Socially Responsible Activities Addressed to Internal Stakeholders of Non-governmental Organisations

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Abstract:

Purpose: The activities of non-governmental organisations (NGOs) often focus on areas where the state and enterprises are unable to meet the existing social needs. Their activities are pro-social in nature and are often the result of grassroots initiatives and innovative ideas of human resources (HR) involved in their functioning. Due to the essence of NGOs, it can be presumed that they constitute a platform for popularising socially responsible activities. Among all activities of a socially responsible nature that are undertaken in NGOs, this article analyses activities addressed to internal stakeholders of NGOs. Therefore, the main aim of the article is to analyse socially responsible activities addressed to internal stakeholders of NGOs.

Design/Methodology/Approach: The article reviews the existing literature on non-governmental organisations and social responsibility (SR). Additionally, it analyses the own empirical research results. The obtained empirical data was subjected to statistical analysis, in which the frequency analysis and cross tables were used. In order to determine the significance of the differences between independent groups of measurements, the Student’s T-Test for independent groups was used. In all analyses, p <0.05 was adopted as the level of statistical significance. All statistical analyses were performed using the SPSS calculation packages and the Microsoft Excel spreadsheet software.

Findings: The research confirmed that the scope of socially responsible activities addressed to internal stakeholders of NGOs is wide and individual activities are offered by a different percentage of NGOs covered by the study.

Originality/Value: The research results fill the gap in terms of socially responsible activities addressed to internal stakeholders of NGOs. The findings are intended to stimulate and improve activity of NGOs in the analysed area. Literature studies confirm the lack of research in this field.

Keywords: Socially responsible activities, internal stakeholders, non-governmental organisations.

JEL Classification: J24, M54, 015.

Paper type: Research article.


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1. Introduction

Non-governmental organisations (NGOs) constitute an important pillar of a democratic state, implementing separate goals and functions in relation to the public and private sectors (Kafel, 2014; Nitescu and Mihai, 2019; Savaş and Karakaş, 2019; Andrzejczak, 2020; Mikołajczak, 2020). The term NGO was first used in the United Nations Charter in 1945. NGOs acted as consultants to the United Nations Economic and Social Councils (ECOSOC) and were officially recognized in Article 71 of the United Nations Charter (Reibaldi and Grimard, 2015; Savaş and Karakaş, 2019). In general, NGOs cover a wide range of organisations that are neither commercial nor state-owned (Mevlja and Kavcic, 2019).

NGOs are defined as “specific, contemporary forms of social self-organisation, structures integrating groups of citizens, characterised by a relatively mature social identity, a certain degree of organisation, the private nature of the initiative, voluntary participation, independence and non-profit, as well as – generally – a significant share of volunteering and a significant role in shaping human attitudes (both of people participating in organisations and having any contact with them)” (Gliński, 2006, p. 17).

The subject literature indicates that NGOs „must be founded by private individuals; be independent of states; be oriented toward the rule of law; pursue public rather than private interests as an objective; demonstrate a transnational scope of activities; and possess a minimal organisational structure” (Hobe, 1997, p. 194). Moreover, NGOs are described as development actors that can provide to the enhancing of social relations and cross-networks that can operate as a foundation for cooperative action and greater democratic participation (Abiddin et al., 2022).

In Polish legislation, the definition of NGOs is included in the Act of 24 April 2003 on activities of public interest and voluntary work (Text No. 873). Pursuant to Art. 3 sec. 2 of the cited act, NGOs are “1) which are not entities of the public finance sector within the meaning of the Act of 27 August 2009 on public finances or enterprises, research institutes, banks and commercial law companies which are state or local government legal persons, 2) non-profit-making – legal persons or organisational units without legal personality, which are granted legal capacity by a separate act, including foundations and associations”.

On the basis of the presented definitions, the characteristic features of NGOs include: structural independence from public authorities, organised form of activity, non-profit orientation, use of profit for statutory purposes, sovereignty, self-government and voluntary affiliation and participation in the activities of the organisation (Lewis, 2010; Willetts, 2011; Dąbkowska-Dworniak, 2020).

NGOs come under different terms, such as: non-profit, voluntary, humanitarian, independent, charitable, civil society, and public service organisations (Lewis, 2010;
Mevlja and Kavcic, 2019). In Polish literature on the subject, the terms “non-governmental organisation” and “non-profit organisation” are most often used. In the first approach, the organisations in question are opposed to the public sector, while in the second, they are different from the private sector (Schmidt, 2012; Bogacz-Wojtanowska, 2016). For the purposes of the research discussed in this article, the term and definition of NGOs contained in the Act of 24 April 2003 on activities of public interest and voluntary work (Text No. 873) were adopted.

The establishment and functioning of NGOs would not be possible without a specific group of people willing to engage in their activities. The specificity of the human capital of these organisations results, inter alia, from the diversity of stakeholders of these organisations. Internal stakeholders include: the authorities of the organisation, members of associations, employees, associates and volunteers. The external stakeholders include: beneficiaries, donors, partners, local communities, public administration or other NGOs (Brown and Moore, 2001; Mirońska, 2016; Mevlja and Kavcic, 2019).

Nowadays, organisations around the world, including NGOs and their stakeholders, are increasingly recognising the need and benefits of socially responsible activities (Krodkiewska-Skoczylas and Żarlicka, 2015). The concept of social responsibility (SR), based on taking into account the expectations of individual stakeholder groups towards a given organisation, allows for harmonising the goals of the organisation and all interested parties. This is especially important in the era of globalisation and increasing market competition (Wiśniewska, 2016).

The initial understanding of the concept of SR focused on philanthropic activities, such as making donations to charity (Edwards, 2015). These days, it is also characteristic of developing countries. Empirical evidence suggests that in developing countries SR practice is concentrating on philanthropic responsibilities (Gajadhur, 2022). The subject literature shows an evolution from social issues to social responsiveness and a development towards SR (Herciu, 2016).

Some categories of social responsiveness (economic, legal, ethical and discretionary) introduced by Carrol (1979) and agency theory (Friedman, 1970) are currently continued by the stakeholder theory (Freeman, 1984; Harrison and Freeman, 1999; Adomako and Tran, 2022) and resource-based approach (Hart, 1995; Branco and Rodrigues, 2006; McWilliams and Siegel, 2011). This concept was incorporated into the organisations’ strategies and in developed countries it became the basis for the functioning of most of them (Herciu, 2016; Gajadhur, 2022).

One of the most important document developed in the field of SR is ISO 26000 (Herciu, 2016). It constitutes the international standard, which was published in 2010 by the International Organisation for Standardisation (ISO), and is intended for the private, public, and non-governmental organisations. According to ISO 26000:2010 SR is “responsibility of an organisation for the impacts of its decisions
and activities on society and the environment, through transparent and ethical behaviour that (1) contributes to sustainable development, including health and the welfare of society; (2) takes into account the expectations of stakeholders; (3) is in compliance with applicable law and consistent with international norms of behaviour; and (4) is integrated throughout the organisation and practised in its relationships”. For the purposes of the research deliberated in this paper, the concept and definition of SR provided in the ISO 26000:2010 were applied.

It is worth emphasizing that, the SR concept promotes the idea that the activities of an organisation should be oriented towards meeting the needs and expectations of stakeholders of a given organisation, both internal and external, which is a valuable approach to building long-term relationships with all stakeholder groups. The basic activities in the field of SR include those aimed at internal stakeholders of the organisation. Their undertaking is particularly important in the conditions of the knowledge-based economy, in which capital is the source of creating the value of the organisation (Wiśniewska, 2016).

In the context of the presented premises, the main aim of the article is to analyse socially responsible activities addressed to internal stakeholders of NGOs.

2. Materials and Methods

For the purposes of the paper, literature studies on the subject and own empirical research were conducted. The main aim of the research was to analyse socially responsible activities addressed to internal stakeholders of NGOs. The following research questions were formulated in order to achieve this aim:

1. Do the respondents agree with the statement that a socially responsible organisation is one that takes into account the needs of internal stakeholders (management staff, employees, volunteers and other people involved in the functioning of the organisation) and what is the difference between women and men?
2. What socially responsible activities addressed to internal stakeholders of NGOs are most often implemented?
3. What benefits do the respondents perceive from the implementation of socially responsible activities by NGOs?
4. What barriers do the respondents perceive in the implementation of socially responsible activities by NGOs?

The research objects were internal stakeholders of NGOs: management staff, employees, volunteers and other people involved in the functioning of the organisation. The research subject were socially responsible activities addressed to internal stakeholders of NGOs. The geographic scope of the research covered Poland.
The study used the diagnostic survey method, the survey technique and the computer-assisted web interview (CAWI) as a research tool. The pilot study was carried out in January of 2021 and the main study between March and April of 2021. In the participant selection, the method of non-probability sampling was used – the snowball method. Due to the non-probability sampling, the obtained results cannot be generalised to the entire population. The research results may, however, be an exemplification of the undertaken research problem.

The obtained empirical data was subjected to statistical analysis, in which the frequency analysis and cross tables were used. In order to determine the significance of the differences between independent groups of measurements, the Student’s T-Test for independent groups was used. In all analyses, \( p < 0.05 \) was adopted as the level of statistical significance. All statistical analyses were performed using the SPSS calculation packages and the Microsoft Excel spreadsheet software.

A total of 112 respondents participated in the main study. It involved 83 women (74.11%) and 29 men (25.89%). The research covered representatives of the following age groups: up to 25 years (21.43%), 25-34 years (30.36%), 35-44 years (27.68%), 45-54 years (11.61%) and 55-64 years (8.93%).

The respondents represented the following education levels: basic vocational (0.89%), secondary general (16.07%), secondary technical (2.68%), post-secondary (12.5%), higher undergraduate (17.86%), higher engineering (1.79%) and higher graduate (48.21%). The participants held various positions in NGOs: director (8.04%), manager (11.61%), specialist (31.25%), executor (29.46%) and volunteer (18.75%) (Table 1).

**Table 1. Research sample characteristics**

<table>
<thead>
<tr>
<th>Specification</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>74.11</td>
</tr>
<tr>
<td>Male</td>
<td>25.89</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
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<tr>
<td><strong>Age</strong></td>
<td></td>
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<tr>
<td>Up to 25 years</td>
<td>21.43</td>
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<td>25-34 years</td>
<td>30.36</td>
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<tr>
<td>35-44 years</td>
<td>27.68</td>
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<tr>
<td>45-54 years</td>
<td>11.61</td>
</tr>
<tr>
<td>55-64 years</td>
<td>8.93</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
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<tr>
<td><strong>Educational level</strong></td>
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<tr>
<td>Basic vocational</td>
<td>0.89</td>
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<tr>
<td>Secondary general</td>
<td>16.07</td>
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<tr>
<td>Position held in the NGO</td>
<td>Percentage</td>
</tr>
<tr>
<td>---------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Director</td>
<td>8.04</td>
</tr>
<tr>
<td>Manager</td>
<td>11.61</td>
</tr>
<tr>
<td>Specialist</td>
<td>31.25</td>
</tr>
<tr>
<td>Executor</td>
<td>29.46</td>
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<tr>
<td>Volunteer</td>
<td>18.75</td>
</tr>
<tr>
<td>Other</td>
<td>0.89</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
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</table>

<table>
<thead>
<tr>
<th>NGO legal form</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>49.11</td>
</tr>
<tr>
<td>Association</td>
<td>48.21</td>
</tr>
<tr>
<td>Other</td>
<td>2.68</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>NGO size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro (0-9 employees)</td>
<td>44.64</td>
</tr>
<tr>
<td>Small (10-49 employees)</td>
<td>41.96</td>
</tr>
<tr>
<td>Medium (50-249 employees)</td>
<td>11.61</td>
</tr>
<tr>
<td>Large (from 250 employees)</td>
<td>1.79</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The range of activities of the NGO</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>33.93</td>
</tr>
<tr>
<td>Regional</td>
<td>38.39</td>
</tr>
<tr>
<td>National</td>
<td>23.21</td>
</tr>
<tr>
<td>International</td>
<td>4.46</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: Own study based on the collected empirical data.*

Furthermore, the respondents were representatives of NGOs with various legal forms, such as foundations (49.11%) and associations 48.21% as well as sizes: micro (44.64%), small (41.96%), medium (11.61%) and large (1.79%). Finally, the participants represented NGOs with a different range of activities: local (33.93%), regional (38.39%), national (23.21%) and international (4.46%). A detailed summary of the data on the characteristics of the research sample is included in Table 1.
3. Research Results

The survey checked whether the respondents agreed with the statement that a socially responsible organisation is one that takes into account the needs of internal stakeholders (management staff, employees, volunteers and other people involved in the functioning of the organisation) and what is the difference between women and men. In order to determine whether there is statistical evidence that the associated population means are significantly different, a series of analyses was carried out with the use of the Student’s T-Test for independent samples. Statistical analysis showed that women had a significantly higher score than men in terms of this statement, $t(60.359) = 0.222$, $p = 0.825$. The results of the statistical analysis are presented in Table 2.

**Table 2. The research question 1 - the statistical analysis**

<table>
<thead>
<tr>
<th>Sex</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Standard Error of the Mean</th>
<th>Student’s T-Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>3.95</td>
<td>1.343</td>
<td>0.147</td>
<td>$t = 0.222$</td>
</tr>
<tr>
<td>Male</td>
<td>3.90</td>
<td>1.081</td>
<td>0.201</td>
<td>$p = 0.825$</td>
</tr>
</tbody>
</table>

*Source: Own study based on the collected empirical data.*

Based on the analysis of the scope of socially responsible activities addressed to internal stakeholders of NGOs, it is worth noting that it is wide, and individual activities are offered by a different percentage of NGOs covered by the study. Flexible employment forms were the most commonly undertaken socially responsible activities by the surveyed NGOs (48.21%). The respondents indicated that in almost half of the studied NGOs (47.32%) a friendly work environment is created. An individual working time schedule is also a common activity (42.86%) (Figure 1).

Often undertaken activities also include developing the organizational culture based on dialogue between the managerial staff and other people involved in the functioning of the organisation (30.36%), task-based working time (29.46) and an incentive system stimulating the development of competencies (29.46%). It is worth emphasizing that for nearly one third of the NGOs covered by the research (27.68%), it is important to respect diversity, which means strict compliance with the prohibition of discrimination on grounds of, for example, gender, age, race, origin).

In about one-fourth of the surveyed NGOs (25.89%), it is also important to provide feedback, e.g. about the results of the person’s work (e.g. by the immediate supervisor). About one-fifth of the studied NGOs implement work-life programs supporting work-life balance (22.32%) and guarantee equal pay for men and women employed in equal positions (20.54%) (Figure 1).
In turn, training program taking into account the individual career path is offered by less than one-fifth of the surveyed NGOs (18.75%). Among the rarely undertaken socially responsible activities in the NGOs covered by the research, the following can be mentioned: ensuring employment stability (15.18%), the use of employee participation in the management of the organisation (e.g. supporting the initiatives of people involved in the functioning of the organisation) (15.18%) and planning a career path (15.18%).

The least frequently undertaken activities are also: work stress prevention programs (11.61), programs supporting pregnant women (10.71) and preparing successors as an instrument of retaining selected employees in order to prepare them for promotions to key positions in the organisation (10.71), programs supporting employees caring for a dependent person (a child, a disabled person, an elderly person) (9.82), programs for counteracting professional burnout (9.82) as well as job rotation consisting in the systematic transfer of a person from one position to another in order to increase knowledge, skills, work experience (9.82). It is worth noting that only 3.57% of the surveyed NGOs do not offer any of the discussed solutions. Detailed data on socially responsible activities addressed to internal stakeholders of NGOs is presented in Figure 1.

Importantly, the respondents notice the benefits of carrying out socially responsible activities addressed to internal stakeholders by the surveyed NGOs. Most often, the
implementation of this type of activities allows for the achievement of benefits in the form of creating a positive image of NGOs (59.82%). The benefits often mentioned by the surveyed NGOs also include: ethical treatment of internal stakeholders (43.75%), increasing the involvement of internal stakeholders in other socially responsible activities (41.07%). Moreover, about one-third of studied NGOs point out benefits such as increasing loyalty of internal stakeholders towards NGOs (31.25%) and increasing the creativity of internal stakeholders (29.46%). About one-fifth of the respondents indicate retention of talent in NGOs (21.43%) and higher level of motivation of internal stakeholders to undertake development activities in NGOs (19.64%).

In turn, the most rarely mentioned benefits include avoidance of the risk related to the occurrence of discrimination in the workplace (15.18%) and achieving the goals of the organisation (0.89%). At the same time, it is worth noting that 9.82% of the NGOs covered by the research do not indicate any benefits resulting from socially responsible activities addressed to internal stakeholders of NGOs. Detailed data regarding benefits of socially responsible activities addressed to internal stakeholders by the surveyed NGOs is shown in Figure 2.

**Figure 2. Benefits of socially responsible activities addressed to internal stakeholders by the surveyed NGOs**

Source: Own study based on the collected empirical data.
Unfortunately, there are also numerous barriers in the NGOs covered by the research that hinder or even inhibit the implementation of socially responsible activities addressed to internal stakeholders. About two-thirds of the respondents indicate the lack of necessary financial resources for the implementation of socially responsible activities as the main barrier (66.07%). The respondents also indicate the lack of awareness of the potential benefits of implementing socially responsible activities (43.75%).

Quite common barriers, indicated by about a quarter of the surveyed NGOs, are also too many “formalities” related to the implementation of specific socially responsible activities addressed to internal stakeholders (26.79%) and uncertainty as to the possibility of gaining benefits from the implemented socially responsible activities (25.00%). About one-fifth of the respondents mention the lack of experience in implementing socially responsible activities (19.64%).

In turn, the least frequently indicated barriers are: the lack of an incentive system conducive to undertaking socially responsible activities (12.50%), the lack of a separate unit responsible for organizing and coordinating socially responsible activities (10.71%), no need to implement new socially responsible activities (8.93%), no (or limited) access to social responsibility experts (8.04%) as well as failure to include socially responsible activities in strategic documents of NGOs (6.25%).

Additionally, it is worth noting that 12.50% respondents do not see “barriers” limiting the implementation of socially responsible activities addressed to internal stakeholders. Detailed data concerning barriers in implementing socially responsible activities addressed to internal stakeholders by the surveyed NGOs is demonstrated in Figure 3.

4. Discussion and Conclusions

The activities of NGOs often focus on areas where the state and enterprises are unable to meet the existing social needs. Their activities are pro-social in nature and are often the result of grassroots initiatives and innovative ideas of human resources (HR) involved in their functioning. Due to the essence of NGOs, it can be presumed that they constitute a platform for popularising socially responsible activities. Among all activities of a socially responsible nature that are undertaken in NGOs, this article analyses activities addressed to internal stakeholders of NGOs.

The analysis of the research results allows to conclude that NGOs often use solutions that enable their stakeholders to effectively manage their time. In general, HR involved in NGO activities have to reconcile this dimension of activity with others, such as paid employment in various entities, running a business, participation in various forms of education and training, as well as family and social life. Effective, and at the same time consistent with the concept of work-life balance, time
management is undoubtedly helped by such solutions as: flexible employment forms, an individual working time schedule or work-life programs.

**Figure 3. Barriers in implementing socially responsible activities addressed to internal stakeholders by the surveyed NGOs**

These activities should be considered desirable in the modern labour market (Omondi and K’Obonyo, 2018). Flexible working arrangements in enterprises have been identified as one of the key ways to balance work and other commitments (Evans, 2001). Empirical results show that offering flexible working hours promotes and facilitates work-life balance (Shagvaliyeva and Yazdanifard, 2014) as well as increases employee engagement, which in turn increases team performance (Shah et al., 2020).

It is difficult to assume that NGOs can compete, for example with corporations, in terms of the level of remuneration for work. This prompts them to use socially responsible solutions that help in recruiting and maintaining the necessary staff. Among them, it is worth emphasizing such activities as: creating a friendly work environment or developing the organizational culture based on dialogue between the managerial staff and other people involved in the functioning of the organisation.

The subject literature emphasizes that undertaking such activities is important for the proper functioning of contemporary organisations (Martins et al., 2008; Markey et al., 2015). Research indicates that a friendly work environment has a positive impact
on the level of employee productivity (Awan and Tahir, 2015) as well as job performance in organisations (Al-Omari and Okasheh, 2017). Research carried out in NGOs in Poland confirms that a friendly organizational culture is particularly important for the youngest generations in the labour market, such as the Y generation (Jamka, 2016).

Internal stakeholders are a key resource for NGOs. The effectiveness of their initiatives depends on the level of their motivation, commitment and competency. In this area, NGOs take advantage of the opportunities created by incentive system stimulating the development of competencies, training program taking into account the individual career path as well as providing feedback about the results of the person’s work (e.g. by the immediate supervisor). These instruments gain particular importance in the context of knowledge-based economy (Wiśniewska and Wiśniewski, 2016) and Industry 4.0 (Piwowar-Sulej, 2020).

Referring to the results of research on the benefits of socially responsible NGOs’ activities, it should be noted that they are mainly related to the possibility of creating a positive image of organisation, e.g. as an entity that ethically comes to its internal stakeholders. In the case of NGOs, their image is very important in the context of the possibility of achieving and maintaining the optimal number of internal stakeholders involved in their activities. It can be assumed that the better the image of an NGO, the easier it is to conduct an effective personnel policy. In turn, effective human resource management (HRM), implemented with the use of socially responsible solutions, translates into the level of commitment, loyalty and creativity of internal stakeholders of NGOs. It is worth emphasising that the indicated results of socially responsible activities are beneficial both for internal stakeholders and the NGO itself.

It is worth mentioning that the scale of benefits derived from the implementation of socially responsible solutions would be greater, if not for the barriers related to financing, the level of awareness of potential benefits, or bureaucracy. The issue of ensuring stable sources of financing for the activities of NGOs is the key problem of their activities. Often, initiatives that are successfully implemented on the basis of external funds, e.g. obtained under programs implemented by the European Union (EU), are phased out due to difficulties in obtaining the necessary funds from other sources. This problem also concerns socially responsible activities addressed to internal stakeholders of NGOs, which involve incurring financial outlays.

Moreover, NGOs generally focus on the leading area of operation and do not have extensive human resources with a broad understanding of a wide range of socially responsible activities that can be addressed to internal stakeholders. Limitations related to HR possessed increase concerns about the additional bureaucracy that internal stakeholders would have to face in increasing the scope of socially responsible activities directed at them.
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Netography: