Cultural Aspect of Social Responsibility Implementation in SMEs

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Abstract:

Purpose: The purpose of the article is to identify cultural factors considered in the social responsibility of micro, small and medium-sized enterprises.

Approach/Methodology/Design: In order to achieve the main goal, logit models were used. To assess the quality of estimated ordered logit models, the combined significance of all explanatory variables (significance of the model) and the Wald test were used. In order to identify factors shaping the CSR level, variables describing the organizational culture were adopted such as individualism-collectivism, distance to power and the level of tolerance of uncertainty.

Findings: Logit models allow for the identification of the key cultural parameters that will enable maintaining consistency between them and between the socially responsible activities. In terms of the individualism-collectivism dimension, for p = 0.05 the key factor in three cultural areas are the expectations towards work.

Practical Implications: The use of logit models allows managers to focus the CSR implementation process on the key cultural factors.

Originality/Value: The use of logit models to identify statistically significant factors depending on the dominant, three-dimensional cultural pattern, determining the level of awareness in the dimension of internal and external stakeholders and the general level of CSR awareness in micro, small and medium-sized enterprises.

Keywords: Corporate Social Responsibility, Corporate Culture, SMEs.

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Paper Type: Research paper.

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1. Introduction

The 21st century has been a time of changing conditions in which enterprises operate. These changes include the scale of changes and their intensity and range, but their direction is also becoming increasingly unpredictable. Customers' expectations are increasing – they want everything and they want it now. Owing to the development of modern communication channels and social media, they have access to knowledge in an instant. There is a growing group of conscious consumers who take many different criteria into account when making their decisions and the price is no longer the most important thing for them. Additionally, these people often get involved *pro publico bono* in social and awareness-raising actions, through which they affect the main currents of public and media discourse. It is not surprising that there are an increasing number of economic entities which take actions regarding socially responsible business (Vanhamme and Grobben, 2009). This trend is perfectly visible among listed companies, which – in addition to annual financial reports – increasingly often publish CSR reports (Bachmann, 2017). These are not obligatory, but the absence of a CSR report may cause a worse assessment of an entity by analysts as a lack of information increases the uncertainty factors and, thereby, the risk factor. There is growing awareness among management that social activities affect financial results, although practical implementation of the new perception of the role of companies in the society is not easy or fast. It depends on many factors, among which organisational culture plays a leading role. Only the coherence of CSR, cultural and strategy values guarantees the actual implementation of its assumptions.

The majority of analyses and publications on CSR activities concern large business entities. This is partly caused by the formalisation of activities and solutions based on separate CSR units in large organisations and, thus, the relative ease of observation (Russo and Perrim, 2010; Soundararajan, Jamali, and Spence, 2017; Vázquez-Carrasco and López-Pérez, 2013). Knowledge of the motives and conditions of socially responsible activities in the SME sector is still insufficient, despite the fact that the SME sector is the dominant form of economic activity in most countries of the world and it generates a significant number of jobs and GDP in the economies of individual countries. For example, 99.8% of business enterprises in the EU were classified as small in 2016. They generated 67% of jobs in the non-financial sector and 57% of added value (Cantele and Zardini, 2019). Despite this, publications on CSR devoted to SME are relatively scarce.

The main aim of the article is to identify the cultural factors determining the development of social responsibility of micro, small and medium-sized enterprises.

2. Theoretical Background

Awareness of corporate social responsibility in the public sphere is relatively recent, although most researchers place its conceptual foundations in Roman times, where

there were asylums, houses for the poor and the old, hospitals, orphanages, political clubs and funeral societies (Chaffee, 2017), or moves these boundaries even further, to the times of ancient Greece, when the Athenians took actions to prevent the untamed pursuit of self-interest at the expense of others (Hetzner, 1987). For the first time, the power of the social responsibility principle was demonstrated in South Africa by Sullivan, who published in the 1970s his seven principles aimed to end the apartheid (Coombs and Holladay, 2012). However, the dynamic development of interest in CSR issues occurred at the turn of the 1980s and 1990s. The main reason was the growing criticism of multinational corporations, as they relocated their production to developing countries. Community pressure brought about the start of work on defining clearer and more stringent requirements for the social responsibility of organizations (Ranägen, 2013).

The growth of the CSR concept is particularly noticeable in academic literature. Since 2010 the number of publications identified on Science Direct, Pro Quest and Web of Science has increased from 7,311 to 10,331, which is an increase of over 41%. This increase is not necessarily related to the practical implementation of the idea. What is crucial is that since 2015 there has been an increase in publications on the implementation of CSR and its impact on specific areas of an organization's performance (Agudelo, Johannsdottir and Davidsdottir, 2019).

Although the concept of CSR has been present in management theory and practice, it has still not been possible to agree on what it is, to define a generally accepted and credible theoretical framework (Russo and Perrim, 2010). Dahlsurd (2008) pointed out that any attempt to develop an objective definition is challenging, as there is no method to verify whether it is truly objective. Carroll (1979) claimed that "*for a definition of social responsibility to fully address the entire range of obligations business has to society, it must embody the economic, legal, ethical, and discretionary categories of business performance*". Later, he developed his model and proposed a pyramid of CSR, pointing to four types of responsibility: economic, legal, ethical and philanthropic.

The multitude of approaches and interests, often particular ones, is also a reason to question the reality of the very concept of socially responsible business. Some neoclassical economists claim that CSR, as a new model of corporate behaviour, aims at changing the way the market operates, by forcing unnecessary attention to the public good, or even that it is a "dangerous concept" and it threatens the foundations of the market economy (Wan Jan, 2006). Especially Friedman (1970) and Mulligan (1986) opposed the idea of corporate social responsibility. He based his theories on three pillars (Friedman, 1970[4]): (1) organisations are not human and there is no real moral responsibility in them; (2) managers have been appointed to act for the benefit of shareholders and they should be accountable for these activities; (3) managers should not decide what is in the best interest of the society.

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[4]*http://umich.edu/~thecore/doc/Friedman.pdf, retrieved 5.08.2019*

Social issues are a matter for the state, not for managers. According to Friedman (1970), the political principle underlying the market mechanism is clear. In an ideal free market based on private property, cooperation between parties is voluntary. All parties benefit from the cooperation or may not participate in it. There are no values, no "social" obligations other than the shared values and obligations of individuals. In a free society, there is only one corporate social responsibility - to use resources and engage them in profit-making activities as long as they are in line with the rules of the game, engaging in open and free competition without fraud (Bonnafous-Boucher and Rendtorff, 2016). On the basis of the above Carroll (1991) argued that Friedman actually accepts the first three levels of the pyramid, rejecting only the philanthropic aspect.

The concept of CSR is based on social responsibility and accountability, recognising the importance of stakeholders, anticipating and taking into account their expectations and involvement in the strategy development process (Coombs and Holladay, 2012). According to Carroll (2016), it personalises social responsibility by defining specific groups or individuals whom an organisation should consider in its CSR orientation. The theoretical context of applying the new concept was comprehensively developed by Freeman (1984), who pointed to the need to reconceptualise the nature of the organisation, especially in terms of perception, understanding and managerial action. He argued that organizations must extend their responsibilities beyond the traditional area (shareholders, customers, employees, suppliers) by moving the boundaries to a network of stakeholders that he defined as any entity or person who does or can influence the achievement of the organization's goals. Together with their stakeholders, organisations build lasting strategic relationships that can contribute to long-term competitive advantage (Verbeke and Tung, 2013).

Criticism of the CSR concept stems from the fact that many observers perceive social activities of an organisation instrumentally, as marketing tools for building a positive image on the market. Ethical values proclaimed by global corporations and the implementation of CSR practices are confronted with the reality of activities. Financial speculations, the increase in social inequalities, actions in "developing" countries, questionable accounting, tax evasion or environmental disasters are just some examples (González-González *et al.,* 2019). Scepticism about the real motivation of companies involved in CSR also appears in consumer research. In general, consumers fear that CSR is just a "trick" that companies use to manipulate them (Vanhamme and Grobben, 2009). Barthold (2013) points out that CSR provides a convenient discourse for stakeholders, creating a myth that they behave responsibly. It creates the illusion that the harmful influence of a corporation can be solved by mutual responsibility of equal stakeholders, instead of political confrontation between antagonistic goals.

Despite a huge number of studies on business ethics, the business world is not aware of them. To the contrary, recent corporate scandals rather suggest a decline in

business ethics, which shows that corporate leaders are still failing to deliver on their declarations. Sustainability and feasibility of CSR activities requires a change in organisational culture.

The concept of organizational culture has many meanings and connotations. The evolution in the perception of organizational culture has made it interdisciplinary and it became an area of interest for many different sciences and research orientations (Siemiński and Krukowski, 2018). One of the most frequently cited definitions is the proposal of Schein (2009) who described it as *"culture is a pattern of shared tacit assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems"* (Schein, 2009, p. 27). Schein claims that group culture refers to social units of all sizes. New members learn the culture through various processes of socialisation and communication.

Influenced by external factors and internal processes, organizations create unique organizational cultures. Just as there are no two identical human entities, there are no identical organizations. However, as in psychology, we can set criteria through which we can try to classify them, due to certain similarities of characteristics. Such classifications are undoubtedly a simplification measure, but a very useful one for managers. They allow for more precise prediction of how the behaviour of an organisation, its members and internal processes will change and for the selection of tools for their formation.

We can distinguish three fundamental approaches to organizational culture; the dimensional approach, the related approach to structure and the approach to typology. The dimensional approach focuses on measuring organizational culture using scales that can be linked to other, mostly dependent, variables of interest. Structure-related approaches focus on linking culture to other structures or characteristics of the organisation and less to individual variables. Typological approaches are based on predefined key characteristics that divide cluster organisations into certain categories, without necessarily defining the relationship between these characteristics (Dauber, Fink and Yolles, 2012). This article uses a dimensional approach, based on a three-dimensional model; individualism versus collectivism, large versus small power distance and low versus high uncertainty tolerance.

Collectivism is measured by the strength of the group's influence on the individual (Hofstede, Hofstede and Minkov, 2010). At the organizational level, it is determined by the degree to which employees are willing to accept the superiority of common group interests over those of the individual. Collectivism is sometimes presented as a primary orientation on common goals and tasks, while individualism as a primary orientation on oneself (Trompenaars and Hampden-Turner, 1997). In individualistic cultures, individuals have their opinions. It is assumed that relationships within an

organization should be different from those within the family, because they are based on agreements that allow for benefits for each party. These cultures emphasise the need to separate personal and professional life. In collectivist cultures, an organisation is a group of cooperating people for whom the common interest is more important than their own. The organization strives for harmony, conflicts are avoided and the goals of the organization are those of its members (Krukowski, 2016). Typical features of collectivism can be observed in the tools used to engage stakeholders, which include participatory and integrative processes. Forms of cooperation and methods of personalized engagement include online communities, forums and corporate blogs. A corporate website will support two- and multi-directional communication processes (Vollero, Palazzo and Amabile, 2019).

Table 1. *Individualism vs collectivism*

Individualism	Collectivism
interests of an individual more important than that of the organisation;	interests of the organisation more important than that of an individual;
an organisation is a group of entities with different interests;	an organisation is a group of cooperating individuals;
rivalry is essential;	cooperation is essential;
an organisation is based on eminent individuals;	an organisation is based on teams;
interests of individuals and organisations are divergent;	interests or organisations and employees are common;
an organisation operates owing to the freedom of individuals;	an organisation operates owing to group solidarity;
Non-conformism;	conformism;
strict separation of work from private life;	social and professional life are intertwined;

Source: *Prepared by the authors based on: Czerska, 2003; Sułkowski, 2012; Sitko-Lutek, 2004; Hofstede, Hofstede and Minkov, 2010; Siemiński, Krukowski and Szamrowski, 2014.*

Based on the above, the authors posed the following research question:

Q1: Which characteristics of the individualism-collectivism culture dimension affect the development of social responsibility of micro, small and medium-sized enterprises?

Power distance is defined as a scope of expectations and acceptance for uneven distribution of power, expressed by less influential members (subordinates) of an institution or organisation (Hofstede, Hofstede and Minkov, 2010). This dimension characterises the approach of an organisation to inequality. Inequalities are regarded as something obvious and natural in cultures with a large power distance. Symbolic actions will be used to stress them. Employees have little decision freedom. Knowledge is a source of prestige and it is superior to ethics. In cultures with a small power distance, it is believed that people should be equal to each other, and the hierarchy is the inequality of roles rather than of people. Subordinates and managers

work together. Power is based on legitimacy, it must be ethical and is subject to control (Oliver, 2011).

Table 2. *Power distance*

Small power distance	Large power distance
minimising social inequalities;	regarding social inequalities as natural, helping to keep social order;
reliance of people on one another;	granting independence only to some;
hierarchy is an inequality of roles;	hierarchy is an inequality of people;
a superior must be accessible to their subordinates;	a superior is inaccessible;
power must be legitimate, permanently under scrutiny, exercised in an ethical manner;	power is superior to ethics and legality;
all people should have equal rights;	people with power have a right to show it;
the system is to blame for errors;	improperly working people are to blame for errors;
power redistribution as a way of changing the social system;	replacement of people with power as a way of changing the social system;
a superior does not feel threatened by subordinates;	a superior feels threatened by subordinates;
subordinates and superiors work together;	there is a hidden conflict between superiors and subordinates;
people without power can work together;	people without power have no respect to one another and cannot cooperate;

Source: *Prepared by the author based on: Czerska, 2003; Sułkowski, 2012; Sitko-Lutek, 2004; Hofstede, Hofstede and Minkov, 2010; Siemiński, Krukowski and Szamrowski, 2014.*

Based on the above, the authors put the following research question:

Q2: Which characteristics of the power distance culture dimension affect the development of social responsibility of micro, small and medium-sized enterprises?

Organisations with high uncertainty tolerance acquire the features of suppleness. They can adapt quickly to new conditions, they draw force from changes, treating them like new opportunities. They support actions aimed at actively seeking new solutions that undermine the status quo. Employees are granted a right to make decisions and to take risks. Flattening of structures and real decentralisation and emancipation of employees, management based on problem-solving in teams give the synergy effects, particularly in the context of promoting diverse opinions.

Q3: Which characteristics of the uncertainty tolerance level culture dimension affect the development of social responsibility of micro, small and medium-sized enterprises?

Table 3. *Culture of low vs high uncertainty tolerance*

Culture of low uncertainty tolerance	Culture of high uncertainty tolerance
following well-trodden paths;	openness to new experiences, experiments;
no right to take risks, decisions are taken on high levels of authority, autocracy;	a right to take risks, employees are part of the decision making and self-control process;
problems are solved at the management level, employees with low self-esteem;	problem-solving in groups, increased identification with the organisation, improved self-esteem;
relations between a superior and subordinate are strictly hierarchical and formalised;	relations between a superior and subordinate are based on discussions and experience sharing;
the system is centralised, information flow is relatively slower;	de-formalised communication network, also having horizontal connections, swift information flow;
power based on formal authority;	power based on personal authority;
the culture of the "one best solution" is prevailing;	the culture of diverse opinions helps to build partnership;
changes in the surroundings perceived as a threat to the organisation;	changes in the surroundings perceived as opportunities;
no loyalty to the organisation;	great loyalty to the organisation;
work regarded as an inconvenience, unpleasant necessity;	work is a natural need of the man;
assessment criterion: compliance with procedures;	assessment criterion: work effectiveness.

Source: *Prepared by the author based on: Czerska, 2003; Sułkowski, 2012; Sitko-Lutek, 2004; Hofstede, Hofstede and Minkov, 2010; Siemiński, Krukowski and Szamrowski, 2014.*

The classification of organisational cultures proposed in the paper was selected because of a key set of characteristics for an organisation which operates in a dynamic, changeable, often stormy environment.

3. Research Objective, Methodology and Data

The main aim of the article is to identify the cultural factors determining the development of social responsibility of micro, small and medium-sized enterprises. The study covered micro- small and medium-seized enterprises, which have their headquarters in Poland. Altogether 373 completed surveys were obtained from the study. Their correctness was verified as a result of which 334 of them were qualified for further analysis. The maximum error is 5% at the level of confidence of $\alpha=0.05$.

Quantitative methods were used in the research. The adopted study methodology assumed conducting a survey and contacting entrepreneurs by mail and by an internet survey questionnaire. Data were obtained using the key informant technique, which is consistent with earlier research (Liu *et al.,* 2010). The choice of the manager as the respondent is supported by the fact that owing to their position, they

have knowledge of human resource management, including the values and norms in the firm and the measures taken regarding corporate social responsibility.

The study was carried out in a two-step procedure. The pilot study was conducted in Q1 of 2019 and it covered 30 selected entities. After the research tool was verified, the study proper was conducted in Q2 2019. A tool which diagnoses the existing cultural profile was used to carry out research in the first thematic area; three dimensions were covered: uncertainty tolerance, power distance and collectivism vs individualism (Czerska, 2016). An original set of questions was used to determine the characteristics of CSR measures in a SEM; it was used to describe three areas: relations of the organisation with internal and external stakeholders, and perception of socially responsible behaviour. The survey questionnaire sought answers to predefined closed questions. A five-grade R. Likert's scale was used to determine the phenomenon intensity. The respondents indicated the state among the described characteristics which was best for their organisations. The declarations were clear, i.e. only one answer to a question was allowed.

Based on the research data, a number of explanatory models were estimated which affected each CSR dimension. The following were adopted as response variables:

Y1 – the variable which characterises the CSR level with respect to internal stakeholders.
Y2 – the variable which characterises the CSR level with respect to external stakeholders.
Y3 – the variable which characterises the CSR level with respect to perception of socially responsible behaviour.

Each of the response variables adopts the ordered values from the set $\{1,2,3,4,5\}$. Models dedicated to arranged variables – ordered logistic regression – were estimated for thus determined response variables. Ordinal logistic regression (often just called 'ordinal regression') is used to predict an ordinal dependent variable given one or more independent variables. It can be considered as either a generalisation of multiple linear regression or as a generalisation of binomial logistic regression.

Factors affecting the assessment of individual CSR aspects were identified with ordered logistic regression described with the formula:

$$y_i^* = x_i^T \beta + u_i \tag{1}$$

where $i = 1,2,\ldots,n$ denote consecutive objects (respondents – objects under study), y_i^* - unobservable variable referring to *i*-th observation (entity),
β - is a corresponding vector of crash-specific variable effects,
x_i^T - is a vector of exogenous attributes,

u_i - is a standard normal random error term that impacts the latent propensity and that is assumed to be identically and independently distributed across crashes *i*.

The latent propensity y_i^* is next mapped to the observed injury level y_i .

The quality of estimated ordered logistic regression was assessed with the following characteristics (Greene and Hensher, 2010):

1. Testing the total significance of all the explanatory variables (model significance) based on the likelihood ratio test based on the statistic LR = 2(lnL – lnL₀), with a chi-square distribution with p degrees of freedom, equal to the number of estimated parameters (with the estimated threshold values excluded),
where:
L – the value of the likelihood function for the model under study,
L₀ – the value of the likelihood function for the model which takes into account only the constant.
2. Wald test – testing the significance of parameter assessment (the zero hypothesis assumes no significance of each model parameter separately):

$$\begin{cases}H_0: \beta_i = 0 \\ H_1: \beta_i \neq 0\end{cases} \qquad z = \frac{\widehat{\beta_i}}{D(\widehat{\beta_i})} \qquad (2)$$

3. Pseudo – R^2 McFaddena:

$$R^2 = 1 - \frac{lnL}{lnL_0} \qquad (3)$$

To diagnose the factors that affect the CSR level, variables describing the organisational culture were adopted: individualism-collectivism, power distance and uncertainty tolerance level (Table 4).

Table 4. *Variables describing organisational culture*

Variable	Item
	Individualism vs collectivism
P1	Importance of team achievements
P2	Method of solving emerging problems
P3	Sharing knowledge
P4	Importance of team work
P5	Atmosphere at work
P6	Results under assessment
P7	Importance of conflict at work
P8	Expectations towards work
P9	Objectives pursued at work
P10	Work-private life balance

P11	Spending time together at the organisation
P12	Appreciated skills
Variable	**Large vs small power distance**
P13	Accessibility of the superior
P14	Superior-subordinate relations
P15	Scope of discussions with a superior
P16	Sources of the superior's knowledge
P17	Scope of independence and initiative
P18	Attitude towards a superior's suggestions
P19	Possibility of showing initiative
P20	Importance and rank of formal attributes of power
P21	Possibility of expressing one's views
P22	An employee's impact on their work and its outcome
P23	Comments passed on by the superior
P24	Support from the superior
P25	Sharing authority by the superior
P26	Effect of managerial control
Variable	**Low vs high uncertainty tolerance**
P27	Easy acceptance of change
P28	The effect of unpredictable future conditions and tasks on operation of the organisation
P29	Attitude to change
P30	Importance of procedures and results
P31	Importance of obedience and creativity
P32	Right to take risks
P33	Attitude to formal procedures
P34	Attitude to the failure to follow standards
P35	Importance of stabilisation and development opportunities
P36	Attitude to present times

Source: *Prepared by the authors based on Czerska, 2016.*

4. Results and Discussion

Parameters of ordered logistic regression were estimated at the first step; Y_1, Y_2, Y_3, were taken as response variables and factors related to "individualism-collectivism" (i.e. questions P1-P12) (Table 1). The assessment of the total significance of the estimated models shows that the models are statistically significant ($p<0.05$). However, though significant, the information that the explanatory variables contribute to the model explains the assessment of individual aspects of CSR to a limited extent. This is shown by a low value of *pseudo-R^2*. The Wald's test for

parameter significance conducted for the first model showed that only the parameters at the explanatory variables P1 (importance of team achievements) and P8 (expectations towards work) are statistically significant. Furthermore, the parameters at variables P2 (problem-solving method), P5 (atmosphere at work), P12 (appreciating skills) can be regarded as statistically significant at the significance level of $p=0.10$.

Table 5. *Estimation results for parameters of ordered logistic regression for variables Y_1, Y_2, Y_3, explanatory variables – individualism-collectivism*

Variable	Y1 - CSR – internal stakeholders			Y2 - CSR – external stakeholders			Y3 - CSR – perception of CSR-related behaviour		
	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value
P1	-0.2559	0.1192	0.032	-0.0307	0.1169	0.792	0.1534	0.1170	0.190
P2	0.1769	0.0932	0.058	0.2122	0.0951	0.026	0.1560	0.0943	0.098
P3	0.0116	0.1047	0.912	0.0320	0.1066	0.764	0.0473	0.1051	0.653
P4	-0.0561	0.1147	0.624	0.0200	0.1090	0.854	0.0196	0.1131	0.862
P5	0.1982	0.1160	0.088	-0.1974	0.1114	0.076	-0.1533	0.1142	0.179
P6	0.9830	0.0885	0.266	0.1821	0.0893	0.041	0.1956	0.0911	0.032
P7	0.0721	0.0985	0.464	0.1720	0.0983	0.080	0.1357	0.1005	0.177
P8	0.2403	0.1033	0.020	0.3075	0.1024	0.003	0.2571	0.1065	0.016
P9	0.1363	0.1161	0.240	-0.0951	0.1124	0.397	0.2663	0.1196	0.026
P10	-0.0270	0.0855	0.753	0.0758	0.0829	0.361	0.0606	0.0848	0.475
P11	0.1373	0.0908	0.130	-0.0246	0.0890	0.782	0.0803	0.0896	0.370
P12	0.1586	0.0908	0.081	0.2143	0.0921	0.020	0.0146	0.0907	0.872
Log likelihood	-346.13584			-395.84912			-357.37974		
McFadden's pseudo R-squared	0.0496			0.0627			0.0748		
p-value	0.0000			0.0000			0.0000		
Number of obs	334			334			334		

Source: *Prepared by the authors based on research.*

In the second model, variables P2 (problem-solving method), P6 (results under assessment), P8 (expectations towards work) and P12 (interpersonal skills are important at work) are statistically significant at the level of $p=0.05$ and variables P5 (atmosphere at work) and P7 (a conflict brings out existing problems and helps to solve them) are significant at the level of $p=0.10$. In the third model – variables P6 (results under assessment), P8 (expectations towards work), P9 (objectives pursued at work) are significant at $p=0.05$, while variable P2 (method of solving emerging problems) is significant at $p=0.10$.

At the second stage, parameters of ordered logistic regression were estimated, in which Y_1, Y_2, Y_3, were again taken as response variables and the factors related to the power distance (i.e. questions P13-P26) (Table 2) – as explanatory variables.

Like with the models estimated in the first step, the total parameter significance test indicates that the models are statistically significant despite relatively low values of *pseudo-R^2*. Statistically significant factors at the significance level of $p=0.05$ in the first model include only P14 (nature of superior-subordinate relation) and P24

(support from one's superior), whereas at the significance level of *p*=0.10 – P17 (scope of independence and initiative).

Table 6. *Estimation results for parameters of ordered logistic regression for variables Y₁, Y₂, Y₃, explanatory variables – power distance*

Variable	Y1 - CSR – internal stakeholders			Y2 - CSR – external stakeholders			Y3 - CSR – perception of CSR-related behaviour		
	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value
P13	-0.8176	0.1224	0.504	-0.0901	0.1220	0.460	0.1193	0.1247	0.339
P14	0.2082	0.1000	0.037	0.2438	0.0991	0.014	-0.1347	0.0998	0.177
P15	-0.0282	0.1217	0.817	-0.0583	0.1204	0.628	-0.4289	0.1253	0.001
P16	-0.0395	0.0989	0.689	0.1215	0.0993	0.221	0.1392	0.0995	0.162
P17	0.2208	0.1145	0.054	0.0277	0.1136	0.807	0.2310	0.1168	0.048
P18	0.0801	0.1132	0,479	0.2594	0.1125	0.021	0.3080	0.1153	0.008
P19	0.1338	0.1074	0.213	0.3710	0.1074	0.001	0.1229	0.1087	0.258
P20	-0.0545	0.1145	0.634	0.0367	0.1144	0.749	0.0059	0.1173	0.960
P21	0.0590	0.1181	0.617	-0.2007	0.1190	0.092	-0.3321	0.1227	0.007
P22	-0.0699	0.1046	0.504	0.0834	0.1075	0.438	-0.0414	0.1063	0.697
P23	0.0473	0.1181	0.689	0.1669	0.1165	0.152	0.3983	0.1247	0.001
P24	0.2922	0.1321	0.027	-0.1659	0.1290	0.198	0.1756	0.1304	0.178
P25	0.1698	0.1163	0.144	0.0203	0.1166	0.862	0.1187	0.1174	0.312
P26	-0.0016	0.1117	0.989	-0.0493	0.1105	0.656	0.3620	0.1146	0.002
Log likelihood	-343.59862			-387.4599			-350.0083		
McFadden's pseudo R-squared	0.0566			0.0826			0.0939		
p-value	0.0002			0.0000			0.0000		
Number of obs	334			334			334		

Source: Prepared by the authors based on research.

The factors affecting the variable Y2 assessment at the significance level of *p*=0.05 include P14 (nature of superior-subordinate relations), P18 (attitude to superior's suggestions), P19 (possibility of showing initiative), and at the significance level of *p*=0.10 – P21 (possibility of expressing one's views). Parameter estimation in the third model revealed the significant factors affecting the assessment of CSR – these include P15 (scope of discussion with a superior), P17 (scope of independence and initiative), P18 (attitude towards the superior's suggestions), P21 (possibility of expressing one's views), P23 (comments made by the superior), P26 (effect of managerial control) (*p*=0.05).

The third, and final, stage involved examination of factors regarding tolerance and uncertainty affect the assessment of individual aspects of CSR. To this end, parameters of ordered logistic regression were estimated, in which Y₁, Y₂, Y₃, were again taken as response variables (Table 3).

Table 7. *Estimation results for parameters of ordered logistic regression for variables Y₁, Y₂, Y₃, explanatory variables – uncertainty tolerance level*

Variable	Y1 - CSR – internal stakeholders			Y2 - CSR – external stakeholders			Y3 - CSR – perception of CSR-related behaviour		
	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value	Coef.	Std.Err.	p-value
P27	0.2237	0.1222	0.067	0.0131	0.1214	0.914	0.1203	0.1199	0.316
P28	0.2189	0.1084	0.043	0.2301	0.1089	0.035	0.1831	0.1091	0.093

P29	0.0353	0.1355	0.795	-0.0629	0.1360	0.644	0.2152	0.1392	0.122
P30	0.8889	0.1058	0.401	0.3040	0.1056	0.004	0.0231	0.1053	0.826
P31	0.2797	0.1135	0.014	0.0753	0.1136	0.508	0.1881	0.1163	0.106
P32	0.0777	0.1196	0.516	0.2651	0.1232	0.031	0.0725	0.1218	0.552
P33	0.1449	0.1005	0.149	0.1752	0.1004	0.081	0.0172	0.1010	0.865
P34	-0.0085	0.1106	0.939	0.1188	0.1092	0.277	-0.0856	0.1092	0.433
P35	0.0472	0.1065	0.658	0.3582	0.1111	0.001	0.1768	0.1089	0.104
P36	0.0972	0.1068	0.363	0.1369	0.1069	0.201	0.2900	0.1090	0.008
Log likelihood	-340.38263			-372.0454			-362.39778		
McFadden's pseudo R-squared	0.0654			0.1191			0.0618		
p-value	0.0000			0.0000			0.0000		
Number of obs	334			334			334		

Source: *Prepared by the authors based on research.*

Factors that significantly affect the CSR assessment regarding internal stakeholders include only P28 (effect of unpredictable future conditions and tasks on the organisation operation) and P31 (importance of obedience and creativity) (at the significance level of $p=0.05$) and P27 (easy acceptance of changes) at the significance level of $p=0.10$). Factors that significantly affect the CSR assessment regarding external stakeholders include only P28 (effect of unpredictable future conditions and tasks on the organisation operation), P30 (importance of procedures and results), P32 (right to take risks) and P35 (importance of stabilisation and development opportunities) (at the significance level of $p=0.05$) and P33 (attitude to formal procedures) (at the significance level of $p=0.10$). Parameter estimation for the third model revealed the significant factors affecting the CSR behaviour assessment – these include only P36 (attitude to present times) ($p=0.05$) and P28 (the effect of unpredictable future conditions and tasks on the operation of the organisation) ($p=0.10$).

5. Conclusion

Growing public awareness and, consequently, pressure on organisations, means that to maintain the legitimacy of their operations, economic entities need to change their perception of their role and place in a complex economic system. In order to achieve the objectives set by owners, managers must identify and at least partially take into account those reported by key stakeholders. The existing literature regarding micro, small and medium enterprises focuses mainly on the differences in factors determining the implementation of socially responsible activities, indicating that they are most frequently inspired by the personal beliefs and values of the managers who usually own them. In addition, the role of stakeholders in the process of starting implementation activities is emphasised (Russo and Perrim, 2010), and internal, local concentration and ad-hoc actions are indicated. Attention is also drawn to the importance of family and personal life in the research of small and medium-sized companies (Spence, 2014).

The use of logit models allows identifying the key factors in the area of particular dimensions of organizational culture of micro, small and medium enterprises, which

determine the formation of socially responsible attitudes. Information is an important determinant for managers wishing to give a strategic dimension to social responsibility, creating a coherent model of cultural values, CSR and the implemented strategy. The identification of statistically significant factors, depending on the dominant, three-dimensional cultural pattern, allows focusing the managerial efforts on sets of conditions determining the level of awareness of internal and external stakeholders and the general level of CSR awareness. Logit models help to identify those key cultural parameters that will allow for maintaining cohesion between them and socially responsible activities.

In terms of the dimension of individualism-collectivism for p = 0.05, expectations towards work are crucial in the three cultural areas. In terms of power distance, support from the superior is of the key importance in the area of internal stakeholders, the possibility of showing initiative – in the area of external stakeholders, while in the area of perception of CSR behaviour – the scope of discussion with the superior and the content of comments made by him/her. In terms of the uncertainty tolerance level, the key issues in the area of internal stakeholders are the importance of obedience and creativity, in the area of external stakeholders – the importance of stability and development opportunities, and in the area of perception of CSR – the attitude towards the present.

6. Limitations and Recommendations for Future Research

The research was carried out in a relatively small area and was limited to micro, small and medium-seized enterprises in Poland. To obtain more reliable results for this group of enterprises, it would be worth extending the research to the whole area of Europe. It would be interesting for further research to focus on checking how the industry and national culture influence the factors affecting CSR areas.

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