definitions, assumptions, nor methods. The lack of consensus in the literature is accompanied by the increasing ambiguity of understanding and implementation of CSR among companies. The goal of this paper is to explore how CSR is defined in the literature and contrast these findings with definitions used by the most responsible companies in Poland. The study is also aimed to identify challenges for future research in this field. In doing so, I conduct a content analysis of CSR definitions published on corporate websites and in documents of companies included in the "2015 Ranking of Responsible Companies." The study enabled to identify three themes that illustrate current understanding of the concept among the most responsible companies in Poland: (1) integration with core business strategy; (2) stakeholder relationships management; (3) sustainability.

Keywords: analysis, corporate social responsibility, corporate sustainability, definitions, stakeholder theory.

Streszczenie: Społeczna odpowiedzialność biznesu (*corporate social responsibility* – CSR) uznawana jest za podstawową koncepcję wyjaśniającą rolę przedsiębiorstwa w społeczeństwie. Wciąż jest to jednak obszar badań bez dominującego paradygmatu – charakteryzuje się brakiem wspólnego podejścia teoretycznego, uniwersalnych założeń czy metod. Brakowi konsensusu w literaturze towarzyszy wieloznaczność pojęcia CSR wśród przedsiębiorstw. Celem niniejszego artykułu jest zbadanie jak CSR jest definiowany w literaturze oraz zestawienie osiągniętych wyników z definicjami najbardziej społecznie odpowiedzialnych firm w Polsce. Badanie ma pozwolić również na identyfikację kierunków przyszłych studiów w tym obszarze. By osiągnąć tak postawione cele badawcze przeprowadzona została analiza definicji CSR opublikowanych na stronach i w dokumentach korporacyjnych firm uwzględnionych w „IX Rankingu odpo-

wiedzialnych firm 2015". Badanie pozwoliło na identyfikację trzech tematów ilustrujących współczesne rozumienie koncepcji CSR wśród analizowanych firm: (1) integracja ze strategią biznesową; (2) zarządzanie relacjami z interesariuszami; (3) zrównoważony rozwój.

Słowa kluczowe: analiza, definicje, firma zrównoważonego rozwoju, społeczna odpowiedzialność biznesu, teoria interesariuszy.

1. Introduction

CSR 1.0, CSR 2.0… and what next? Corporate social responsibility (CSR) is perceived as a building block for modern literature focused on the role of business in society. Although the origins of the research on CSR date back at least to 1950s,[1] it is still one of the most controversial concepts in management science. Over the decades it has attracted a range of criticisms. Some authors[2] negate the very idea of business people having any other responsibilities than their fiduciary duty to maximize shareholder wealth, while obeying the law and basic rules of ethics. They criticize the concept for being likely to reduce competition and economic freedom and to "undermine the market economy."[3] Others accuse CSR of being an empty promise, a mere response to anti-corporate movement, egoistic exercise and even a passing fad.[4] Many activities in the area of CSR are accompanied by companies' hypocrisy and are a mere attempt to keep the civil pressure down.[5] Corporate leaders often misuse the concept as a whitewashing tool to produce benefits only for their firms.[6] Many CSR initiatives have simply ended up characterizing stakeholders relationships as an "add-on luxury… or as damage limitation insurance, rather than as a core element of the business strategy."[7]

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[1] A.B. Carroll, Evolution of a definitional construct, *Business and Society* 1999, vol. 38(3), pp. 268–295.

[2] Just to name a few: D. Doane, The myth of CSR, *Stanford Social Innovation Review* 2005, http://bit.ly/1GDeUOu (date of access: 27.06.2015); M. Friedman, The social responsibility of business is to increase its profits, *The New York Times Magazine*, September 13, 1970; A. Karnani, CSR stuck in a logical trap, *California Management Review* 2011, vol. 53(2), pp. 105–111; A. Karnani, Doing well by doing good: The grand illusion. *California Management Review* 2011, vol. 53(2), p. 69; E. Sternberg, *The Stakeholder Concept: A Mistaken Doctrine*, Foundation for Business Responsibilities, London 1999, http://papers.ssrn.com/abstract=263144 (date of access: 27.06.2015).

[3] D. Henderson, *Misguided Virtue: False Notions of Corporate Social Responsibility*, New Zealand Business Roundtable, 2001.

[4] R. Mullerat, *International Corporate Social Responsibility: The Role of Corporations in the Economic Order of the 21st Century*, Kluwer Law International, Alphen aan den Rijn 2010, pp. 443–452.

[5] P. Fleming, M.T. Jones, *The End of Corporate Social Responsibility. Crisis and Critique*, Sage Publications, 2013.

[6] B. Horrigan, *Corporate Social Responsibility in the 21st Century: Debates, Models and Practices Across Government, Law and Business*, Edward Elgar Publishing, Cheltenham 2010, p. 35.

[7] R.E. Freeman, J. McVea, *A Stakeholder Approach to Strategic Management*, Working Paper, No. 1–2, 2001, Darden Graduate School of Business Administration, University of Virginia.

One of the main reasons for that is the inconsistency in the understanding of the concept itself.[8] CSR can be still described as knowledge in a continuing stage of emergence with neither dominant paradigm nor universal definitions, assumptions and methods.[9] The criticism of CSR has become a driving force for new ideas like the already mentioned CSR 2.0,[10] corporate citizenship,[11] sustainable value,[12] or creating shared value (CSV).[13] The rise of alternative concepts additionally increases the ambiguity of understanding of CSR among researchers and managers.

The goal of this paper is to explore how CSR is defined in the literature and to contrast these findings with definitions used by the most responsible companies in Poland. The study is also aimed to identify challenges for future research in this field.

The paper is organized as follows. Results of the broad literature review are presented in Section 2 introducing the concept of corporate social responsibility and identifying different streams in its understanding. The next section presents the results of content analysis of corporate CSR definitions of 74 companies included in the "2015 Ranking of Responsible Companies." The ranking is provided by *Dziennik Gazeta Prawna*, a Polish economic and legal newspaper, and audited by PwC. It is the most complex annual research on CSR practices of the largest Polish companies. It evaluates CSR performance in five areas: responsible leadership, stakeholders' dialogue, community involvement, responsible management and social innovation. The method for this research is based on a content analysis of the definitions derived from corporate websites and/or companies' documents (CSR/sustainability policies, CSR/sustainability reports, integrated reports). Final remarks with emphasis on the future CSR research are presented in the conclusion section.

2. Corporate social responsibility and related concepts

The literature concerning CSR is strongly atomized and does not allow forming any coherent theory. There is no consensus among researchers and managers regarding the definition of CSR, its basic principles, scope[14] and, finally, whether the corporate world has any responsibility towards other interest groups than shareholders.

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[8] B. Horrigan, *Corporate Social Responsibility…*, *op. cit.*, p. 35.

[9] A. Lockett, J. Moon, W. Visser, Corporate social responsibility in management research: Focus, nature, salience and sources of influence, *Journal of Management Studies* 2006, vol. 43(1), pp. 115–136.

[10] W. Visser, Future trends in CSR: The next 10 years, *CSR International Inspiration Series*, No. 11, 2012. http://bit.ly/10g1M2e (date of access: 15.10.2015).

[11] D. Matten, A. Crane, Corporate citizenship: Towards an extended theoretical conceptualization, *The Academy of Management Review* 2005, vol. 30(1), pp. 166–179.

[12] C. Laszlo, *The Sustainable Company: How to Create Lasting Value through Social and Environmental Performance,* Island Press, Washington 2003.

[13] M.E. Porter, M.R. Kramer, Creating shared value, *Harvard Business Review*, January-February 2011, pp. 1–17.

[14] E. Garriga, D. Melé, Corporate social responsibility theories: Mapping the territory, *Journal of Business Ethics* 2004, vol. 53(1/2), pp. 51–71; M. van Marrewijk, Concepts and definitions of CSR

The initial definition of CSR was introduced by Howard Bowen,[15] who understood it as "the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society." In the 1970s Johnson[16] argued that socially responsible decision making process refers to balancing a multiplicity of interests – not only striving for larger profits for firm's owners, but also taking into account employees, suppliers, dealers, local communities, and the nation (or, in modern terms, stakeholders). In one of the most cited definitions, proposed by Carroll,[17] CSR encompasses firm's economic responsibility to investors and consumers, legal responsibility to the government or the law, ethical responsibilities to society and discretionary (in other words philanthropic) responsibility to the community. This four-part definition of CSR was embedded in a conceptual model of corporate social performance (CSP) that incorporated the interaction between the categories of social responsibility, the social issues and the philosophy of social responsiveness.[18]

Classical understanding of CSR has been constructed around such notions as voluntarism, social altruism and profit sacrificing.[19] Some researchers and social leaders define CSR as "situations where the firm goes beyond compliance and engages in actions that appear to further some social good, beyond the interests of the firm and that which is required by law."[20] Within the altruistic view integration of business goals and societal needs is seen merely as a type of profit maximization strategy and not CSR at all.[21]

There is, however, growing opposition to this approach.[22] Lantos[23] argues that altruistic CSR is paradoxically unethical, since by having a negative influence on

and corporate sustainability: Between agency and communion, *Journal o f Business Ethics* 2003, vol. 44(2/3), pp. 95–105; A. McWilliams, D.S. Siegel, P.M. Wright, Corporate social responsibility: Strategic implications, *Journal of Management Studies* 2006, vol. 43(1), pp. 1–18.

[15] H. Bowen, *Social Responsibilities of the Businessman*, Harper & Row, New York 1953, p. 6, cited in A.B. Carroll, Evolution…, *op. cit*.

[16] H.A. Johnson, *Business in Contemporary Society: Framework and Issues*, Wadsworth, Belmont 1971, cited in A.B. Carroll, Evolution…, *op. cit*.

[17] A.B. Carroll, Three-dimensional conceptual model of corporate performance, *The Academy of Management Review* 1979, vol. 4(4), pp. 497–505.

[18] A.B. Carroll, Three-dimensional…, *op. cit*.; S.L. Wartick, P.L. Cochran, The evolution of the corporate social performance model, *The Academy of Management Review* 1985, vol. 10(4), pp. 758–769; D.J. Wood, Corporate social performance revisited, *The Academy of Management Review* 1991, vol. 16(4), pp. 691–718.

[19] B. Horrigan, *Corporate Social Responisbility*…, *op. cit*., pp. 34–35.

[20] A. McWilliams, D.S. Siegel, P.M. Wright, Corporate social responsibility…, *op. cit*.; see also D.P. Baron, Private politics, corporate social responsibility, and integrated strategy, *Journal of Economic Management Strategy* 2001, vol. 10(1), pp. 7–45.

[21] B. Horrigan, *Corporate Social Responisbility*…, *op. cit*., p. 282.

[22] B.W. Husted, D.B. Allen, Strategic corporate social responsibility and value creation among large firms. Lessons from the Spanish experience, *Long Range Planning* 2007, vol. 40(6), pp. 594–610; M. Vilanova, J.M. Lozano, D. Arenas, Exploring the nature of the relationship between CSR and competitiveness, *Journal of Business Ethics* 2008, vol. 87(S1), pp. 57–69.

[23] G.P. Lantos, The ethicality of altruistic corporate social responsibility. *Journal of Consumer Marketing* 2002, vol. 19(3), pp. 205–232.

corporate performance it infringes shareholders rights. What is more, Husted and Salazar[24] prove that strategic CSR can lead to higher benefits for both the company and society than the altruistic approach. In one of the latest definitions proposed by the European Commission,[25] CSR is viewed as a voluntary strategy that integrates social, ethical and environmental concerns with company's core business. The aim here is to: maximize the creation of shared value for shareholders, other stakeholders and society at large; identify, prevent and reduce possible adverse impacts of firm's operations. The presented definition stresses the importance of a system approach to CSR that covers all business processes. Strategic CSR leads to shared-value creation, i.e. simultaneous creation of social change and competitive advantage.[26]

Dahlsrud[27] analyzed 37 different CSR definitions published between 1980 and 2003 (although most after 1998) and identified five basic dimensions of the concept:

1. economic – socio-economic or financial aspects, including describing CSR in terms of a business operation;

2. social – the relationship between business and society;

3. environmental – the natural environment issues;

4. voluntariness – actions not prescribed by law, regulations specify the minimum socially acceptable level of CSR;

5. stakeholder – the relationship with stakeholders or stakeholder groups define optimal, individual to particular firm level of responsibility.

What is worth noting is that the first three dimensions describing the types of firms' impact are the same three that – being integrated or balanced – form building blocks of the sustainable development concept. Thus, CSR can be understood as a business contribution towards sustainable development.[28]

Dahlsrud suggests that definitions of CSR are predominantly congruent, as they consistently refer to the same five dimensions. Therefore, it is not the lack of one universally accepted definition that is problematic, but the fact that those available fail to present any guidance on how to manage CSR issues.

Over the last three decades scholars proposed numerous alternative concepts explaining the business–society relations, including:

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[24] B.W. Husted, J. de Salazar, Taking Friedman seriously: Maximizing profits and social performance, *Journal of Management Studies* 2006, vol. 43(1), pp. 75–91.

[25] COM(2011) 681, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A renewed EU strategy 2011-14 for Corporate Social Responsibility, Brussels. http://bit.ly/1yAbfQZ (date of access: 22.06.2014).

[26] M.E. Porter, M.R. Kramer, Creating…, *op. cit.*

[27] A. Dahlsrud, How corporate social responsibility is defined: An analysis of 37 definitions, *Corporate Social Resposibility and Environmental Management* 2008, vol. 15, pp. 1–13.

[28] ISO 26000:2010. Guidence on social responsibility.

- Corporate social performance (CSP) – a three-dimensional model integrating principles of CSR, processes of social responsiveness and outcomes of corporate behavior.[29] For some scholars CSP is simply a measure of CSR.[30]
- Corporate citizenship (CC) – an approach in which a firm is viewed as a rightful member of society with particular rights and responsibilities.[31] In the literature, CC is understood in three ways as: (1) voluntary activities in the area of corporate philanthropy (discretionary CSR); (2) a synonym for CSR; (3) administration of citizenship (social, civil and political) rights by corporations in the areas where governments fail to do so.[32]
- Corporate societal responsibility – a concept introduced by Andriof and McIntosh[33] in order to avoid the limited interpretation of term "social responsibility," since when it is translated into Continental European cultures and languages it applies to social welfare issues only. The term "societal responsibility" covers all dimensions of a company's impact on society.
- Corporate societal accountability (CSA) – an alternative term for CSR proposed by Goebbels,[34] who argues that the word "responsibility" should be replaced by "accountability", for it causes similar problems as "social."
- Corporate sustainability (CS) – a concept whereby businesses strive for triple bottom line (TBL),[35] i.e. simultaneous profitability, eco-efficiency and social responsibility.[36] CS is often used as a synonym for CSR. Van Marrewijk[37] argues, however, that these terms should be considered separately: on the one hand CSR as more focused on transparency, stakeholders dialogue and reporting; on the other hand, CS as an idea incorporating value creation, environmental management and human capital management;
- Corporate sustainability and responsibility 2.0 (CSR 2.0)[38] – a systemic approach to CSR that concentrates on overcoming the root causes of companies' present

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[29] A.B. Carroll, Three-dimensional…, *op. cit.*; S.L. Wartick, P.L. Cochran, The evolution…, *op. cit.*, pp.758–769; D.J. Wood, Corporate social performance…, *op. cit.*, pp. 691–718.

[30] A. McWilliams, D. Siegel, Corporate social responsibility and financial performance: Correlation or misspecification?, *Strategic Management Journal* 2000, vol. 21(5), pp. 603–609.

[31] D. Matten, A. Crane, W. Chapple, Behind the mask : Revealing the true face of corporate citizenship, *Journal of Business Ethics* 2003, vol. 45, pp. 109–120.

[32] *Ibidem*.

[33] J. Andriof, M. McIntosh (eds.), *Perspectives on corporate citizenship*, Greenleaf Publishing, Sheffield 2001, p. 95.

[34] M. Goebbels, Reframing corporate social responsibility: The contemporary conception of a fuzzy notion, *Journal of Business Ethics* 2002, vol. 44, pp. 95–105.

[35] W. Visser, *Corporate Social Responsibility and the Individual. A Literature Review*, Cambridge Programme for Sustainability Leadership Paper Series, No. 1, 2007.

[36] J. Elkington *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*, New Society Publishers, 1997.

[37] M. van Marrewijk, Concepts and definitions…, *op. cit.*

[38] W. Visser, *The Age of Responsibility: CSR 2.0 and the New DNA of Business*, Willey, London 2012.

unsustainability and irresponsibility, through revolutionizing products, processes and business models and lobbying for progressive national and international policies.

– Creating shared value (CSV) – a concept focusing on the integration of social and economic development. Its authors, Porter and Kramer,[39] suggest that social needs can also define markets and become source of innovation. Addressing societal needs and harms not only allows companies to minimize internal costs and operational risks, but also broadens search for new business opportunities.

In the last couple of decades, the theoretical framework of CSR has been built mostly on the basis of stakeholder theory.[40] The stakeholder theory is seen as a necessary process in the operationalization of CSR and as a complimentary body of literature.[41] The stakeholder approach allows identification of specific groups and persons business should consider in its CSR orientation.[42] There is strong consensus in the literature that stakeholder dialogue and engagement, defined as practices that an organization undertakes to involve stakeholders in a positive manner in its activities,[43] is an essential element of corporate social responsibility.[44] Greenwood[45] underlines that stakeholder engagement should not be understood as a synonym to CSR. Thus, as a process, it can be used in various areas of company's operations like corporate governance, human resources management, public relations, client service and even innovation management. Nevertheless, CSR strategies usually combine high level of responsibility towards all legitimate stakeholders with their engagement. Garriga and Melé[46] classified the main CSR theories and related approaches in four groups: (1) instrumental theories, in which social activities are means to achieve business goals; (2) political theories, which concentrate on the power of corporations in society and a responsible use of this power in the political arena; (3) integrative theories, in which the corporation is focused on the satisfaction of social demands; and (4) ethical theories, based on ethical responsibilities of corporations to society. The authors argue

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[39] M.E. Porter, M.R. Kramer, Creating…, *op. cit.*

[40] R.E. Freeman, S.R. Velamuri, A new approach to CSR: Company stakeholder responsibility, *SSRN Electronic Journal*. 2008, http://papers.ssrn.com/abstract=1186223 (date of access: 07.07.2014); A. McWilliams, D.S. Siegel, P.M. Wright, Corporate social responsibility..., *op. cit.*; E.R. Pedersen, Making corporate social responsibility (CSR) operable: How companies translate stakeholder dialogue into practice, *Business and Society Review* 2006, vol. 111(2), pp. 137–163.

[41] D. Matten, A. Crane, W. Chapple, Behind the mask…, *op. cit.*

[42] A.B. Carroll, Evolution…, *op. cit.*

[43] M. Greenwood, Stakeholder engagement: Beyond the myth of corporate responsibility, *Journal of Business Ethics* 2007, vol. 74(4), pp. 315–327.

[44] A. Dahlsrud, How corporate social responsibility..., *op. cit.*; M. Marrewijk, Concepts and definitions..., *op. cit.*; S.A. Waddock, C. Bodwell, S.B. Graves, Responsibility: The new business imperative, *The Academy of Management Executive* 2002, vol. 16(2), pp. 132–148.

[45] M. Greenwood, Stakeholder engagement..., *op. cit.*

[46] E. Garriga, D. Melé, Corporate social responsibility…, *op. cit.*

that most of the identified theories do not make explicit the implications of each specific approach for the aspects considered in other groups of theories.

International Organization of Standardization (ISO) attempted to end this definitional ambiguity by starting a working group to develop an international standard of social responsibility. ISO-26000,[47] introduced in 2010, provides guidance on how businesses and organizations can operate in a socially responsible way. According to the standard, CSR is "responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

– contributes to sustainable development, including health and the welfare of society;
– takes into account the expectations of stakeholders:
– is in compliance with applicable law and consistent with international norms of behaviour; and
– is integrated throughout the organization and practised in its relationships."

ISO-26000 is a widely recognized and used standard, especially among practitioners. However, it has not fully resolved the debate over the CSR definition. There is no consensus in the literature whether CSR should be defined from strategic or altruistic perspective. Although there are a growing number of authors advocating for the first approach, still some researchers criticize using business case rhetoric in CSR study and practice. What is more, as it will be proved in the next section of this paper, there still exist some definitional inconsistencies among companies.

On the one hand, the lack of an all-embracing definition of CSR and subsequent diversity and overlap in terminology, definitions and conceptual models[48] hampers academic debate, ongoing research and corporate implementation. On the other hand, CSR is too broad in its scope to be relevant to organizations and researchers.[49]

3. CSR understanding in Polish companies

The content analysis of CSR definitions shows that Polish CSR leaders define social responsibility in line with the results of Dahlsrud's[50] study referring to five dimensions, i.e. economic, social, environmental, voluntariness and stakeholders. They understand CSR as responsibility for their threefold impact on business environment that is realized by voluntary integration of stakeholder issues in management processes. The study enabled to identify three main themes that illustrate current understanding of the concept among the most responsible companies in Poland.

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[47] ISO 26000:2013…, *op. cit.*
[48] M. Goebbels, Reframing corporate social responsibility…, *op. cit.*
[49] M. van Marrewijk, Concepts and definitions…, *op. cit.*
[50] A. Dahlsrud, How corporate social definitions…, *op. cit.*

3.1. Integration with core business strategy

The results of the study suggest that Polish CSR leaders have, at least at the declarative level, a strategic approach towards social responsibility. CSR is understood as a business philosophy or type of organizational culture that introduces stakeholder expectations to strategic management process. Within the strategic approach, CSR is related to all management processes. Companies communicate their understanding of CSR in terms of business benefits and stress that it is not limited to mere philanthropy. CSR enables to build credibility and aims at long term, sustainable development of a company. Being an integral part of core strategy, CSR is believed to foster creation of firm's value. When integrated with management systems, it supports identification of business risks and opportunities, becoming an important source of innovation. In this way, CSR contributes to achievement of business goals.

3.2. Stakeholder relationships management

CSR is understood as company's responsibility for its impact on stakeholders, in particular employees, local communities, consumers, suppliers and business partners. In other words, stakeholders' issues define areas of business responsibility, enabling its operationalization. For Polish companies being responsible means formulating strategies that balance stakeholders' interests and address their needs. In this sense, CSR is strongly based on the premises of stakeholder theory. What is more, companies show strong commitment to strategic approach to CSR, as they refer in their definitions to creation of shared value, i.e. value for both shareholders and other stakeholders.

 The analysis enabled to identify two different approaches in linking CSR with stakeholder dialogue and engagement. According to the first approach, the latter serve as tools facilitating CSR strategy implementation. They enable to identify stakeholder needs, build trust-based relationship and credibility, and form cross-sectoral partnerships, making the achievement of CSR goals more effective.

 Within the second approach, cooperation with stakeholders is viewed as manifestation or quintessence of firm's responsibility. Understood as such stakeholder engagement becomes one of the defining elements of CSR.

3.3. Sustainability

The results of the study indicate that CSR is strongly related to the concept of sustainable development. There is, however, significant inconsistency in understanding of the relationship between these two terms. The analyzed definitions can be divided into four major groups, each representing different perspective on this subject.

 Within the first perspective, the terms "CSR" and "sustainable development"/ "sustainability" are used interchangeably. Social responsibility of business is defined

here identically as sustainable development as a strategy aiming at integration of social, economic and environmental goals (or in other words "people, planet, profit strategy").

According to the second perspective, compatible with ISO 26000 standard, CSR is understood as a business contribution to sustainable development on the macro level. The goal of CSR is to address world's major social and environmental challenges.

The third approach refers to CSR as to the social dimension of sustainability strategy. In the limited understanding, CSR means merely corporate philanthropy. The extended view encompasses all social issues taken into account in sustainability strategy, including relations with employees, local communities, social investments and human rights issues.

The fourth group consists of definitions that refer to CSR and sustainable development separately but do not explain the relationship between them. This is illustrated, for example, in the situation when a company introduces "CSR and sustainability strategy" and set no line between these two.

In addition to this, several companies in order to describe their business-society relationship strategies do not use the term "CSR" at all, but instead refer solely to the concept of sustainability.

4. Conclusion

There are several conclusions that can be drawn from the results of this study. Firstly, despite the lack of consensus among researchers whether CSR should be defined within the strategic or the altruistic approach, Polish companies present a coherent stand on that matter. CSR is predominantly communicated as an integral element of core business strategy. This may be due to the criticism that arose around the concept. On the one hand, business, being accused of hypocrisy and whitewashing, will not risk convincing stakeholders about its altruistic motivations. On the other hand, since – according to some authors – the concept is detrimental to market economy, strategic narrative may help managers to convince shareholders and potential investors about the business benefits of CSR. In the case of several firms, declarations of the strategic approach to CSR are reflected in their business models, integrated reporting process and product portfolio. Nevertheless, a further in-depth study is necessary in order to assess whether companies' truly introduce social responsibility to core business operations and, if yes, then how this impacts their performance and achievement of social and environmental goals. For a close link between CSR activities and core business strategy is believed, on the one hand, to increase the efficiency and effectiveness of social programs, as it allows a company to harness its unique resources and competences, and, on the other hand, to stimulate the development of new resources that may be translated into organization's competitive advantage.[51]

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[51] B.W. Husted, D.B. Allen, Strategic corporate social responsibility…, *op. cit*.

Secondly, some authors criticize the strategic approach for being unethical, as it assumes that a company invests only in those areas of CSR that deliver business benefits. While I would argue that integrating social and business goals or, in other words, "making money on CSR" is not unethical *per se*, the problem arises in a situation when there is a conflict of interests, when taking into account stakeholder interest requires giving up some business goals. It would be interesting to investigate when such conflicts occur and how companies presenting the strategic approach to the concept deal with them. In line with Porter and Kramer,[52] I suggest that these kinds of challenges create opportunities for innovation. Thus, I encourage further research focusing on conditions that foster companies' innovativeness in this area.

The next conclusion is that the analyzed definitions consistently refer to stakeholders as to those groups whose issues define areas taken into account in CSR strategy. If this is the case, then one might expect responsible companies to have better (characterized for example with higher levels of trust and credibility) relationships with more groups of stakeholders than an average company in the market. Sen et al.[53] suggest that CSR programs help deepen a firm's current relationship ties, as it has been proven that they have the potential to increase the intent of stakeholders to commit personal resources to the benefit of a company. Other authors[54] argue that socially responsible firms are more likely to enjoy greater trust, higher levels of satisfaction and loyalty among various stakeholders, including customers, employees, investors, business partners and communities. Future research may focus on testing these hypotheses. It would be in particular interesting to examine if the "quality" of stakeholder relationships is similar among responsible companies and if not, then what internal and external factors determine this quality.

Finally, the results of the study show that the ambiguity in the literature regarding relationship between the concepts of CSR and sustainability is strongly reflected in corporate definitions. The question arises whether this inconsistency has any practical implications for the companies and their stakeholders. Further qualitative studies focusing on the differences and similarities between companies from each of the identified groups and the way they implement their business–society relationship strategies could shed some light on this matter.

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[52] M.E. Porter, M.R. Kramer, Creating…, *op. cit.*

[53] S. Sen, C.B. Bhattacharya, D. Korschun, The role of corporate social responsibility in strengthening multiple stakeholder relationships: a field experiment, *Journal of the Academy of Marketing Science* 2006, vol. 34(2), pp. 158–166.

[54] S. Du, C.B. Bhattacharya, S. Sen, Corporate social responsibility and competitive advantage: Overcoming the trust barrier, *Management Science* 2011, vol. 57(9), pp. 1528–154; J. Surroca, J.A. Tribo, S. Waddock, Corporate responsibility and financial performance: the role of intangible resources, *Strategic Management Journal* 2009, vol. 31(5), pp. 463–490.

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