CORPORATE SOCIAL RESPONSIBILITY AND COMPANY PERFORMANCE – EVIDENCE FROM FOUR EUROPEAN COUNTRIES

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The ability of companies to sense and adapt to environmental uncertainty by leveraging corporate social responsibility (CSR) policies is of critical importance. However, for majority of business entities awareness and knowledge on CSR issues is insufficient or underdeveloped. Further, there is no clear perception among business people on the benefits entailed from the implementation of CSR practices into their business models. In this paper, we used a sample of 146 companies operating in Croatia, Greece, Poland, and Austria, we have examined how these entrepreneurial entities have viewed CSR and how they have valued the importance of CSR in the sustainable context development of their business. By applying a questionnaire survey methodology, our findings are providing a useful insight into the conditions and various levels of CSR implementation used by these countries.

Key words: corporate social responsibility, business performance, Croatia, Greece, Poland, Austria.

INTRODUCTION

Over the last few decades, corporate social responsibility (CSR) has continuously driven by both proactive strategies that have been adopted by pioneering businesses, European institutions, and national governments as well as external pressures from civil society and the investor community (Jain et al., 2011).

The current world financial crisis has given further incentive to strengthening CSR
at an organizational level since the former has been associated with the inability of many financial institutions in considering the real needs and interests of their key stakeholders (see for example the case of Lehman Brothers or Fannie Mae and Freddie Mac). In 2011, the European Commission has also incorporated a new policy on CSR as a major topic in its action agenda for 2011-2014 (EC, 2011).

Despite the prominent attention given to responsible business practices from government official, scholars, and the civil society, it still remains unclear what being socially responsible means and how different companies in different countries, or even on a national level, perceive and interpret the concept (Crane, Matten, and Spence, 2008). Such confusion over the terminology is often attributed to the fact that CSR incorporates voluntary activities which surpass the legal minimum of norms to which companies are legally bound to adhere to as a company’s response to public pressures and expectations (Vogel, 2005).

The on-going debate over the understanding of the real meaning of CSR has been further reinforced through research efforts that focused on the different meanings of CSR in the context of specific European countries. This is due to different national systems for doing business and a variety of long-standing historically established institutions (Matten and Moon, 2008; Sison, 2009). While prior research has predominately identified remarkable differences between CSR in Europe and in the U.S. (e.g. Maignan and Ralston, 2002; Kolk, 2005; Brammer and Pavelin, 2005) to the best of the authors’ knowledge hardly any comparative research has been conducted within the EU countries (e.g. Maignan and Ralston, 2002). In an effort to contribute to the existing literature, in this study CSR is explored on the sample of four EU countries to shed light on how different European companies integrate CSR in their national, cultural, and institutional context. In particular, the purpose of this paper is to examine the way socially responsible practices are perceived by individual companies located in four European countries - Austria, Croatia, Greece, and Poland. Furthermore, the paper aims to indicate the major similarities and differences among these countries and to reveal both the perceived advantages and benefits on the one hand as well as the costs that the examined companies bear from engaging in CSR practices on the other. In addition, the paper explores whether CSR is incorporated in the operative and strategic measures of those organizations and the nature of the approach used for socially responsible practice and sustainable development.

Following the findings of the survey, business executives and public officials in each of the countries examined, should be able to cope with their present shortcomings in a more efficient way and, consequently, be able to initiate improvements towards the social and ecological sustainability of their business activities. Hopefully, this evolution will result in a healthier society and environment in general. This paper further adds to the current economic research by providing a useful comparison of CSR perception and practices in the four European countries.

The remainder of the paper is structured as follows: in Section 2 the theoretical background of CSR is described. Section 3 introduces the research method employed and the sample used for the empirical survey. The results of the study are presented and discussed in Section 4. Finally, in Section 5 concluding remarks as well limitations and suggestions for further research are provided.
THEORETICAL BACKGROUND

The concept of CSR emerged in the scientific research during 1950s and 1960s. Initially, there was a clear focus regarding what social responsibility is and why it is important for businesses and society. Nowadays, there is a broad range of literature on CSR that is very diverse, and lacks to offer a consensus on the precise definition of CSR (Scherer and Palazzo, 2007).

Bowen was the first to address the idea of CSR, and he suggested that when making decisions and pursuing corporate policies, managers take into account the values and objectives of society (Bowen, 1953). In the same vein, both Davis (1960) and McGuire (1963) argued that companies have not only economic and legal responsibilities, but also certain social ones that go beyond any economic and legal obligation. The understanding of these corporate responsibilities in relation to the society is actually two-fold: first, it is company’s duty to avoid doing any harm to society (Sison, 2009). Second, there is an obligation to promote social well-being as a whole by applying discretionary business practices and contributing corporate resources (Kotler and Lee, 2004).

Socially responsible companies are aware of these duties and obligations as well as the increasing responsibility of their impact on society and environment (Gardnier et al., 2003; Sundin et al., 2010). Hence, corporate behaviour should be congruent with prevailing social norms, values, and expectations (Sethi, 1975). These ideas enter directly into the very prominent four-dimensioned definition of CSR provided by Carroll (1979, 1991): a companies’ social responsibility encom-passes the economic, legal, ethical, and discretionary/philanthropic expectations placed on them by society as a whole. In Carroll’s point of view, there is the econo-mic responsibility of business at the basis and this is “to produce goods and services that society desires and to sell them at a profit” (Carroll, 1979, p. 500). By doing so, companies fulfil their primary responsibility as economic entities in society.

Legal responsibility refers to a company’s obligation to obey local, regional, national, or even global laws (Sison, 2009). Although ethical norms are already embodied in the first two categories, there are additional responsibilities that are not necessarily spelled out, but are nevertheless expected from companies by society’s members (Carroll, 1979). Ethical responsibility refers to an unquestionable corporate behaviour that goes beyond the mere compliance with what it is written in law (Sison, 2009). Finally, CSR incorporates a voluntary commitment to surpass these explicit and implicit obligations imposed on companies by society’s expectations of conventional corporate behaviour (Bowen, 1953; Margolis and Walsh, 2001; Willmott, 2001; Kotler and Lee, 2004; Blowfield and Murray, 2008). These philanthropic responsibilities are left to individual judgment and choice (Carroll, 1979).

CSR, as defined by Bowen (1953), McGuire (1963), Carroll (1979) and subsequent researchers, focuses particularly on the links between business and society. Society can be divided into clusters of different stakeholders by considering their interrelation with the company (Falck and Heblich, 2007). Since companies and organizations are bound together by contracts that various stakeholder agents have with one or more organizations, each organization has a responsibility towards the other stakeholder agents and organizations (Sunder, 1997; Jones and Wicks, 1999).

According to the stakeholder approach, it is critical for a company’s current and future success to consider...
various externalities and their impact on stakeholders (Freeman, 1984). Thus, maintaining good relations with the stakeholders may lead to better economic results and to an increase in a company’s financial returns by assisting in developing valuable intangible assets such as resources and capabilities (Branco and Rodrigues, 2008). These assets can differentiate a company from its competitors. Therefore, respecting and integrating preferences of key stakeholders may provide organizations with a competitive advantage (Freeman, 1984).

Further, engaging in CSR policies and activities may result in the company’s desire or the managers’ personal value to conform to stakeholder norms and expectations and hence a legitimate corporate business (Brown and Deegan, 1998; Deegan and Rankin, 1999; Branco and Rodrigues, 2008).

From the above described stakeholder-oriented point of view, three relevant insights can be derived: first, CSR may be strategically used to deal with the identified stakeholders’ claims (Falck and Heblich, 2007). Second, a company’s CSR policy and activities are highly dependent on the stakeholder perspectives and expectations. Finally, since these perspectives and expectations are in turn shaped by timing and context (Mitchell et al., 1997), and since stakeholder identities and interests vary at a cross-national level, differences in CSR among different countries may be a result of national, political, cultural, and institutional context (Matten and Moon, 2008).

In contrast to the US, the consciousness of such attitudes has recently become quite pronounced in European countries (Falck and Heblich, 2007). The European Commission has also dealt with such issues in its Europe 2020 strategy, and the EC defines CSR as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (EC, 2011).

This definition actually contains the prominent key characteristics of social responsibility: corporate goals go beyond financial returns and economic performance but, according to the “Triple Bottom Line” principle, it also incorporates social and ecological perspectives (Elkington, 1997). This three-fold corporate orientation entails the complex task of maintaining balance between the interests of all stakeholders on the one hand and the long-term shareholder interests on the other (Elkington, 1997; Jensen, 2002; Habisch et al., 2005). Accordingly, it provides competitive outcomes in the short-term while at the same time it is seeking to protect, maintain and augment the human and natural resources required for meeting the needs of future generations (Europäische Kommission, 2002; Artiach et al., 2010).

If CSR policies and activities advance this long-term value of the company and, thus, enhance sustainable development, many economists would promote them and aim at assessing the value-creating contribution of socially responsible behavior from a predominantly economic point of view (McWilliams and Siegel, 2001; McWilliams and Wright, 2006; Mackey et al., 2007; Siegel, 2009). According to the broad range of corporate goals and activities resulting from the CSR-orientation, these value-creating contributions may not be measured in terms of positive financial indicators, profits, return on investment, and shareholder value only but they should also include environmental and social dimensions (Elkington, 1997).

Benefits from CSR appear, for example, as an increase in sales and market share, the strengthening of employee motivation and retention, reduced business expenditures, a higher attraction to potential investors, and a stronger corporate image and brand (Baron, 2009; Kotler, 2009). Table 1 presents results of prior research that reveal the relationship between CSR and
financial performance, shareholder value, and financial parameters.

Table 1. CSR and Economic-financial performance (Souto, 2009)

<table>
<thead>
<tr>
<th>Author</th>
<th>Conclusion</th>
<th>Kind of relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ingram and Frazier 1983</td>
<td>Environmental performance has a negative effect on financial statements.</td>
<td>Negative</td>
</tr>
<tr>
<td>Freeman 1984</td>
<td>CSR minimizes transaction costs and potential conflicts with stakeholders.</td>
<td>Positive</td>
</tr>
<tr>
<td>Soloman and Hansen 1985</td>
<td>CSR costs are clearly covered with benefits in employee morale and productivity.</td>
<td>Positive</td>
</tr>
<tr>
<td>Freedman and Jaggi 1982</td>
<td>CSR and shareholder value do not coincide.</td>
<td>Negative</td>
</tr>
<tr>
<td>Pava and Krausz 1996</td>
<td>CSR and financial performance are positively linked to each other.</td>
<td>Positive</td>
</tr>
<tr>
<td>Preston and O’Bannon 1997</td>
<td>CSR and magnitude of financial evolution coincide.</td>
<td>Positive</td>
</tr>
<tr>
<td>Waddock and Graves 1997</td>
<td>Social and economic performance have opposite consequences on financial statements.</td>
<td>Negative</td>
</tr>
<tr>
<td>Stanwick and Stanwick 1998</td>
<td>Stakeholders’ recognition is important for a positive evolution of financial magnitude.</td>
<td>Positive</td>
</tr>
<tr>
<td>Verschoor 1998</td>
<td>There is a positive relationship between corporate performance and stakeholder relationships.</td>
<td>Positive</td>
</tr>
<tr>
<td>Jensen 2002</td>
<td>Social constrains and responsible social behaviour can work against value maximization.</td>
<td>Negative</td>
</tr>
<tr>
<td>Ruf et al., 2002</td>
<td>CSR and sales increase are observed in several companies, with temporal continuity.</td>
<td>Positive</td>
</tr>
<tr>
<td>Bauer et al., 2002</td>
<td>The comparison of ethical and traditional investment reveals mixed results with a slightly positive trend towards ethical funds.</td>
<td>Not conclusive</td>
</tr>
<tr>
<td>Orlitzky et al., 2003</td>
<td>A meta-analysis confirms a positive relation between social responsibility and financial performance.</td>
<td>Positive</td>
</tr>
<tr>
<td>Barnea and Rubin 2005</td>
<td>CSR investment is negatively related to insiders’ ownership.</td>
<td>Negative</td>
</tr>
<tr>
<td>Bauer et al., 2007</td>
<td>Investors appreciate ethical investments funds.</td>
<td>Positive</td>
</tr>
<tr>
<td>Bechetti et al., 2007</td>
<td>Market penalizes the exit from social responsibility index and ethical funds.</td>
<td>Positive</td>
</tr>
<tr>
<td>Mittal et al., 2008</td>
<td>There is strong evidence against the idea that CSR initiatives have universal or systematic positive financial impact.</td>
<td>Not conclusive</td>
</tr>
</tbody>
</table>

From the elaboration of this section and Table 1, we can assume that there is not only plenty of evidence that CSR varies in terms of its underlying meaning and the issues to which it is addressed but also with regard to its impact on business success. Further, it is clear that a precise manifestation and direction of social responsibility lies at the discretion of each individual company. In turn, the perception of social responsibility by companies seems to remain country-specific and dependent on national institutional frameworks (e.g. Maignan and Ralston, 2002; Matten and Moon, 2008).
RESEARCH METHOD AND PROCESS

The aim of our research was to investigate the way that CSR is perceived by a number of individual companies located in four European countries, and to explain the basic way they approach and implement corporate responsibility (i.e. a short-term or strategically oriented CSR practice). For this purpose, we conducted an empirical survey using a structured questionnaire.

It is worth to note that the present survey is part of a wider study which it was undertaken in the same countries and the same individual organizations and designed to investigate the relationship between profit and sustainability. The questionnaire used for the purposes of the wider study is comprised of 43 questions. Of them are focused on CSR and related issues; even though we are aware of the fact that the CSR is complex and wide scientific field, the findings obtained from those are analyzed in a following section. We used three types of questions: (1) multiple choice questions whereby each question has several answers to which one or more could be selected by the participants, (2) Yes-or-No-questions, (3) rating questions which were answered on a five-point Likert scale.

The empirical research was conducted using companies from Austria, Croatia, Greece, and Poland. There are two major reasons for this choice. First, studies of contemporary European business practice usually concentrate on large politically Western European countries while smaller Western European countries (i.e., Austria and Greece) and Eastern European countries (i.e., Poland and Croatia) are frequently ignored. Second, with these countries we represent a somewhat representative cross-section of the European economic area because Greece became a member state of the European Union in 1981, Austria joined in 1995, and Poland in 2004 while Croatia is still a candidate for membership. Due to the countries’ maturity and integration in the European economic area we expect differences in the level of development of CSR business practice.

The survey was conducted from the end of 2010 until early 2011. The questionnaires were distributed by electronic mail. Participants were informed that the survey was totally anonymous and that results are used for the purpose of scientific research only. A total of 146 valid questionnaires was returned, i.e. 16 from Austria (94% rate of return), 31 from Greece (89% rate of return), 20 from Poland (21.05% rate of return), and 79 from Croatia (8.78% rate of return). The differences in return rates mainly stem from participants’ willingness to respond, their connections with the national university, and the intensity of maintaining contacts on the part of the researchers. The results obtained were processed in SPSS 19.

RESULTS

In the light of our results, we first provide a statistical description of the company profile of the survey respondents. Thus, we report main business operations, company size, ownership structure, and market orientation. Second, we indicate which actions are understood as related to CSR within the sample companies. We also record which advantages the surveyed companies perceive as gained through promoting socially responsible actions. Third, we describe the practical meaning that our sample companies most commonly attached to their socially responsible behavi-
our. Further, we comment on those perceived company’s attitude towards socially responsible business practices and sustainable development. The analysis also refers to the way the sample companies valued the importance of CSR for the sustainable development of their business. In doing so, we intend to shed some light on the awareness of the importance of CSR from a stakeholder perspective. It is worth mentioning that results are presented against a background of similarities and differences among these four European countries: Austria, Croatia, Greece, and Poland.

Company profiles

The majority of the companies in the sample operated in the processing industry (24%), in retail and wholesale (15%), and in financial business (10%). However, one third of the companies indicated that they operate in “other” industry, thus in sectors such as ‘public service and defence’, ‘social insurance’, ‘education’, ‘healthcare’, ‘community’, and ‘personal services’. As shown in Figure 1, industries are not equally distributed in all four countries. For example, the construction industry is represented more strongly in the Croatian sample and the processing industry is less frequent in the Austrian sample while in the Polish sample it does not exist at all. Further, the hotels and restaurant industry as well as financial business are more dominant in the Greek sample.

![Figure 1. Main business fields of the company](image)

*Slika 1. Primarna područja poslovanja poduzeća*
To classify companies with regard to their size, we adopted the definition used by the European Union in the Commission Recommendation 2003/361/EC which is based on a staff headcount and a turnover or balance-sheet total\(^1\). Most of the companies in the sample (see Figure 2) can be defined as large companies (44\%) with more than 250 employees, 21\% of the companies are medium-sized, and 34\% are small companies with less than 50 employees. However, the findings indicate that there are some differences between the examined countries: the Austrian and Croatian sample is dominated by large companies, while the Polish and Greek sample consists of mainly small and medium-sized companies.

Figure 2. Company’s size measured by number of employees
Slika 2. Veličina poduzeća prema broju zaposlenih

Company ownership structure as presented in Figure 3 shows that there is a majority for private and mainly private domestic ownership (62\%). 24\% of the companies in the sample are foreign or mainly foreign-owned, while 15\% of the companies are state-owned or mainly state-owned. In the Polish and Greek sample, there are almost only privately-owned companies, while the six proposed types of ownership structure are most evenly distributed across all companies within the Austrian and Croatian sample.

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\(^1\) A small company is defined as a company which employs fewer than 50 people and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million. A medium-sized company is defined as a company which employs fewer than 250 persons and whose annual turnover does not exceed EUR 50 million or whose annual balance-sheet total does not exceed EUR 43 million.
As shown in Figure 4, on average 60% of the company’s focus exclusively on the domestic market while the rest 40% of the companies exports at least 25% of the production in foreign markets. The Polish sample followed by the Greek one has more domestic orientation compared to the Croatian and Austrian sample.

Figure 3. Company’s ownership structure (frequencies of response in %)
Slika 3. Vlasnička struktura poduzeća (frekvencije odgovora u %)

Figure 4. Company’s market orientation (export vs. domestic market)
Slika 4. Tržišna orijentacija poduzeća (izvozna orijentacija naspram domaćih tržišta)
Corporate social responsibility

As Figure 5 shows, the self-evaluation of a company’s success depicts a domination by very successful companies, in particular considering their focus on the quality of products/services and relationships towards employees, customers, suppliers, and business partners. It is remarkable that the Polish sample has the lowest self-evaluation in all categories towards Greek, Croatian, and Austrian sample.

Figure 5. Self-evaluation regarding company’s success (1=inadequate; 5=excellent)
Slika 5. Samo-evaluacija uspješnosti poslovanja poduzeća (1=nedovoljno; 5= odlično)

With regard to the priorities set by the surveyed companies from practicing CSR (see Figure 6), these are as follows. On the top of a company’s list of priorities is ‘increasing sales’, followed by ‘satisfied customer’ and ‘lowering business expenses’. Further, ‘satisfied employee’ is in the fifth place (52%). From the individual country perspective, a ‘satisfied customer’ is the most important priority in Austrian (80%) and Greek (98%) companies. In Polish companies, the priority is ‘increasing sales’ (85%) and in Croatian ‘lowering business expenses’ (73%). In Austria and in Poland a preference for ‘satisfied employee’ came in the fourth place, in Croatia the fifth, and in Greece in second place. ‘Environment protection’ (27%) and the ‘well being of the community’ (22%) are at the bottom of the priorities’ list. From the above description, it is obvious that the companies in the sample marginalize the environmental and social dimensions of CSR. In addition, Poland’s sample has the lowest response rates on the environmental protection and the well being of the community. This suggests that the low level of self-evaluation that we saw previously for the Polish sample leads to a low
level of environmental protection and the well being of the community (the rest three countries presented higher level of self-evaluation and environmental protection-well being of the community). Consequently, it would be logical to assume that the high grade of self-evaluation of companies’ success is linked with a wider awareness and broader implementation of CSR principles.

As shown in Figure 7, more than one third of our total sample of companies is mainly focused on the economic aspects of their business (34%) even though they are aware of other needs. Regarding percentages from individual countries, these are as follows: Austria (50%), Croatia (32.91%), Poland (30%), and Greece (23.33%). On
average, in the total sample, only 5% of the companies answered that they are in a crisis and are not focused on socially responsible behaviour and sustainable development. Further, Poland’s sample presents the lowest percentage of commitment to sustainable development towards the other countries; this strengthens more the assumption that stated earlier.

As shown in Figure 8, socially responsible behaviour for companies in our sample is most commonly manifested through ‘abiding by law’ (4.41) followed by ‘integrity, moral, and care’ (4.40), and ‘supportive relationships between the owner and the community, employees and society’ (4.51). At the bottom of the reported preferences, are: ‘caring for clean air, soil, and water’ (2.94) together with ‘new market activity’ (2.89). The low value of ‘caring for clean air, soil, and water’ is due to the zero value of Poland’s sample. Taking into consideration these results, we conclude that

**Figure 7.** Company’s attitude towards socially responsible business practice and sustainable development (frequencies of responses in %)

**Slika 7.** Stav poduzeća prema društveno odgovornom poslovanju i održivom razvoju (frekvencije odgovora u %)
CSR is practiced at a minimum level in countries like Greece, Austria, and Croatia. But in Poland it does not exist at all. Again this result supports our assumption that high level of self-evaluation of companies’ success is linked with a wider awareness and broader implementation of CSR principles. Thus, the surveyed companies tend to behave in an acceptable manner, but without investing much effort in CSR activities.

Figure 8. Manifestation of socially responsible behaviour (1= I do not agree at all; 5= I fully agree)

As presented in Figure 9, with respect to socially responsible behavior and sustainable business practices, in the aggregated sample the strongest influence on a company’s business activity is exerted by their ‘owners’ (4.4). This preference is particularly important in Austrian (4.1) and Croatian companies (4.5), followed by ‘buyers and suppliers’ (4.3), which is in first place for Greek and Polish companies (4.8 and 4.5 respectively). The least important are ‘nongovernmental organizations’ (2.4), ‘trade unions’ (2.5), and ‘international agreements and conventions on sustainable development’ (2.9).
Figure 9. The importance of interest groups (stakeholders) which have a significant influence on company’s business activities regarding socially responsible behavior and sustainable business practice (1=not significant at all; 5= very significant)

Slika 9. Važnost interesno-utjecajnih skupina (stakeholdera) koji imaju značajan utjecaj na poslovne aktivnosti poduzeća povezane sa društveno odgovornim ponašanjem i održivom poslovnom praksom (1=uopće nije značajno; 5= veoma značajno)

Business functions can have various influences in implementing a sustainable company’s policy. As presented in Figure 10, ‘top management’ is widely held as the most important function (4.5), then ‘planning and analysis’ (3.94), and ‘controlling’ (3.9) are the second most important functions, followed by ‘marketing and sales’ (3.88). According to these results, we can assume that the top management has a key role within an organization with regards to the implementation of socially responsible behaviour and sustainable business practices. Quite logically, ‘research and development’ is at the bottom of the participants’ preferences and a less important business function in implementing sustainable company policies (3.5).
Figure 10. The importance of certain business functions in implementing the sustainable company policy (1=not significant at all; 5= very significant)

The most important, perceived advantages that reporting companies gained through promoting socially responsible behaviour (see Figure 11) are the ‘strengthening of corporate image and influence’ (3.9), ‘strengthening of brand position’ (3.8), and ‘strengthening of the ability to attain, motivate, and retain employees’ (3.6). This result is in alignment with other previous studies (see for example Smith, 2003) which contend that CSR activities enhance the ability of a firm to attract consumers, investors, and employees. Thus, a company’s reputation is considered as perhaps the most important payoff from investing in CSR. Further, there was a positive influence of the CSR initiative on increasing sales, mostly in Croatia but also in Poland and Greece. The Austrian sample presents the lowest values in all cases; it seems that has fewer advantages through promoting socially responsible behaviour.
towards the other countries. This finding is in accordance with prior studies such as the one undertaken by Ruf et al. (2001). To our surprise, at the bottom of the perceived advantages is: ‘increasing investment opportunities and financial analysts’ (3.04). Perhaps, the timing of our survey, in the mid of the financial crisis in Europe, constrained respondents from seeing benefits gained towards such directions.

Figure 11. Company’s advantages as a result of promoting socially responsible behaviour (1=not significant at all; 5=very significant)

Slika 11. Prednosti poduzeća ostvarene primjenom društveno odgovornog ponašanja (1=u potpunosti nevažno; 5= veoma važno)

The means of socially responsible behaviour that companies most commonly apply in practice is: ‘continuous investing in development, motivation, and education or employee satisfaction’ (43%). This is particularly that case for Croatia and Poland.

The second most common strategy in our study was ‘corporate behaviour is a behaviour which during the decision making process assesses the impact of decisions on environment and society’ (33%). Again this is particularly predominant in Greek compa-
The third most common practice is that ‘the company has developed a socially responsible business program, which is continuously developed, monitored, and evaluated through its socially responsible acts’ (17%), (see Figure 12).

**Figure 12.** Practically applied means of socially responsible behaviour (frequencies of responses in %)

**Slika 12.** Primjena mjera društveno odgovornog ponašanja u praksi (frekvencije odgovora u %)
Concluding remarks

In this paper we provide insights on how 146 companies in four selected European countries conceptualise and implement CSR. Despite the limitations of our research, due to the assumed self-perception bias of the participants and the relatively small sample size, this paper complements existing evidence in the field and provides a clearer understanding on the similarities and differences of our group of four European countries.

We claim that this paper’s most interesting and useful finding is that the majority of the surveyed companies in the countries examined realize the importance of CSR for their business sustainable development. Further, the findings of this study seemed to confirm the following statements:

- Owners, buyers, and suppliers have a significant influence on a company’s business activity in relation to socially responsible behaviour and sustainable business practice.
- The most important role in implementing sustainable company policy belongs to the top-management of an organization.
- A satisfied customer is considered to be an essential aspect of doing business by most of the companies we surveyed.
- The most commonly manifested socially responsible behaviour is: abiding by the law along with integrity, morality, and care.
- The most important advantages of socially responsible behaviour for companies are the strengthening of corporate image and influence, strengthening of brand position, and the strengthening of the ability to attain, motivate, and retain employees.
- Companies most commonly apply continuous investing in development, motivation, education, or employee satisfaction as a means of socially responsible behaviour.

It is obvious that the surveyed companies in the four examined countries are mostly concentrated on the economic aspects of doing business, even though they are aware of other responsibilities. Therefore, we can conclude that the companies in the sample are orientated to operate as a business with a bias towards future economic prospects, but with an awareness of the importance of expanding their perspective to a more social and environmental dimension of doing business. Additional country-specific research in this field should further elaborate our results.

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