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FROM THE EDITORIAL COMMITTEE

We are giving you the next 26th (4/2019) issue of the Scientific Journal of the Faculty of Management at the Rzeszow University of Technology entitled “Humanities and Social Sciences”.

The aim of the Publisher is to raise the merits and the international position of the quarterly published by the Faculty of Management, that is why we are still developing the cooperation with foreign team of reviewers, as well as an international Scientific Council.

The Editors have also attempted to apply for international databases; currently the quarterly HSS is indexed in **Index Copernicus Journal Master List, The Central European Journal of Social Sciences and Humanities (CEJSH) and ERIH PLUS.**

The Journal has been also included in the list of projects qualified for funding under the **“Support for scientific magazines program”**.

The articles published in this publication are devoted to the broader issues of the humanities and social sciences. They are the result both of theoretical and empirical research. The subjects covered vary considerably and reflect the interdisciplinary nature of the Journal. We do hope that the papers published will meet your kind interest and will be an inspiration to further research and fruitful discussions.

On behalf of the Editorial Board of “Humanities and Social Sciences” we would like to thank the Authors for sending the outcomes of their research. We would like to express particular gratitude to the Reviewers for their valuable feedback that greatly contributed to increasing values of the scientific publications.

With compliments
Editorial Committee

Marek ANGOWSKI¹
Tomasz KIJEK²

GENDER AND SOCIAL MEDIA IN PRODUCT INNOVATION SEARCHING PROCESS

Social media is one of the most important and popular platforms to exchange information on new products and services. Social media is particularly important for purchasing decisions by young adults, called Millennials. **The main goal** of the article is to examine the role of social media in obtaining information on innovative products by Millennials. In addition, the research analyses differences in perceptions of the role social media plays in the purchasing process, including the gender of surveyed buyers. The hypotheses are based on a conceptual model utilising the theory of innovation diffusion and the theory of consumer behaviour. We used Structural Equation Modeling (SEM) as **a research method**. The research sample consisted of buyers representing the Millennial generation. **The findings** confirmed the positive impact of the selected factors on using social media to search for innovative products. The study also confirmed gender differences in perceptions of the importance of social media. The biggest differences between men and women relate to assessing the importance of information availability, convenience, and habit.

Keywords: social media, gender, process of product searching.

1. INTRODUCTION

The rapid development of ICT technology increases the extent and frequency of using Internet resources by people around the world. More and more new opportunities offered via the Internet also affect development and changes in the areas of market activity, both for individual buyers and enterprises (Voorveld, Smit, Neijens, Bronner, 2016). The Internet allows market participants not only to access interesting and useful information quickly, but it also enables the users to communicate freely as well as expressing their opinions about products, enterprises and brands (Rezaei, Valaei, 2017; Tkaczyk, 2015).

Along with the development of ICT, marketing interest in consumer activity in social media is also growing. The emergence of social media has caused a significant breakthrough in using the Internet because they have enabled users to actively engage and function online in a way previously unavailable (Lipowski, Bondos, 2016). Thanks to social media, people not only keep in touch with friends, but also can collect information about

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world events and exchange information about brands and companies. Social media has also contributed to the emergence of new methods and tools through which buyers can provide information about products and services (Kuczamer-Kłopotowska, 2016; Sands, Ferraro, Campbell, Pallant, 2016).

The range of online buyer activity is expanding at a very fast pace. Buyers using the internet can take part in many different activities related to market processes, from reading content to participating in discussions and sharing knowledge with other consumers (Pauwels, Leeflang, Teerling, Huizingh, 2011).

The process of buyer behavior on the market consists of actions aimed at satisfying a specific need (Szlegr, 2018). Consumer behavior describes as a sum of the individual's actions and perceptions, which include preparation for the decision to purchase a product, its selection and consumption. In this case, consumer behavior concerns three types of reaction: communication, purchase and consumption (Nguyen, Leeuw, Dullaert, 2018). There are many traditional models of consumer behavior in the literature. One of the basic features of the most popular behavior model is a large number and variety of factors that affect the stages of communication and purchase. One of the main determinants is information about the product that the consumer wants to buy. There are many different sources of pre-consumer information. Today, the Internet is usually the first and most dominant source (Shao, Chen, 2019; Zhang, Benyoucef, 2016).

The widespread use of ICT in marketing has resulted in the emergence of a new type of communication message in marketing called e-WoM. The e-WoM concept is developing very rapidly and today plays a key role in the consumer decision making process. The process begins with searching for product information (pre-consumption stage) and ends with the after-sales stage, which refers to post-use or consumption experiences (Al. Majzoub, Davidaviciene, 2019).

In marketing literature, the method of exchanging such information among buyers in direct communication is called Word of Mouth (WoM) (Chu, Kim, 2011).

A particularly important event in the development of e-WoM was the emergence of social media, which due to their specificity, allow users to communicate and transfer content even faster (Sanchez Torres, Arroyo-Cañada, Solé-Moro, Argila-Irurita, 2017).

E-WoM is currently an extremely important source of obtaining information about products, services and brands in the process of making decisions about purchasing them, because they give the impression of being much more reliable than conventional forms of communication, such as advertising or recommendations from sellers and producers (Duarte, Costa e Silva, Ferreira, 2018). Buyers can, practically without restrictions, ask other consumers via social media what their opinions about specific products or sellers are (Erkan, Evans, 2016). Such behavior usually occurs before the purchase decision or after consumption. When they lack sufficient knowledge or have doubts about the features of products available on the market, buyers ask questions before buying a product. However, they share their knowledge after having purchased a product when they want to recommend proven products or warn others of low quality products or unreliable sellers (Erkan, Elwalda, Rahman, Sap, Dogan, 2017).

2. IMPACT OF GENDER ON THE BEHAVIOR OF BUYERS IN THE PURCHASE PROCESS

Product selection and purchase is a very complicated and complex process which is shaped by a number of various factors. The factors that are most frequently mentioned in the literature are the economic and marketing ones (price, income, offer, brand, sales location, distribution methods, advertising and commercial promotions, etc.), the psychological ones (motives and attitudes of purchase, perception and learning, personality, habits, customs, etc.), and the socio-cultural ones (social groups, family, friends, religion, tradition, etc.). In addition, among the factors determining the behavior of buyers, demographic factors such as gender and age of consumers are very often mentioned (Angowski, Kijek, 2017). Although it is clear that the significance of social, psychological and cultural factors in explaining buyer behavior in the market is increasing, it is demographic factors, describing the human as a consumer, that are still one of the main criteria for the division of consumers used in their segmentation (Kowalska, 2019).

Due to the fact that the sex of buyers is a very important determinant of their behavior in the market, it is very often used as a criterion for market segmentation in marketing strategies of commercial enterprises. It is assumed that women and men differ significantly in their behavior, both in the process of collecting information and in the process of making choice and purchasing decisions. The differences between the sexes pertain to their different perception of market realities, product or seller preferences, market priorities and motives, needs and interests, relationships with other market participants, expectations and requirements related to communication and information processing capabilities (Kąkol, 2017; Trivedi, Teichert, 2019).

There is a difference in the way men and women prepare for shopping: they differently browse the offer and evaluate the products, they use different sets of factors that influence their final choices. Therefore, guided by the same need, but often completely different motivation, women and men make shopping decisions in a different way (Mysona-Byrska, 2016).

The difference in market behavior of men and women can already be seen in their perception of shopping as an activity. For a man, buying is just a way of purchasing a new item in order to meet a specific need. A man tries to buy goods only when it is really necessary and thus shopping is a tedious process for him. Visits to stores are tiring and stressful, and therefore a man tries to keep their length to a minimum. The behavior of men in the market is primarily focused on achieving the goal as well as on desire to be successful and the need to gain an advantage. On the other hand, men perceive the purchase process as something like a hunt or mission, and the result depending on the result can be treated as a personal success or failure (Deluga 2015).

For women, shopping is not just a way to buy a new product. The process of searching and buying can be a kind of adventure for them, a nice leisure time, a way to relax and de-stress. (Richard, Chebat, Yang, Petrevu, 2010).

The purchase process for men is linear. In the process of making a purchase decision, a man seeking a good solution tries to follow the simplest possible way with the intention of achieving his goal. Identification of the needs starts the process of searching for information and selecting key product features for the buyer. While searching for the desired product, he eliminates those variants that do not meet the assumed criteria and as a result tries to limit the selection to only a few most important items. Having set the precise

requirements for the offer, he usually purchases quite quickly and decisively (Kowalska, 2019; Lipowski, Angowski, 2016).

The woman thinks in network style, constantly collecting information. She checks prices, asks friends for opinions on a given item, even if she is not going to buy it. For most of them, the time spent on shopping is not important, it is more important to find the perfect solution. Therefore, the purchasing process for women may take longer than for men. The woman will check whether the product or service has all the desired features and whether it meets all the criteria. She is not satisfied with the fact that the product or service meets some of the expected features, the demanded offer must have all the ideal features, otherwise she will not buy it but will continue to search asking sellers about further details of the product or service (Deluga 2015, Zatwarnicka-Madura, 2016).

For women, the decision-making process is formed by a tendency to have relationships with other people, focusing on team play, striving for their own perfection, perceiving other people, empathy (Kąkol, 2017; Kowalska, 2017).

Women's network thinking means that they perceive the marketing mix as a whole, at the same time noticing all its elements. In the case of men, however, due to their analytical and linear thinking, the perception of marketing mix is different. Women can focus on several of its elements at the same time. Men usually see only what they need at the moment of making a decision. For men, details do not play a significant role. It is certificates and plain, preferably numerical, data that are more important (Deluga 2015; Lipowski, Angowski, 2016).

The purchase process does not end with buying the product, as women tend to share their knowledge and stay loyal for a long time if their expectations are met. Recommendations play an important role for women. Women not only inquire willingly, but they share their comments on the shopping experience more frequently. Therefore, they have an influence on a wide range of people with whom they talk about products (Asada, Ko, 2019; Richard, Chebat, Yang, Petrevu, 2010)

Due to the fact that there are significant differences between women and men in the purchasing process, the specifics of making decisions and making market choices by them should be taken into account in the design and implementation of marketing activities of enterprises operating on a competitive market, especially in marketing communication strategies.

3. METHODOLOGY AND RESEARCH RESULTS

3.1. Data and methods

The purpose of the publication is to analyze the impact the gender of buyers has on their use of information from social media in the process of searching and selecting innovative products. The main research problems are: determining whether and how the gender of the buyer affects the way how information is used through social media when making purchasing decisions.

In the process of preparing the research part, the results of a survey on the behavior of buyers in the product selection process, that was conducted in the generation group of Millennials (the people born at the turn of the 20th and 21st centuries), were used. The research was carried out in 2018 in a group of 315 students from universities in Lublin and Siedlce. The methods used to collect the research material were PAPI (Paper and Pen Personal Interview) and CAWI (Computer-Assisted Web Interview) methods.

Table 1 presents the distribution of age and sex of the respondents. Women constituted the bigger group in the sample of buyers. As for the age of respondents, the largest group were people under the age of 21.

Table 1. The characterization of the surveyed respondents N = 315

Item	Characteristic	n	%
Age	to 21	165	52,4
	22-25	126	40,0
	over 25	24	7,6
Gender	Female	211	67,0
	Male	104	33,0

Source: own calculation.

During the study, the respondents were asked to give their opinions on statements about using social media to obtain information about product innovations, and in particular: the features of information and its usefulness in the decision-making process, the way social media are used, as well as their attractiveness and efficiency in the purchase process.

Before completing the paper version of the questionnaire (PAPI method), the interviewer explained the concept of product innovation to the respondents, while in the case of the electronic version (CAWI) the explanation of the concept was attached to the invitation to participate in the survey which was sent by email. To assess the behavior of buyers, the questionnaire was comprised of questions containing five-point Likert scales, ranging from strongly disagree – 1 to strongly agree – 5.

Looking for the direct contribution of social media to new products browsing, we use a structural-equations model (SEM). Structural equation modeling is a statistical method applied in the behavioral sciences for the quantification and verifying of substantive theories and may be regarded as a combination of a broad array of models from linear regression to measurement models to simultaneous equations, including confirmatory factor analysis (CFA), correlated uniqueness models, and latent growth models. SEM enjoys a few advantages over other analysis techniques, since it can test proposed causal paths among constructs. We fit combined models across subgroups of the data. These subgroups are males and females. We have analyzed data by using STATA 16.

3.2. Research model and hypotheses

The dynamic development of ICT has meant that using social media tools to search for market information is becoming more and more common. Not only the widespread access to the internet is increasing, but also the ICT tools used in obtaining information are becoming more multifunctional and convenient to use. There are many different concepts in the literature on the subject of the factors that shape the use of social media in the purchasing process. Having studied the subject literature, the authors have selected the factors that shape the use of social media by Millennials who seek information needed to make decisions to buy innovative products (Figure 1).

The presented model shows the four groups of factors which affect the propensity to use social media in the process of obtaining information on innovative products: information availability, convenience, habit and adventure.

The decision to choose information availability and convenience is related to the fact that the Internet is currently the largest source one can obtain information from. One needs just a few "clicks" to find the necessary information about the product or seller. One may say that the resources of such information are unlimited. Buyers looking for information about a product or service, not only reach information easily and quickly, but they can also search for it at any time and regardless of where they are. In addition, social media allow users to reach comprehensive information through the synergy of information from a variety of sources related to the product (Ashraf, Hou, Ahmad, 2019; Pöyry, Parvinen, Malmivaara, 2013).

Another group of factors is the impact of habit and adventure. The habits and customs associated with using social media have an influence on choosing them as a tool of searching for information on innovative products or services. This may be particularly important in the case of the Millennials generation group, for whom the Internet environment is something natural and social media is the basic tool for obtaining and exchanging information. Additionally, using social media and browsing products online can be perceived by users as excitement, pleasure, fun, adventure and the feeling of satisfaction associated with them (Kim, Eastin, 2011).

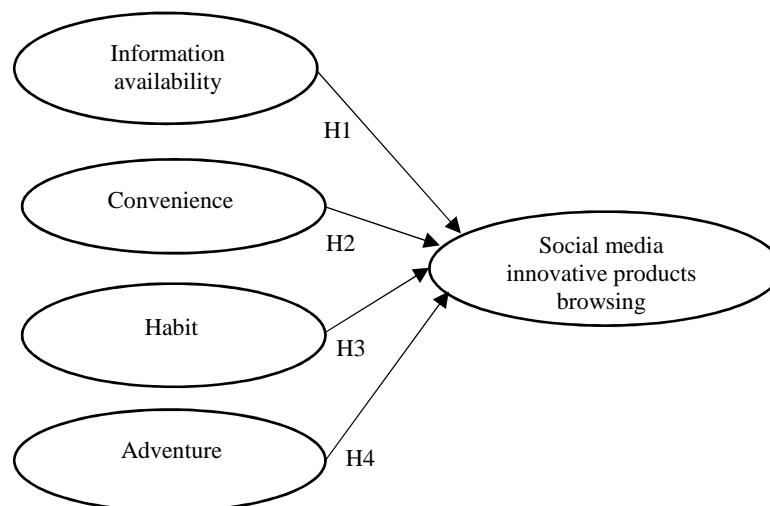


Figure 1. Research model

Source: own calculation.

Considering gender as a factor differentiating relations presented in the research model, the following research hypotheses were formulated:

- H1: the impact of information availability on the tendency to use social media when searching for innovative products is stronger in the group of women than men.
- H2: the impact of convenience factors on the propensity to use social media when looking for innovative products is stronger in the group of women than men.
- H3: the impact of habits and customs on the tendency to use social media when searching for innovative products is stronger in the group of women than men.

- H4: the impact of adventure related factors in the purchasing process on the propensity to use social media when searching for innovative products is stronger in the group of women than men.

3.3. Results

For the measurement property assessment, confirmatory factor analysis (CFA) has been conducted. The results for CFA gained standardized factor loadings above 0.45 indicate that that item is considered a satisfactory/fair item.

The results of estimating the model of structural equations in two groups of respondents (i.e. women and men) are presented in Figure 2 and Figure 3. Furthermore, Figure 2 and Figure 3 also provide information on predicting power (R^2) for each dependent variable. R^2 shows the percentage of total variance in the dependent variable explained by the independent variables. This implies that our models account for 64% and 48% of the total variance of social media innovative products browsing in two groups respectively. These values represent an acceptable explanatory power. As regards the coefficient of determination for whole models the values close to 1 indicate a good fit.

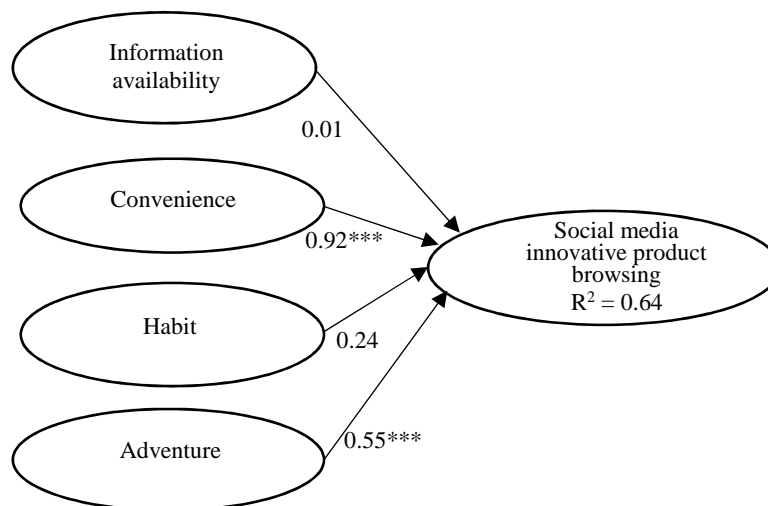


Figure 2. Model parameter estimation in the group of male

Source: own calculation

As can be seen from the figure above, in the group of men, factors related to convenient, fast and efficient achievement of the goal, i.e. finding and buying products, have the greatest impact on using social media to search for new products. Adventure is another important factor affecting men's behavior in the process of searching for a product. Men / buyers can treat the purchase task as a challenge and competition, and the purchase as a success. To a lesser extent, the choice of social media in the search for innovative products was influenced by consumer habits and the availability of information. The availability of information is of least importance to the surveyed buyers. There may be some connection

with adventure, i.e. if the information is lacking, finding and obtaining it may become a challenge and additional satisfaction if the activity is successful.

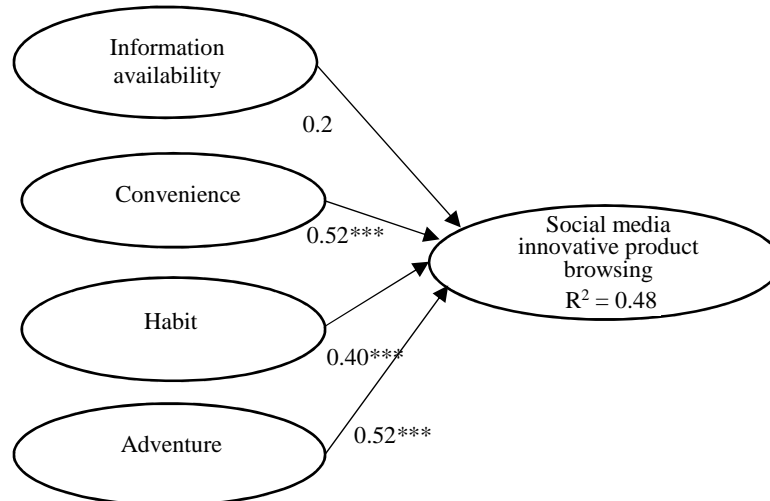


Figure 3. Model parameter estimation in the group of female

Source: own calculation

In the case of the examined group of women, convenience is also the most important factor in the process of seeking information on new products, but as one can see, to a relatively lesser extent than in the case of the male group. For women, it's not about time, but rather about the ease of using social media tools in searching and analyzing as much market information as possible. An additional advantage of using social media in the purchase process for this group of buyers is the ease of interacting and the ability to share information with other market participants. Taking the conducted research into account, one can also observe a greater than in the case of the male group significance of factors related to the availability and scope of information in the Internet needed to make a purchase decision, as well as factors related to shopping habits. As mentioned in the theoretical part, for women, shopping is "something" more than just the process of purchasing a product or service. Shopping is also a way to spend free time, a way to relax or contact with friends.

4. CONCLUSIONS

The development of information technologies has made the Internet one of the commonest sources of information on new products for modern buyers. Social media are one of the tools that not only enables to search for information passively, but also actively create or exchange it with other users.

The research conducted on a group of buyers representing the Millennial generation confirmed the importance of social media in the process of obtaining information on innovative products. Having analyzed the factors that affect the inclination to use social media as a method of obtaining information on innovative products, it may be concluded that it is the factors from the convenience and adventure group that had the strongest

stimulating effect on the decisions of the surveyed buyers. The factors related to habit were affected to a lesser extent. However, the impact of factors associated with information availability turned out to be insignificant. It should be noted that the biggest differences in the perception of the role social media have in the process of obtaining information on new products occurred in the assessment of convenience and habit. Among the respondents, in the groups distinguished by the criterion of sex, the factor of convenience was more important for men whereas the factor of habit was more important for women.

The results of the research, due to the sampling methodology adopted by the authors, are not representative, but may be a starting point for further research focused on analyzing factors related to new technologies that determine the rate of diffusion of product innovations among consumers.

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THE ROLE OF INSURANCE IN CYBER RISK MANAGEMENT IN ENTERPRISES

Modern enterprises run their activities in an innovative environment. The use of modern technologies is, therefore, becoming a prerequisite for maintaining the current market position and ensuring competitiveness with other entities. However, the use of innovative IT solutions creates the risk that certain disturbances in the functioning of computer programs or the occurrence of cyber attacks will bring losses to the company, thus negatively affecting financial results. Materialisation of cyber risk may also have a negative impact on the company's image and, consequently, a potential decrease in sales of goods. Therefore, a proper assessment and management of cyber risk in modern enterprises is important. One of the methods to manage this risk is cyber insurance. A large number of cyber attacks and the development of new technologies has resulted in enterprises using cyber insurance, as evidenced by the significant increase in gross written premium in recent years. The research conducted by various institutions forecasts a dynamic growth of cybernetic insurance premiums in the coming years, suggesting that cyber insurance will grow in popularity.

The purpose of the article is to present the necessary conditions and risks for the functioning of innovative enterprises in the current economic environment. In addition, the article analyses the occurrence of individual risks in business operations and their financial effects. The research also presents a scale in the use of cyber security in managing cybernetic risk of enterprises and provides future development directions of cyber security products. The research utilised methods of analysis and synthesis of secondary data in formulating conditions.

Keywords: cybernetic risk, cyber security, enterprise risk management.

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1. INTRODUCTION

Virtually every enterprise uses computer programs in its operations. This use of IT tools can take place at different levels and with the use of IT programs of various levels. However, in the age of constant development of new technologies and the emergence of more and more advanced IT systems, enterprises are implementing more and more processes using the latest technological achievements. Automation and transferring more and more operations to a virtual environment creates the risk that various types of disturbances in the functioning of systems will negatively affect the enterprise and will be reflected in the results achieved.

New technologies used on a larger scale began to dominate the strategies of enterprises at the beginning of the 21st century. The change in the business concept and an approach to strategy formulation was influenced by many factors, but the most important of these were globalization and extremely fast technology development, civilization progress and focus on innovation (Puto, 2017). The direct consequence of changing the approach in formulating the strategy was also the emergence of new trends in the way of managing the enterprise. Difficulties in this field are a consequence of the occurrence of the risk phenomenon, the implementation of which in extreme cases may lead to bankruptcy of the entity at risk, with simultaneous consequences for the business environment (Dankiewicz, 2018). New approaches to enterprise management have begun to be oriented towards the innovation of the organization, knowledge and innovation management, and conducting research aimed at increasing the innovation potential of the enterprise. The changes observed in recent years related to the dynamic growth of innovation of European enterprises have been a kind of reflection of the priorities assumed by the Europe 2020 strategy. What's more, the ability to create and implement innovations has become one of the main challenges of modern enterprises (Pomykalski, Błażniak, 2014). The literature even mentions that innovation is a key process for the survival of an organization (Machová, Huszárík, Šimonová, 2016).

The purpose of the article is to present the conditions for the functioning of innovative enterprises in the current economic environment, as well as to define the risks that are inherent in the business. In addition, the article analyzes the occurrence of individual risks in business operations and their financial effects. The scale of using cyber security in managing cybernetic risk of enterprises was also presented and future development directions of these products in the world were determined.

2. LITERATURE REVIEW

The technological progress observed in the economic environment forces the companies to constant, dynamic development associated with the use of new solutions in conducting business activity. These processes condition changes in modern enterprises, and the growing global market means that the roles and tasks of enterprises and their managers change, among others, by introducing new technologies. Therefore, it becomes important to create new structures that are designed to respond to the challenges posed by a competitive market, where unfair market practices appear more and more often (Ostrowska-Dankiewicz, 2019), and the vision of the enterprises of the future tends towards learning, intelligent and virtual (Kubik, 2012).

The use of modern technologies can create great opportunities, especially for small and medium enterprises. The progressing globalization means that the expectations of customers and business partners are changing, and the implementation of new technologies enables

small and medium-sized enterprises to access information infrastructure comparable to that used by the largest enterprises. The use of internet tools, in turn, can help increase the efficiency of operations carried out by enterprises, change the organizational chart or completely redefine the way in which the organization conducts its activities (Kos-Łabędowicz, 2013).

The impact of changes on the market on modern enterprises is shown in figure 1.

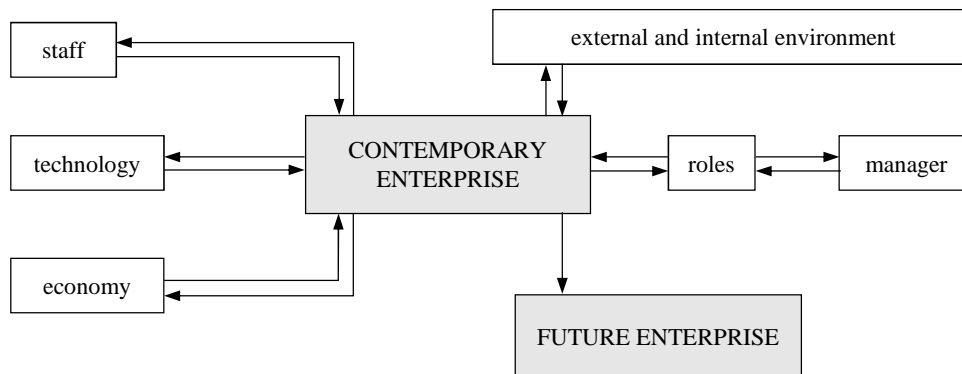


Figure 1. Changes taking place in a modern enterprise

Source: Own elaboration based on (Kubik, 2012).

Modern enterprises use many innovative solutions, which include cloud computing, artificial intelligence (AI) or Internet of Things (IoT). All the technological innovations available in the market can bring many benefits to enterprises, but one should remember about the threats that result from process automation and their transfer to virtual environments. I am talking in particular about cyber attacks, which can have particularly severe consequences in the case of organizations that base their activities mainly on IT systems. Therefore, cyber risk management seems to be one of the key aspects of enterprise management, and in the case of enterprises using modern technologies to a large extent, it is possible that even the most important aspect of doing business

The analysis of the literature shows that cyber risk does not have an unambiguous, precise definition, which is the result of a very wide range of risk, as well as various defining perspectives. Cyber risk may have a different nature depending on the organization it covers. From the point of view of enterprises, this is an operational risk of anthropogenic origin, while for insurance companies it is an insurance risk defined by a catalog of various forms of its materialization. However, in the narrowest sense, cyber risk can be defined as the risk of occurrence of electronic events that cause disruptions in business operations or financial losses, or as a risk that is associated with the possession and use of IT equipment and technology in the organization (Strupczewski, 2017a).

As a result of cybernetic materialization, cybercrime occurs, which may involve various activities that affect both individuals and businesses. In the case of individual persons, in particular, the crime of identity and personal data theft is mentioned, while in the case of enterprises, e.g. theft of intellectual property can be talked about (Wierzbicka, 2017).

For enterprises, the threat of cyber attacks is high and it is still growing. Such attacks can have many negative consequences for enterprises, which may manifest themselves in closing energy networks, disclosing offers to competitive enterprises or disabling websites that may be necessary to conduct standard business. What's more, it is noted that hackers are now becoming more sophisticated, which means that enterprises will have to constantly focus on cyber security and increase the expenditure associated with securing themselves against these attacks (Brockett et al., 2012).

The targets of cyber attacks can be different. The idea behind such an attack may be hackers' desire to raise money, data or technology. However, if the purpose of such an attack is personal data or confidential business data, then one can speak of an incident of data breach (Strupczewski, 2017b). This, in turn, may impose penalties on entities that have insufficiently secured such information.

Considering the danger of losing any information processed within the enterprise and incurring the related costs, the goal of all enterprises, and especially those that use IT systems to a large extent, should be to manage cyber risk in such a way as to ensure the state of cyber security of the organization. Cyber security can be understood as a set of defensive methods that aim to reduce the risk of malicious attacks on software, computers or networks (Craig et al., 2014).

Many organizations have their own crisis management structures whose task is to facilitate appropriate response to internal crises, regardless of their cause and nature. It is, therefore, important that these mechanisms are coordinated so that they are able to act also in the event of cyber risk incidents. To determine when and what safeguards to apply, organizations may take some action to prioritize and assess threats and, as a consequence, seek cyber security (Public Safety Canada, 2016). These actions are shown in figure 2.

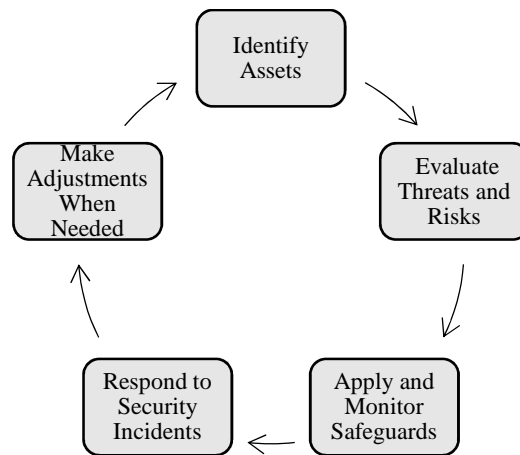


Figure 2. Cyber Security Fundamentals

Source: Own elaboration based on (Public Safety Canada, 2016).

The literature distinguishes at least two basic features that distinguish cybernetics risk assessment and management from other types of risk management. First of all, the attention should be paid to the far-reaching range of cyberspace, which means that sources of threats

can also be very widely spread, even on a global scale. The second feature is a very large number of potential threats, both threatening and harmless. These features make it necessary to develop techniques and procedures that provide guidance on how to properly assess and manage cyber risk (Refsdal et al., 2015).

The process of appropriate risk management is a very important element of business operations. This applies to risks of different origins, including cyber risk. However, in the event of events that cause disruption to business operations, they must face some financial losses or other additional costs. The determination of potential costs related to the materialization of cyber risk was the subject of research in the literature. In his research, S. Romanosky focused on four types of cyber attacks: *data breaches* understood as disclosure of personal information, security incidents, i.e. malicious attacks directed at the enterprise, violation of privacy and phishing/skimming. The author points out that by far the most common of all cyber threats tested were data incidents, in particular personal information such as credit card numbers or medical information. However, when it comes to costs resulting from cyber threats, the author indicates that they may have a different nature. In the event of a data breach, the costs incurred by an undertaking may include the costs of a criminal investigation, the cost of notifying consumers. In addition to these, these may also be the costs of settlement between the parties, fines or fees imposed by government agencies. Moreover, in a sample of 12,000 cybernetic events studied, the cost of a typical incident was less than 200,000. USD (Romanosky, 2016).

However, it is noted that the costs of cyber security breaches for one enterprise can reach billions of dollars. Moreover, such studies are most often conducted using surveys, which causes some distortion of the picture of real costs as the participants of the study often take into account only the direct costs associated with the materialization of cyber risk, such as the costs of detecting such violations or any loss of assets. Often, costs such as a potential decrease in sales or potential future obligations arising from a breach of cyber security are not estimated (Gordon et al., 2015).

The subject of research of scientists is also the impact of cyber attacks on the price of shares of an enterprise. The research conducted showed that the market provided a negative return on investment in the period after data breach as a result of cyber attacks (Kammoun, 2019). Another direction of research includes the impact of cyber risk on return on shares of enterprises that suffer from some information gaps (Colivicchi, Vignaroli, 2019).

Some scientists have also tried to develop a flexible and transparent methodology for estimating both current and future global costs of cyber risk. The research conducted showed that cybercrime directly affected gross domestic product. On a global scale, direct baskets were USD 6.6 trillion, while total cybercrime costs can range from USD 799 million to even USD 22.5 trillion (Dreyer et al., 2019).

The costs incurred by enterprises related to the cyber risk materialization should be minimized accordingly. The company's goal should be to limit the frequency and scale of cyber incidents. However, when such actions are not entirely possible, enterprises should manage cyber risk in such a way as to at least limit the financial consequences of such phenomena. Cyber insurance is a way to manage risk in this area.

Cyber insurance has been studied both in the context of the risk transfer method, but also as a mechanism to motivate the improvement of cyber security (Khalili et al., 2017). Although there are more than 10,000 cyber attacks per day around the world, most corporations are just beginning to realize the vulnerability to such incidents. Therefore, cyber insurance seems to be one of the future areas of development when it comes to cyber risk

management. As a result, insurers will be able to generate revenues from the provision of services consisting in monitoring cyber attacks and appropriate active response to them (Nylor, 2017). However, it should be noted that the cyber insurance market is a relatively young market and faces many challenges. These include the lack of data, the problem of defining a contractual language or specification of standards in the field of risk assessment (underwriting). These challenges are practical, and to meet them requires insurers to gain more experience in this field. On the other hand, there are also theoretical challenges related to correlated risk, as well as the interdependence of information security and asymmetry. A thorough theoretical analysis is required to enable market development and benefit from social benefits (Martinelli et al., 2018).

Literature analysis shows that at the beginning of the 21st century, insurers began to offer products that they felt were protected against financial losses that resulted from data breaches. The types of risk that cover such policies include, first and foremost: identity theft, business interruption, loss of reputation, litigation costs, malware or human errors (IIROC, 2015). The scope of liability of insurers under cyber insurance can include both direct losses incurred by the policyholder (First Part Loss) and coverage of losses on third party items (Third Party Loss). The detailed scope of responsibility is presented in table 1.

Table 1. Examples of cyber-insurance coverage

First Part Loss	Third Party Loss
<ul style="list-style-type: none"> • Loss of business income due to cyber incident • Business interruption • Damage to intangible assets • Damage to tangible assets (products liability) • Loss due to outside provider security or system failure • Loss due to system failure or human error • Cost of ransom payment • Cyber specialist • Loss due to accidental damage of computer system • Financial loss from fraudulent electronic transfer of funds • Data restoration • Extra expense • System clean-up costs • Administrative investigation and penalties 	<ul style="list-style-type: none"> • Liability claims • Fines • Media liability • Wrongful collection of information • Media content infringement/defamatory content • Violation of notification obligations

Source: (EIOPA, 2018).

In addition, the use of cyber security can bring other costs and services benefits to enterprises. The benefits reported by cybernetic insurance clients are presented in figure 3.

In addition, the use of cyber security on the macro-social scale provides three very important benefits. Cyber insurance stimulates the increase of investment in IT systems security, creation of a code of good practices in managing cyber risk in an enterprise, as well as raising the level of society's wealth (Strupczewski, 2017a).

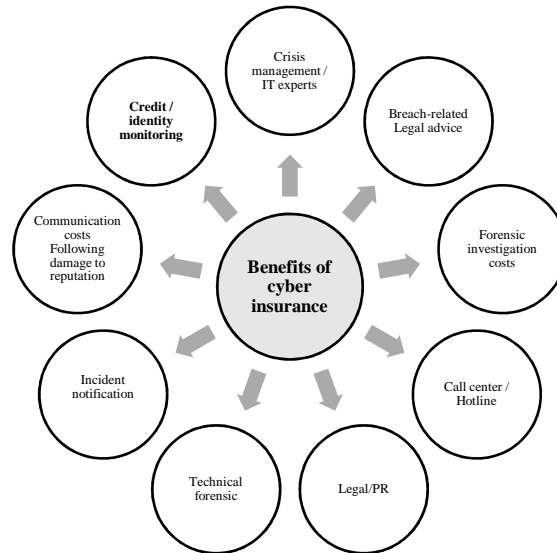


Figure 3. Benefits of cyber insurance for enterprises

Source: (EIOPA, 2018).

However, it should be noted, however, that effective cyber risk management in an enterprise should be based on the use of cyber security, not only to transfer risk, but also to create incentives to invest in cyber security. However, this is difficult because of the asymmetry of information that makes it difficult for insurers to monitor their cyber security activities (Shetty et al., 2018). On the other hand, companies' reluctance to use cyber security can have various reasons. Customers may have concerns about costs and revenues – some companies believe that such insurance is too luxurious. Another important factor may be the uncertainty as to the payment of benefits in the event of materialization of cyber risk, which is directly related to the fact that cyber insurance is a relatively young service, so the market itself is not fully tested. Some companies in the high technology industry are characterized by a relatively high risk appetite, which in their opinion insurance does not seem to be a necessary investment. The last reason is the matter of maturity. Some companies may not be aware of the possibilities of cyber risk insurance, while others may not be aware of being exposed to this type of risk (Meland et al., 2017).

3. THE SCALE AND COSTS OF CYBER ATTACKS FOR BUSINESSES

The cyber threats that enterprises may face in their business activity may have many common features, however the risk characterization depends to a large extent on the profile of their activity. Slightly different threats will affect financial institutions, and other manufacturing or service enterprises. The threats to individual industries are presented in table 2.

Cyber threats are affecting companies located all over the world. However, studies show that the incidence of cyber security incidents varies from country to country. Most malware attacks occur in Bangladesh and Algeria, while the smallest number of attacks was observed in Denmark and Ukraine (<https://financesonline.com>). The most common types of cyber

attacks in the United States and their share of the total number of attacks are shown in chart 1.

Table 2. Cybernetic risk exposure in specific industries

Industry	Exposures	Common claims
Financial institutions	High exposure to cyber risk due to a combination of factors: cyber crime, hacktivism and sophisticated attackers carrying out espionage on behalf of a beneficiary. Vulnerabilities to cyber event can be high as many financial institutions are dependent on highly interconnected networks and critical infrastructures.	Social – Phishing and Human Error
Healthcare	Increased reliance of Healthcare companies on computer systems to collect and transact highly sensitive personal health and medical data. There is a high exposure to administrative errors.	Human Error and Misuse
Retail	Retail companies often have many locations that may or may not operate on centralised IT systems; a potential dependency on websites due to the increasing number of online sales, and an aggregated amount of sensitive personal information	Hacking and Social – Phishing
Hospitality	Cyber related exposures include large volumes of consumer and employee information, often heavy reliance on websites for customer bookings, and loyalty program information can lead to privacy issues	Social – Phishing and Hacking
Pro services	Confidential data hold by a law firm or an accountant can be lucrative for an attacker, and the reputational consequences for a firm suffering a breach can be highly damaging.	Human Error and Hacking
Manufacturing	One of the largest industries being targeted by cyber criminals. Many manufacturers are leveraging the Internet of Things (IoT), digitalisation, and cloud services, which all increase the impact of certain cyber events.	Malware and Social – Phishing
Education	Educational establishments are at risk due to the sensitive data they hold on students and staff; schools and universities often have limited IT budget and resources.	Social – Phishing and Hacking
Media/Entertainment	Cyber extortion threats that may target sensitive material and content. Attacks or computer system outages may significantly impact broadcasting activities and timely content delivery. The possession of sensitive personal information of subscribers compounds the exposure.	Human Error and Social – Phishing
Technology	Technology companies are trusted by their clients and customers to be industry leaders in the cyber security and protection of data, increasing the reputational damage that could follow a cyber event.	Hacking and Human Error

Source: Own elaboration based on (CHUBB).

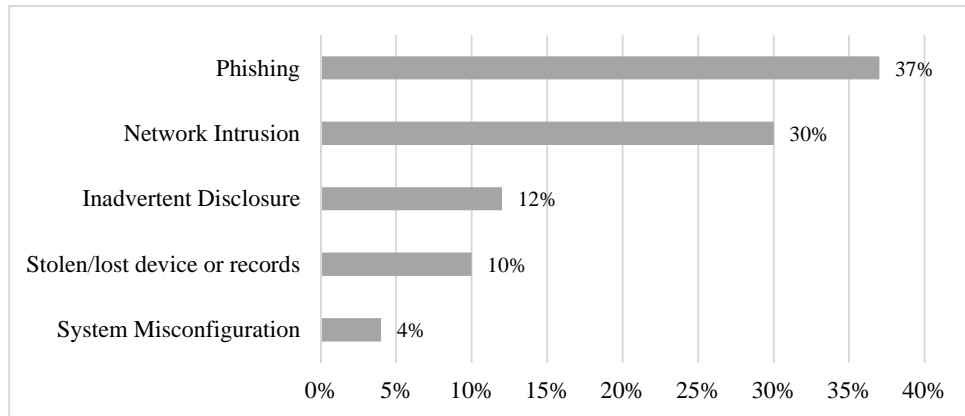


Chart 1. Most common cyber attacks experienced by the US companies

Source: Statista (2018).

An important issue related to the analysis of cyber risk is the financial consequences that must be taken into account by enterprises that have been affected by any cyber attack. Both the analysis of the literature and the market situation indicate that incidents violating cyber security are costly for enterprises and may significantly burden their financial result. The average organizational cost of enterprises in the United States after a data breach incident is shown in chart 2.

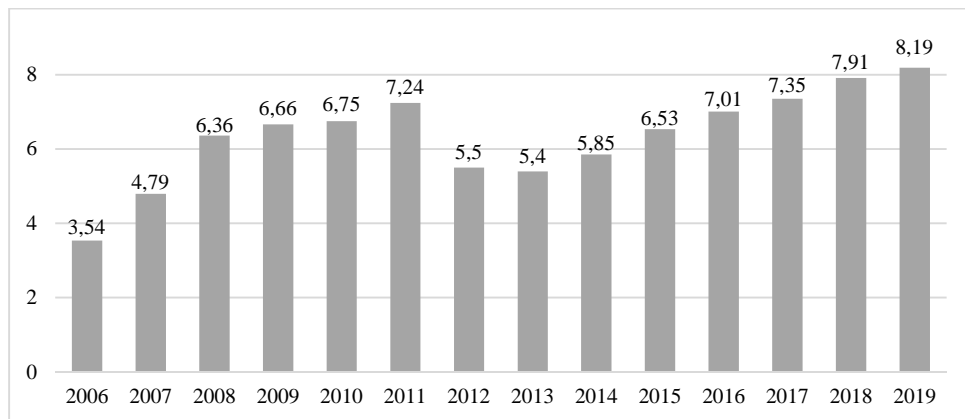


Chart 2. Average organizational cost to a business in the United States after a data breach from 2006 to 2019 (in million U.S. dollars)

Source: Statista (2019).

An analysis of the costs incurred by American enterprises shows that despite the fact that in 2012 costs began to decrease, in 2019 they were already more than 2 times higher than in 2006. It shows how dangerous cyber threats can be to enterprises, as well as their dynamic growth in the last years. The United States is also a country where cyber incidents

occur most frequently and generate the highest costs for organizations. The summary of average annual costs related to cyber attacks in selected countries is presented in chart 3.

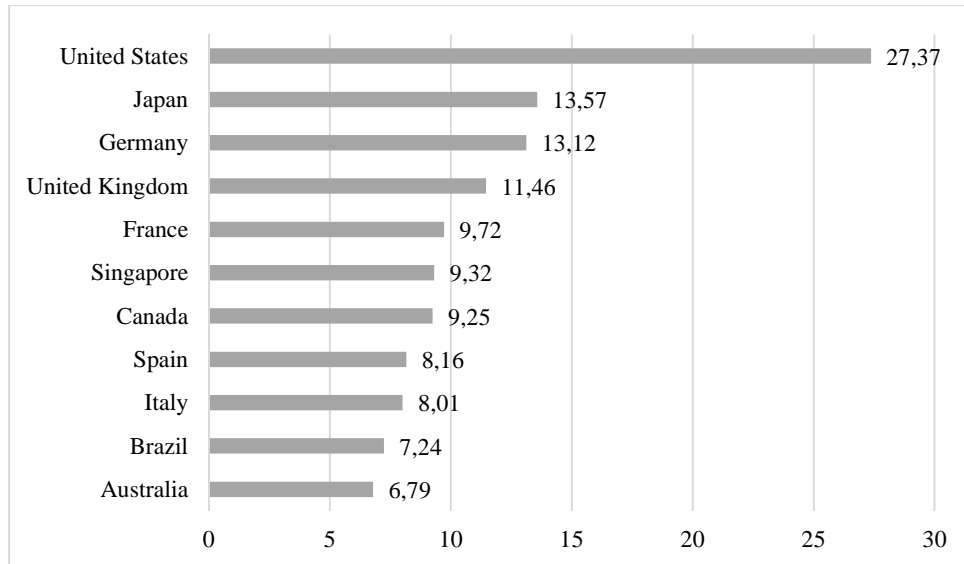


Chart 3. Average annualized cost of cyber attacks on companies in selected countries in 2018 (in million U.S. dollars)

Source: Statista (2019).

When analyzing the annual costs in selected countries, it can be seen that in the case of European countries cyber attacks generate much lower costs than in countries such as the USA or Japan. It should be noted, however, that Germany bears the largest costs associated with the implementation of cyber risk among all European countries.

4. INSURANCE DEVELOPMENT POTENTIAL IN CYBER RISK MANAGEMENT

One of the methods of managing cyber risk in enterprises is cyber insurance. Despite the significant benefits of these products, their use is relatively low. The share of expenditure on cyber insurance in relation to the total costs incurred to ensure an appropriate level of cyber security in the organization is presented in chart 4.

An analysis of cyber security expenses incurred by enterprises shows that these expenses are constantly increasing. However, it should be noted that the gross written premium for cyber insurance (Gross Written Premium, GWP) accounts for a very small percentage of total expenditure. In 2015, expenses related to the purchase of cyber-insurance accounted for only about 3% of total expenditure, while in 2019 – just over 4%. Over the years 2015-2019, the overall level of expenditure increased by more than 58%, while the gross written premium due to cyber-insurance doubled. In addition, the forecasts show that in 2020 the gross written premium should increase by 60% compared to 2019. Therefore, it can be seen that cyber insurance is constantly evolving and it can be assumed that their

share in expenditure related to cyber security, and therefore their role in the cyber risk management process will grow.

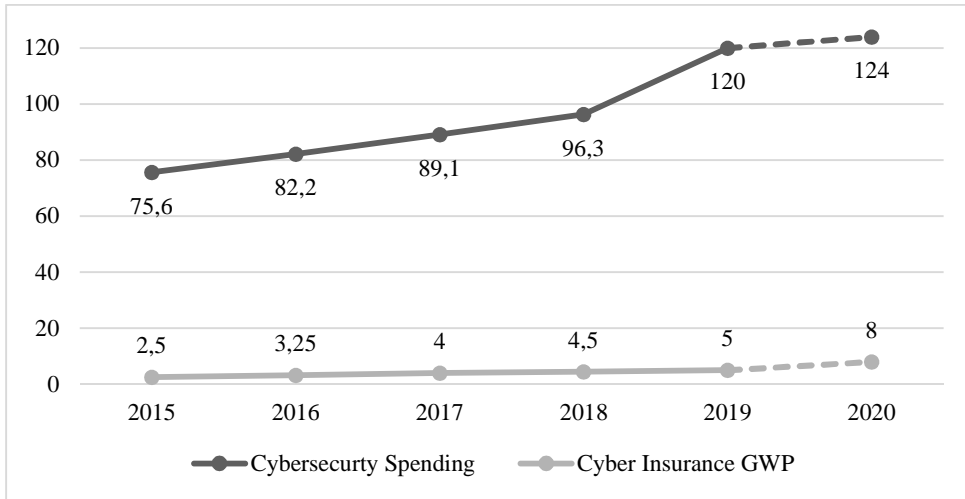


Chart 4. Annual cyber security spending (in \$bn)

Source: Own elaboration based on (Marsh, 2019).

The development of the cyber insurance market is also forecast by Aon. The research conducted shows that the largest market for the aforementioned insurance is the United States, while the remaining countries have so far had a marginal share in the global written premium. These studies also show that European Union countries began to have any significant share in the global premium only from 2013. Detailed data on the increase in global premium written in cyber insurance are presented in chart 5.

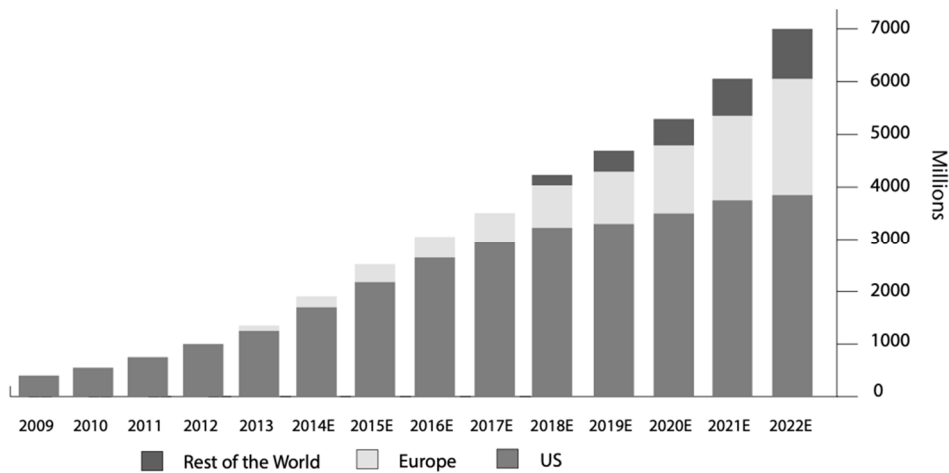


Chart 5. Global cyber written premiums 2009 – 2022

Source: (Aon, 2018).

The analysis of the research by Aon shows that the development of cyber insurance will be the most dynamic in those markets that so far have had a small share in the global written premium. In the United States, where cyber risk insurance has been popular for years, this increase will not be as noticeable. However, in the case of European Union countries, the value of the market in 2022 should double, similarly to other countries of the world. Research shows that in 2022, the global value of the cyber-insurance market measured by gross written premium will be around USD 7,000 million.

5. CONCLUSIONS

Cyber risk is now a significant threat to all enterprises, not just those that use the most modern technologies. Moreover, the effects of materialization of such risk may also significantly affect natural persons. Violation of data processed in enterprises may lead to the disclosure of personal or confidential information, which may endanger the interests of society. In turn, such incidents can significantly affect the results achieved by an enterprise. The deterioration of profits may be the result of not only the direct costs associated with the materialization of risk within the enterprise, but also may be the result of the need to pay compensation or sanctions imposed by institutions supervising various market segments. Therefore, proper cyber risk management is extremely important in order to minimize the negative financial consequences for enterprises.

Cyber security is one of the methods that enables this. Although these products are not very popular, especially in countries other than the United States, their dynamic development is noticed, as evidenced by an increase in gross written premium both globally and in individual countries. The coverage of material consequences of cyber risk guaranteed by insurance can minimize business losses, and can also improve reputation as customers and shareholders feel safer seeing that the company has collateral in the form of a policy purchased.

Therefore, the development of the cyber risk insurance market creates huge opportunities for organizations to secure their financial interests against the negative effects of risk materialization, and thus also to be able to conduct standard operations even when there is a real threat of cyber attacks.

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THE YELLOW ORGANIZATION AS AN INTEGRATIVE STAGE IN THE F. LALOUX' ORGANIZATION MODEL

This paper describes the organisation's teal model developed by F. Laloux. The authors analysed this model in terms of opportunities and possibilities of its implementation in Polish enterprises. This analysis allowed the authors to distinguish the Yellow organisation located between the Orange and Green organisations.

The goal of such an organisation is dynamic development and profit. It has a simplified and flattened hierarchy demonstrating that effective management is based on the diligence and passion of employees as well as creative leadership. The distinguished type of organisation is the stage preceding the development of a teal organisation. The research methods included the analysis of theoretical aspects and opinions of managers who implemented the model of a teal organisation for their practice.

Keywords: teal organisation, management, style, start-up.

1. INTRODUCTION

Contemporary conditions of business development determine globalization, changes in communication processes, the use of modern technologies and IT tools, and changes in the preferred social values. These changes have a direct impact on the functioning of the organization. Understanding the essence of these changes is to harmonize goals, structures, and styles of management that take into account new approaches and models. The idea of a teal organization is such an innovative model.

The creator of the Teal organization model is F. Laloux³, who distinguished five management models, giving each of them a symbolic color. The first is Red this color is characteristic of organizations such as mafia or street gangs. The binder of these organizations is fear and the purpose of keeping subordinates in check.

An Amber organization is characterized by a rigid hierarchy with a division into formal roles, where the most important value is stability. This form of management exists, for example, in armies or churches. Another model is an Orange organization that resembles a machine aimed at achieving goals. Then a Green organization in which the leader enters

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³ The term "turquoise organization" has been used in Polish literature, e.g.: (Laloux, 2015).

the role of a mentor, teacher, and not a dictator. Such an organizational model is close to, for example, social movements. It is followed by Teal organization – the highest stage in the organization model. The all models proposed and marked with a specific color have been ordered according to the style of management – from the most authoritarian to the most democratic. The teal organization was presented by F. Laloux as the highest level of awareness in the management of the organization. From the cognitive point of view, it is interesting how this model could be implemented in the entrepreneurial conditions in Poland.

The aim of the article is to analyze and evaluate the F. Laloux' Teal organization in the context of opportunities and barriers to the development of this model in Polish enterprises. The authors' experiences in the field of research on organizational creativity and management of intellectual property resources indicate that even in innovative enterprises, the hierarchical structure is not abandoned.

Therefore, we believe that one more stage of organization model is needed, which we placed between the Orange and the Green organization. It is a Yellow organization based on passion, cooperation, and openness to its environment. These three elements have a decisive impact on building the awareness of the responsibility that must be taken by all employees.

2. MODEL TEAL ORGANIZATION AS A NEW PARADIGM IN MANAGEMENT THEORY

In 2014, F. Laloux published a book on *Reinventing Organization*. It presents the concept of Teal organization as a new paradigm in management theory, where we have a division of work, formal managerial authority, unity of command and leadership, subordination of personal interests to the general interest, and hierarchy and organizational structures guarantee effective organization management. According to F. Laloux, the “Teal organization” is another type in the evolution of the organization's development.

F. Laloux describes the history of humanity as an evolutionary process consisting of many stages. Referring to the work of the philosopher Ken Wilber, he describes the five stages of human consciousness and assumes that organizations evolve in accordance with the same stages. By describing each of these stages and the corresponding organizational model, he uses names and colors to describe them. These are: Red (impulsive); Amber (conformist); Orange (achievement); Green (pluralistic); Teal (evolutionary). The description of the distinguished types of organizations is presented in Table 1.

The four basic types of organizations distinguished by F. Laloux - a Red, Amber, Orange and Green organization, although significantly different from each other, have certain common features. Common hierarchical management structure, formalized decision process, and its control, as well as formalized ways of setting plans and budgets, are common. However, the proposed by him new model – the Teal organization is based on three basic pillars (Laloux, 2015):

- self-management (self-organizing teams): lack of hierarchical structure and mid-level management; minimum number of staff units, the leader is selected and accepted by employees; decentralization of management decisions; trust-based management;
- wholeness – every employee has the opportunity to use their talents and talents at work in a turquoise organization. Employees have the opportunity to share knowledge and freely express their opinions and their creativity;

- evolutionary purpose – purpose is determined in the course of joint discussion and are adapted to the current needs and the situation in which the organization is located. The Teal organization does not formulate rigid purposes from the perspective of 2 or 5 years. Market volatility and unpredictable future cause that Teal organizations do not traditionally formulate their strategy way by stiffly setting purposes and means, but analyze the opportunities that are the basis for setting purposes and actions in an ever-changing situation. Purpose takes the form of intentions, and the strategy is a synthesis of order (strategy considered) and chaos (emerging strategy) (Strategor, *Zarządzanie firmą. Strategie...*, 1995).

Table 1. Types of contemporary organizations according to F. Laloux

The type of organization	Characteristic	Key success factors	Metaphor	Examples
Red organization	Permanent exercise of strong authority by the leader to keep people in check. The organization is based on fear. A highly relative mode of operation. Concentration on short-term goals.	- distribution of receipts and spoils - power, supremacy	wolf pack	- mafia - street gangs - tribal militias
Amber organization	Highly formalized roles in the hierarchical pyramid. Top-down management and control (what and how). Stability is the most important value provided by rigorous processes. The future is repeating the past.	- formal roles (stable and scalable) - processes (long-term perspective)	army	- The Catholic church - military - most government agencies - public schools systems
Orange organization	The goal is to overcome rivals, achieve profit and continuous growth. Innovation is the key to success on the market. Management by objectives (management and control over "what", freedom in relation to "how").	- innovations - responsibility - meritocracy	intelligent machine	- multinational companies - charter schools

Table 1 (cd.). Types of contemporary organizations according to F. Laloux

The type of organization	Characteristic	Key success factors	Metaphor	Examples
Yellow organization	The goal is dynamic development and profit: - simplified and flattened hierarchy; - management based on pursuing passion, acquiring skills and a creative leader; - limited human and financial resources developed as the organization grows	- knowledge - creation - expansiveness	- Big Data - application software	Start-ups
Green organization	They function in the classic structure of the pyramid, but concentrate on culture and empowerment in order to achieve extraordinary motivation of employees.	Organizations are driven by culture: - empowerment - a culture based on the value - stakeholder model	family	ecological and social organizations
Teal organization	The work is based on the paradigm of organizing teamwork, which gives each person (not an employee) a sense of the meaning of life, allows for development, offers space for their creativity and innovation. Decisions in such an organization are made by people who know the subject and have predispositions, often after consulting others, and the rest of the team trusts them.	Organizations powered by: - self-management - full identity - your own life (evolution of the goal)	human and other living organisms	socialized organizations

Source: (Laloux, 2015).

The model of the Teal organization proposed by F. Laloux is a projection reminding the model of ideal patterns. G. Nadler (Kisielnicki, 1986) used for design systems and develop forecasting techniques used in information systems based on a database, improve organization and management as well as technical design. This model is characterized by a departure from the need to analyze existing conditions and focus on determining the target state. A similar approach can be found in the Teal organization model.

3. OPPORTUNITIES AND BARRIERS TO CREATING TEAL ORGANIZATIONS IN POLISH ENTERPRISES

It is difficult to disagree with the statement that the development and functioning of each organization are constantly evolving. In the approach proposed by F. Laloux, the Teal organization model is the next stage of this evolution, which is accompanied by the change and development of human consciousness. Let us not forget, however, that the subject of the analysis presented in his book is enterprises operating in a well-formed and mature social market economy (the USA, the Netherlands, Germany, France). The question is, do the economy in Poland, which only after 1989 has created the basis of activity for the development of market structures, is ready to introduce the Teal management model? (Jeznach, 2017). The answer to this question is not unambiguous. On the one hand, in Poland there are of companies that introduce turquoise management, e.g. the LeaNCe and Notiustshop (Jeznach, 2017), Krakow kindergarten, in which children design children's clothing, and their neck, IT company Kamsoft Podlasie from Zambrów, producer of labels and packaging Marco from Gliwice, and the service company Brewa from Kalisz, the company installing solar cells Maxim, the company Zielona Wieża, and the producer of labels and packaging Marco from Gliwice (Blikle, 2017). On the other hand, the new management style is perceived by owners and managers as to their position as a leader in the company. Those who prefer leadership and authoritarian attitudes argue that this is the most effective style of leadership. The social research, carried out in Poland by J.T. Hryniewicz, shows that not only managers but employees treat new ideas and their involvement in their work as a threat to themselves (sic!) (Hryniewicz, 2017). Polish employees appreciate the most: job security, efficient organization, good relations with managers. On the other hand, they value low individual achievements that violate the formal hierarchy, adopted prestige and popular opinions. A similar mentality is noticed in the behavior of the managerial staff in Poland. Perhaps the reason for such attitudes is the so-called "peasant mentality":

"(...) in our collective experience, attitudes, customs and procedures proper to the management of truly free people, nor the attitude of truly free employees are not used. That is why corporate employees feel best by following orders, and bosses are best placed in authoritarian management" (Jeznach, 2017). According to W. Eichelberger: "(...) the most common picture that can be seen in Polish companies is the manager who has «stick and carrot» among passive people, (...)". "That is why new management trends and a modern culture of business organizations are hard to root on Polish soil. (...). Either the bosses and owners must see that they are freed from their "slaves" or "slaves" must rebel and fight for freedom" (Jeznach, 2017).

Equally critical about the introduction of the Teal organization in Poland is expressed by J. Santorski, who claims that they are still a myth because most enterprises derive from the paradigm of the farm, dictatorship, hierarchy:

"From the point of view of our mentality, it is difficult for Teal companies. The Pole, however, has such a conviction that "if there is no boss, then everyone is stupid, and suddenly – we all can be "bosses"? And further: "Nevertheless, the world is going this way [Teal organization] and if even the army evolves towards" mission commands", flexible teams, then this kind of openness is inevitable in the best sense

of the word” (Santorski, <https://www.impel.pl/.../jacek-santorski-turkusowe-firmy-w-polsce-sa-jeszcze-mitem>).

4. YELLOW ORGANIZATION AS AN INTEGRATIVE STAGE IN ORGANIZATION MANAGEMENT SYSTEM

The quoted opinions and conclusions from the research indicate that the main obstacle in creating the turquoise organization in Polish enterprises are mental barriers. In the opinion of the authors, a change of this mentality is possible, but it would require passing organizations through stage called by authors “Yellow organization” which is placed between Orange and Green organization (see Table 1). In our opinion, this new stage can be the supplement the integrative stage in the F. Laloux' organization model. Which in the case of enterprises in Poland seems to be a natural and obvious stage in the development of the organization. At this stage, there may be a change in thinking about the company and its functioning on the market.

The Yellow organization proposed by the authors is an intermediate stage between the Orange organization and the Green organization. The yellow organization, compared to the Orange organization, is a more democratized structure, which is manifested by the fact that it is employees who define the goals and ways of their implementation, but these goals are formulated by the managers. Compared to the Green organization, which is based on the broadly understood cooperation with the environment, the Yellow organization uses market competition as a factor in the development of its operations. In the Yellow organization, the driving force its development are: creativity, modern knowledge, and technology as well as scalability of innovations. Such an organization is startups defined as agile project management, creative and innovative approaches for generating and implementing creative ideas, designing business models financed and supported mainly by external capital, including min. investment funds, business angels or crowdfunding. In this approach, the startup is a temporary organization that searches for a scalable, repeatable and profitable business model (Blank, Dorf, 2013).

5. CONCLUSIONS

The model of the Teal organization presented by F. Laloux is based on three concepts concerning: organizational structures, practices, and culture. These are:

- self-management – resignation from the traditional hierarchical structure to maximize the independence of each employee;
- wholeness striving for fullness – enabling self-realization and full use of the potential of employees;
- orientation on the evolutionary purpose of the organization – focusing on the goal more than on profits.

According to F. Laloux, the motivational power of these organizations is a management method based on trust and consultation and the empowerment of the employee. The Teal organization does not completely reject the existing forms of motivating but only reverses hitherto logic and order.

“We do not strive for recognition, success, wealth and belonging to in order to lead a good life, we strive for a well-lived life, and its effect may become recognition, success, wealth and love” (Laloux, 2015).

The authors of this publication believe that the transformation towards a Teal organization is possible and real. However, in the conditions of Polish entrepreneurship, it is necessary to go through the Yellow organization stage. This stage – according to the authors – favors the shaping and development of human consciousness, creativity, and entrepreneurship. If we treat startups as yellow organizations that evolve towards a green organization characterized by a culture based on values and respect for people, then the chances of getting closer to the ideal of the Teal organization are possible in practice.

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THE IMPACT OF MARKETING INFANTILISM ON THE EFFICIENCY OF MARKET MECHANISMS

This research aims to identify the mechanisms behind irrationality in consumer choice of commodities based on marketing communication strategies employed by companies and their understanding of consumers' sociological behaviour. From a reinterpretation of research evidence and an analysis of existing literature, the research examines whether the infantilisation of marketing activities stems from a mistaken notion of marketing, and a lack of understanding that marketing aims for mutual agreement and benefits for the supply and demand sides.

The argument relies on secondary studies and market analysis, such as the understanding of past and present market phenomena, factors, and processes. The present study applied exploratory data analysis to describe behaviours, needs, values, lifestyle and consumption models. The sources used included scientific papers, monographs, and reports by private foundations and commercial enterprises.

The analysis of literature revealed artificially created paradigms that frame the choice of commodity and a decline in the role of demand in creating supply – especially by individual clients. The paper proposes a need for changes in how marketing communication is seen and deployed, to limit consumption and human subjectivity.

Keywords: market economy, marketing, consumer, economic rationality.

1. INTRODUCTION

Capitalist market in its assumption is the epitome of freedom on many levels: free movement of goods and services, free competition between the free circulation of capital and the means of production. This economic system is based upon private ownership of the means of production or capital which is maximized by the owner. The consequence is the desire of individuals to meet their own needs.

This article aims to highlight the imperfections of the activities of economic mechanisms. How may these imperfections result from microeconomic factors such as wrong decisions of market participants (both individual consumers and institutions) with the use of different immature quasi marketing strategies. Presentation of the worldview consumer narcissism, which causes a lack of rationalism and the lack of following the economic incentives for businesses to create pricing strategies of products, but also by consumers when choosing potential products.

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2. IMPERFECTION OF MARKETING COMMUNICATION

The classic model of decision-making assumes the possibility of optimizing the decision. Contrary to these assumptions the economic reality is not characterized by obtaining complete and accurate information by a customer, eliminating uncertainty, rational and logical assessment of the market, or even taking the optimal decision for an organization. This is the form of marketing communications, selected by a corporate entity, which is responsible for the information discussed (Łyszkiewicz, 2000). There is no possibility that this communication contains all information and that its flow is in a perfect way. It is not always reliable (Stiglitz, 2004).

Marketing in its core is a complex task as it implies that all customers are aware of their preferences and they want to be treated as a sovereign market actor in creating and shaping the preferences. Buyers are aware of the limitations (income, price) and aware of the expectations (optimization of usefulness). They expect support from marketing to increase their “degree of beliefs certainty” (O’Shaughnessy, 1994). Consumers automatically succumb to persuasion instruments of the 4 P family². However, their sensitivity to marketing tools, and therefore their effectiveness depends on the volatility of the environment, including in particular the market. Under the influence of these factors purchasers change their behavior and their sensitivity to 4P mechanisms as the intensity of the 4C changes (Zadora, 2003).

At the early stage of the product life cycle purchasers have little knowledge about the product. As a result, they (willingly) pay extra for meeting the needs of information and dispel doubts. They may opt out of additional values: the convenience of delivery or diversification. During the development of the purchasers get experience when buying and using the product and begin to see the new values: the offer range, convenience of delivery, a method of financing (loans). When the market reaches maturity, the knowledge of purchasers grows, all the elements of a set of 4C values purchased by the purchaser change. The purchasers are more able to compare competitive offers. This means the beginning of the competition, which can be called “head to head” (Abell, 2000). In such conditions, the market can grow only by low prices and other changes in the 4 P system. By lowering prices, the basic instrument of the 4P, marketing influences the behavior of buyers, prompting them e.g. for the prevention of the market, offering a higher value as a “reward”. The volatility of the purchasers in the market is a new challenge for producers. They either need to decide to sacrifice most of their resources to defend their position (which requires aggressive, very expensive marketing), or create a new market and develop new primary demand.

But before the buyers choose the goods and services on the market, they need to decide how much of their income will be spent on consumption, and what part on savings. Many economists (including J.M. Keynes) argue that consumers do not change their consumption habits so quickly and with an increase of income, they save more. Consumers save in order to increase future consumption to protect against unexpected expenses, to finally enlarge their financial wealth. Before they make a choice on the market of goods and services they decide on the distribution of income. The role of marketing in these decisions is not fully recognized. However, it is known that some buyers do not save if the usefulness from the consumption of material goods is greater than the usefulness of capital goods. And even to

² Rationality of behavior casts doubt on the effectiveness of the impact of instruments extending to areas of psychological persuasion.

meet the preferences of consumption, they seek additional resources for loans. Then the power of marketing persuasion can influence the purchase decision, since the loan effectively alleviates budgetary constraints. However, the main area of selection applies to consumption and savings, and within which consumers decide whether they want to spend and how much, or save their income. In this area, decisions marketing is not visible, even though these decisions determine more about how to spend the income on goods and services and how to save, in which marketing is sometimes excessively active (Zadora, 2003).

The modern theory of decision repeals the assumption of perfect information and tries to model the decision-making process, depending on the conditions under which they are taken. Imperfections in information owned by entities result from many causes, the most important of which will be discussed below:

- profitability of information retrieval;
- lack of access to data, lack of effective predictions;
- barriers to the provision of information (*uncoded knowledge*);
- conscious information asymmetry.

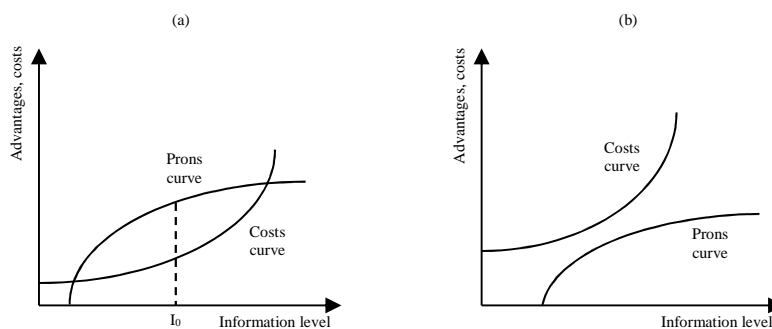


Figure 1. Determination of the optimum number of information

Source: (Forlicz, 2001).

Obtaining valuable information makes that not always the optimal choice, from the point of view of the decision-maker, is taking steps to obtain it. When the benefits of the information acquired are lower than the costs, the optimal decision is to refrain from collecting information (the situation shown in Figure 1. b.). The decision on the acquisition of information occurs when it is profitable - the figure 1.a. the optimal level of information determines the greatest distance between the curve and the benefits of cost curve (level I_0). On the second chart there is not such the level of information where the benefits outweigh the costs, thus gathering information would be inefficient, which forces to operate in conditions of ignorance (Forlicz, 2001).

3. RELATIONSHIP OF DEMAND FROM THE IMPACT OF MARKETING ACTIVITY

Scientific publications do not mention about the impact of marketing communications, and consequently about the opinion of environment and changing fashion, purchasing

decisions by the customer of a product compared to other competitive products. Stanisław Piasecki in the “Introduction to the theory of market competition”, has assumed that the customer is guided only by their market benefits – that is, if he had a choice to buy product A and B , which serve to satisfy the same needs, respectively, for a C_A or C_B price, he will choose the one for which the quotient:

$$\frac{C_A}{T_A} \text{ lub } \frac{C_B}{T_B}$$

reaches a lower value, where T_A, T_B are the times of use, respectively of the product A or B .

If for the use of the product the energy is needed, then the T value may act as a use timer, which can be obtained for both products at the same cost of energy purchased. For example, if the product were a passenger car, the times T_A or T_B represent the number of hours of driving on fuel purchased for the same amount. In the case of a car, after a suitable modification, the T value of may be used as the number of kilometers.

However, we often act differently. Among other things, we are influenced by the opinion of the environment where we belong, or we would like to belong and we buy not the product which fulfills the self-interest criterion, but the one that is well perceived by others. A commonly known example is having properly expensive car of Mercedes, BMW or Audi by the president of the company, if one wants to have the appropriate authority among other managers (Traczyk, 2007). Typically, this behavior occurs in case when much cheaper car would be sufficient. Driving an expensive car, despite the obvious denial of our own economic interests, gains elusive prestige, which may ultimately give quite certain economic benefits (i.e. can assist you in obtaining favorable credit conditions in the bank).

Another example of the rejection of the self-interest criterion is the influence of fashion, that is “variable like a woman”. A clear influence of fashion on the purchasing decisions of products can be seen on the example of women's clothing. For example, a more expensive and of lower quality sweater will be in demand by clients just because it has a currently fashionable color – which is not consistent with the nicer color.

The opinion of environment is usually permanent (at the time), but the fashion generally varies cyclically. Besides, when the belief of environmental concerns mainly the price of product characteristics, then the characteristics of fashion concerns less significant factors from the perspective of the use of the product (e.g. the color of the product). However, both of these groups of products are characterized by high prices, which are highly inflated in relation to their cost of production, especially in the case of fashion. Fashion itself is not something pejorative. A sample issue can occur when the fashion market extrapolates a single company for the sole purpose of increasing profits, such as Apple which in 2001 introduced onto the market the iPods with white headphones attached. Technically, the products do not stand out from the competition, but promotional activities aimed at convincing the potential buyers that thanks to listening to music through white headphones they will become individualists among friends. Within a few years, most citizens of the United States, used Apple products, and yet those customers themselves as a member of the elite club. It is hard to find in this case a bit of the productive rationality. According to information by Steve M. Chazin (former Apple Marketing Executive), “white iPod earbuds were not created by the engineers. They were pure marketing trick used by Apple in order their product was more pronounced and has become a status symbol” (Toczyski, 2010).

The situation on the market makes that soft stimuli cause the formation of mechanisms of the impact of non-economic factors on the demand. This mechanism is explained by the example of two products: A and B which meet the same requirements of customers, but they have clearly different prices: $C_A > C_B$. An example will be sports shoes produced by well-known company A (Adidas) and some less well-known company B . Let us assume that this price difference can be justified by various durability of the footwear T_A and T_B . It may happen that the values:

$$d_{gr}^A = \frac{C_A}{\gamma \cdot T_A}; \quad d_{gr}^B = \frac{C_B}{\gamma \cdot T_B}$$

defining the lower limit of customer's income customer, at which he is still able to acquire the footwear by company A or company B , will converge to values in such a way that:

$$d_{gr}^A = d_{gr}^B = d_{gr}.$$

These products, though physically different, meet the same need, they become mutually competitive on the market and, as a result, they may be regarded as "identical" (equivalent) from the point of view of competition. It may happen that the durability of these products are equal in such a way that:

$$T_A = T_B = T.$$

Then we get

$$d_{gr}^A > d_{gr}^B.$$

In this situation, from the point of view of competition, there are two different products, although they meet the same customers' need. Of course, one of them, the more expensive, normally should be eliminated from the market. This is not going to happen as the crucial role is played by the opinion of snobbish environment of more affluent clients, with higher incomes. Namely, the customer who uses more expensive product (although less advantageous from the point of view of their economic interest) can claim to be better than someone who uses the cheaper product. Sometimes it turns into contempt for the users of cheaper products. In this case, part of the demand for athletic shoes will direct the more expensive products by A company, with the exception of part of the demand of this group of customers for whom price C_A exceeds the income capabilities of d :

$$d < d_{gr}^A = \frac{C_A}{\gamma \cdot T}.$$

The first group of customers for sports footwear will be divided into the group of clients (against their own economic interests) who satisfy the income condition:

$$d > d_{gr}^A = \frac{C_A}{\gamma \cdot T}$$

and the group of customers with incomes

$$d_{gr}^B < d \leq d_{gr}^A$$

As a result, we are dealing with a new phenomenon. Namely, the demand for products B of a better economic indicator will be only a part of the demand for sports footwear proportional to the difference:

$$q(d_{gr}^B) - q(d_{gr}^A)$$

and will be described by the formulae (for the simplest, linear demand model)

$$\Lambda_B = \lambda_0 \cdot [q(d_{gr}^B) - q(d_{gr}^A)] \cdot L_{mx}$$

where λ_0 is an average number of pairs of athletic shoes purchased over the years by a single client (usually this is an inverse of the period of use T) and L_{mx} is the total number of customers buying sports shoes, in a given market (Piasecki, 2007).

4. LIMITED RATIONALITY OF DECISION MAKING PROCESS

All theories use simplifications. Idealizations are simplified by the model structure by excluding problems not susceptible to modeling. The decision theory, which describes rational decision making, applies idealizations to exclude the problems associated with human cognitive limitations and errors associated with decision-making problems. This type of assumptions results from the characteristics of the decision maker. Idealizations concern internal factors related to the body that takes decisions. According to the assumptions this body does not have cognitive limitations. It is perfectly aware of themselves, never hesitates to respect their beliefs or desires; is able to consider all options, thinks instantly and effortlessly (Weirich, 2004).

Microeconomics examines in detail the decisions taken by market operators. To describe the decision-making problem, the mathematical model is built. In order to formalize, the concepts of states of nature, actions and consequences are introduced. State of nature is a description of the world so full that if it was true and well known, then the consequences of each action would be known. Action (alternative) is any decision possible to be taken, and the prospect is any possible variant called the future course of events (Lindgren, 1977). The consequence is the result of taking a particular decision at the ensuing state of the environment. This result is not always clearly defined.

Depending on the subjective characteristics, in determining the decision situation, one can distinguish:

- An ability of determining a set of possible actions,
- An ability of determining a set of possible states of nature,
- An ability to assess the consequences of action because of the possible states of affairs.

In decision situations of Bayesian type³ it will be necessary to mention about an ability for determination of the probability distribution P on the set of possible states of nature.

For each type of decision taken, some stages of the decision making process can be identified. Generally, the decision making process involves five basic steps:

- Identification of the problem,

³ These are the situations where one can determine the probability of existing of possible states of nature.

- Searching for information,
- Evaluation of alternatives,
- Decision,
- Conduct after the decision.

Evading the simplifying assumptions in economic theory allows to describe previously unexplained phenomena taking place in the economy, and on their basis to justify the reasons for the inefficiency of markets. The effects of the repeal of the assumption of perfect information have been described. The next step will be to analyze the conditions of limited rationality in economic activities, i.e. to look at the consequences of the rejection of the idealization of the capability of decision-making entity.

The assumption of rationality of players is the basis of the neoclassical theory of choice. In colloquial use the term “rational behavior” has at least two meanings. The first relates to the method and secondly to the effect observed. As the method, the rational behavior is the action selected reasonably, and not arising out of habit, emotion or prejudice. With respect to the results, rational behavior is an action that can effectively achieve the goal (Hirshleifer, Glazer, Hirshleifer, 2005).

The adoption of the assumption of rationality in economics is attributed to the classics. However, it should be noted that for the classical economists, such as Smith and Ricardo, rationality has limited significance, which boils down to a preference for more than less. This meant that the entrepreneur would invest in the sector with the highest rate of profit. Individual remarks on technical substitution, especially in Ricardo, can be interpreted as the assumption that in competitive conditions enterprises choose the combinations of factors of production, which minimizes production costs. Although the hypothesis of rationality is not explicitly defined by the classics, one can assume that it boils down to maximize profits by the company (Arrow, 1998).

One will not find in the classics the rationality of a postulate formulated for consumers. It was only introduced by the pioneers of the marginal revolution: Jevons, Menger and Walras. Rationality, in their view, required the maximization of utility by reducing the budget. As the theory ordinal utility began to be displaced by the theory of preferences (cardinal utility theory), the postulate of rationality became an optimization requirement, of the so-called internally consistent preferences, i.e. those fulfilling the conditions of completeness and transitivity (Czarny, 2002; Rubinstein 1998).

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PSYCHOLOGICAL LOAD OF MANAGERS AND DESTRUCTIVE ORGANIZATIONAL PROCESSES

The activities of managers require much more energy than the functioning of people who do not manage teams of people and organizations. It generates a specific type of responsibility related to the implementation of four basic management functions – planning, organizing, leading/motivating, controlling (Stoner, Freeman, Gilbert, 1997; Kraczkla, 2013) – and an extensive area of decision-making and risk. The cost may take a physiological, psychological and behavioral dimension.

The purpose of the article is to identify adverse conditions and behaviors of persons performing managerial roles that may be related to destructive processes and situations occurring in the organizations and teams they manage. The work is based on psychological theories defining and describing dysfunctional states of managers, often resulting from stress. The transfer of this knowledge to management sciences is an attempt to find the source of most conflicts in organizations and increase the efficiency of their resolution.

Psychological costs incurred by managers can be perceived as the form of somatic ailments, feelings of excessive anxiety (anxiety), emotional balance disorders, workaholism and other forms of addiction, interpersonal conflicts, intensification of narcissistic, Machiavellian, psychopathological behaviors (a set of features called dark triade in the literature), and as a result to the creation of adverse internal organizational conditions, for instance mobbing. The research on irregularities in the workplace shows a significant increase in negative phenomena associated with the abuse of power. The manifestations of these abuses are the inappropriate treatment of employees by superiors; building an atmosphere that generates stress, verbal violence, humiliation, discrimination, exclusion, and physical violence.

Keywords: management, Dark Triad, narcissism, machiavellianism.

1. INTRODUCTION

Every human action mobilizes mental energy to achieve goals. The more ambitious goals, the greater responsibility, risk, uncertainty, and the more difficult functioning conditions, and consequently stress, the resources of individual energy deplete faster, and this loss is tantamount to bearing a psychological cost. In the era of globalization, even too high level of innovation can generate an excessive increase in stress and lead to a decrease in efficiency (Cowan, Sanditov, Weehuizen, 2011; Poczowski, 2003). The pace of civilization changes, the ambiguity and uncertainty of operating conditions that had never been experienced before, chronic stress and time pressure, cognitive loads and inability to deal with emotions create exponentially growing challenges for the confidence and self-esteem of

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modern managers. It is not recognized and defined, as often behind the steadfast boss's facade lies not only low self-esteem, but also mechanisms of unconstructive coping with it, e.g. narcissism, self-deception, addiction, and consequently burnout or even depression. The manager, like the athlete, is required to have an exceptionally high level of resilience and deal with difficult situations. High self-esteem can be a correlate of achieved successes and creative, ambitious activities for the organization, and in the case of managers it is associated with creating working conditions and environment. Phenomena and organizational processes may take the form of pathological dimensions of cumulative psychological burden (Kraczla, Lis, 2014), and the manifestation may then be the occupational burnout syndrome or workaholism, or mobbing in the social dimension (Litzke, Schuh, 2008).

In the literature on management, much attention is paid to the effectiveness of management, leadership and conflicts in organizations and in teams. New ways of solving problems are constantly being generated; from heuristic methods, to innovative ones of psychological work, such as life coaching or executive coaching. However, it is important to understand the deepest ground for the destructive functioning of managers, embedded in personality. Therefore, the purpose of this study is to indicate those states and behaviors of managers, which are often the result of unconstructive coping with stress, and transferred to the organizational field and manifested in pathological relationships with employees. These personality irregularities mean that the most professional work with managers (trainings, trainings, sessions, etc.) may be ineffective or effective only for a short time. Adverse states and behaviors have been classified in this study as psychological costs and described in chapters three and four; these will be dysfunctions manifested in various addictions (workaholism, alcoholism, gambling or sex addiction), burnout, often ending in depression (chapter three), and the deepening of certain features that may be present in the personality structure, i.e. narcissism, Machiavellianism and psychopathy, definitely anti-social (chapter four). These considerations are preceded by the second chapter, which presents the specifics of managerial stress based on research on Robert Sapolsky's stress. The fifth chapter contains an example of one of the most destructive phenomena in the organization, which is a glaring manifestation of abuse of power, i.e. mobbing.

The last part of the article attempts to synthesize the argument so conducted, based on psychological theories defining and describing the above-mentioned issues, and the transfer of this knowledge to the field of management science in order to realize the need for a different view on pathological relationships in the organization and their sources.

2. SPECIFICITY OF MANAGER STRESS IN THE CONTEXT OF THE RESEARCH ON STRESS BY ROBERT SAPOLSKY

Ogińska-Bulik (2006) in studies aimed at determining the level of stress experienced in various professional groups showed that managers had one of its lowest levels, while in this group of respondents (70 managers) high psychological and social costs were found; 30 percent of them were qualified to the group with high severity of occupational burnout, and 45.7% they constituted a group with worse health condition and it was one of the highest rates among the studied professional groups (somatic symptoms, anxiety, insomnia, various types of functional disorders). The author notes a negative correlation of self-esteem with mental health, as well as the predictive role of self-esteem for professional satisfaction (Kliś, Kossewska, 1998; Tucholska, 2009; Ogińska-Bulik, 2006). Test results may also indicate the unaware or hidden effects of stress.

Managers who have the ability to recognize and control emotions more often try to solve problems by tasks, while they rarely use substitute activities or even avoidance (Kwaitkowska, 2011). The key role of self-assessment is also emphasized; people with a more favorable arrangement of temperamental traits (low reactivity and high persistence) have positive self-esteem. Self-assessment determines the level of individual's activity and the emotions they experience. It allows predicting the direction of affection and the level of activity (Łaguna, Lachowicz-Tabaczek, Dzwonkowska, 2007). The studies by these authors and others cited by them (Baumeister, Smart, Boden, 1996) show that people with high self-esteem experience more positive emotions and are more active and persistent than people with low self-esteem, often showing an even avoidance attitude towards difficulties, challenges and risks. Also in the aspect of self-perception in the area of task and social functioning, people who assess themselves better will have a more positive self-image. The results of these studies are particularly significant in relation to persons performing managerial functions; their reactivity and emotionality is responsible for the interaction and work climate, and persistence determines the choice of goals and strategy of action.

High and, above all, stable self-esteem, low reactivity, an ability to control and awareness of emotions are features that allow managers to deal with stress better. Robert Sapolsky at Stanford University is developing some ways to defend a man against the harmful effects of stress. He conducts long-term research; every year, for several weeks in East Africa he observes the same population of wild baboons. The reason for the stress of these animals is not the unique threats associated with functioning in the natural environment, but the social and psychological mess created by them – they stress each other. They, therefore, present a model example of diseases caused by stress. Stress is the body's response to an emerging challenge; it can be life threatening, but most often something completely trivial or a situation that many people experience every day. An important stress factor is the lack of control over the situation and the unpredictability of the development of the situation. Sapolsky has found a relationship between stress levels and a place in the baboon's social hierarchy; stress mainly affects low-ranking individuals. Some herds have over a hundred individuals, have well-educated brains, are able to manage large, complex communities, at the same time they are often cruel to each other, torment each other, have typical Machiavellian human traits. Survival requires a good strategy. The smartest and most aggressive males have the highest position and associated privileges.

Do similar relationships occur in the human world? This problem has been studied by, among others Michael Marmot, conducting health research for 28,000 people in the United Kingdom for forty years (Whitehall Studies). The aim of the project is to determine whether stress is also related to social position among people. Marmot argues that socioeconomic position is an important determinant of health. This principle applies even when aspects of life such as income, education and risk factors affecting health (e.g. smoking) are controlled. The causal path that Marmot identifies concerns the psychological benefits of "controlling" one's life (Marmot, 2015). He confirms the relationship - the lower the position in the social hierarchy, the higher the risk of developing morbidity, especially heart disease. Stress also determines life expectancy. He determines that deputy bosses bear greater risk and are more exposed to stress than their bosses.

In both the cited studies, homogeneity (invariance of other factors outside the hierarchy – access to food, medical care, etc.) was taken care of, and in both, almost identical results were obtained allowing to conclude that subordinates are more stressed than managers.

Each subordinate experiences uncertainty in relations with superiors, especially in relations with dominant alpha individuals eager for power.

The complement of these two studies is the third one by Carol Shively, which investigates the relationship between stress and pleasure (Tamashiro, Sakai, Shively, Karatsoreos, & Reagan, 2011); a low social position can be compensated by the ability to experience joy and positive, good emotions and the fourth study by Elissa Epel, which allows concluding that cell regeneration under stress provides the ability to show compassion and care for others (Blackburn, Epel, 2016).

A breakthrough in Sapolsky's research was a tragic event concerning the baboon herd, which was the subject of his research. Almost half of the flock died as a result of eating meat infected with tuberculosis. As a result of the analysis, it was found that all alpha males died, all aggressive males who did not maintain close contact with anyone, without wasting time wandering around. The herd has changed its structure.

Two times more females than males survived, and the surviving males were good and gentle, sociable, kind to females. The atmosphere in the herd changed completely; low level of aggression, calmness, lack of stress, more intense positive experiences, better health of all individuals. In the human environment, in organizations, especially corporate organizations, wherever there is a hierarchical structure, exactly the same dependencies and phenomena take place. People's living and working conditions are crucial to their health and well-being. Managers' ability to deal with stress is particularly important. Destructive forms of people management (e.g. mobbing) often result from the use of non-constructive ways of dealing with problems.

The next part of the article will discuss particularly dysfunctional behaviors (resulting from addiction and burnout) and irregularities embedded in human personality, manifesting themselves in the antisocial functioning of managers, i.e. narcissism, Machiavellianism and psychopathy, which may be aggravated by stress and lack of skills to deal with it.

3. PSYCHOLOGICAL COSTS OF MANAGERIAL ACTIVITY AS UNCONSTRUCTIVE FORMS OF COPING WITH STRESS

Psychological costs incurred by managers in connection with their activities, specific responsibility, and risk-bearing work can be predicted in the form of somatic complaints caused by the feeling of excessive anxiety, depression, addictions of various types – workaholism, alcoholism, sexuality, addiction gambling and extreme sports, interpersonal conflicts, up to burnout.

In practice, many managers do not cope with a strong psychological burden or use unconstructive methods of releasing tension by activating self-regulation mechanisms and developing personal strategies of survival (coping) in difficult situations (Penc, 2010).

Due to the complexity of this issue, they will only be signaled in this article; it is necessary to present the problem, but at the same time it is impossible to analyze it thoroughly.

3.1. Workaholism and other types of addictions

The tendency to addiction, as an unconstructive way of dealing with difficulties, may be one of the manifestations of divergence between explicit and latent self-esteem.

Workaholism is a multidimensional construct. In one of them, workaholism is treated as an internal compulsion to perform work, which is difficult to resist, because stopping work, as well as refraining from doing this activity, causes a build-up of suffering, more

precisely fear, anxiety, or discomfort, and its essential tension is a component (Wojdyło, 2003, 2004). Work remains the addict's only way to reduce this suffering. Workaholism can be understood as an area of norm which is represented by commitment to work (Van Beek, Taris, Schaufeli, 2011). Most studies on workaholism show that workaholism is pathological in nature and does not contain a job satisfaction component (Robinson, 2007; Schaufeli, Taris, Bakker, 2008).

The work craving theory (Wojdyło, 2013) proposes a four-factor structure of work addiction, consisting of obsessive-compulsive tendencies, expectations about self-esteem derived from earning, expectations about experiencing emotional relief in connection with the reduction of negative emotions and withdrawal symptoms, and neurotic perfectionism.

There are many behavioral addictions and new forms are emerging. They are usually related to stress and inability to deal with it. In the group of managers, in addition to workaholism, alcoholism, sexuality, shopaholism and drug addiction, there are distinguish addiction to gambling, extreme sports, network-holism and cyber addiction (addiction to the Internet, social media, smartphone, internet pornography). These self-destructive addictions are typically an escape form of coping with mental loads. These addictions can be treated as a disease of emotions, escape from some suffering, a problem by providing yourself with instant pleasure, guaranteeing quick relief in difficult feelings, but in the long run deepening problems and devastating health.

3.2. Occupational burnout

It is now believed that occupational burnout syndrome is one of the most serious consequences of experiencing chronic stress in the workplace (Kraczla, 2013) and one of the most important psychological costs incurred by managers. It is a kind of exhaustion of the individual's personal resources (Le Blanc, de Longe, Schaufeli, 2002). It is also perceived as a "syndrome affecting a human being part of the human – work system" (Wilsz, 2009), it can be understood as the most generalized psychological cost of a person performing managerial functions or as one of the components of this cost.

On the basis of clinical analyzes, Freudenberg defined burnout as exhaustion of strength and discouragement from further activities and further actions (Freudenberg, 1974). Occupational burnout is different from other psychological states (stress, fatigue, a sense of alienation) by three factors: emotional exhaustion (a sense of excessive emotional burden of work performed), depersonalization (objective response to other people, cynicism) and a reduced sense of personal accomplishments (sense of reduction own competences and capabilities) (Maslach, 2006). Maslach believes that "causes of burnout should be sought more in the work environment than in the characteristics of the person" (Maslach, Leiter, 2011). Important factors are dissatisfaction, routine and how autonomous we can be. The behavioral addictions previously described enhance the sense of burnout; you do not treat a drink or lamp after work as a way to forget about it, a way to survive the next day, and even more so do not diagnose yourself as an alcoholic – a standard example of self-deception. The role and the image of a tough boss often hinders an insight and sincere recognition of one's own problem, and in the case of narcissistic or Machiavellian personality it even prevents it.

4. THE “DARK TRIAD” CONCEPT WITH REGARD TO MANAGERS

Analyzes of managerial behavior appear in many studies in the context of the “*Dark Triad*” theory, referring to personality traits of narcissism, machiavellianism and psychopathy. These features are conceptually different, they are separate constructs, there are many behavioral, personality and cognitive differences. However, research indicates that they are consistent with each other, are associated with a manipulative style of interpersonal functioning and predispose persons in managerial positions to commit crimes, cause social anxiety, and in organizations of chaos, abuse, mistreatment and abuse of employees.

It is worth analyzing the managerial behavior implied in the Dark Triad concept, although there is no simple cause-effect relationship. It is rather a circular relationship; for those with power, narcissistic, Machiavellian and psychopathic traits may increase, and then it is a category of psychological cost and burden, but at the same time people with these traits are more likely to become managers.

4.1. Narcissism

In the analysis of narcissism, self-esteem and the ability to communicate with oneself are the key factors. In the well-known myth of Narcissus, the greatest tragedy of a young man was not love for himself, for his own image, although this work is interpreted so often, but a complete lack of contact with himself. Inability to love resulted from the inability to recognize myself. It is assumed that underlying instability of self-esteem is low latent self-esteem. People with high overt and low hidden self-esteem show a higher level of narcissism, more favor their own group and use more defense mechanisms to maintain a positive image of Me (Bosson, Brown, Zeigler-Hill, Swann, 2002). Narcissistic people usually establish relationships with others when they help them achieve their goals or strengthen their self-esteem in other ways.

Theories of two narcissistic personality researchers have gained special significance in psychology; Heinz Kohut perceives the cause of pathological narcissism in the development process, when at some point the appropriate responses from the environment are missing, in particular the acceptance, admiration and confirmation of the child's value on the part of the parents, while Otto Kernberg believes that narcissism should be viewed as a trait of some intensity – from minor, through narcissistic personality disorder, malicious narcissism, to anti-social personality. In his opinion, at a very early stage of development there are serious disturbances that result in the creation of primitive defense mechanisms, which lead to the creation of narcissism. He distinguishes pathological narcissism from normal narcissism.

Referring to the five-factor personality model by Paul Costa and Robert McCrae – the Big Five – narcissism positively correlates with extraversion ($r = 0.42$) and openness ($r = 0.38$), and negatively with agreeableness ($r = -0.36$) (Paulhus, Williams, 2002). Narcissism has also been found to be associated with psychopathy.

Narcissistic managers often get used to associating self-image and self-esteem with the admiration and respect of others, which is why research confirms their high level of need for social approval. They are sensitive to criticism or failure; this sensitivity can lead to withdrawal from social interaction.

4.2. Machiavellianism

Machiavellianism describes a personality dimension or social behavior strategy that involves manipulating people for personal gain (Christie, Geis, 1970). This personality is

highly valued in business, politics, wherever influences or ruthless fights are being fought hard. The Machiavellian manager guarantees efficiency, consistency, maybe profit, but unfortunately the methods he uses are unethical, indecent, demolishing social and organizational order. He seeks to control the behavior of his employees and generally all people who are in his sphere of influence. According to the principle, the end justifies the means, breaks moral norms, sets its own rules. The dominant feature is the lack of feelings, inability to empathize, distrust, instrumental treatment of others, uses lies, deceit, manipulation. The studies confirm the relationship between Machiavellianism and psychopathology. In the long run they do not cope in real life and their behavior is ineffective. In organizations, they lead to destruction, quarrel employees, humiliate, use mobbing (See: Pilch, 2008). They are able to disorganize the most efficiently operating enterprises, only to achieve their own individual benefits. The presence of Machiavellianism in the organization has been positively correlated with unproductive behavior in the workplace and deviation in the workplace (Kessler i in., 2010).

In relation to the Big Five personality model, Machiavellianism correlates negatively with agreeableness ($r = -4.47$) and conscientiousness ($r = -4.34$) (Paulhus, Williams, 2002).

4.3. Psychopathy

Psychopathy is classified as the highest level in the spectrum of anti-social personality disorders. In relation to the Big Five model, psychopathy correlates with all its factors: extraversion ($r = 0.34$), agreeableness ($r = -25$), conscientiousness ($r = -24$), neuroticism ($r = -34$) and openness ($r = 0.24$) (Vernon, Villani, Vickers, Harris, 2008). The dominant feature of this type of personality is a very low level of empathy, with a high level of impulsiveness and the search for emotions (Hare, 1985).

Psychopaths usually make up a relatively small percentage of staff in the workplace, most often at senior levels in corporate organizations. An example of their "strategy" is intimidation, conflicts, stress, staff turnover and absence from work, and consequently reduced productivity, and lower quality (Boddy, 2011). Criminal psychologist Robert D. Hare is the author of the term "snakes in suits", which is synonymous with psychopaths in the workplace. The ethical standards of entire organizations can be severely damaged (Boddy, Ladyshevsky, Galvin, 2010). Psychopathic managers want power and control above all. He generally seems intelligent, honest, powerful, charming, funny and entertaining. They quickly evaluate what people want to hear, and then create stories that match those expectations. They'll get people to do work for them. They have little patience in dealing with others, show shallow emotions, are unpredictable, independent and do not take responsibility for failures (Clarke, 2012). They take excessive risks, don't care about managing, and bring businesses down.

5. MOBBING AS AN EXAMPLE OF DESTRUCTIVE PHENOMENON IN ORGANIZATION (BASED ON THE REPORT "WORK SAFETY IN POLAND 2019; MOBBING, DEPRESSION, STRESS AT THE WORKPLACE" PROJECT OF A SAFETY COALITION AT WORK)

The definition of mobbing is contained in art. 94 § 2 of the Labor Code. According to the content of this provision, mobbing means actions or behaviors concerning an employee or directed against an employee, consisting in persistent and long-lasting harassment or intimidation of an employee, causing him an underestimated assessment of professional

suitability, causing or aiming to humiliate or ridicule an employee, isolating him or eliminating colleagues from the team (https://kadry.infor.pl/kadry/indywidualne_prawo_pracy/mobbing/3006787,Odszkodowanie-za-mobbing-zmiany-od-7-wrzesnia-2019-r.html).

Mobbing can also mean undermining the competences of an employee, hindering him from performing his duties, limiting access to information, interrupting an employee's statements, discrimination based on e.g. age, gender, political or religious views, etc., pressure to violate regulations in the workplace, sexual allusions and unambiguous jokes, insults by words or gestures, threats, shouting, slandering, spreading rumors, criticism of personal life, but also disregarding and ignoring. There are organizations where mobbing is a management strategy.

SW Research, the Agency for Market and Opinion Research carried out research aimed at examining employees' awareness of the impact of psychosocial factors in the workplace on work safety. The survey was carried out between 29.07.2019 - 09.08.2019. The CAWI (on-line) interviews were conducted using the SW Panel internet panel. The study involved full-time office and physical / mental employees employed in small, medium and large companies from various industries. The sample was N = 1517 interviews (<http://bezpiecniwpracy.pl/wp-content/uploads/2019/10/Raport-Bezpiecze%C5%84stwo-Pracy-w-Polsce-2019.pdf>).

The research showed a large scale of psychosocial phenomena, such as inappropriate treatment by a supervisor, verbal violence, mobbing, discrimination or exclusion.

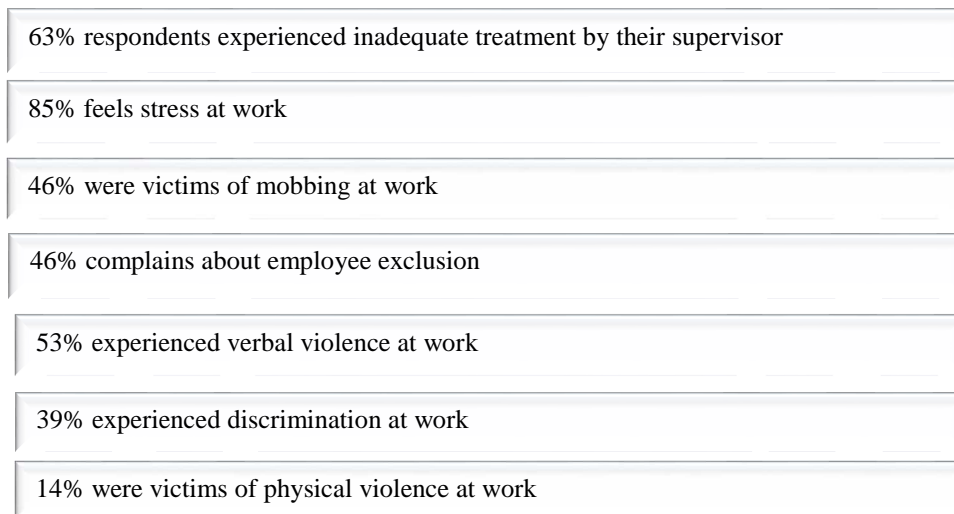


Figure 1. Results of employee awareness research on the impact of psychosocial factors in the workplace on work safety

Source: Own based on: (<http://bezpiecniwpracy.pl/wp-content/uploads/2019/10/Raport-Bezpiecze%C5%84stwo-Pracy-w-Polsce-2019.pdf>).

As much as 85% respondents stated that they feel stress at work. 63% cases of ill-treatment of an employee happened due to the supervisor. Almost half of the respondents (46%) declared that they were a victim of mobbing at work and the same response rate applies to employee exclusion. Over half of the surveyed employees (53%) experienced verbal

violence at work, and 39% discrimination. As much as 14 percent among the respondents were victims of physical violence at work. For comparison, according to the Gazeta Prawna.pl website (serwisy.gazetaprawna.pl access: 27/12/2019) in 2014, CBOS research showed that in the five years preceding the survey, 17% employees were harassed, i.e. over 2 million people, and 5% declared that they were systematically harassed. Nearly half of the respondents pointed to unfounded criticism, humiliation, undermining authority, insulting with pejorative or vulgar terms, loud slander, and psychological abuse. Mobbing in Poland is a mass phenomenon, but hardly anyone opposes it.

The situation is very bad; mistreatment of employees and an atmosphere of stress at work seems to be common, while the role and responsibility of a manager is to provide employees with appropriate psychosocial conditions. This is not only an ethical obligation and enshrined in law, but also a condition for achieving good results and successes of the organization.

6. CONCLUSIONS

Managers are a group that may less often express discomfort, discontent, stress since they have a greater sense of control and are prepared for periods of the “bear market”, temporary crises, failures. According to research, the sense of power and control increases managers' self-esteem and independence, and reduces the effects of stress (Schultz & Schultz, 2006). And this is a positive reaction. However, when too much load and mental tension is not constructively discharged, then there may be projections of negative feelings and emotions, both those conscious and deep in the subconscious mind of the boss, on employees. Then, most often, there are drastic changes in relational and communication functioning in the company and this is a simple path to regression and collapse, also in the financial sphere.

Observations and statistical data show (although these are still too few, both in Poland and in Europe) that mobbing is a mass phenomenon. The number of pending discrimination and mobbing proceedings is increasing in Poland each year. But conformism is still dominant; employees often choose to be in an atmosphere of fear, humiliation and mistreatment instead of reacting.

The Dark Triad is associated with leadership and interpersonal influences (Furnham, Richards, Paulhus, 2013). Jonason and colleagues said that each of the features of narcissism, Machiavellianism or psychopathology is associated with workplace manipulation, but each with unique mechanisms; Machiavellianism is associated with the use of excessive charm in manipulation, instilling trust, and then rejecting, based on lies, narcissism is associated with physical appearance – studies have shown that only narcissistic people were rated as more attractive, other features of the dark triad were not related to appearance (Dufner, Rauthmann, Czarna, Denissen, 2013), and psychopathy involves physical hazards (Jonason, Słomski, Partyka, 2012).

The purpose of the considerations was to identify adverse managerial states and behaviors related to their personality traits and associated with negative psychosocial conditions in the workplace. It was established that these are addiction tendencies, depression and neurosis resulting from burnout and personality disorders such as narcissism, Machiavellianism and psychopathies. They were classified as psychological costs incurred by managers. The above findings allow formulating hypotheses that are recommended to be verified in further studies, especially empirical studies. It can be concluded that managers'

inability to cope with stress causes a number of somatic, psychological and behavioral consequences for themselves, but also consequences for the organization in the form of negative and destructive phenomena. The attempts to solve these situations may, therefore, be ineffective due to incorrect diagnosis of the problem; a defect inherent in the personality structure, exacerbated by the feeling of excessive stress, not the lack of managerial competence supplemented by, e.g., education or coaching.

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AN APPLICATION OF QUALITATIVE MARKETING STUDIES IN THE IDENTIFICATION OF THE CONSUMER DECISION-MAKING PROCESS. EFFECTS AND BENEFITS

The goal of the article is to present the effects and benefits of qualitative marketing research using the In-Depth Interview (IDI) method to examine consumer decision-making when purchasing products. The process presented in the article focuses on a specific group of products in the interior design industry that are gaining rapid traction around the world and in Poland. The article focuses on the effects and benefits of the author's original qualitative 2019 research using the IDI method among potential buyers. The measuring tools included an interview scenario with a medium degree of standardisation and a voice recorder. The results of the research study together with the analysis of secondary sources, i.e. specialist literature and industry reports aided in designing the marketing strategy for the company that is the producer of the abovementioned products and formed the basis for planned quantitative market research.

Keywords: consumer behaviour, the consumer decision-making process, qualitative marketing studies.

1. INTRODUCTION

The literature on the subject presents many definitions of qualitative marketing research. They draw attention to various aspects of the concept. Most authors focus on the essence and main purpose of this research. For instance, Shank (Shank, 2002) defines qualitative research as “a form of systematic empirical inquiry into meaning (researchers try to understand how others make sense of their experience)”. Denzin and Lincoln (2000) claim that qualitative research involves an interpretive and naturalistic approach: “This means that qualitative researchers study things in their natural settings, attempting to make sense of, or to interpret, phenomena in terms of the meanings people bring to them “ (Denzin & Lincoln, 2000; after Ospin, 2004). According to A.M. Nikodemska-Wołowik qualitative marketing research is research whose main task is to explain the behavior of the subjects, most often individual consumers, to find out the reasons and motives for their behavior, to enable understanding and proper interpretation of this behavior (Nikodemska-Wołowik, 1999). Often, instead of definitions, specific qualitative research features that distinguish them from quantitative research are mentioned. For example, Everet and Louis (1981) clarify the assumptions that ground each by distinguishing two research stances: “an inquiry from the

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outside”, often implemented via quantitative studies and “an inquiry from the inside” via qualitative studies. These approaches differ in the degree of the researcher’s immersion in terms of experiential engagement, direct contact with the subjects, and physical involvement in the setting (Ospina, 2004).

The authors also point out other differences between quantitative and qualitative research, not only regarding their essence but also the subject of the study, a sample size, methods of their selection, methods of data collection, possibilities of generalizing results into a population, ways of presenting results (Baabie, 2004; Maison, Noga-Bogomilski, 2007; Kaczmarek, Olejnik, Springer, 2013).

The presented essence of qualitative marketing research and the features that distinguish it from quantitative research determine the benefits and limitations resulting from the implementation of these studies. The main benefit is difficult or impossible to achieve with the use of quantitative research, a thorough understanding of the way of thinking, conditions and specifics of the behavior of research entities, allowing the company to adapt its business, including its marketing strategy to identified needs, expectations, preferences, etc. The main limitation concerns the inability to make market decisions only on the basis of information derived from these studies. This is due to:

- small research samples on which qualitative research is carried out,
- the nature of the acquired information of a qualitative (usually verbal) nature, which, together with the previous feature, makes it impossible to generalize their results to a population,
- subjectivity of the researcher's interpretation of the test results,
- the possibility of respondents not telling the truth.

Therefore, qualitative research should be the basis for further, more objective and quantitative research carried out on large samples. It should be emphasized here that it is necessary to precede both of the above types of primary research, necessary multi-area secondary research based on data on the external and internal environment of the company.

Qualitative marketing research methods include primarily in-depth group interviews, in-depth individual interviews, participant observations, ethnographic research, and other supportive techniques, such as projection techniques (Nikodemska-Wołowik, 1999; Maison, Noga-Bogomilski, 2007; Kaczmarek, Olejnik, Springer, 2013). For the purposes of this article, one of the types of IDI interviews was used. It is a *semi-structured interview* (with a set pattern of thematic threads but giving the researcher a lot of freedom, including related to the modification of the data collection process, e.g. asking additional questions explaining specific issues), which due to the opportunity to learn in depth about the conditions and specific behavior of respondents in the purchasing process was considered the most appropriate way of obtaining information. The research conducted focused on key elements of the rational decision-making process of the EKB (the name comes from the names of the authors Engel, Kollat, Blackwell, 1968; Stasiuk, Maison, 2014), assuming that in the case of interior design products this process will have such a rational nature (details related to the abovementioned elements can be found in the next part of the article: “Research assumptions”).

The interior design industry, which includes the products to which the purchasing process relates, has been developing intensively both globally and in Europe (“*The Retail Market...*”, 2019; “*Global Furniture...*”, 2019). The Polish home furnishings and furniture market is also growing rapidly (by 2022, its value is forecast at over USD 1 billion; currently

it is valued at USD 600 million) (*"Furniture & Homeware"*, 2019). This increase is associated with the ongoing "housing boom" (which is conducive to, among others, low interest rates, which affect the growth of investment in real estate) as well as to the better condition of households and the growing tendency to carry out renovations.

The Polish home furnishings market, according to the analysis of secondary sources, is currently characterized by two characteristic changes. They concern: the growing (although still small compared to other countries) share of e-commerce in the sale of products of the industry being analyzed (in Poland e-shopping for home furnishings are still not very popular; it is estimated that only 2% buys this type of products only on the Internet, while in the world it is 21% (*"Top Furniture Customer..."*, 2019); there are definitely more buyers in Poland who buy them both in stationary stores and online – 37%) and new trends in the behavior of buyers of the abovementioned products. The decisive purchasing process of consumers related to the purchase of home furnishings begins with seeking inspiration) (*"E-consumers"*, 2019), whose source is the Internet (especially blogs related to design, interior design portals, online stores offering interior design; among social networking consumers seeking home furnishings most often use Instagram as a social networking site focused on visual message) (*"3 challenges in the furniture industry..."*, 2019). Characteristic for home furnishers is the "ROPO Effect" (*Research Online, Purchase Offline*) (*"Perspectives and Trends..."*, 2019) and *webrooming* (as opposed to *showrooming*, which means treating retail outlets as an exhibition gallery and a source of information when shopping online.) that is, as mentioned, searching for inspiration and information about specific products on the Internet and their purchase in stationary stores (*"3 challenges of the furniture industry..."*, 2019).

The further part of the article is devoted to a detailed analysis of the elements of the purchasing process of a specific group of interior design products based on the author's field research.

2. RESEARCH METHODOLOGY

The aim of the RESEARCH was to identify key elements of the purchasing process of individual buyers associated with products from the interior design industry used for wall finishing. Particular attention was focused on the criteria for choosing and preferring the abovementioned products, key sources of information in the purchase process, preferences and the process of choosing places to make purchases (it should be emphasized that the last of these elements is currently of particular importance for the functioning of companies in the analyzed industry).

The research problem consisted of the following questions:

1. What type of wall finish do respondents prefer?
2. What are the criteria for choosing the preferred wall finish?
3. What brands of wall finishing products do the respondents know about?
4. What sources of information (formal and informal)² is used by respondents when seeking information on wall finishing?
5. What sources are a priority for them, taking into account the final decision?

² Formal communications are informative and promotional communications broadcast by producers and/or sellers, while informal ones are consumers expressing their opinions in person, on social networks, internet forums, etc.

6. In what kind of sales outlets (traditional or online) do respondents most often buy the analyzed products?
7. What is the process of choosing the place of purchase (process identification: ROPO, reverse ROPO (*Research Offline, Purchase Online*) or ROTOPO (*Research Online, Test Offline, Purchase Online*)?)
8. What is the hierarchy of factors determining the choice of a specific place to make a purchase (traditional or online)?
9. What is the spontaneous and supported awareness of DIY stores and Top of Mind³ (Aaker, 1992; Esch, 2007; Dabija, Abrudan, 2011).
10. Which of the stores respondents consider the best and for what reasons?

The research used to achieve the research objective was of a qualitative nature. The In-Depth Interview was used as the research method, enabling detailed and completely free responses not suggested by the interviewer research questions.

The subjective scope includes persons being or planning to arrange their new place of residence (flats in a block of flats, terraced houses or detached houses) and/or being undergoing or planning renovation.

The respondents who took part in the survey were residents of the Podkarpackie, Małopolskie and the Śląskie voivodeships.

The time range of the survey was from June 20 to July 20, 2019. The sample for research was selected using the targeted selection method (the respondent had to meet the conditions specified in the subjective scope). For this purpose, the snowball technique was used, according to which respondents having the characteristics specified by the researcher are selected to be the sample, while being informants pointing to the researcher subsequent respondents with similar characteristics (Churchill, 2002). The sample size consisted of 20 people (12 women and 8 men, aged 35–70). One interview lasted from 40 minutes to 1.2 hours, depending on, among others on the degree of the respondent's involvement in the purchasing process.

The measurement tool applied in the study was an interview scenario with a medium degree of standardization. This choice of scenario type was associated with the possibility of obtaining completely free statements thanks to it, however, for specific, hierarchically arranged and asked questions to each respondent.

3. RESEARCH RESULTS

This part of the article presents the results of completed research together with selected quotes from interviews, in a special way emphasizing the merits of statements and having particular importance for creating the content of communication between the producer of analyzed products and the market. This significance results from the fact that customers rarely provide companies with their opinion on products, especially the positive one. They are more likely (though rarely) to express this negative, which results from the fact that the emotional response of a person to disappointment or dissatisfaction is stronger than to

³ Spontaneous awareness is a percentage value expressing what part of the study group gives the product brand without the help of the interviewer; aided awareness is a percentage value expressing what part of the study group declares brand awareness after being read by the interviewer; TOM awareness (Top of Mind) is a percentage value expressing what part of the surveyed group mentions a given brand first (this is the first brand that comes to their minds).

a positive experience, it is also a stronger emotion than satisfaction, it appears faster and lasts longer than satisfaction (Giese, Cote, 2000; Jeong, Lee, 2014).

As the analysis of the answer to the first question regarding the merits of the study, referring to the preferred form of interior finishing, all respondents prefer painting the walls, but some of the respondents (10 people) also use additional decorations such as wallpaper, structural plaster, decorative brick.

The reasons for preferring paints as a wall finishing product include:

- easy to clean (this factor was mentioned by almost all respondents and almost always in the first place),
- aesthetics, with particular emphasis on the often emphasized rich colors (all women and none of the men paid attention to this aspect),
- quick and easy application (the criterion is expressed mainly by men who mostly paint their interiors themselves).

The respondents also mentioned the high availability and choice of paints, their low costs, tradition and preference for simplicity.

As one of the respondents said: "I prefer paints since they are simply easy to wash, which is especially important as I have children and animals". Interestingly, the role of pets in the selection of home furnishings has also appeared in other interviews. Another statement related to them read as follows: "I only use paints, because I have no choice, my cat has scratched the wallpaper, it would also destroy any other decoration on the walls. I am doomed to painting".

The benefits of using paints and their advantage over other ways of finishing the walls are expressed by the statement of one of the respondents: "I had experience with everything – paints, wallpapers, paneling. Paints are definitely the least troublesome". When asked to name the brands of producers producing any products for finishing and decorating the walls, the respondents only mentioned paint brands (Decoral, Śnieżka, Magnat, Dulux repeated several times). Not one producer of other products used by respondents was mentioned – wallpaper, plaster or brick.

The next questions in the survey concerned sources of information used by respondents in the decision-making purchasing process related to wall finishing products. The main source of information for all respondents, which came as no surprise, was the Internet. It was mentioned first by all respondents.

The purpose of the next questions was to identify whether priority sources of information for respondents are formal or informal. From the respondents' opinions it follows that these are usually formal sources, which are pages with visualizations, treated by respondents as inspiration for decorating flats. Respondents usually found it difficult to determine exactly which pages they were on. The meaning of all statements was usually very similar to the following:

- "I just type in Google what I'm interested in, for example, wall paint «or» wall decoration "and watch everything pop up, one by one".
- "I am mainly interested in websites with comprehensive visualizations of rooms and flats. I received links to such websites from my interior designer".

Other formal sources mentioned by the respondents included specialized magazines related to interior design, such as "Cztery Kąty", "Dom i Wnętrze".

Respondents also used informal sources, asking for the opinions of their friends who have experience with interior furnishings and professionally involved in it.

One of the key issues in the purchasing process is choosing the place to make the purchase. The results of research related to this issue turned out to be surprising, because all respondents clearly and without hesitation replied that all wall products have always bought only in traditional stores and do not take into account the purchase of Internet and. There are many reasons for this, according to the respondents' statements they include:

- an opportunity to see and touch the product (this answer was found in the statements of almost all respondents),
- seller consultancy,
- easy access,
- uncertainty associated with purchasing over the Internet,
- getting used to the given stationary point of sale.

Below are quotes reflecting the reasons and how to buy wall products in traditional stores:

- “Wall products have always been bought in normal stores, but I think all other home products are now available online”.
- “I can search for information on the Internet, but if I want to buy paint or anything else for walls, I have to see it live, ask, compare prices”.
- “I would be afraid to buy paint or other wall products online. If they had to be sent back, if something was wrong, it would be a big problem and cost”.

Another question asked to the respondents was to explain their spontaneous, assisted awareness and Top of Mind in relation to DIY stores, which, according to the respondents' statements, are the most common place to buy the analyzed products.

The results of completed research in the area of awareness of DIY stores are presented in Table 1.

Table 1. Awareness of DIY stores brands

Store brand	Top of Mind (in %)	Spontaneous awareness (in %)	Assisted awareness (in %)
OBI	40	60	100
Castorama	20	70	100
Leroy Merlin	10	80	100
Merkury Market	10	30	100
Majster	10	30	70
Mrówka	10	20	80
Ptaktiker	0	20	100
BricoMarche	0	10	0 (unrequested)

Source: Author's own study based on IDI research.

In the lead when it comes to awareness of DIY stores, there were 3 stores: OBI, Castorama and Leroy Merlin. Market OBI appeared in the minds of respondents as the first among the largest number of people – 8 people (40% of respondents). It is also the most frequently chosen market as a place to make a purchase. TOM's awareness turned out to be closely related to the place of purchase.

The stores and reasons for preferences include:

- Castorama – due to the high level of customer service, a wide selection, and frequent promotions; according to one of the respondents: "There is great service. The service lady got interested in me, came up immediately when I came, she knew everything, showed me everything, she knew all the prices. I was shocked by this level of service".
- OBI – as in the case of Castorama, due to the good level of service and a wide range; example quote: "An employee came to me alone to ask what I was looking for. 100% someone saw me through the camera as I was running stupid in the store".
- Leroy Merlin – due to the largest opinion of the majority of respondents – the choice of products (the widest range).

According to the respondents' statements, they assess DIY stores mainly from the perspective of the level of service, as evidenced by the cited ways of explaining their preferences related to the place of purchase. Interest in the customer is particularly important in this respect – on the owner's initiative. The next determinant that determines the choice of a market is the width of the range.

4. RESEARCH CONCLUSIONS

The research allowed the identification of key elements of the decision-making process associated with the purchase of a specific group of products from the interior design industry for wall finishing. According to the research, the preferred form of wall finishing among respondents is painting. The main criteria for choosing this form are practical aspects, mainly related to maintaining cleanliness and speed of application (assembly and disassembly) and aesthetic values. An interesting criterion for choosing wall finishing products was also resistance to damage and dirt associated with having animals.

The research has shown a complete lack of awareness of the brands of manufacturers of wall finishing products (except for brands of paints identified with their producers).

The surprising result of the research seems to be buyers' use mainly of formal sources of information – websites with interior visualizations (the first phase of the information search process) and the seller's advice (the last, preceding the final decision, purchase phase). Informal sources for this type of product turned out to be of marginal significance for the surveyed buyers.

Traditional (stationary) sales outlets – DIY stores have proved to be the most popular place to buy the analyzed products. The advantage of traditional stores over online stores is due to the ability to see, view and compare products. The criteria for choosing a particular store as a place of purchase mainly included two criteria: quality of service, with particular emphasis on the employee's initiative in helping the customer, and the width of the range. The OBI, Castorama and Leroy Merlin supermarkets have priority in this respect in the minds of respondents.

The purchasing process of wall finishing products looked identical and closely reflected the ROPO process for all respondents. However, as the respondents say, this type of process does not apply to all home furnishings (as demonstrated by the results of secondary sources analysis).

5. SUMMARY

Based on the research conducted, an insight was gained into the motivations, preferences and other determinants of behavior of buyers of a specific category of products, which enabled a number of benefits for their manufacturer, including planning:

- the content of promotional messages and company positioning based on product selection criteria important for buyers and free, unlimited scales, not suggested by the interviewer and thus more reliable statements of the respondents, in these messages it is planned to use words and expressions for greater impact of the message. used by respondents during research (among others presented in the above-mentioned quotes),
- modification of forms and means of communication with buyers based on identified key sources of information for buyers,
- modifications in the selection of product distribution channels, guided by recognized: respondents' preferences regarding places to make purchases, selection criteria and awareness of DIY stores,
- activities related to training of service employees in the distribution channels used, based on the respondents' experience in this respect,
- activities related to creating the brand awareness of the enterprise (producer of analyzed products), based on information about the complete lack of awareness of the brands of producers of wall finishing products.

Decisions on these aspects, as mentioned in the first part of the article, require obtaining more information implying the need for quantitative research on a much larger sample. The qualitative research allowed, in addition to the abovementioned the benefits also enabled planning the direction of these studies and taking the first modification actions, not related to financial risk and wrong decisions (e.g. preparation of necessary employee training in DIY stores).

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AN ASSAULT ON A PUBLIC OFFICIAL IN THE PENAL CODE OF 1997 AGAINST THE BACKGROUND OF OTHER NORMATIVE CODE SOLUTIONS IN POLAND IN THE 20TH CENTURY – AN OUTLINE OF THE ISSUES

The purpose of this publication is to show different rights protected by law regarding the crime of assault on public officials in various criminal law code solutions in Poland in the 20th century. To achieve the research objectives, we used a comparative-normative method to examine the shape of specific criminal provisions in Poland. The study's results found differences between undemocratic and democratic system, and confirmed that criminal law, in terms of protection of state institutions, is a reflection of the political system of the state. The article presents issues regarding an assault on a public official under the provisions of the legal system in Poland. Different definitions and interpretations of the term 'public official' resulting from the changes in the political system and the law of the country required appropriate legal solutions in the Penal Code. The process of comprehensive systematisation of provisions in the field of substantive criminal law started with the Penal Code of 1932, although it did not include the legal definition of the concept of a public official. The current act of June 6, 1997 and its subsequent amendments introduced a more precise distinction and legal instruments for penalising an assault on a public official.

Keywords: public official, assault, law, Criminal Code, political system.

1. INTRODUCTION

Polish criminal law, over the 20th century, has evolved and has been transformed, which was undoubtedly dictated by legal and political conditions. In order to present the aforementioned development path, one should focus mainly on three normative acts determining the substantive criminal law system in Poland. The beginning of this process should be seen in the Criminal Code of 1932, the so-called Makarewicz Code, which ordered the applicable provisions previously adapted from the criminal laws of the partitioning powers. In the Penal Code from 1932, the legislator was guided by the principles of subjectivity, individualisation of punishment and humanitarianism, and, above all, introduced in the Polish

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codification of criminal law a division into general and specific. Referring to the research problem outlined in the title, it is worth noting that the penal act of 1932 did not use the concept of a public official. Chapter XLI of the Code concerned crimes strictly official, at the same time in the glossary of statutory expressions, we do not find the specified legal definition of a public official. Designators of this concept are distinguished on the basis of specific duties and rights arising from their functions in relation to the institution of the state. Such a brief explanation of the statutory concept was supplemented by Article 91 § 5, in which it was stated that military persons should also be included in the mentioned group. Makarewicz Code was a formal model for subsequent criminal acts arising on the canvas of communist fights for the creation, with the help (or more precisely the supervision of the services of the Soviet Union), of a people's state. Among them, the Penal Code of the Polish Army of September 23, 1944 played a significant role, supplemented successively by relevant decrees and the Act of April 5, 1955 on the transfer to common courts of the existing jurisdiction of military courts in criminal matters of civilians, officers of public security bodies, Civil Militia and Prison Service (Marek, 20007). The evolution of legislation on criminalization and penalization of offenses directed against public (political) authorities and economic interests (which in the post-war period were called counterrevolutionary attacks) led to the formation in the penal code of 1969 of legal norms typical of the assumptions of the so-called real socialism, contained in chapter XIX of the Code (Makowski, 1932; <http://ebuw.uw.edu.pl/dlibra/doccontent?id=16090> – as of March 2, 2019). Therefore, the nature and essence of the analysed research problem require defining the notion of a public official during the period of functioning of the undemocratic political system in Poland after 1945, and its modification after 1956, which is enabled by the normative description in the glossary of statutory expressions, in Art. 120 of the Penal Act of 1969. In this case, the legislator indicated that:

“A public official is: a person who is an employee of a state administration, unless he performs only service activities; judge, people's lay judge, prosecutor; a person holding a managerial position or performing functions related to a special responsibility for protecting public order or security, or for protecting social property; a person performing active military service; another person benefiting from a special legal protection provision for public officials” (The Act of 19 April 1969 Penal Code, Art. 120 § 11, Journal of Laws 1969 No. 13, item 94).

However, in the current penal code of June 6, 1997, in Article 115 §13, the following issue was casuistically described:

“A public official is: 1) the President of the Republic of Poland; 2) MP, senator, councillor; 2a) member of the European Parliament; 3) a judge, lay judge, prosecutor, officer of the financial preparatory body or the superior body over the financial body of preparatory proceedings, notary public, bailiff, probation officer, trustee, court supervisor and administrator, a person adjudicating in disciplinary bodies operating under the Act; 4) a person who is an employee of a government administration, other state authority or local government, unless they perform only service activities, as well as another person to the extent in which they are entitled to issue administrative decisions; 5) a person who is an employee of a state control body or a local government control body, unless they perform only service activities;

6) a person holding a managerial position in another state institution; 7) an officer of a body appointed to protect public security or an officer of Prison Service; 8) a person performing active military service, with the exception of territorial military service on disposition; 9) an employee of an international criminal tribunal, unless they perform only service activities” (Act of June 6, 1997 – Penal Code. Art. 115 § 13, Journal of Laws 1997 No. 88, item 553).

The above-mentioned regulations in their original version did not specify the term “person performing a public function” or the term “in connection with performing a public function”. This situation initiated a doctrinal dispute regarding the relationship of these concepts to a public official. According to the dominant view, it should be pointed out that these concepts are broader than the circle of designations corresponding to the code definitions. This state of affairs was reflected in the jurisprudence of the Supreme Court (Kardas, 2005). In the judgment of the Supreme Court of November 27, 1999 (file ref. No. WKN 27/00), it was stated that a doctor employed in the public health service can be considered a public official only when his official activities are combined with functions of an administrative nature. At the same time, a person performing active military service (public officer), who is bound by an employment contract and performs it in his private time, conducting the outlined activity, and it will not be related to the status of a soldier, it is not possible to commit a crime, the subject of which may be only the person referred to in Article 115 § 13 (Judgment of the Supreme Court of November 27, 2000, file reference number: WKN 27/00).

Along with the amendment to the Penal Code of July 1, 2003, a distinction was made, adding to Article 115 § 19 and thus introducing the concept of a person performing a public function, typing that it is

“a public official, a member of a local government, a person employed in an organizational unit with public funds, unless they perform only service activities, as well as another person whose rights and obligations in the field of public activity are specified or recognized by law or an international agreement binding the Republic of Poland” (Penal Code of 1997, art. 115 § 19).

Consequently, the concept of art. 115 § 19 of the Penal Act of 1997, in its collection contains all the addressees to whom the term public official mentioned in Article 115 §13 of the Penal Code of 1997 refers. The cited view is reflected in the thesis of the Supreme Court's decision of 7 May 2012 (file ref. no. V KK 402/11), in which the following statement was used:

“The legislator does not make the status of a person performing a public function conditional on being provided with the competence to issue decisions in the sphere of public activity. There is no such restrictive criterion in the content of art. 115 § 19 of the Criminal Code. As is clear from its wording in fine, a person who in public activities exercises the rights and obligations specified in the Act also performs the public function (...)” (Order of the Supreme Court of 7 May 2012, file reference number: V KK 402/11).

When analysing the definition of a public official, one should also distinguish “a person performing exclusively service activities” (Dukiet-Nagórska, 2010), who in their action have been deprived of “decision-making slack” and does not perform substantive activities, and thus cannot be qualified to any of the groups covered by art. 115 § 13 or 19; from a “person in a managerial position” in accordance with their competence issuing the instructions to the first of the indicated groups (Dukiet-Nagórska, 2010). It is also worth noting that in accordance with the amendment of 22 March 2011, “legal protection provided for public officials during or in connection with the performance of official duties is also used by the public officer if the unlawful attack on his person was undertaken because of his profession or position held” (Penal Code of 1997, art. 231a). In addition, the current Penal Code, together with the amendment of 1 July 2015, also introduced Art. 231b, in which protection was granted to “a person who, in the necessary defence, refutes the attack on any other good protected by law, by protecting security or public order, enjoys legal protection provided for public officials” (Penal Code of 1997, art. 231b) however, it should be excluded from this scope when “the act of the perpetrator of the attack violates only the honour or dignity of that person” (Penal Code of 1997, art. 231b).

2. ASSAULT ON PUBLIC OFFICIALS IN POLISH CODE SOLUTIONS

Crimes related to the attack on a public official in the 1997 Criminal Act were collected in Chapter XXIX, however, it should be noted that typifications of this category were also included in Chapter XVII, regarding crimes against the Republic. Among them, in particular, art. 134 of the Criminal Code and 135 of the Criminal Code, and therefore, respectively, the assassination attempt on the life of the President of the Republic of Poland and the assault and insults of the President of the Republic of Poland (Penal Code of 1997, art. 134–135). The criminalization of acts directed against the state is dictated by the legislator's intention that the penal law of 1997 is to safeguard the values presented in the constitution, such as the rule of law, and also aims to protect the constitutional organs of the Republic of Poland. The expression of this concept is the content of art. 128 of the Penal Code, whose subject of protection are the above-mentioned institutions of the Republic of Poland (Penal Code of 1997, see *ibid*, art. 128). The key element for their separation is the conjunctive fulfilment of two conditions, that is, they must at the same time be constitutional organs, i.e. at least those mentioned in the constitution and the organs of the Republic of Poland (Kardas, 1999). This group can only include entities that carry out standard functions related to the democratic principle of the separation of powers with their activities. The Sejm and Senate are protected by art. 128 of the Penal Code as the legislative core, while the executive should include the President of the Republic of Poland, the President and Vice-President of the Council of Ministers, the Council of Ministers and individual Ministers. The Constitutional Tribunal and State Tribunal, the Supreme Court, as well as the Supreme Administrative Court are protected from among judicial authorities (Regulation of the President of the Republic of July 11, 1932 – Penal Code, art. 94 § 2, Journal of Laws 1932 No. 60, item 571). As a conclusion, Chapter XVII is not intended to protect a particular political system, but it is nevertheless intended to protect it against non-constitutional activities aimed at changing it. The presented regulation is a continuation of the Polish criminal law tradition, as it refers to the penal code of J. Makarewicz, who used the terminology of state crimes, which included, *inter alia*, an attempt on the life and health of the President of the Republic of Poland (Article 94 § 1) (Regulation of the President of the Republic of July 11, 1932 –

Penal Code, art. 94 § 1), an attempt to remove the President from office and seizure of his authority, the use of violence or threats to influence the activities of the President (Article 94 § 2) (Regulation of the President of the Republic of July 11, 1932 – Penal Code), as well as an attack on the main organs of power (Article 95) (Regulation of the President of the Republic of July 11, 1932 – Penal Code, Art. 95. See on this topic: Marek, 2000). Analysing the issue in question, it is impossible not to notice that the legislature of the Polish People's Republic did not include a legal norm in the penal code of 1969, strictly corresponding to the criminalization of the assault and active attack on the President (the institution of the President did not appear in the Constitution of the PRL), however in art. 126, which criminalized this type of act, the subject matter of the crime was significantly expanded, defined as a public official or a political activist (The Act of 19 April 1969 Penal Code, art. 126). In art. 120 § 11 of the Penal Act of 1969, the definition of the concept of a public official is included, which should be understood as designations included in 7 subsets (as already mentioned): as persons who are employees of the state administration, unless they perform exclusively service activities. In addition, a public official within the meaning of art. 120 § 11 is (appropriate direct indication again here):

“judge, people's lay judge and prosecutor; a person holding a managerial position or performing functions related to a special responsibility in another state organizational unit, cooperative organization or other social organization of working people; a person particularly responsible for the protection of public order or security or for the protection of social property; a person performing active military service; another person benefiting from a special provision under legal protection provided for public officials” (The Act of 19 April 1969 Penal Code, art. 120 § 11).

The seventh subset are also MPs and councillors. On the other hand, a political activist should be understood as a person engaged in political work, but it is not necessarily a permanent function. The essential issue for understanding the principles of the practical application of this provision was to determine the right protected. It is life and health, only of a public official and political activist, which implies the impossibility of cumulative qualification with provisions protecting life and health in general. Freedom may also be the direct object of the assault, but in such a situation a prohibited act may consist only in deprivation of liberty (Andrejew, Świda, Wolter, 1973). In light of this regulation, it can be concluded that all opposition activists associated with movements such as “Solidarity” or “Confederation of Independent Poland” would also be protected, and therefore a series of detentions based on the legal basis of the Decree of 12 December 1981 on martial law should be considered as an offense criminalized in art. 126 of the Criminal Code, which is, in this case, unlawful deprivation of liberty. However, the subject side of the offense is distinguished by its intentionality, and more precisely the direct intention of the attack on a legally protected good, which is, *inter alia*, the internal security of the State. The constitution of the Polish People's Republic also explicitly indicates other particular values, which include the PRL system, people's power and the fight against capitalism. Legal relativism and the use of criminal law as an element of political struggle is illustrated by the criminal case of Władysław Frasyniuk, who was detained on charges of “organizing and managing strikes in a number of enterprises and institutions in Lower Silesia – inspiring and organizing street protest actions and demonstrations – organizing and managing underground activities of union structures” (File reference number of the IPN: IPN Wr 23/359/9). The degree of

criminal record of the offense specified in art. 126 § 1³ of the Criminal Code of 1969 was emphasized by the legislator by penalizing the preparation for the analysed crime. It is categorized in art. 128 § 1⁴ of this Act, as an offense punishable by imprisonment from one to 10 years. For comparison, the analogous provisions of the currently applicable Penal Code, in principle, do not treat the preparation stage as a form of crime. As an exception, the consumption relationship between art. 128 § 2 and art. 134 of the Penal Code from 1997. The provision penalizing the assassination attempt on the life of the President (art. 134), in the current penal code, does not classify this stadial form of origin of the crime as punishable. However, this is supplemented by the provision of art. 128 § 2, in which the legislator has penalized preparation for an attack on a constitutional state authority, which of course is also the President of the Republic of Poland (Penal Code of 1997, art. 128 § 2). It should be noted that for committing a crime of assassination of the President, there is a criminal sanction of not less than 12 years imprisonment. A penalty of 25 years imprisonment or life imprisonment is also possible (Penal Code of 1997, art. 134). It follows that the Polish legislator, classifying this crime as one of the most severe in the Penal Code, assumed that this is, in its very nature, reprehensible and highly socially harmful, regardless of whether the effect of the assassination would be the death of the President or not. The crime is therefore of a formal nature. Such criminalization implies that attempted murder is treated as an accomplished crime. Therefore, the causative action will be any attack that will pose a threat to a good protected by law, which is the life of the President directly, and indirectly the security of the Republic of Poland and the stability of the State. The denomination of a prohibited act thus defined is a reflection of Art. 126 section 2 of the Constitution (Kardas, 1999), in which the legislator made the following statement: "The President of the Republic of Poland watches over the observance of the Constitution, guards the sovereignty and security of the state and the inviolability and integrity of its territory" (The Constitution of the Republic of Poland of April 2, 1997 adopted by the National Assembly on April 2, 1997, adopted by the Nation in a constitutional referendum on May 25, 1997, signed by the President of the Republic of Poland on July 16, 1997, art. 126 section 2, Journal of Laws 1997 No. 78, item 483). Crime under art. 134 may be committed only intentionally. The party can therefore take the form of both direct and resulting intent. In addition, contrary to the Criminal Code of 1969, the current law does not require that the assassination attempt was undertaken for the "enemy of the Polish People's Republic" (Polish Republic), while the previous codification distinguished this directional intention as a sign of an act specified in art. 126 § 1 of the Penal Code (from 1969).

At the same time, the described crime does not exhaust the issue related to the broadly understood attack on the President of the Republic of Poland as a public official. An act from art. 135, which is assault and insulting the President, is threatened by much lighter sanctions. This is the equivalent of an active assault on the person of the President of the

³ In accordance with art. 126 § 1 "Who, in the hostile purpose of the Polish People's Republic, commits a violent assassination of a public official or a political activist, shall be punishable by imprisonment for not less than 10 years or the death penalty". See: (The Criminal Code of 1969, art. 126 § 1).

⁴ The legislator in this provision made the following statement: "§ 1. Whoever makes preparations for the crime referred to in art. 122, 123, 124 §1 or 2, in art. 126 § 1 or in art. 127, is subject to the penalty of deprivation of liberty for a term of between 1 and 10 years". See: (The Criminal Code of 1969, art. 128 §1).

Republic of Poland and the offense of insulting the President of the Republic of Poland, which were the first and second paragraphs of art. 125 of the Criminal Code from 1932. At the same time, the criminal law of 1969 did not include a separate legal provision (the lack of the President's institution in the PRL, which was already mentioned), which would strictly reflect the content of the norm from the code of J. Makarewicz. However, criminalizing such behaviour in the Penal Code from 1969 should be seen in art. 126 § 2, whose subject matter is based on a violent attack on the health of the officer or political activist or the deprivation of liberty of these persons, as well as in art. 233 and art. 236 regarding an active assault on a public official or a person to help in connection with the performance of official duties and insulting the above-mentioned objects of crime (Kardas, 1999).

For a full understanding of the essence of art. 135 of the current Penal Code, it is necessary to specify the concept of active assault. Interestingly, it had the same connotations under the 1969 Act, the implication of which is that the interpretation developed on the basis of this code is valid in relation to the new CC. The term should be understood as "violent action against the body being attacked, and this action must take the shape of at least an attack on bodily inviolability" (Andrejew et al., 1973). From such a definite feature of the subject side, it follows that the offense is of a formal nature, because there is no need to have any effect of the said action, while the subjective side appears only as a direct intention, as indicated by the hallmarks of causative action. Offense stipulated in art. 135 of the current Code is also a *lex specialis* in relation to the offenses under Art. 222 and art. 223 and art. 128, relating to the activities of state institutions and local government, as well as the attack on the constitutional body of the Republic of Poland.

3. INFRINGEMENT OF THE INVIOABILITY OF A PUBLIC OFFICIAL AND RELATED ACTS CRIME

The offense of violating the inviolability of an officer, due to a good protected by law related to human dignity, should be considered as a special provision in relation to the offense under Art. 217 of the Penal Code, i.e. violation of inviolability⁵. In turn, the interpretation of this provision is necessarily related to art. 41 of the Polish Constitution⁶, which is a guarantee of inviolability and personal freedom. However, the subject of protection in art.

⁵ The legislator in this provision made the following statement: "§ 1. Whoever strikes a person or otherwise violates his or her physical integrity, is subject to a fine, the penalty of restriction of liberty or the penalty of deprivation of liberty for up to a year. § 2. If the violation of inviolability was caused by provocative behaviour of the injured person or if the injured person responded by violating inviolability, the court may waive the imposition of a penalty. § 3. The prosecution is based on private prosecution". See: (Penal Code of 1997..., art. 217).

⁶ The constitution-maker pointed out in this case that: "1. Everyone is guaranteed personal inviolability and personal freedom. Deprivation or restriction of liberty may occur only on the terms and in the manner specified in the Act. 2. Everyone deprived of liberty not on the basis of a court judgment has the right to appeal to a court in order to immediately determine the legality of that deprivation. The imprisonment is immediately notified to the family or person indicated by the deprived of liberty. 3. Everyone detained should be informed immediately and in a manner understandable to him about the reasons for detention. He should be available to the court within 48 hours of his arrest. The detainee should be released if, within 24 hours of being placed at the disposal of the court, he is not served with the court's decision on detention on remand with the charges presented. 4. Everyone deprived of liberty should be treated in a humane manner. 5. Everyone unlawfully deprived of liberty has the right to compensation". See: (Constitution of 1997..., art. 41).

222 of the current Penal Code (violation of an officer's inviolability) is complex, its important aspect is the proper operation of a state or local government institution that requires attack-free activity that is the subject of a direct action of a public official or a person to help him during or in connection with the performance of official duties (Zoll, 1999). It is worth noting that the complexity of a good protected by law is a phenomenon occurring in crimes in which the causative act clearly harms the life, health or inviolability of man, and thus affects the functioning of broadly understood state organs and the stability of the normative system, as well as the principles of the division of powers. The equivalent of the provision under consideration in the Criminal Act of 1969 is Art. 233, which already in its literal wording indicates differences in the features that determine the causative act, despite the fact that it uses the already described aspects of active assault. The crime features defined in this way have a broader scope than the violation of physical integrity, because they take into account forms constituting an attempt to violate physical integrity, but it should be noted that not all such behaviour can be classified as active assault. According to A. Zoll's view: "It is not an active assault to push an officer away to escape. This behaviour carries the features of physical integrity" (Zoll, 1999). The Penal Code of 1969 also distinguished the qualified type of the above feature, which was specified in art. 234 § 1 regarding assault of relatively low social harm. In this case, the set of objects of the crime included both persons such as an officer of the Citizens' Militia (MO) or other body appointed to protect public order and security, as well as an officer of the penitentiary service, the military internal service, the volunteer reserve of MO and the protection of railways. The legislator in § 2 of the said provision, taking into account the serious bodily injury or health disorder of the persons mentioned, provided for a rigorous criminal sanction, namely imprisonment for not less than 3 years. The situation outlined in this way initiated a doctrinal dispute over the subject matter of art. 234 § 1 of the Penal Code. The amendment to the penal code of 1995 took into account the postulates presented, however, as a result, all of art. 234 was deleted, although at the same time a more severe penalty was imposed on an act, which resulted in a serious damage to the health of each public official or a helping person. Criminal liability was also tightened on the basis of the Criminal Act of 1997 (Marek, 2000). The legislator in art. 223 § 2 stated: "If as a result of an active assault there was an effect in the form of serious damage to the health of a public official or a helping person, the perpetrator shall be subject to the penalty of deprivation of liberty for a term of between 2 and 12 years" (Penal Code of 1997, art. 223 § 2).

The act of art. 233 of the Criminal Code from 1969⁷ also corresponds to the offence that was criminalized in art. 223 § 1⁸ of the current criminal act. Once again, it should be noted that the jurisprudence line developed on the basis of the no longer binding Penal Code regarding the features of active assault is integral with the understanding of this concept under

⁷ In this provision, the legislator made the following statement: "Whoever commits an active assault on a public official or a person to assist in connection with performing official duties shall be subject to the penalty of deprivation of liberty for a term of between 6 months and 5 years".

⁸ The legislator pointed out in this provision that: "§ 1. Who, acting jointly and in agreement with another person or using a firearm, knife or other similarly dangerous object or an incapacitating agent, commits an active assault on a public official or a person to help him during or in connection with the performance of official duties, is subject to the penalty of deprivation of liberty for a term of between 1 and 10 years. § 2. If as a result of an active assault there was an effect in the form of severe damage to the health of a public official or a person to help him, the perpetrator shall be subject to the penalty of deprivation of liberty for 2 to 12 years.

current law. However, this does not change the fact that other features determining the causative act of a criminal act under Art. 223 §1 of the Penal Code of 1997 are an interesting research problem. The language interpretation of the provision indicates that active assault must occur in one of two forms that assume “acting jointly and in consultation with another person or using a firearm, knife or other similarly dangerous object or a means of incapacitation” (Penal Code of 1997, art. 233). Thus, it imposes, as a form of committing the crime of complicity, referred to in Article 18 §1 of the Penal Code⁹. According to A. Zoll's view:

“The Act in art. 223 requires qualified complicity in the sense that there must be at least three accomplices. This definition of the method of committing an active assault is justified by the fact that the substance of the offense under Art. 223 is the possibility of a serious threat to the security of a public official or a person taken for his assistance (the crime of abstract exposure to danger)” (Zoll, 1999).

However, M. Bojarski unequivocally stated that “the provision for liability requires that this behaviour be undertaken jointly and in agreement with another person” (Bojarski, 2015). On the other hand, according to A. Zoll, by analogy, in a situation where one or two people are actively assaulted, and they also do not use the hazardous measures referred to in Article 223, such behaviour should be classified as fulfilling the hallmarks of art. 222. The main determinant for understanding the essence of this legal norm is also the correct interpretation of the other circumstances of the subject party affecting penalisation. First of all, a distinction should be made between the concepts of 'using' and 'utilising'. The first of these terms has a narrower scope, it boils down to using a given object during the implementation of the already mentioned active assault. The second wording, however, whose meaning is best reflected in art. 280 §2 (Zoll, *Offenses against state institutions and local government* [in:] Penal Code)¹⁰, according to the opinion of the Supreme Court should be understood as

“(...) manipulation of means, including their presentation. Therefore, any form of demonstrating a firearm, knife or other dangerous object to cause fear and a sense of threat (»intimidation«) will be a form of utilising this object within the meaning of Article 280 §2 of the Criminal Code” (Bojarski, 2015).

The outlined in this way the act of utilising taking place on the side of the subject of the prohibited act in relation to a public official understood as an object may result in the realization of the features of an offense under Art. 224 § 2, that is, “forcing a public official or

⁹ In accordance with art. 18 § 1 of the Penal Code: “Responsible for perpetration not only the person who performs a criminal act alone or jointly and in consultation with another person, but also the one who directs the execution of a criminal act by another person or by using the dependence of another person on himself, recommends that he perform such of deed. Penal Code, art. 18 § 1.

¹⁰ In art. 280 the wording was used: “§ 1. Who steals, using violence against a person or threatening to use it immediately or bringing a person to a state of unconsciousness or vulnerability, shall be punishable by imprisonment from 2 to 12 years. § 2. If the perpetrator of robbery uses a firearm, with a knife or other similarly dangerous object or means of incapacitation or acts in a different way directly threatening to life or together with another person who uses such a weapon, object, means or method, shall be punishable by imprisonment for not less than 3 years”. See: (Penal Code of 1997..., art. 280).

a person helping him to undertake or abandon legal official activity” (Penal Code of 1997, art. 224 § 2).

4. INSULTING OF THE PUBLIC OFFICIAL

An important matter of consideration is also the act under Article 226 §1 of the current Criminal Code, which provides for a fine, restriction of liberty or imprisonment for a year for insulting a public official or a helping person. It is therefore a *lex specialis* in relation to *legi generali* that is art. 216 of the Criminal Code¹¹, which is insulting a man. Modal circumstances should be indicated as the element differentiating these two provisions, because the first one strictly protects the dignity of a public official or a helping person, while the object of protection of the second one is the implementation of Art. 30 of the Constitution of the Republic of Poland¹². It should also be noted that the modal features of this crime evolved under the influence of the judgment of the Constitutional Tribunal of October 11, 2006, in which the Constitutional Tribunal decided that art. 226 § 1 “(...) to the extent that it penalizes insults on a public official or a helping person made not in public or made publicly, but not while performing official duties, is incompatible with Art. 54 section 1 in connection from art. 31. Section 3 of the Polish Constitution”¹³. After the change in the penal code, two modal circumstances were defined, which must occur conjunctively. The same situation took place under the Criminal Act of 1969.

Following the provision provided for in § 3 art. 216 the court may refrain from imposing a penalty if the features from § 1 and 2 have been fulfilled by the injured party as a result of provocation or retaliation on his side, the legislator also provided for in art. 226 § 2 proper application of the provision of art. 222 §2¹⁴. This, in turn, indicates that if the act was caused

¹¹ The legislator in the said provision indicated that “§ 1. Whoever insults another person in his presence or even in his absence, but in public or in the intention that insults reach that person, shall be subject to a fine or the penalty of restriction of liberty. § 2. Whoever insults another person by means of mass communication is subject to a fine, the penalty of restriction of liberty or the deprivation of liberty for up to a year. § 3. If the insult was caused by provocative behaviour of the injured party or if the injured party responded by violation of bodily inviolability or mutual insult, the court may waive the imposition of a penalty. § 4. In the event of a conviction for an offense specified in § 2, the court may order an interest for the injured party, the Polish Red Cross or for another social purpose indicated by the injured party. § 5. Prosecution is carried out by private prosecution”.

¹² The constitution-maker indicates that “Natural and inalienable human dignity is a source of human and citizen freedom and rights. It is inviolable and its respect and protection is the responsibility of the public authorities”.

¹³ Citation after: Dukiet-Nagórska, 2010. According to art. 54 section 1 “Everyone shall be guaranteed the freedom to express their views and to obtain and disseminate information” 31 section 3, the constitution-maker indicates that “Restrictions on the use of constitutional freedoms and rights may be established only by law and only when they are necessary in a democratic state for its security or public order, or for the protection of the environment, public health and morality, or freedom and the rights of others. These limitations cannot affect the substance of freedoms and rights.

¹⁴ According to the wording of art. 222 of the Penal Code: “§ 1. Who violates the physical integrity of a public official or a person to help him during or in connection with the performance of official duties, shall be subject to a fine, the penalty of restriction of liberty or the deprivation of liberty for up to 3 years. § 2. If the act specified in § 1 was caused by improper behaviour of an officer or

by inappropriate behaviour of an officer or person to assist him, the court may apply extraordinary mitigation of punishment, and even renounce its imposition. Whereas in § 3 the qualified type is presented, which consists in insulting or humiliating the constitutional body of the Republic of Poland, i.e. "each body mentioned in the Constitution of the Republic of Poland, i.e. the Sejm, Senate, President of the Republic of Poland, Council of Ministers, Prime Minister, government administration bodies, local government, courts and tribunals, the Supreme Audit Office, the Ombudsman, the National Broadcasting Council." (Cit. after Bojarski [in:] Bojarski, 2015). However, this position is partly in opposition to the opinion of A. Zoll according to which "the President of the Republic of Poland is not directly subject since he is protected against the insults by art. 135 § 2" (Zoll, 1999). The offense under art. 226 §3 will also constitute defamation of the above-mentioned authorities. In this situation, there is a real, but negligible convergence of regulations, by applying the principle of consumption. However, in the remaining scope it is not possible to classify such an act and it should be considered as an offense under Art. 212 § 1 or 2 (Zoll, 1999).

5. SUMMARY

To sum up, the Makarewicz Code of 1932, in which the legislator initiated the process of comprehensive systematization of provisions in the field of substantive criminal law, did not include the legal definition of the concept of a public official or clerk. However, it distinguished designates of these concepts on the basis of their individualized features, including duties and powers in relations with state institutions, which served as the basis for distinguishing clerical offenses, assembled in chapter XLI of the code. In addition, as mentioned at the beginning, the legislator also included military persons in the analysed group. Whereas art. 120 § 11 of the Penal Code of 1969, the legislator clearly defined the designations of the concept of a public official, however, in further provisions, he also uses the concept of a political activist, which in turn does not appear in the glossary of statutory expressions, and at the same time is vague, and thus leaves many possibilities for interpretation. This procedure enabled, in conjunction with the other provisions of the criminal law of 1969, as well as the principles expressed in the Constitution of the Polish People's Republic, instrumental treatment of society, which was deprived of a sense of the guarantee function of the law. At the same time, it should be emphasized that the indicated solution is unacceptable on the basis of generally accepted legislative standards of a democratic state of law. It was only the current criminal act of June 6, 1997, using, among other things, synthetic provisions (Giezek, 2015), that prevented a broad interpretation of the individual, highly rubberized concepts that were applicable under the 1969 Code. Furthermore, the fact that the current Penal Code in comparison with the Constitution of 1997, should be like an emanation of the guarantee function of criminal law, and thus shape the relationship between the individual and the state apparatus in a way that ensures the application of the basic principles of criminal law in line with the constitutional standards of a democratic state of law (Giezek, 2015). In view of the above-proposed statements and referring to specific material rules, it should be recognised that, in the case of law protected rights related to the functioning of institutions belonging to the State, material criminal law is a kind of representation of the political system of the state. If the political system is democratic, then

person to assist him, the court may apply extraordinary mitigation of punishment, and even renounce its imposition".

criminal law in this area is also democratic; whereas if the political system is undemocratic (totalitarian or authoritarian), then criminal law also (in general) takes that form.

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POLITICAL THOUGHT OF THE POLISH SOCIALIST PARTY FORMER REVOLUTIONARY FACTION IN THE PERIOD OF 1928–1939

The purpose of the article is to analyse the political thought of the Polish Socialist Party former Revolutionary Faction (PSPdFrRew) formed in 1928. The focus is primarily on the PSPdFR's attitude towards issues such as the state, economy, and democracy. The research utilised text analysis and document analysis methods. The results of the research found that the former PSP Revolutionary Faction proclaimed the principles of state socialism and used evolutionary methods to raise the standard of living of workers and introduced the Polish Socialist Republic. Although the PSP former Revolutionary Faction perceived its place in the broadly understood Sanation camp, it had negative attitudes towards the proposals of political, economic and social solutions of conservative and liberal representatives. Despite the often-declared attachment to democracy, the PSPdFR strongly criticised parliamentarism and proposed the introduction of strong arm rule.

Keywords: Polish Socialist Party Former Revolutionary Faction, political thought, Sanation Camp, Second Republic (1918–1939).

1. INTRODUCTION

Emerging in October 1928 from the Polish Socialist Party (PSP) a new political group called the Polish Socialist Party former Revolutionary Faction was a consequence of a number of processes taking place on the political scene of the Second Polish Republic, as well as internal processes developing within the PSP itself.

The issue that particularly affected the functioning of the PSP was the attitude of its activists to Józef Piłsudski. Even during the struggle for Poland's borders, the PSP was dominated by activists coming from the Revolutionary Faction led by J. Piłsudski during the partitions of the PSP. They decided on a patriotic direction in the party's activity, aimed at rebuilding and then defending the homeland against all existing threats, including against the Bolshevik invasion and communist ideology.

After this period, there was an outflow of Piłsudski activists from the party's structures. They broke with the PSP to join the military, administrative and political activities, submitting to J. Piłsudski himself. At the same time, new young activists, often with a pro-communist attitude, joined the ranks of the PSP.

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The main stronghold of Piłsudski's supporters in the PSP was the Warsaw organization of this party, headed by Rajmund Jaworowski. The Warsaw PSP organization was recognized as the best organized, most active and significant party structure, and the Workers' Militia organized within it, often in situations of unrest and political riots, turned out to be a real force influencing the development of the situation in Warsaw (Tymieniecka, 1982).

The activity of the Piłsudski group in PSP until May 1926 was part of the standard activity of a political group in which there are factions representing different directions within one ideology. The situation changed after the May coup. J. Piłsudski's rise to power through a coup d'état led to strong polarization in the PSP. On the one hand, the Warsaw organization of the PSP supported the activities of the coup instigators, and its members took part in military operations taking place on the streets of Warsaw. On the other hand, along with the activities of successive Sanation governments and J. Piłsudski himself, the PSP began to feel the need to move to sharp opposition.

Despite the growing conflict, a group of Piłsudski supporters in the PSP did not take action toward a split at the beginning. Together with the entire Polish Socialist Party, it joined the parliamentary elections in March 1928, suffering an electoral defeat in Warsaw. The situation was exacerbated with the outbreak of conflict in Warsaw trade union organizations associated with PSP. Warsaw activists, in opposition to the Central Committee of Trade Unions (KCZZ), a representative of class trade unions associated with the PSP, founded the Warsaw Trade Union Council, which caused loud protests from the leadership of the KCZZ and a call to suspend the membership rights of the activists responsible for these activities.

At the same time, the Piłsudski group in the PSP received tacit support from governmental factors. Under their auspices, on October 10, 1928, the *Przedświt* [Dawn] daily appeared, announced as a press body integrating the Polish socialist movement, which in the future became the main body of the secessionists.

The decisive struggle between the Piłsudski group led by Rajmund Jaworowski and the other members of the PSP Central Executive Committee (CKW) took place on October 17, 1928. Activists associated with the Piłsudski camp, and especially R. Jaworowski, were charged with conducting destructive activity in both the political and professional areas. An official request was also made for a definitive solution to the issue of the Warsaw District Workers' Committee of the Polish Socialist Party and the Warsaw Trade Union Council.

This led to the final decision to split and establish a new workers party under the name PSP former Revolutionary Faction. Its ranks were joined by, among others, Julian Smulikowski, Wacław Lenga, Zygmunt Gardecki, Zofia Praussowa, Medard Downarowicz, Tadeusz Szpotański, Adam Szczypiorski. PSPdFrRew branches were also established in Lublin (Marian Malinowski and the Mayor Antoni Pączek), in Kraków (Bobrowski), Silesia (Józef Biniszkiewicz), Łódź (Edmund Wieliński), and Częstochowa (Walenty Kałuża). A parliamentary club of PSPdFrRew with 10 deputies was also formed in the Sejm (Ajzner, 1972).

In general, they were closely related to J. Piłsudski and other leading Piłsudski supporters. Some of them were members of the former Combat Organization from the partitions, supporting and promoting these traditions. Jaworowski himself was a close friend of Walery Sławek standing from November 1927 at the head of the Sanation Partisan Bloc for Cooperation with the Government (BBWR).

In October 1928, the Central Association of Class Trade Unions (CZKZZ) was also established, i.e. a trade union headquarters ideologically associated with PSPdFrRew. Its

management was formed by Zygmunt Gardecki (secretary general), Waclaw Preis, Wojciech Wojciechowski, Józef Niski, Edmund Morawski and Stanisław Celejewski, the press body of this trade union headquarters was the biweekly „Młot i Plug” [Hammer and Plough] published from February 1929 by M. Malinowski. In 1928, the CZKZZ had 34,000 members, after a year – mainly due to the absorption of small independent pro-government associations – already 97,000. The Association's branches operated in Łódź, Kielce, the Dąbrowski Basin, the Kraków Oil Basin, Płock, and Żyrardów, but mainly in Warsaw. The organization was dynamically developing in 1929–1930 to undergo another split related to the establishment of the Trade Union (Ajzner, 1972).

2. IDEOLOGICAL GROUNDS FOR THE ACTIVITY OF THE POLISH SOCIALIST PARTY FORMER REVOLUTIONARY FACTION

When analyzing the political thought of PSPdFrRew, it should be noted that the party's programming documents are not numerous and there is a need to rely primarily on press material and leaflets published on the occasion of the party's election and political campaigns (Program, 1933, Gliszczyńska, 1933).

The basic program document is the party program developed at the 21st congress (the numbering of PSP congresses was preserved). It was a slightly modified version of the program of the Polish Socialist Party from 1920. The text changed the name of the party by adding membership of the former Revolutionary Faction, and several corrections were introduced as a result of changes in Polish political, economic and social life in the 1920-1928 period.

The party's program was preceded by an introduction presenting a brief historical outline of the development of the PSP with a strongly emphasized layer of the act of independence and the fight for Poland's freedom, which were often negated by various groups of far-left activists.

In the reborn homeland of PSPdFrRew, the main goal was to establish „... the Polish Socialist Republic, made of all Polish territories, and with other Socialist Republics connected by nodes of permanent peace and brotherly cooperation” (Program, 1933).

In the economic and social area the Polish Socialist Republic created was to take over the ownership of the capitalists' means of production and communication (land, factories, mines, railways, shipping etc.). In the political area, it was to introduce changes in the functioning of the state to make it a „body of the collective will of society”, which was identified with a change in social stratification (Program, 1933).

The evolutionary changes taking place in the capitalist system, which were claimed to be preparing the ground for socialism by creating a strong working class, were the way to achieve this goal. As stated at the time of development, with the unplanned capitalist economy there were numerous economic crises in which capitalism squandered the wealth it created and brought misery to workers. The increase in the size of the working class and its low standard of living was to create solidarity among workers and increase the awareness of the importance of this class in social life. The coexistence of the processes of growing contradictions in the capitalist system and the increase in the number and awareness of the proletariat would create a revolutionary situation enabling the realization of the ideals of socialism. The victorious social revolution was to enable socialist reconstruction of the economic, political and cultural life of nations (Program, 1933).

This process had several conditions that could strengthen it, or slow it down or even stop it. Strengthening conditions included the awareness of the need to strongly organize the working class, the second factor was the need to cooperate with other social strata who suffered in capitalism and which could cooperate with the proletariat. Socialist activists were primarily concerned with a large group of white-collar workers and the rural population, mainly landless and small-farming. The awareness of internationalization of the working class struggle was also a strengthening factor. This allowed for the establishment of broad inter-state cooperation of workers, obtaining political and program support, and sometimes material support (A.K., 1931).

The resistance of capitalists and higher social classes to the changes proposed by the workers' movement was considered to be impeding. Fighting workers' legislation and the emergence and development of ideologies combating workers' aspirations or subordinating their aspirations to capitalists were recognized as its manifestation. As an example of ideologies combating socialism, first of all fascist movements were pointed out, which PSPdFrRew criticized from the beginning of its functioning. Later, this criticism also included national-socialist movements developing outside of Poland and within its borders (Laska, 2016). Solidarity and syndicalism were primarily recognized as ideologies that subordinate the aspirations of the working class capitalists (Laska, 2004).

The introduction of socialist rule, according to PSPdFrRew activists, could not take place against the will of the majority of society, hence the postulate of basing the functioning of the socialist state on democratic principles.

The consequence of this approach was the PSPdFrRew's rejection of the dictatorship of the proletariat, understood as the introduction of terror as a permanent system on the basis of which social reconstruction would be carried out. This solution was considered to be contrary to socialist principles and had no right to exist in the process of liberating the working class.

In the party press, when discussing the issue of party ideology, thinkers such as K. Marx, F. Engels, F. Lassalle or K. Kautsky were often referred to, but also Polish authors of socialist thought, such as K. Kelles-Krauz, W. Jodko-Narkiewicz or J. Piłsudski. R. Jaworowski himself published studies both on Piłsudski (Koryha, 1932) and Marx (Koryha, 1933) under the pseudonym Z. Koryha.

Despite the constant reference to revolutionary activities in press articles and political leaflets, it is difficult to consider the PSPdFrRew as a revolutionary party. Its program, and in particular a number of postulates related to the processes of postulated changes, places it among the reformist socialist parties. This is also evidenced by a departure from the principles of class struggle in relation to the role and form of the modern state.

PSPdFrRew ideologists recognized that the state is not a class institution, but a supra-class one, and therefore the pursuit of socialism should be implemented by gaining influence in all institutions of this state from the Sejm, through local government institutions, as well as in organizations of economic life (Tomasiewicz, 2012).

3. THE ECONOMIC PROGRAM OF THE POLISH SOCIALIST PARTY FORMER REVOLUTIONARY FACTION

According to PSPdFrRew ideologists, the socialization of economic life was to be the way to introduce socialism. It was to take place through the evolutionary mastery of the

state institutions of both state and local government authorities as well as economic institutions. Such a solution was to enable the working class to have the greatest influence on the state's activity.

The PSPdFrRew economic program included a number of postulates whose implementation was to improve the life of the working class. These included: labor protection, in particular compliance with a maximum 8-hour working day at most, and a 46-hour work week and Sunday rest – this demand was changed at the time of economic crisis to a request for a 6-hour day and a 36-hour work week – paid holiday leave for all workers and employees, prohibition of child labor, reduction of night work, introduction and care of sanitary regulations regarding health of workplaces and prevention of accidents at work, equal pay for both sexes for equal work, state insurance of workers and employees against illness, accidents, unemployment and old age. Securing widows and orphans, freedom of strikes and professional workers' organizations.

It was also postulated to socialize mature industries, especially mines of all kinds, foundries and means of communication. Socialization in the form of communal ownership of enterprises serving the needs of the general population of the municipality, such as power plants, gas plants, trams, pharmacies, bakeries, slaughterhouses, residential houses. State monopoly on trade in basic necessities. Municipalities, together with consumer cooperatives, take over the distribution of necessities. State support for consumer cooperatives. Nationalization of banks. Nationalization of forests and waters. Expropriation of larger agricultural property, leaving part of the expropriated land for the state and municipal economy, with the remaining part leased to non-farming and low-income companies and families as well as workers' cooperatives.

The ideology of the PSP former Revolutionary Faction was thoroughly evolutionary. According to party theorists, the development of the modern economy inevitably led to „state socialism,” in which the state not only engages directly in the economy, but also controls the private sector. Based on this assumption, party ideologists proclaimed that in order to socialize the tools of work, all measures aimed at developing the country's productive forces should be supported. It was emphasized, however, that the working class was not yet prepared to take control of production, so current policy was limited to defending social gains and fighting for higher wages. The recognition of the central role of the state in the work of socio-economic transformations was, in fact, secondary to the deep-rooted belief that the idea of Polish socialism is inseparably connected with the building of Polish independence.

4. THE ATTITUDE OF THE POLISH SOCIALIST PARTY FORMER REVOLUTIONARY FRACTION TO THE SYSTEM OF SANATION GOVERNMENTS AND DEMOCRACY

While the ideological assumptions and postulate for the creation of the Polish Socialist Republic were contrary to the objectives and practice of the Sanation camp governments, the foundations of the economic program and the pro-state policy pursued by the PSPdFrRew also allowed the designation of common points with the ruling camp. This happened despite the strong rejection by PSPdFrRew activists of the accusations of other socialists that they had become so-called Non-party Socialists (abbreviated as BBSs).

Considering in a broader context the aspirations of the socialist parties, PSPdFrRew stated „There is no gap between the maximum program and the minimum program. It is

only at a slower or faster pace, depending on the conditions, getting brick by brick, a great edifice that liberates humanity, is today a gradual transition from one life form to another". That is why PSPdFrRew's cooperation with the Sanation camp was also explained by achieving greater effectiveness in implementing the socialist program. According to the leaders of this party, it was better to implement socialist reforms in small steps under the Non-partisan Bloc for Cooperation with the Government (BBWR), making workers' lives more tolerable than remaining in ruthless opposition and depriving themselves of „causative power" as other socialist parties did.

Defining the attitude towards the party in power, PSPdFrRew activists stated:

„Our attitude towards Sanation and its parties is clear (...) the PSP former Revolutionary Faction is a socialist party, standing in a class struggle in the name of freeing the working-class masses of Poland from the bondage of capitalist exploitation (...) The Block of Cooperation with the Government (...) negates class struggle and the socialist system, proclaiming social solidarity, i.e. the so-called agreement of all social strata in the name of some supra-class ideal of abstract statehood. (...) Life itself gives the lie to these solidarist theories, picked up by Sanation groups, theories that have long passed and have gone completely bankrupt. Social development is a constant class struggle between capital and work. Social solidarity, or class solidarity, is a product of bourgeois thought, seeking salvation from the coming victory of socialist thought, from a new system that is irrevocably and consistently approaching to replace the often invisible and imperceptibly collapsing capitalist system. Products of sanation from the sign of the Federation of Labor are only ephemeral, whose life is briefly calculated. It does not matter what theory these Sanation associations created by the Federation of Labor adhere to: syndicalist or solidarist. The labor movement throughout the world has consolidated its existence in the working masses and facilitated its struggle by adopting a class platform" (Rozłam, 1928).

However, this ideological conflict often disappeared in the situation of real political choices made by PSPdFrRew. This particularly concerned the area of basic values that were considered the most important by Piłsudski. They were associated with the functioning of the independent Polish state, which was understood as an entity with an ontological status, not requiring any justification, obliged by history to achieve the greatness and purpose of all of the political activities of its inhabitants.

The recognition of the state, not the nation, as the chief value by Piłsudski distinguished the Polish variant of authoritarianism as a political system and determined views on other values and political goals set. The above-mentioned arrangements justified Piłsudski's postulate of a reverse state-society relationship model – this state was to harmonize the interests of individuals and all social, political and ethnic groups, to combine them in a joint effort for the common good (Paruch, 2014).

The relationship between PSPdFrRew and J. Piłsudski, which was still the main reference point for PSPdFrRew's activity, proved to be permanent. In the mid-1930s, in one of the articles we can read a peculiar *auto da fe* of a party member regarding his attitude towards J. Piłsudski:

„We continue to fight relentlessly for the traditions of Piłsudski's life, the traditions of the real PIŁSUDSKI, we organize in a flood of Piłsudski supporters – REAL PIŁSUDSKI. We continue to organize persistently the true PIŁSUDSKI: left, radical, socialist – and revolutionary. And we fight for true tradition and the true face of ZIUK General Piłsudski!” (Koryha, 1932).

The PSPdFrRew had an equally uncritical attitude towards the May Coup itself, or rather the „May Revolution” as it was called. Every year on May 12, articles indicating the historical significance of this act in Polish history were published in the party press. However, the situation was different with the political organizations of the Sanation camp. PSPdFrRew constantly criticized both the activities of the BBWR and the trade union centers associated with it. The vast majority of decisions in the area of economic and social policy were also criticized, characterized as anti-labor activities and induced by capitalist spheres, wanting to resolve the acute economic crisis by restrictions on workers' rights.

Considering the May events of 1926 as the second most important date in the history of reborn Poland, just after August 1920, it raised a natural question about the place of democracy in the ideology of PSPdFrRew. Support for J. Piłsudski's assassination would indicate at least a critical attitude of the PSPdFrRew ideologists towards the democratic system. However, they saw this issue slightly differently. As it was stated:

„When anyone seriously wants to think about the issues of democracy and its threat in Poland, they must first and foremost separate the issues of democratic forms of society and democratism of the society as carefully as possible. Without this, there can be no fair discussion in this regard. Democracy in Poland will always remain »in danger« until Poland becomes a democracy in all its national and social content, and not only in the name and forms of the system” (*Demagogia*, 1928).

What caused the biggest opposition of the PSPdFrRew to democratic forms of government was their weakness in the face of the challenges that Poland faced after regaining independence. Democratic institutions were accused of not being able to create stable governance in the country and a lack of effectiveness in actions directed against anti-democratic forces. PSPdFrRew activists were convinced of the impossibility of creating strong and effective democratic institutions that would ensure the authority and respect of the state without democratizing the whole of society. In their opinion, constant threats to democracy were not only a Polish issue. As they stated, only Switzerland could be considered a democracy in its entire national and social content, and only Switzerland could boast of a democracy functioning without threats elsewhere. In their opinion, all other democratic systems of countries of the world were exposed to the danger of being overthrown by anti-democratic factors and tendencies.

When asked when the danger of the overthrow of democracy in Poland, i.e. the forms of democratic system and the possibility of working on democratizing content, was greater – before or after the May revolution, the ideologists of the PSPdFrRew clearly advocated the latter option.

For PSPdFrRew ideologists democratizing society meant not only giving it freedom, but also responsibility for the state. Hence, the main methods of democratizing society were all

activities involving society in the state management process, which included primarily direct democracy and all forms of local government. Such a conscious and organized society still needed stable state power. Therefore, PSPdFrRew postulated the introduction of strong presidential power, deposited in the hands of a person elected in general elections, giving the strongest legitimacy to exercise power. It was recognized that the stronger the individual exercised this power, the greater the likelihood of healing democracy in the state. In the activities of such an entity, taking into account the demands of the working class, a socialist system could be introduced.

Describing the tasks that the PSPdFrRew carried out in the political situation of Poland after 1928, it was stated: „The interest of socialism, development and power of the Republic requires (...) that a gap should not be dug between Piłsudski and the working class. PSPdFrRew is counteracting this gap” (*Nasza*, 1931).

At the same time, there was a sphere of state activity that was always met with favorable reception by PSPdFrRew politicians. This was the government's foreign policy. Every fact of the increase of Poland's international significance and its security was received with great understanding and recognition.

International issues of particular interest to PSPdFrRew were relations with Poland's direct neighbors, i.e. the Soviet Union and Germany. Both of these countries were considered hostile to Poland, so the search for solutions aimed at securing the security of the Polish state was a constant concern. Attitude to Soviet Russia was derived from three issues. First, official relations between the two countries, where the best political and economic relations were demanded. Secondly, the situation in Soviet Russia itself, where the development of the Stalinist system was observed with concern. Thirdly, the perception of Soviet Russia as a promoter of the communist movement in Poland, which was very negatively assessed, demanding that the communist party be combated and its influence minimized.

At the beginning of the 1930s, PSPdFrRew drew attention to the huge international threat associated with the development of Nazi ideology in Germany. Hitlerism and fascism became for PSPdFrRew the main focus of criticism, and the progress of these ideologies in Europe was carefully noted and criticized by the party press.

5. CONCLUSION

After 1926, the Sanation camp in Poland attempted to establish a movement that was to be a political base for the rulers, but with a heterogeneous arrangement, because it had to correspond to the balance of power within society. Despite the clear ideological identity, the camp was to be a political entity bringing together many groups and environments of different program orientation.

The leaders of the Piłsudski formation wanted to have „their own” conservatives, liberals, radicals, people's and socialists, and even nationalists. This goal could only be achieved as a result of the deliberate decomposition of the political system in the Polish-Lithuanian Commonwealth and its individual segments (left, center, right and „minority”) after the May coup. The Polish Socialist Party former Revolutionary Faction was an example of such a political formation. Its activists wanted to be representatives of socialist thought and democracy, at the same time accepting the anti-democratic practice proper to Sanation governments and the anti-democratic system solutions used after the May coup, as well as participating in the authoritarian management of the state (Paruch, 2005).

By maintaining their organizational independence and repeatedly criticizing those in power for their anti-worker activities, they did not have much influence on the sphere of decision-making elite of the Sanation camp. Despite this, until 1935 they fully implemented the policy of J. Piłsudski, constituting one of the components of the ruling camp.

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CONSUMER PROTECTION IN PRACTICE – TRANSNATIONAL COMPARATIVE ACCOUNT OF COLLECTIVE REDRESS MECHANISMS

Part one: the Belgian approach²

The question of effective enforcement of consumer rights has been widely discussed for many years in the European Union. The models of consumer protection significantly vary in the individual Member States. Typically, consumers can claim their rights both at an individual and collective level. The systems of enforcement of consumer protection are either public, private or mixed, where both types of enforcement function in a parallel way. The goal of the paper is to discuss the issue of various legal mechanisms that function in the Member States, serving the consumers as a means of collective redress. The main analysis focuses on the legal solutions adopted in Belgium (first part of the paper), UK and the Netherlands (second part of the paper). In particular, the author presents the complementary character of the public and private mechanisms used to enforce the consumer rights. The paper utilises dogmatic and analytical methods for the process of interpretation of the normative material and for the analysis of case law. The study uses the comparative perspective to identify solutions emerging from effective practices found in legal systems of the Member States. The paper proposes several legal solutions to adopt in the Polish law. The findings emerging from the analysis show that both competent consumer organisations commencing group proceedings and experienced judges who choose between opt-in and opt-out systems are vital in the process of effective enforcement of consumer rights. The conclusions from the study are useful in mapping out the legislative process and the analysis discussed in the paper may be extended to legal systems of other Member States.

Keywords: consumer protection, consumer law enforcement, collective redress, private enforcement, comparative analysis.

1. INTRODUCTION

The freedoms of the internal market guarantee the traders the possibility to conduct business activities in the European Union, that is to sell goods and to provide services,

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whereas the consumers are able to purchase the above mentioned items and services. The synergy of the national markets, connected into one internal market, shall, in principle, provide the consumers with the added value in terms of better quality, higher diversity, reasonable prices and high safety standards of goods and services. However, the possibility to use the benefits of the extensive trade between various entities from different Member States is not the only consequence of the way the internal market functions. The increase of business activity on the part of traders and consumers is accompanied by the increased volume of the disputes arising out of the contracts concluded between the parties involved. Having in mind the possible infringements of consumer rights, it is indispensable to ensure the possibility of seeking redress in order to guarantee high level of consumer protection.

Efficient enforcement of the consumer rights is of significant practical application. By way of justification, every day transactions which are not related to the professional activity of average consumers³ may potentially lead to the disputes which can be resolved by at least two main means. First of all, consumers may seek redress within the framework of the court or administrative proceedings (individually or collectively) or they can pursue their claims out of the court. The foregoing paper refers only to the specific mechanisms within the first path, namely the consumer collective redress before courts or administrative bodies. This paper tackles the issue of both the private and public enforcement of consumer rights within this mode.

The characteristic features of consumer disputes cause that their resolution in a traditional way, that is within the framework of classic civil proceedings is very cumbersome, which discourages consumers from enforcing their rights. Passive attitude of consumers is due to the such specificity of consumer disputes as low value of claim. Therefore, from the economic point of view only, exercising rights before courts is usually unprofitable. In spite of the court fees, it is often indispensable to pay for the expert opinions and professional legal advice. Psychological barriers constitute another reasons for consumers passive attitude in point. Lack of confidence in the successful dispute resolution is the key factor here. It emerges from the anxiety related to the confrontation with the traders, who have stronger position in the said proceedings by virtue of their former experience and possibility to hire professional advisers, which is out of the budget of consumers. Thus, the specificity of consumer disputes requires us to come up with a mechanism which would enable consumers to exercise their rights regardless the low value of the dispute and without having to follow the formalized procedures. Collective redress is a legal mechanism which could enable us to overcome rational apathy and viability issues through claim aggregation (Money-Kyrle, 2015).

The concept of collective redress broadens the traditional understanding of civil proceedings, putting individual claims at the heart, by the possibility to obtain redress collectively (Wrbka, Uytsel, Siems 2012). For reasons of procedural economy and efficiency of enforcement it allows many similar legal claims to be bundled into a single action brought before the court or administrative body. Collective redress facilitates access to justice in particular cases, where the individual damage is so low that potential claimants would not think it is worth pursuing an individual claim. It also strengthens the negotiating power of potential claimants and contributes to the efficient administration of justice by avoiding the proceedings concerning the claims resulting from the same infringement of law (Commu-

³ In terms of the standard of protection of the average consumer see: (Mak, 2011; Theocharidi, 2016).

nication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Towards a European Horizontal Framework for Collective Redress, COM(2013) 401 final version). It seems to be obvious that traders are not interested in introducing the collective redress mechanisms since it entails the risk of abuse of court proceedings by consumers and the negative image of the trader suited in consumer environments. Hence, it is indispensable to strike a balance and find such measure which would be efficient both from the perspective of consumers' and traders.

2. TERMINOLOGICAL REMARKS

Collective redress refers to a wide range of procedural mechanisms enabling the collective enforcement of consumer law. Although these mechanisms are very diverse – collective redress models and types differ significantly worldwide – they serve the same purpose, namely to enable a large number of claimants to seek redress (European Parliament, Collective redress in the Member States of the European Union, 2018). National laws of the Member States provide a variety of legal means to enforce the consumer rights, which can be performed either within the framework of judicial, administrative or mixed path. The proceedings can be initiated by the private entities (the group of consumers or representative entity) or public enforcers such as governmental administrative bodies, public regulators or ombudsman.

European approach in terms of the definition of collective redress has changed over the years (Mucha, 2019a). Although the overview of the evolution of the EU approach in this field is not the main subject of this paper, some recent findings shall be presented here. First of all, in reference to the legal standing, it needs to be noted that the European Parliament favours the court-based redress mechanisms initiated by private entities. According to the definition employed by the Parliament, collective redress enables

“(...) a group of claimants (which can be natural or legal persons) who have suffered similar harm, resulting from the same illicit behavior of a legal or natural person, to get redress as a group. This encompasses mechanisms granting to a member of the affected group or to a representative entity, standing to bring an action on behalf of the group in order to obtain either compensatory relief, injunctive relief, or both” (European Parliament, Collective redress in the Member States of the European Union, 2018).

Secondly, quite in the same spirit the European Commission also currently prefers private over public enforcement (Stadler, 2019). However, it takes into account different traditions of the Member States and allows national legislators to decide whether the harmonized instruments should be used by private entities or public regulators. In the recent proposal for a directive on representative actions the Commission states that the collective actions can be brought on behalf of consumers, among others, by the consumer organisations and independent public bodies, and the actions can be brought either before the national courts or administrative authorities (Article 4 point 3 in connection with Article 4 point 5 of the Proposal for a directive of the European Parliament and of the Council on representative actions for the protection of the collective interests of consumers, and repealing Directive 2009/22/EC, COM (2018) 184 final.).

In the literature of the subject there are many classifications of the collective redress mechanisms. The narrow classification, limited to the private law enforcement mechanism is presented by Micklitz and Durovic. The authors recognise four major forms of collective

redress: i) the representative action in which standing to bring an action on behalf of the group in order to get redress is granted to a representative entity, ii) the group action, in which the aforementioned legal standing is granted to a member of the group, iii) the model or test case in which the action is initiated by one or more persons and in which the adopted judgment establishes the grounds for other cases brought against the same defendant and – finally – iv) United States class action style which is a form of group action led by professional lawyers who receive fees for their services and claim compensation for the clients (Durovic, Micklitz, 2017.)

Notably, these mechanisms of enforcement of collective interests operating in the domain of private law are not the only procedural instrument serving the purpose of delivering collective redress, which exist in the national legislation of the Member States. In the research project regarding different techniques for delivering collective redress, Hodges and Voet identified also regulatory redress that was ordered or brought about by the intervention of public enforcers, civil claims piggy-backing on criminal prosecutions and consumer ombudsmen, being a specific form of alternative dispute resolution entirely independent from the courts (Hodges, Voet, 2018). To verify the thesis specified in the paper which is, among others, the comparison of private and public collective law enforcement mechanisms, the regulatory redress will be scrutinized in some more details.

Amongst many characteristics of the national collective redress mechanisms operating in the Member States, the question of participation in the group has a significant meaning. There are two basic approaches according to which the individuals affected by illegal behavior of traders may participate in the group and they are referred to as opt-in and opt-out systems. In the first system, potential members of the group are obliged to actively join part of the group represented. This procedure requires class members to file a formal claim or power of attorney, authorizing the lead litigant to act in the representative capacity (Money-Kyrle, 2015). Consequently, if the individuals do not expressly join the group, they could not benefit from the judgement and they remain free to pursue their damage claims individually. By contrast, under the opt-out system the group is composed of all the individuals who belong to the specific group and claim to have been harmed by the same or similar infringement. Formal litigants have legal standing on behalf of the so called diffused class. The judgement is binding on them unless they actively opt out of the group⁴.

Both approaches have their supporters and opponents. The opt-in procedures are perceived as more consistent with the Member States' legal and constitutional traditions, namely the principle of party autonomy (European Parliament, *Collective redress...*). However, it is also criticized in the literature of the subject since it "(...) lacks sufficient incentives or coercion to ensure individual self-interest does not prejudice efficient and effective public interest outcomes and does not necessarily resolve rational apathy problems." On the other hand, opt-out procedures derogate from the autonomy principle. Final judgment, binding on all class members who have not opted out, precludes future individual claims. The opt-out model, combined with compensatory relief is, however, considered to be the most efficient solution to deal with widespread and disperse damages

⁴ The opt-in system is imposed by the legislation of most Member States, including Poland. The opt-out principle is applied by two Member States, namely the Netherlands and Portugal, while four Member States (Belgium, Bulgaria, Denmark and in competition cases also the UK) provide for a mixed system. See: (European Parliament, *Collective redress...*; see also: Stuyck, 2009).

(See: Ervo, 2010). It helps to overcome the rational apathy of victims and provide for better deterrent effect (See: Ervo, 2010).

In the following discussion, the term collective redress is used in the very broad sense. Under this term I understand all the mechanisms which serve the purpose of collective enforcement of consumer rights.

3. COLLECTIVE ENFORCEMENT OF CONSUMER RIGHTS IN BELGIUM

The first national legislation which is worth scrutinizing in terms of collective enforcement of consumer rights is Belgian legislation. Under this law, it is possible to enforce collective consumer rights both within the private and public path. As regards the first one, consumers can obtain collective redress before courts thanks to the class action law, introduced in 2014 (<http://www.ejustice.just.fgov.be/eli/loi/2013/02/28/2013A11134/justel#LNK0119>). On the other hand, there are also many public enforcers or regulators in Belgium, however their primary concern is a deterrence and not the compensation (Hodges, Voet, 2018). The course of the collective proceedings under the Belgian law was already described in the literature of the subject (Nowak, 2015). Therefore, in the following subsection I present only a brief account of some highlights of the Belgian system of collective enforcement of consumer rights with focus on the latest class action procedures.

3.1. Private enforcement – Belgian class action system

Book XVII of the Belgian Code of Economic Law provides for the procedural instrument called ‘an action for collective redress’. Such action can be submitted on behalf of the group of consumers or, since June 2018, also by small and medium-sized enterprises, (SMEs) by the class representative. In order to represent the group, the class representative does not need any prior authorization from the members of the class. The class action proceedings can be commenced before the Commercial Court of Brussels (before 2018 also before the court of the first instance), and the judgment can be appealed against at the Brussels Court of Appeal.

The class representative must fulfill specific criteria designated by the law. It must be either: i) a consumer protection organization or ii) a non-profit organisation with legal personality meeting certain legal criteria, iii) Consumer Ombudsman Service⁵ (only representing the group in the stage of negotiation of an agreement on collective redress) or iv) a representative body recognized by the Member State of EU or the European Economic Area to act as a representative according to the Commission’s recommendation on collective redress. In case of SME the class representative must be either i) an interprofessional organization with legal personality that defends the interest of SME’s, ii) a non-profit organization with legal personality whose corporate purpose is directly connected with the collective damage suffered by the group or iii) a representative body recognized by the Member State of EU or the EEA mentioned above in terms of consumer claims. Such precise enumeration of the specific categories of the entities entitled to bring representative actions serve the purpose to avoid frivolous or abusive litigation which could occur if the group of the eligible entities would be broadly defined (Boularbah, Van den Bossche, 2019). The case can be brought against the trader only as a result of the violation of its contractual obligations or in case of the infringement of rights granted to the consumers or SMEs by

⁵ “Consumer Ombudsman Service” is sometimes translated also as a “Consumer Mediation Service”.

the European or Belgian regulations or acts which are enumerated in the Code of Economic Law.

The Belgian class action procedure comprises of 4 phases: the admissibility (certification) phase, the compulsory negotiation phase, the litigation phase and the enforcement phase. Under the Belgian Code of Economic Law, the admissibility (certification) phase should be completed within 2 months after bringing an action, but in practice it lasts minimum a few months. During this phase the court is verifying three admissibility criteria: i) whether a possible infringement of the law by the trader falls into the scope of class action, ii) whether the representative entity meets statutory requirements and is adequate and iii) whether the class action is superior to an individual claim. There are some elements which can be taken into the consideration by the judge (such as potential size of the group, the existence of individual damage that is sufficiently related to the collective damage, the complexity and legal efficiency of the action of collective redress), but they are of a very broad nature. The last criterium is said to be very discretionary (Hodges, Voet, 2018). In the decision of certification which ends the admissibility phase, the court chooses between the opt-in or opt-out system. The first model is mandatory if any physical or moral damages are claimed, for the consumers who does not reside in Belgium or for SMEs that do not have there their main establishment. The second phase is the compulsory negotiation phase which lasts from three to six months after the decision of certification. If the collective settlement is reached, it shall be approved of by the court. In case of lack of the settlement the third phase referred to as the litigation phase is to be started. The court adjudicates on the merits of the case and decide on the liability of the trader. The main principle in terms of the damages is the principle of full compensation, while punitive damages are not allowed. The last phase concerns the enforcement of the court decision and the distribution of compensation (if such was awarded). The court appoints the settler who oversees the enforcement of the decision or settlement and provides a report to the court.

3.2. Case studies

Starting from 2014, when the class action law was introduced in Belgium, nine class actions have been initiated before the court. The majority of the cases was brought by the Belgian non-profit consumer organization Test Achats (<https://www.test-achats.be/>). Five of them, initiated by Test Achats, were already discussed in the literature of the subject (Hodges, Voet, 2018). In order not to repeat the findings which have been already discussed, in what follows only the most recent cases will be presented.

3.2.1. Groupon (Luirebox) case

The first case discussed here was brought against Groupon- the website service which offers virtual coupons to get deals for various products and services. One of the Groupon's partners includes Luirebox, a company which offered its customers a subscription of a monthly delivery of diapers for 300 or 350 euros. However, the nappies have never been delivered to the subscribers (<https://www.test-achats.be/famille-prive/jeunes-parents/news/grouponluierbox>). Almost 1 200 consumers were involved. Groupon did not want to give the refund to the customers as it considered itself as an intermediary only. As a consequence, Test Achats, initiated the class action proceedings before the court of the first instance in October 2017. The proceedings did not reach the certification decision, since in August 2018, which was still during the admissibility phase of the proceedings, Test Achats

signed an agreement with Groupon in Luirebox (<https://www.test-achats.be/actions-collectives/action-collective-groupon-compensation>). This amicable solution allowed consumers to obtain a refund in amount of 200 euro in cash and 100 euro in the forms of credits on the customers Groupon account (<https://www.test-achats.be/actions-collectives/action-collective-groupon-compensation>). The agreement terminated the ongoing class action proceedings.

3.2.2. Facebook case

The class action was initiated as a consequence of the Facebook-Cambridge Analytica scandal, revealed in March 2018. It was reported that the Cambridge Analytica, a company which specializes in psychological profiling, harvested the personal data of Facebook users without their consent and passed it for the political advertising purposes. As a result, four European consumer organisations: Test Achats in Belgium, OCU in Spain, Deco Proteste in Portugal and Altroconsumo in Italy started a campaign called “My Data Is Mine” making consumers aware of the violation of their rights by Facebook (<https://www.mydataismine.com/>). The Cambridge Analytica scandal gave rise to the proceedings for unfair commercial practices. In September 2018, the UK Information Commissioner’s Office fined Facebook with the 500 000 pounds fine for lack of transparency and failing to protect user’s information (<https://www.theguardian.com/technology/2018/oct/25/facebook-fined-uk-privacy-access-user-data-cambridge-analytica>). Quite in the same spirit, the Italian Competition Authority confirmed misuse of data by social network and in December 2018 ordered Facebook to pay 10 millions euros for unfair commercial practices using users data for commercial practices (<https://www.theguardian.com/technology/2018/dec/07/italian-regulator-fines-facebook-89m-for-misleading-users>).

After unsuccessful negotiations with Facebook, the above mentioned consumer organisations launched collective actions in each country (<https://www.beuc.eu/press-media/news-events/euroconsumers-launch-collective-action-against-facebook>; <https://www.consumersinternational.org/news-resources/blog/posts/not-your-puppets-euroconsumers-interview/>). In May 2018 the Test Achats initiated the collective action against Facebook before the Commercial Court in Brussels. 42 281 people have registered for class action so far and they claimed compensation of 200 euro each for the misuse of the data. According to Test Achats “(...) the amount of € 200 represents a minimal estimate of the damage suffered by Facebook users on the basis of several criteria such as the commercial advantage Facebook has gained in communicating the data of its users to third parties, but also the value of the data shared by Facebook. users on Facebook, according to several tools, as well as on the basis of figures published by Facebook itself.” (<https://www.test-achats.be/actions-collectives/facebook>). The first phase of the proceedings is still ongoing. In November 2019 parties to the proceedings will be debating in front of the judge during the oral hearing. After that, the decision on the admissibility of the collective action is expected. Once the certification (admissibility) phase will be finished, the judge will decide on the merits of the case, that is whether data protection and consumer rights were infringed and whether the compensation is due to the Facebook users (<https://blogs.dlapiper.com/privacymatters/europe-european-consumers-organisations-launching-collective-gdpr-actions/>).

3.2.3. Energy suppliers case

This case is unique since for the first time in the short history of Belgian class action system it was initiated not by the leading consumer organization Test Achats but by the member of the Belgian Consumer Ombudsman Service. The said entity is competent to issue such proceedings for the purpose of reaching collective settlement only so the class action cannot lead to the decision on the substance or to the payment of compensation. It is also unique because for the first time complaints have been brought not only by consumers but also by small and medium-sized enterprises.

In September 2018 the Belgian Energy Ombudsman, being one of the members of the Belgian Consumer Ombudsman Services (<http://www.neon-ombudsman.org/2018/09/26/the-belgian-energy-ombudsman-initiates-a-collective-redress-action-against-hidden-termination-fees/>) has initiated class action against several energy suppliers (electricity or natural gas) before the Brussels Commercial Court. It disputed the legality of a fixed amount of fees charged by energy suppliers for a full year supply in case when the customer terminated the energy contract earlier during the year. The fees amounted to 60 euro or more per energy source for a full year. In the press release the Energy Ombudsman stated that it received over 300 complaints from the customers affected by this practice, however it estimates that the number of the customers concerned is over 40,000 and the total financial compensation of the collective redress exceeds 1,000,000 Euros per year (http://www.neon-ombudsman.org/wp-content/uploads/2018/09/Press_release_Group-litigation_fixed-fees_20180925.pdf). It also admits that in spite of the fact that over 100 relevant recommendations were sent in to energy companies, they have not been followed by the addressees.

The success of the collective settlement is doubtful for at least two reasons. First of all, the competent Minister for Consumer Affairs signed an agreement with the energy providers authorizing them to charge the customers with the full year fee even if they terminated the contract before the end of the year. This did not stop the Energy Ombudsman to question the legality of the market practice in question. Secondly, it is questionable whether the Energy Ombudsman itself had a legal standing to initiate class action proceedings since under the Belgian law such class action can be brought by the Consumer Ombudsman Service and not directly by its members. There was no court decision on the admissibility of claim so far.

3.2.4. Ryanair case

The most recent class action was brought by Test Achats against the Ryanair in July 2019 (<https://www.test-achats.be/actions-collectives/ryanair>). As a result of the four days strikes which took place in summer 2018 many flights from and to Belgium were delayed or cancelled⁶. According to Test Achats, passengers were not sufficiently informed in advance about it. Almost 170 flights were cancelled or delayed, which affected almost 40.000 passengers. In such case, under the EU law consumers may claim compensation in the amount of 250 –600 euros, depending on the flight distance⁷. However, Ryanair refused to

⁶ Similar situation took place in the UK, where the Civil Aviation Authority started a legal action against Ryanair after the company terminated his agreement with alternative dispute resolution body: <https://www.bbc.co.uk/news/business-46451702>.

⁷ Regulation (EC) No. 261/2004 of the European Parliament and of the Council of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied

compensate the customers invoking that ‘extraordinary circumstances’ occurred and the strikes were outside of its power to be prevented (<https://www.brusselstimes.com/all-news/business/60496/test-achats-starts-class-action-suit-against-ryanair/>). Under the Regulation 261/2004, an operating air carrier shall not be obliged to pay compensation if it can prove that the cancellation of flight is caused by extraordinary circumstances which could not have been avoided even if all reasonable measures had been taken⁸.

However, this argument posed by Ryanair seems to be doubtful in the light of the in the recent judgement of the European Court of Justice. In the case C-195/17 the Court ruled that the airlines must compensate their passengers for flight delays and cancellations even though the reason for this was a strikes of their own staff⁹. The Court ruled that “(...) the spontaneous absence of a significant part of the flight crew staff (‘wildcat strikes’), such as that at issue in the disputes in the main proceedings, which stems from the surprise announcement by an operating air carrier of a restructuring of the undertaking, following a call echoed not by the staff representatives of the company but spontaneously by the workers themselves who placed themselves on sick leave, is not covered by the concept of ‘extraordinary circumstances’ within the meaning of that provision.”

The class action against Ryanair is pending before the Brussels Commercial Court. The introductory hearing took place in September 2019. The decision on the admissibility is expected early in the 2020.

3.3. Public enforcement of consumer collective interests

In spite of the fact, that in Belgium there are multiple public enforces and regulators that can potentially play a key role in resolving mass problems (Voet, 2013), they focus rather on the deterrence than restitution or civil sanctions. As a general rule, consumers may claim compensation in the separate proceeding, following the public decision issued by the regulator or enforcer. This is because the parties to the proceedings are the trader who does not comply with the regulations and regulator or public enforcer itself. Consumers are not the party to the proceedings even if the consumer complaint may start the investigation and administrative action. Therefore, in order to claim compensation consumers have to recourse to the instruments outside the regulatory framework (Voet, 2018).

Bearing above mentioned in mind, Voet (2018) gives an example of two Belgian regulators which decisions could have an impact on consumers. First of them is the Financial Services and Markets Authority (FSMA), autonomous public institution, which alongside the National Bank of Belgium, supervises the Belgian financial sector (<https://www.fsma.be/>; for the wide range of actions which fall within the supervisory tasks of the FSMA see: [Voet, 2013].) Despite the fact that the consumers are not the party to the proceedings and the decision issued by the FSMA, settlement concluded between the regulator and the non-complying trader or financial institution may influence consumers indirectly. In the settlement, the non-complying trader may undertake to pay to the clients a certain amount of money by the way of commercial compensation.

boarding and of cancellation or long delay of flights, and repealing Regulation (EEC) No. 295/91, OJEU L 46/1, art. 7 a)-c).

⁸ Regulation (EC) No 261/2004..., art. 5 point 3.

⁹ Judgement of the European Court of Justice of 17 April 2008 in case C-195/17 Kruesemann and Others v. TUIfly GmBH, ECLI:EU:C:2018:258.

The second example identified by Voet (2018) relates to the activity of Commission for the Regulation of Electricity and Gas (CREG), an autonomous organization granted with legal personality (<https://www.creg.be>; see also: [Haverbeke et al, 2009]). According to the Law on the organization of the electricity market (The law of 29 April 2009 on the organization of the electricity market, OG BS 11 May 1999, art. 29) this regulator shall launch the Dispute Resolution Chamber which is competent to resolve the disputes between the network administrator (system operators) and its users. However, as follows from the CREG's annual report, such body of CREG could not yet start to work in 2018 in the absence of the decision on the appointment of its members (<https://www.creg.be/sites/default/files/assets/Publications/AnnualReports/2018/CREG-AR2018-EN.pdf>).

4. CONCLUSIONS

The discussion shows that the Belgian model of collective enforcement of consumer rights focuses primarily on the private enforcement. The major entity involved on behalf of consumers is Test Achats, which initiated 8 out of 9 proceedings. Considering that the Belgian legislation on consumer collective redress was introduced 5 years ago, the number of cases (approximately two per year) is not significant. However, it should be taken into account that the number of consumers involved in each of these cases is vital so – all in all – the action for collective redress has impact on the hundred thousands of consumers. This is possible, among others, thanks to the possibility of the court to choose between the opt-in or opt-out mechanism. The use of the second one allows to include a big number of affected consumers. This freedom of choice is a very interesting legal solution which in my opinion shall be introduced to the Polish law as it makes the system more efficient. Additionally, it should be noted that involving a huge number of consumers would not be possible without the activity of Test Achats. Therefore, it is crucial to create a consumer organisation in Poland which would be aware of the consumer problems and successful in the introduction of collective proceedings to the national legal system. It needs to be stated at this point, there is no such organisation operating in Poland currently (Mucha, 2019b). Regrettably, the activities the public enforcers in terms of collective redress are rather limited. To conclude, the possibility to include compensation for the consumers in the settlement between the enforcer and trader seems to be a very efficient solution which – in my opinion – shall be followed in other Member States.

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MODERNISATION OF THE ARMoured COMPONENT OF THE RUSSIAN FEDERATION'S GROUND FORCES IN THE YEARS 2015–2018. AN OUTLINE OF THE SUBJECT

Ten years after the collapse of the Soviet Union and a relatively short period of hegemony of the United States, a period of change led to a clear formation of a new polycentric geopolitical order. The theses about the "end of history" presented by Francis Fukuyama in 1989 did not evolve, although they confirmed closure of the Cold War era. In the first years of the 21st century, especially after the economic crises (2008), the policies of the major states on the international scene increased assertiveness in external relations. This was particularly true of Russia, which - since Vladimir Putin took power on December 31, 1999 - focused on the rebuilding of the empire, and marked the boundaries of the failed superpower. The Kremlin's actions resulted in the war with Georgia in 2008, the seizure of the Crimea in 2014, and the intervention in Syria in 2015. In spite of demographic problems, the expansion of Western economic sanctions and relatively low oil and gas prices, which are the main source of income for the country, the 2008 modernisation of the Russian armed forces, was continued. The aim of the paper is to report the latest trends in the scale and scope of modernisation of the armoured component of Russian Ground Forces in the years 2015-2018 and the factors that had a direct impact on current conditions resulting from the emergence of the "new Cold War" in Russia's relations with the West after 2014.

Keywords: Russia, imperialism, ground forces, tanks, modernisation, state security.

1. INTRODUCTION

The Russian Federation's invasion of Georgia in 2008 highlighted the relatively low efficiency of Russian Ground Forces and became a key impetus for a major boost to previous reform plans in this regard (Galeotti, 2017; Grabowski, 2011; Haas, 2011; Depczyński, 2017). They resulted in significant qualitative changes (both in the introduction of new types of weaponry, modernization of existing ones, and changes in the way they were used on the battlefield), which could already be observed during the occupation of Crimea and activities

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in the Donbass carried out since February 2014 (Galeotti, 2019; Kofman, Migacheva, Nichiporuk, Radin, Tkacheva, Oberholtzer, 2017; Bowen, 2019), or on a smaller scale – during the Russian intervention in Syria launched in September 2015 (Barrie, Gethin, 2018). The improvement in the above-mentioned type of armed forces was caused in particular (except for the decline in the two years following the crisis of 2008), the favorable economic situation in 2000–2014, when oil and gas prices increased, which translated into a systematic increase in outlays, both in the broadly understood Russian power departments and the arms sector.

Despite undoubted successes, some changes in the process of modernization of Russian land forces can be observed since 2015. The aim of the article is to answer the following questions: what was the general direction of development of Russian Ground Forces in 2015–2018, including in particular the scope of the modernization of their armoured component, and what factors directly affected their dynamics and scale.

In the field of methodology of inference, the following methods were used: empirical, quantitative and comparative.

2. DEMOGRAPHIC POTENTIAL AND ECONOMY POWER AND ITS IMPACT ON MILITARY EXPENDITURE

The population of the Russian Federation in 2015 had 144,096,870 inhabitants, while in 2018 – 144,478,050 inhabitants, so it increased by only 381,180 people. Comparing the current (according to 2018 data) demographic potential of Russia, e.g. to the analogous potential of the United States (327,166,434 million inhabitants), European Union countries (513,133,363 inhabitants), or even relatively small Bangladesh (161.356.039 inhabitants), it can be concluded that, unlike the former Soviet Union (which had 293.047.571 inhabitants in July 1991), the modern Russian Federation is no longer able to play an equal role in this respect against the countries it considers to be potential adversaries³.

In turn, the Russian economy in the years 2015–2016 fell into recession (although the growth dynamics amounted then to: – 2.31% and +0.33%, respectively, comparing year-to-year at current prices of the ruble, due to the significant level of inflation the same indices calculated according to the current US dollar prices were much more pessimistic: – 33.81% for 2015 and – 5.93% for 2016)⁴. The return to growth took place only from 2017 (+1.63% year-on-year according to current ruble prices in 2017 and +2.25% in 2018, and according to current dollar prices by +23.07% and 5.00%, respectively)⁵.

³ In the scope of demographic data from 2014–2018, it was based on World Bank data, while in the scope of analogous data referring to the USSR on the data of the Central Intelligence Agency. See: (World Bank Data: Total Population – World's Countries, <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=RU>; *The World Factbook 1991*, Central Intelligence Agency, Washington D.C. 1991).

⁴ In 2016, Russia's GDP fell to USD 1,282.7 billion (at current prices) and was the lowest level since 2009, when it amounted to USD 1,222.6 billion (at current prices). See: (World Bank Data: GDP (current US\$) – Russian Federation, <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2018&locations=RU&start=1999&view=chart>).

⁵ In 2017, Russia's GDP increased to USD 1,578.6 billion (at current prices), and a year later to USD 1,657.6 billion (at current prices). See: (World Bank Data: GDP (current US\$) – Russian Federation, <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2018&locations=RU&start=1999&view=chart>).

Although the GDP *per capita* of the Russian Federation increased between 2015 and 2018 from USD 9,313.8 to USD 11,288.9 (in current prices), and the Russian economy in terms of GDP (calculated in current prices of USD) rose from 12 in 11th place in the world, it still remained 3.3% smaller than the Canadian economy, 25.1% smaller than the Italian one, 2.41 times the German one and as much as 12.36 times the American one⁶.

Economic problems of 2015-2016 were reflected in military expenditure. The latter amounted (according to SIPRI data) at that time, respectively: 4,047 trillion rubles (4.9% of GDP) and 4,645 trillion rubles (5.5% of GDP), however their amount calculated in current USD prices (according to IISS data) dropped from 66.1 billion to 57.2 billion. In turn, in the years 2017-2018 there was their nominal and percentage decrease (according to SIPRI) to: 3,880 trillion rubles (4.2% of GDP) and 3,850 trillion rubles (3.9% of GDP) respectively. Paradoxically, however, their value calculated in current USD prices (according to IISS data) began to increase: from 61.7 billion in 2017 to 63.1 billion in 2018⁷.

3. DYNAMICS OF CHANGES IN THE GROUND FORCES OF THE RUSSIAN FEDERATION IN THE YEARS 2015-2018

From December 1, 2010, the Ground Forces of the Russian Federation (Russian: *Сухопутные войска Российской Федерации*), after the fifth, since the creation of the new state, the territorial reform of the armed forces, was subordinated to the command of four military districts: the West (the Central Command with the command) in Yekaterinburg), South (with command in Rostov-on-Don) and East (with command in Khabarovsk) (*The Military Balance 2011...*; Galeotti, 2017; *Russia Military Power. Building a Military to Support Great Power Aspirations*, 2017; *Jane's World Armies 2018*).

According to data from the prestigious International Institute for Strategic Studies in London, between January 2015 and January 2018 the number of Ground Forces of the RF increased from 230,000 officers and soldiers (through 240,000 in January 2016 and 270,000 in January 2017) to 280,000 in January 2017, and therefore by as much as 21.7% (*The Military Balance 2015...*; *The Military Balance 2016...*; *The Military Balance 2017...*; *The Military Balance 2018...*).

In the same period, the number of operational and operational-tactical associations increased: army commands from 10 to 12 (increase by 20%) and corps commands from 0 to 1 (absolute increase).

In turn, in the case of tactical relationships, the total number of divisions increased from 4 to 8 (an increase by 100%), including: tank divisions from 1 to 2 (an increase by 100%) and motor-rifle divisions from 2 to 5 (an increase by 150%). Only the number artillery divisions remained unchanged (1). Their creation (based on previously functioning brigades)

⁶ See for more information on GDP *per capita* in 2015 and 2018 and global GDP rankings in 2015 and 2018 (respectively): World Bank Data: GDP *per capita* (current US\$) – World's Countries, <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>; World Bank Data: GDP (current US\$) – World's Countries, https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2015&most_recent_value_desc=true; World Bank Data: GDP (current US\$) – World's Countries https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2018&most_recent_value_desc=true.

⁷ SIPRI Military Expenditure Database. Data for all countries 1949–2018 (excel spreadsheet): (<https://www.sipri.org/databases/milex>; *The Military Balance 2017...*; *The Military Balance 2018...*; *The Military Balance 2019...*; See: (Martynenko, Parkhitko, 2018).

led to a decrease in the number of existing (in the form of “independent” units) analogous types of brigades: tank brigades from 3 to 2 (a decrease of 33.3%) and independent motor-rifle brigades from 30 to 25 (a decrease by 16.7%). Only changes in the number of independent light or mountain motor-rifle brigades were not recorded (3).

For most other types of brigades there was a noticeable, and in some cases very significant, increase in their number (respectively): artillery from 8 to 9 (an increase by 12.5%), heavy artillery from 0 to 1 (an absolute increase), anti-aircraft missile defense from 9 to 14 (an increase of as much as 55.6%), operational-tactical missile brigades from 9 to 11 (an increase of 22.2%), special forces (Spetsnaz) from 7 to 8 (an increase of 14.3%), diagnoses from 1 to 2 (up to 100% increase). However, the number of brigades did not change: rocket artillery (4), engineering (4), logistics (10), protection against weapons of mass destruction (5) and military police (1).

In turn, at the level of “independent” regiments, a significant increase in their number was recorded in the range of (respectively): special forces from 0 to 1 (an absolute increase) and protection against weapons of mass destruction from 0 to 10 (an absolute increase). On the other hand, the number of rocket artillery regiments decreased from 1 to 0 (an absolute decline)⁸.

For armaments and equipment of the Ground Forces, the focus was not on quantitative growth, but on qualitative changes, as evidenced by the fact that from January 2015 to January 2018, the number of basic combat tanks in combat units increased from just 2,600 to 2,780 units (an increase of 6.9%), infantry fighting vehicles from over 5,125 to 5,140 (up by just 0.3%), armoured personnel carriers from over 6,000 to over 6,100 (up by 1.7%), self-propelled guns from 1,500 to 1,596 (up by 6.4%), multiple rocket launchers from over 850 to over 862 (an increase of less than 1.8%). The number of self-propelled guns/mortars (over 80), towed guns/mortars (100), towed mortars (1,500), towed anti-tank guns (526) remained unchanged, while the number of self-propelled anti-aircraft rocket launchers even slightly decreased from over 1,570 to 1,520 (i.e. by 3.2%). The only exceptions among the types of armaments whose number increased significantly were: operational tactical missiles launchers (where an increase from 120 to 144, i.e. by 20%) and self-propelled mortars (increase from 0 to 40, i.e. an absolute increase) (*The Military Balance 2015*; *The Military Balance 2018*).

4. MODERNIZATION OF THE ARMoured TROOPS IN 2015–2018

The largest qualitative changes taking place within the Ground Forces of the Russian Federation referred in particular to their armoured component. Expected at least since the Yom Kippur war in 1973, the twilight of the main battle tanks as an effective means of warfare – in spite of the passage of several decades – proved to be premature (Ogorkiewicz, 2015). In May 2015, the Russians publicly presented the first fifth generation tank in the world: the T-14 “Armata”. Despite the not very successful “debut”, it was planned to buy 2,300 units by 2020, but the original intentions – due to technical problems difficult to solve in a short time and a high unit price (estimated at USD 3.7 million, which was a lower level

⁸ (*The Military Balance 2015...*; *The Military Balance 2018...*). The creation of four new divisions in 2015–2018 clearly contradicted the reverse process implemented in 2008–2009 under the so-called reform of Serdyukov (holding the office of the Minister of Defense of the Russian Federation between February 2007 and November 2012). See: (*The Military Balance 2011...*; Galeotti, 2017; Sutyagin, Bronk, 2017; *Russia Military Power...*; Wolski, 2019; Depczyński, 2018).

anyway compared to the prices of analogous tanks of Western countries) - reduced in April 2016 to 100 copies, and then – in August 2018 – to only 32 copies (except for about 20 pre-series created in 2015–2016), of which 9 should enter arming by the end of 2019 (Galeotti, 2017; *Jane's Land Warfare Platforms...*, 2018; Defence24: *Czołgi Armata do produkcji seryjnej po 2018 roku...*; Defence24: *Zamówienia na rosyjskie...*; Defence24: Sabak, <https://www.defence24.pl/czolg-t-14-armata-gotow-do-prob-panstwowych>).

The T-14 equipped with an unmanned turret armed with a 125mm 2A82-1M gun⁹ is to use sub-caliber anti-tank missiles: 3BM69 “Vacuum-1” (Russian: 3BM69 “Вакуум-1”) with a uranium core and 3BM70 “Vacuum-2” (Russian: 3BM70 “Вакуум-2”) with a tungsten core with armour penetration capability comparable only to a similar American M829A3 shell (also with a 120mm uranium core, developed for newer versions of the Abrams M1A1, M1A2 tank)¹⁰, and additionally have the ability to fire from the mentioned cannon anti-tank guided missiles 9K119M “Refleks-M” with a range of 5.000 m (*Jane's Land Warfare...*, 2018). In addition to the new type of “Malachite” reactive armour, the T-14 - as the first tank in the world – is also to have an active defense system called “Afghanit”, used to detect, track and capture (using radar) in a 360 degree radius in the horizontal sphere (not including the vertical sphere) of enemy anti-tank missiles moving at speeds up to 1.700 m/s (5.0 Ma), and then disrupting the operation of hostile guidance systems (perhaps using a laser beam) and destroying the incoming missiles by launching their own anti-fire projectiles (or similar elements using kinetic energy)¹¹. Also new is the placement of a crew of three in a specially armoured capsule providing protection against enemy sub-caliber armour-piercing shells at an equivalent level exceeding 900 mm of rolled homogeneous armour (RHA), which will increase the ability to survive on the battlefield without the need to significantly increase the weight of the tank (estimated at 48–49 tons, during when the mass of the latest version of the Abrams M1A2C tank reaches 66.8 tons), providing good maneuverability (speed 90 km/h and range 500 km) (Bender, *These are the plans...*; Nikonov, 2018).

Lack of financial possibilities ensuring the launch of “Armata” on a larger scale forced the implementation of a less expensive, but also less ambitious solution, i.e. modernization of already used types of tanks. In 1992–2015 – apart from the production of subsequent versions of a relatively new type of T-90 tank, adopted for arming in October 1992, although being a development of the late versions of the T-72B (Russian: T-72B)¹², whose number

⁹ During the first tests carried out in 2002, the 2A82 gun was to demonstrate muzzle energy of approx. 15.3 MJ, i.e. approx. 17% higher than the German Rheinmetall Rh-120/L55 high-pressure gun used in the latest versions of the German Leopard tanks 2A6, 2A6M and 2A7. See: (Weapon-News.com: *Tank T-14...*; Roblin, <https://nationalinterest.org/blog/buzz/no-silver-bullet-why-russias-new-tank-round-has-problem-54862>).

¹⁰ The penetration of the 3BM69 Vacuum-1 missile is estimated at a minimum 900 mm RHA at an angle of 60° in relation to the flight path at a shot from a distance of 2,000 m, while the 3BM-70 Vacuum-2 at 800 mm RHA at an analogous angle and at identical distance. In turn, M829A3 pierces 800 mm RHA. See: (Wolski, 2016).

¹¹ Defence Update: (Eshel, *New Russian Armor...*).

¹² From October 1992 to September 1995, 107 T-90 and T-90K tanks were produced for the Ground Forces of the FR, between 1996 and 2003 – 64, in the years 2004–2012 an additional 337 copies of the new variant T-90A, and in addition – during 2018 – 62 tanks in a very advanced version of the T-90M. See: (Suworow, 2003; Wolski, 2018a; Wolski 2018b; Wolski, 2019; Przędziecki, 2017c; *Jane's Land Warfare...*, 2018; Kwasek, 2018).

did not change between January 2015 and in January 2018 (350 copies in the T-90 and T-90A versions) (*The Military Balance 2015...*; 186; *The Military Balance 2018...*). – a few hundred T-80 and T-72¹³ tanks were also modernized to a limited extent.

However, the relatively most advanced modernization program that took place in 2015-2018 was initiated in June 2010 and concerned the reconstruction of the T-72 to the T-72B3 standard (Russian: *T-72Б3*), which has a modified fire control system “Kalina” and 2A46M-5 cannon¹⁴. By January 2015, about 400 modernized tanks of this version were adopted for armament, and in the next three years (until January 2018) their number increased to 800 copies and an additional 80 in the T-72B3M (Russian: *T-72Б3М*) version, also referred to as T-72B3 Mod. 2016 (Russian: *T-72Б3 о́п. 2016*) (*The Military Balance 2015...*; *The Military Balance 2018...*), with a new engine with 34.5% more power and a slightly improved 2A46M-5-01 gun (Przeździecki, 2017a; Wolski, 2019). Between January 2015 and January 2018, the number of remaining T-72 tanks that were not in the armament, but not covered by the modernization, dropped from 1,300 to 1,100 units (versions T-72B and T-72BA) (*The Military Balance 2015...*; *The Military Balance 2018...*), which means that about 680 of 880 modernized vehicles were not in combat units, but in reserve (Wolski, 2019).

In September 2017, a proposal to modernize the T-80 tanks was also presented, whose number from January 2015 to January 2018 decreased from 550 to 450 copies in the versions T-80BW (Russian: *T-80БВ*) and T-80U (Russian: *T-80У*). The new T-80BWM variant (Russian: *T-80 БВМ*) is to become the benchmark standard of modernization for 200 T-80BW tanks (*The Military Balance 2015*; *The Military Balance 2018*; Przeździecki, 2017b; Wolski, 2019).

5. CONCLUSIONS

The Russian Federation, in view of its intention to preserve its status as a regional power in the future, is forced to continuously modernise and develop all types of troops, including Ground Forces. While it has become clear since 1991 that Russia, despite continuing efforts to implement ambitious plans to rebuild its empire, cannot afford to fund an over-expanded conventional land-based force, has made the greatest progress in this area (since the break-up of the Soviet Union) in 2008-2014.

In 2015-2018, however, the process of modernising the Ground Forces, including their armoured component, although still in progress, significantly reduced their dynamics. This was due to the slowdown in the growth rate of the Russian Federation's GDP, which in turn resulted from the introduction of Western sanctions from 2014, and a drop in global oil and gas prices. These factors forced the Russian state to rationalise its budget spending, which had a direct impact on the scope of modernisation of the armoured component of the Russian Ground Forces in 2015-2018. This also resulted in the final limitation of its modernisation to the qualitative sphere and the abandonment of quantitative expansion. In practice,

¹³ At least 31 of the tanks owned by the T-80UD were rebuilt in 2005–2008 to the T-80U-Je1 (Russian: *T-80У-Е1*) version, while the T-80U (Russian: *T-80УД*) was rebuilt (also between 2005 and 2008 year) to the T-80UA variant (Russian: *T-80УА*). In turn, in the years 1999–2009, about 750 T-72 tanks were rebuilt to the T-72BA version. See: (Wolski, 2019; Kwasek, 2018; Przeździecki, 2017b).

¹⁴ On the details of the modernization to the T-72B3 and T-72B3 standard Mod. 2016. See: (Przeździecki, 2017a; Wolski, 2019).

the principle of "economic optimization of modernization" was adopted, i.e. an attempt to increase the maximization of combat efficiency combined with the reduction of over-standard costs associated with this process. This means maintaining the number of active main battle tanks at the current level, while at the same time launching a minimum scale of production of their most technologically advanced types (T-14 Armata) and mass modernization of these variants, which could provide at least for some time a relatively large technological and operational potential on the potential battlefield in the third decade of the 21st century (advanced versions T-72, T-80 and T-90).

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PRODUCTIVITY MANAGEMENT IN THE CONTEMPORARY ENTERPRISE – ANALYSIS, EVALUATION AND IMPROVEMENT

The aim of the article is to analyse the essence of productivity management and its model approach. An index analysis and assessment of productivity in Polish companies are presented. Productivity improvement is a continuous process based on improvement. The research utilised the methods of statistical analysis, content analysis, and descriptive analysis of secondary data. The results of the research involved the development of a comprehensive methodology for improving productivity based on modern concepts, methods, and techniques of production management. To analyse and design the methodology for improving productivity in a production company, and to ensure its proper and effective functioning, it is necessary to implement in stages several organisational, technical and social tasks. Companies that use modern productivity improvement programs are successful because they can quickly and dynamically adapt to changing environmental conditions. The summary emphasises the importance of developing a new methodology to improve productivity through production management practices.

Keywords: management, productivity, productivity management, modern production management concepts.

1. INTRODUCTION

Productivity is an extremely complex and interdisciplinary problem. It refers to macroeconomic systems, such as the global and national economies, and to microeconomic systems, which include individual companies and jobs.

Productivity growth is seen in the modern world as a source of economic growth, social progress and improved living standard. Actions to improve productivity lead to a better use of the existing production resources. Competition in the domestic and foreign markets forces producers to look for new ways to increase productivity and seek better methods to improve productivity.

2. THE ESSENCE OF PRODUCTIVITY MANAGEMENT AND ITS MODEL PERSPECTIVE

The activity of production systems – which, depending on the degree of aggregation, may incorporate the whole enterprises, processes, or individual workstations – can be

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determined by assessing their productivity. The productivity category belongs to the group of problems used to describe management processes. Productivity is a result of an economic activity assessed on the basis of the ratio of the achieved results to the necessary outlays incurred to obtain those results (Piętowska-Laska, 2015).

Contemporary determination of productivity is manifested in the dual approach to the term productivity, namely:

- economic and social, i.e. focusing the way of thinking on a constant search for ways to improve the current state of the system,
- technical, which is a measure of the efficiency of the system.

The socioeconomic approach is intended to clarify what the concept of productivity means in the broad context of the production system as well as its immediate and distant environment. It is useful in the situation of determining the "standard" that the organisation tries to achieve, which indicates the desired directions of development of the production system. Therefore, it can be used to specify and explain the organisation's strategic objectives. In technical terms, however, productivity is defined as the relation between the output (goods produced, services provided) and the input (resources used) in the production transformation process.

The productivity level is an important factor in improving the competitiveness of enterprises. The productivity management process consists of closely intertwined stages (Fig. 1).

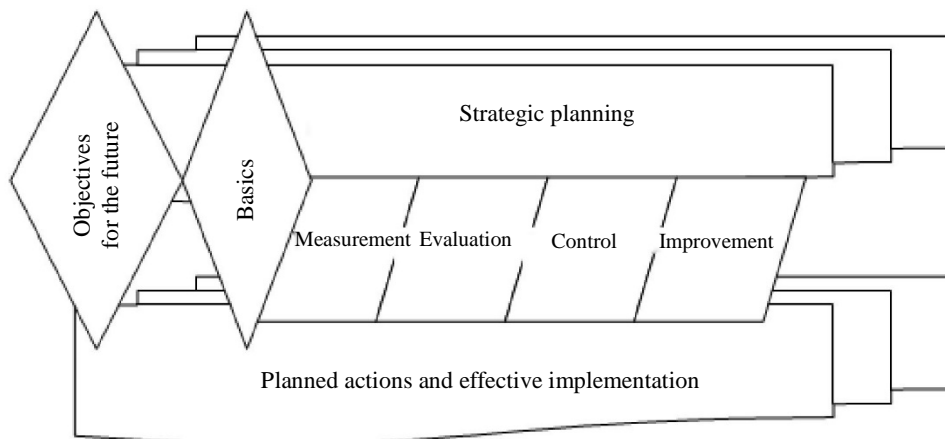


Figure 1. Productivity management process

Source: Author's own elaboration based on: (Sink, 1985; Kosieradzka, Lis, 2000).

Methods and techniques of improving production processes in order to improve their productivity are taken up by: R. Harris, Ch. Harris, E. Wilson (Harris, Harris, Wilson, 2005), D. Jones and J. Womack (Jones, Womack, 2007). Productivity improvement through the use of production engineering tools was considered by H.A. Salaam, S.B. How, M.F. Faisae (Salaam, How, Faisae, 2012). Achieving productivity growth using Lean Manufacturing to reduce cycle time for manufacturing processes using Value Stream Mapping (VSM) was presented by B. Vijaya Ramnath, Vishal Chandrasekhar, C.

Elanchezhian, L. Vinoth Selva Bruce, K. Venkataraman (Vijaya Ramnath, Vishal Chandrasekhar, Elanchezhian, Vinoth Selva Bruce, Venkataraman, 2014). Implementation of Lean tools together with work research methods was the subject of research by P.P. Kulkarni, S.S. Kshire, K.V. Chandratre (Kulkarni, Kshire, Chandratre, 2014). Whereas, I. Dincută-Tănasea, C. Bordea, E. Câmpeana, D. Pop proposed a way of determining productivity levels for qualitative and quantitative factors (Dincută-Tănasea, Bordea, Câmpeana, Pop, 2014).

In order to improve productivity in manufacturing companies, the use of new technologies or the adoption of mass production may not always be possible. Therefore, the most practical approach is the analysis of work processes, i.e. review and redesign of activities and the application of modern production management concepts, methods and techniques. In fact, only companies using modern productivity improvement programs are successful at present, as they can rapidly and dynamically adjust to the changing conditions of the environment.

3. ANALYSIS, ASSESSMENT AND PRODUCTIVITY IMPROVEMENT IN POLISH COMPANIES

In order to be able to control its market position and to adapt to changing environmental conditions through continuous improvement of the existing state, an enterprise should have a productivity measurement system in place. The selection of indicators for the productivity measurement system depends on many factors that make up the specific situation of the company. The most important thing is to ensure that the productivity measurement system is coupled with the company's economic and financial system and the system of planning and recording production as well as with the system of recording production costs. Productivity is therefore a very "capacious" measure of how effectively and efficiently an organisation performs its tasks, how efficient and effective it is in achieving its objectives and how comparable it is to its competitors.

In order to manage a company efficiently, it is necessary to constantly analyse various sets of indicators used in the evaluation of its own activities. According to the observations made in many Polish enterprises, the vast majority of them have implemented financial controlling, including profitability, liquidity, debt and capital activity ratios, while productivity ratios are observed and analysed rather sporadically and accidentally. It is worth noting that this does not make use of the great opportunities and benefits resulting from their analysis. Productivity assessment is an essential and valuable complement to standard financial analysis of the business for decision making at all levels of management.

The observation, analysis and evaluation of productivity in a company is therefore a tool for effective management, leading to (Kosieradzka, 2012):

- assessment of the company performance compared with other businesses, in particular within the same sector,
- identification of the areas of activity that are characterized by low productivity and need to be improved,
- formulation of the company productivity improvement programs and strategic plans,
- observation of trends in changes in the productivity indicators, thanks to which it is possible to introduce early warning mechanisms for possible threats and opportunities for the company,

- providing feedback on the effects of previously introduced productivity improvement programs,
- links between the HR and payroll policies of the enterprise and the productivity of its organisational units.

In order for a company to be able to effectively control its productivity and to consciously influence the way it increases, it must have an effective and rapid tool at its disposal to assess productivity. These requirements are met by the indicator method based on the analysis of a properly selected set of productivity indicators. The productivity measures can therefore be classified according to:

- definition of productivity: 1. direct – indicators expressed as a quotient of production effects to outlays sustained (technical approach to productivity); 2. indirect – beyond the technical approach, e.g. measures related to the quality of work and related to the level of shortages, costs of shortages in production costs, etc.,
- complexity: 1. comprehensive – general for the whole company; 2. partial – productivity indicators of capital, materials, energy and labour,
- parameter expression method: 1. physical – are based on the expression of products and resources only in physical units (e.g. pieces, kilograms, minutes, kilowatt-hours, etc.); 2. economic – use, in addition to “physical” parameters, also amounts expressed in value (product prices, costs of resources, exchange rates, etc.),
- hierarchy: 1. measures for the company – evaluation of the effectiveness of the organisation as a whole; 2. measures for processes – evaluation of the effectiveness of processes implemented in the organisation; 3. measures of jobs – evaluation of job performance (Rostek, Knosala, 2014).

The presented research results concern labour productivity, which is now recognized in the literature as one of the most important indicators of the real prosperity of every enterprise, which processes employees' efforts as the input into specific outputs.

The increase in labour productivity taking place in Poland applies both to the whole economy and manufacturing enterprises. In the period 2008–2017, labour productivity growth measured by gross value added per 1 employee reached a growth of 163.5% in Poland, and was even higher for the manufacturing business – 165.4%. Productivity growth was recorded in all parts across the manufacturing sector, although in some of them one-year slowdowns in labour productivity growth can be observed (Table 1).

The analysis of speed of the labour productivity growth measured by sales per 1 employee in selected sectors reveals the possibility of strong changes in labour productivity levels in some sectors. This is influenced by the internal and international conditions of the sectors (Fig. 1).

The achieved speed of labour productivity growth of particular sectors and divisions of the national economy allows to determine and make strategic decisions concerning further economic development of the country. It is also an effective indicator for assessing the correctness of the economic decisions made so far. This applies in particular to those sectors that can and do compete on international markets and the decisions e.g. about investments made, payroll policy, pricing, tax, customs policies etc.

Table 1. Labour productivity in industry measured by gross value added per 1 employee according to sections and divisions in the period 2008–2017

SECTIONS AND DIVISIONS	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	in thousands									
TOTAL	97,4	111,8	116,4	128,0	138,2	139,5	144,5	154,2	156,9	159,3
Industrial processing	86,2	99,8	100,8	110,8	120,0	120,5	128,3	138,2	141,3	142,6
Production of food products	70,3	86,0	88,2	86,9	97,5	100,7	101,5	111,4	115,8	126,4
Production of beverages	193,3	297,5	213,6	188,2	200,4	220,5	251,8	251,9	270,5	251,0
Production of tobacco products	296,7	388,1	538,1	661,1	761,9	765,7	883,7	1033,4	1006,6	904,6
Production of textile products	50,5	57,4	64,7	67,0	78,8	78,3	87,3	89,6	92,1	91,4
Production of clothing	31,4	37,9	39,1	43,1	47,3	48,1	53,0	57,4	59,2	69,1
Production of leather and leather products	40,6	43,5	49,2	52,0	55,4	63,2	70,0	72,7	73,0	78,3
Production of wood, cork, straw and wicker products	65,6	78,8	78,1	85,4	93,8	95,7	104,7	106,3	109,9	117,9
Production of paper and paper products	103,5	124,2	129,2	136,9	159,7	161,9	180,0	190,0	191,8	196,2
Printing and reproduction of recorded media	121,8	134,3	119,7	128,3	132,8	127,5	139,9	144,5	151,6	149,0
Production of coke and refined petroleum products	569,4	507,2	683,7	860,1	897,5	788,9	454,4	698,9	795,7	820,4
Production of chemicals and chemical products	127,2	130,4	152,5	178,6	186,0	177,7	190,7	225,1	236,8	222,2
Production of pharmaceuticals	185,4	204,1	206,7	195,6	226,5	238,9	274,2	252,8	255,3	247,0
Production of rubber and plastic products	79,4	96,2	102,5	105,1	114,4	122,7	127,8	131,4	135,6	133,9
Manufacture of products from other mineral non-metallic raw materials	115,8	116,2	117,1	124,5	121,3	120,2	136,8	146,7	153,6	156,0
Production of metals	88,6	103,3	81,2	121,3	123,9	118,6	148,6	153,2	159,2	149,5
Production of goods from metals	80,8	84,4	93,2	106,4	110,8	107,5	118,7	131,8	131,6	132,8
Manufacture of computer, electronic and optical products	91,5	153,2	110,6	110,2	116,9	115,3	129,7	123,9	131,6	123,6
Production of electrical equipment	94,6	102,0	107,1	110,0	121,3	119,2	129,5	144,0	137,1	122,0
Production of machinery and equipment	82,7	102,0	99,9	110,0	112,0	107,9	118,7	120,3	121,3	129,1
Production of motor vehicles, trailers and semi-trailers	94,1	114,4	111,9	134,6	139,2	141,5	145,2	156,5	159,5	157,2
Production of other transport equipment	59,9	85,2	89,4	123,2	140,9	144,8	172,0	161,0	158,5	167,6
Production of furniture	52,5	71,6	64,1	67,4	71,6	74,9	85,7	82,9	90,6	87,2
Other manufacturing of products	77,4	92,5	90,6	95,0	113,6	107,0	122,4	129,0	132,8	127,0
Repair, maintenance and installation of machinery and devices	119,3	88,6	96,7	117,9	151,9	151,0	160,9	192,6	174,3	190,7

Source: Author's own calculations based on: (Industrial Statistical Yearbook 2016 [2017]; Industrial Statistical Yearbook 2017 [2018]).

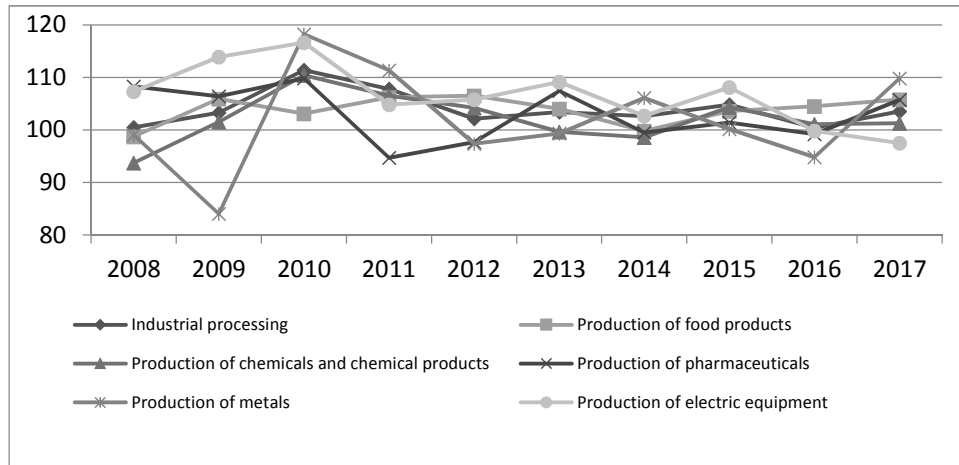


Fig. 1 Labor productivity growth rate measured by the volume of sales per 1 employee in selected industrial processing sectors (previous year = 100%).

Source: Author's own calculations based on: (Industrial Statistical Yearbook 2016 [2017]; Industrial Statistical Yearbook 2017 [2018]).

Productivity improvement in Polish enterprises can now be achieved through the development and implementation of productivity improvement programs, which include, in addition to typical activities related to the planning, organisation, management and control of a complex project, also specific aspects, such as the practical application of the 5S principles, the ubiquitous Kaizen continuous improvement philosophy, training and development of employees. Actions to improve productivity lead companies to adopt a “productivity culture”, meaning a specific set of norms, practices and organisational climate fostering the effective implementation of productivity improvement programs.

A productivity improvement program is a complex technical, organisational and social undertaking carried out with the aim of improving the efficiency of the whole enterprise or its smaller areas. Productivity growth can be achieved by non-investment means (improvement of organisation, improvement in the use of available means of production, labour and labour force) or as a result of projects that require investment outlays. Productivity improvement programs can be local (nest, workplace group or single workplace) or cover the whole company or even suppliers or entire distribution channels (Kosieradzka, Lis, 2000).

4. COMPLEX PRODUCTIVITY IMPROVEMENT METHODOLOGY

Productivity improvement consists in changes of a different nature being made at all levels of the enterprise in terms of primary production, secondary production, administrative operations and management.

In order to achieve this goal, each company introduces development programs based primarily on the implementation of modern management concepts, the functioning of which should result in increased productivity (Table 2).

Table 2. Characteristics of management concepts/methods used in comprehensive productivity improvement methodology

Concept/method	Approach characteristics	Expected benefits
<i>Kaizen</i>	Continuous improvement of processes through small improvements made continuously by all employees	<ul style="list-style-type: none"> – shortened production cycles, – reduced assembly time, – increased productivity, – waste reduction, – reduction of capital expenditure, – reduction of complaints,
<i>Total Quality Management (TQM)</i>	Comprehensive business management through quality improvement	<ul style="list-style-type: none"> – reducing to a minimum any costs and losses associated with “lack of quality”, – increase in customer satisfaction, – prompt and on-time deliveries, – higher production capacity, – improvement in the company's profitability,
<i>Total Productivity Maintenance (TPM)</i>	Fast changeover of technical resources (production line machines)	<ul style="list-style-type: none"> – labour productivity growth, – reduction in the number of failures, – reduction of internal waste, – reduced number of complaints, – reduced production costs, – reduced stock in progress,
<i>Theory of Constraints (TOC)</i>	Improving performance through identification and focus on bottlenecks	<ul style="list-style-type: none"> – shortened order processing time, – improved resource management, – reduced inventory, – reduced material transition time, – reduced costs,
<i>Agile Manufacturing (AM)</i>	Immediate reaction to opportunities and threats appearing in the environment, creates and integrates processes, technologies and employees equipped with knowledge (production knowledge management – <i>Production Knowledge Management – PKM</i>) in order to allow for a quick response to the customer's needs (individualized mass production – <i>Mass Customisation – MC</i>)	<ul style="list-style-type: none"> – benefits for all participants (manufacturers, suppliers, customers), – integration (of resources, methods, technologies, organisational units and organisations), – development of key competences, – efficient use of resources,
<i>Lean Manufacturing (LM)</i>	Reduction of costs and maximisation of profits by eliminating all losses in the manufacturing process	<ul style="list-style-type: none"> – reduction of shortages, – reduction of changeover times, – productivity growth, – reduction of inventory and work in progress,
<i>Lean Logistics (LL)</i>	Optimisation of in-house logistics and warehouse management, slim, complex material flow	<ul style="list-style-type: none"> – reduced product design cost, – shortened production cycle, – increased productivity, – improved production quality, – reduced stock of work in progress, – reduced personnel costs,

Table 2 (cd.). Characteristics of management concepts/methods used in comprehensive productivity improvement methodology

Concept/method	Approach characteristics	Expected benefits
Method <i>Rapid ReTM</i>	Redesigning the operational process in a short period of time	<ul style="list-style-type: none"> – shortened production cycles and reduced costs, – improved quality of products and customer satisfaction, – increased profitability and market share,
Method <i>General Electric (GE)</i>	Revolutionary implementation of changes in the company on a continuous basis	<ul style="list-style-type: none"> – increased revenue, – increased net income, – significant increase in productivity,
<i>Dynamic Process Management (DPM)</i>	Rapid response to changing critical operating conditions	<ul style="list-style-type: none"> – focusing the company on customer satisfaction, – recognition and ordering of planes that require improvement.

Source: Author's own elaboration based on: (Danielak, 2008).

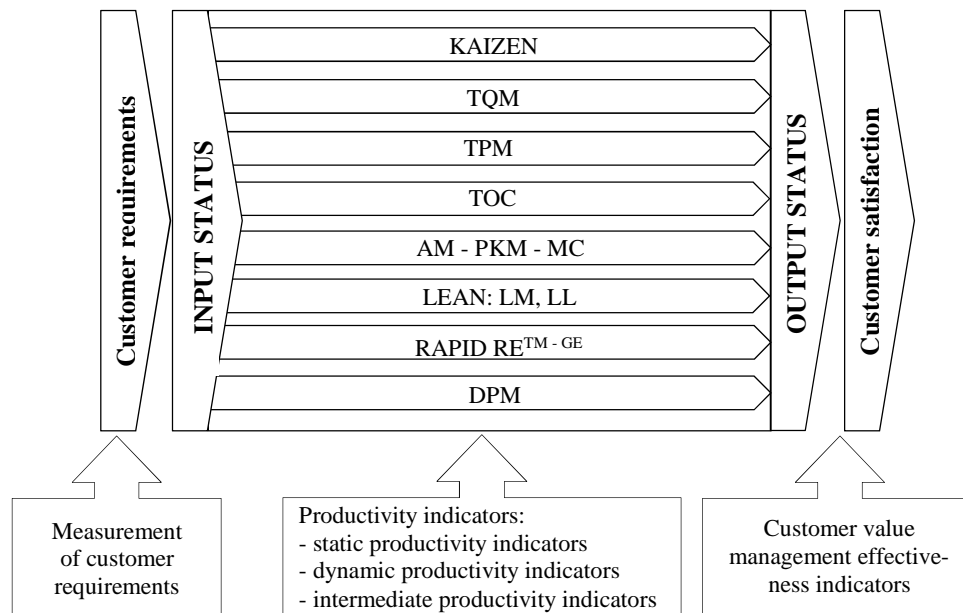


Figure 2. Complex productivity improvement methodology

Source: Author's own study.

The productivity improvement process, as a special type of problem solving activities, should follow the sequence of activities:

1. statement of the objective to be achieved within the organisational entity,
2. diagnosis of the existing state by means of a properly selected measures system,

3. searching for solutions and choosing the solution to be implemented,
4. planning and implementation of a program of improvements,
5. control of the results obtained.

The productivity improvement concept assumes constant observation, analysis and rationalisation of systems. Such a course of action should be repeated in each organisational unit of the system in relation to each productivity improvement project.

In Fig. 2 a comprehensive productivity improvement methodology has been presented.

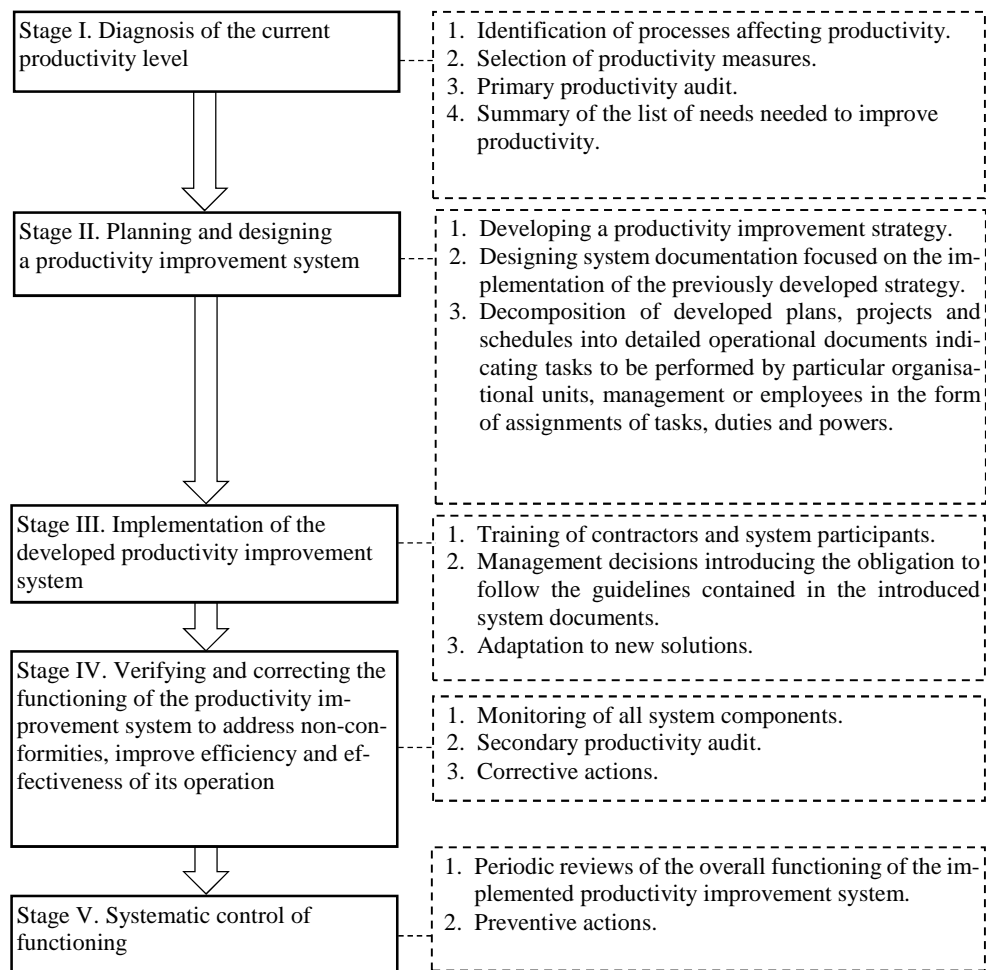


Figure 3. Complex productivity improvement methodology implementation stages

Source: Author's own study.

An important issue in the functioning of the productivity improvement process is selection of the management concept (one or more), which will be followed by the desired

changes. The subject literature indicates that the selection of the methods and their effectiveness depends, to a large extent, on the specific nature of the enterprise. An important role is played by factors such as business orientation and organisational culture, depending on people, their preparation, experience, readiness for change and the ability to solve problems as a team.

In order to analyse and design a productivity improvement methodology in a production company, and to ensure its proper and effective functioning, it is necessary to carry out a number of organisational, technical and social tasks in stages (Fig. 3).

These stages are valid both in the case of changes of local nature, resulting in an improvement in productivity at the level of a manufacturing centre or a group of jobs as well as in those that encompass the entire enterprise. These changes may be a series of minor modifications, but also innovative projects.

5. CONCLUSION

Summing up this discussion, it should be stated that there is a wealth of methods and techniques used to improve productivity, especially on a microscale. Some of these methods are universal and can be used in all organisations, while others are dedicated to manufacturing companies.

The developed comprehensive methodology for improving productivity organizes the process of implementing modern concepts, methods and techniques aimed at increasing productivity, taking advantage of their complementary nature and synergy resulting from the use of common detailed tools. This methodology can assist manufacturing companies in programming productivity improvements in the production management area. Its advantage is that it puts emphasis on the balanced and harmonious implementation of modern management concepts.

The advisability of further research and scientific work in the following areas should also be pointed out:

- possible inclusion of new management concepts in the methodology,
- new research to give answers to the question whether the degree of implementation of productivity-oriented concepts, methods and techniques depends on factors such as the size of the enterprise, organisational and legal form and the length of time it has been operating on the market,
- identification of barriers to the implementation of the management concept.

Research on the above problems should contribute to further work on perfecting the productivity improvement methodology, which will allow to control the multitude of new concepts and trends in production management for the benefit of productivity growth in organisations.

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THE PALACE IN ZARZECZE IN THE HISTORY OF POLISH ROMANTIC ARCHITECTURE

Magdalena Morska built the palace in Zarzecze in accordance with Christian Piotr Aigner's design. She entrusted Fryderyk Bauman with the decorations of the interiors, and she was the author of the drawings of the peasant buildings, barns, and palace interiors. The construction of the palace was conducted in two stages: 1807–1810 and 1817–1819, and the plan included a rectangle connected by the pergola with the orangery, with the round tower in the south west corner surrounded by the ambulatory. The interiors were richly painted, and some rooms included decorations based on motives from La Fontaine's tales. Each room had a unique name such as "the room where the sun shines", "the room where it rains", "the yellow room", and "the Venetian room". The origins and analogy of the palace included the Roman Temple of Vesta (Hercules), the Temple of Vesta in Tivoli, and the tradition of the Dzieduszycki Family derives the structure from the Temple of Sibyl in Puławy, and the palace in Góra Puławska. The palace in Zarzecze belongs to a group of palaces with a rotunda, like Ponikwa, Rudniki, Morysinek and Hrehorów, but similar structures are also known in England, including the Cronkhill house.

Keywords: residential architecture, Zarzecze – palace, Dzieduszycki family, Magdalena Morska, Christian Piotr Aigner.

1. INTRODUCTION

Magdalena of the Dzieduszycki Family (Budzyński, 1987) married Aleksander Ignacy Morski in ca. 1782 and started an investment project related to constructing a palace with a park, which also included peasant buildings and barns (such an order of works was determined by M. Ziębińska, 1977). It is quite agreeably assumed that the main designer of the palace was Christian Piotr Aigner, the drawings of its interior, peasant buildings and barns were left by Magdalena Morska, and Fryderyk Bauman worked on the plastic decorations of the rotunda room and the adjacent rooms (Aftanazy, 1996). Some researchers of Aigner's architectonic concept (Jaroszewski, 1970) stress a lack of an archival confirmation of his authorship of the palace in Zarzecze, but they connect him with the circle of palaces with a rotunda in the corner in Ponikwa and Rudniki, also suggesting an analogy with the palace in Góra Puławska. The design of a church by Aigner was not fully performed, its construction started as late as in 1840, it was soon stopped, and today's Neo-Romanesque temple was erected between 1880 and 1895 in accordance with a design by Julian Lwigród Zachariewicz (Gosztyła, 2018; Jaroszewski, Kwiatkowski, 1957; Łoza,

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1954). The church, which exists until the present times, was placed on the foundations of Aigner's temple. Its creator gave it a rectangular plan fronted by a six column portico, topped the smooth attic with a recessed gable and a globe, and ended the triangular tympanum with a cross. Next to the church, there was to be a bell tower, Aigner prepared its two alternative designs: one which was followed the model of the Bernardine bell tower in Warsaw, the other of a Neo-Gothic form.

2. THE PALACE IN ZARZECZE – ITS ARCHITECTURE AND INTERIOR DECORATION

The palace was located in a park in the south-east part of the village in a hilly area, which descends south towards the Mleczka River. The park was probably created in the second half of the 17th century, however, a lack of source data does not allow us to precisely determine the date of its creation: here we have to take advantage of the age of the oldest trees in the park, including common oaks, which were cut down while the school was being built, and which in the 19th-century cadastral plan were marked as a forest (Piórecki, 2008). To the west the park adjoins church premises, to the north the border is a Jarosław–Przeworsk road, to the east it neighbours an area of former utility buildings, where after the war a boarding agricultural school complex with workshops were built.

The palace appears in various literature which reaches the 19th century, but only T.S. Jaroszewski's works on Aigner introduced the structure into the coursebooks on Polish architecture and into European literature concerning interiors in which garden, landscape and Arcadian motives were used (Börsch-Supan, 1967).

The palace was constructed in stages, starting with the basements under the rotunda, then the basements towards the annex, and finally the external walls of the residence were built. A. Piątek (1978) divided the investment time into two stages: 1807–1810 and 1817–1819, and the latter date is considered to be the completion of the palace construction, even though later (according to M. Ziębińska) an orangery was built. Before that, there had been a pavement made of artificial stone. The fact that the construction of the palace started with the basement under the rotunda is confirmed by the date placed on the stone laid in the west wall of the basement (the date was found by Stanisław Sęk while conducting research for the presence of polychromy – Ziębińska, 1977). However, it is also likely that the other basements and the corridor leading to the annex, the rotunda and part of the palace, *ie.* the vestibule with the corner north-west room (“the yellow room”) and the “Venetian lounge” upstairs were built at the same time (maybe by 1810) (Ziębińska, 1977). The investment was conducted in stages, this is why in M. Ziębińska's opinion there are some differences between the design and the final construction (initially the “Venetian room” was not designed). The entire interiors were given rich painting decorations, a few ceilings were decorated with a bright sky with clouds, and one of the rooms was given a frieze with references to La Fontaine's tales. It seems that some of the decorations were made by Magdalena Morska, some of the equipment was brought from Kolbuszowa (furniture) and Italy. As soon as in the 1960s some of the decorations as well as the ceilings (moulding) were destroyed. Nevertheless, they were replaced with new decorations with tapestry having Chinese and flower motives (Dzieduszycki, 2002). The renovation and construction works as well as maintenance works (installation of water supply system and power supply system, replacement of furnaces, restoration of the plaster, change of the shape of attic windows in the rotunda) continued throughout the interwar period. The devastation started after

the war when the palace was transformed into an agriculture school dormitory. In the 1970 there were attempts at revitalization of the palace.

First, let us read the spatial and functional plan, and then analyse it in detail (fig. 1–2). The palace was built on a plan of a long rectangle on the W–E axis with a round rotunda in the south–west corner. On the ground floor, the interiors were given a two-bay multiaxial plan, and on the first floor and in the basements the bays were separated by corridors, and an ambulatory was built in the rotunda. The palace was built of brick and plastered, in the basement there were built brick barrel ceilings, barrel-groin ceilings, lunette vault and flat ceilings with a quarter circle cove. On the ground floor, there were flat wooden ceilings in a great part decorated with a frieze and moulding cove of gypsum, also the dome was decorated with gypsum moulding, and in the ambulatory there was barrel vault. The roof was given queen post and purlin construction, and the rotunda roof – king post, covered with copper sheeting. Over the dome there were built mono-pitched roofs on a plan of a circle, above the orangery pitched roof hidden behind the attic, and over the palace a hip roof, and over the avant-corps a pitched roof.



Figure. 1. The palace in Zarzecze – general view

Source: (photo by M. Zub).

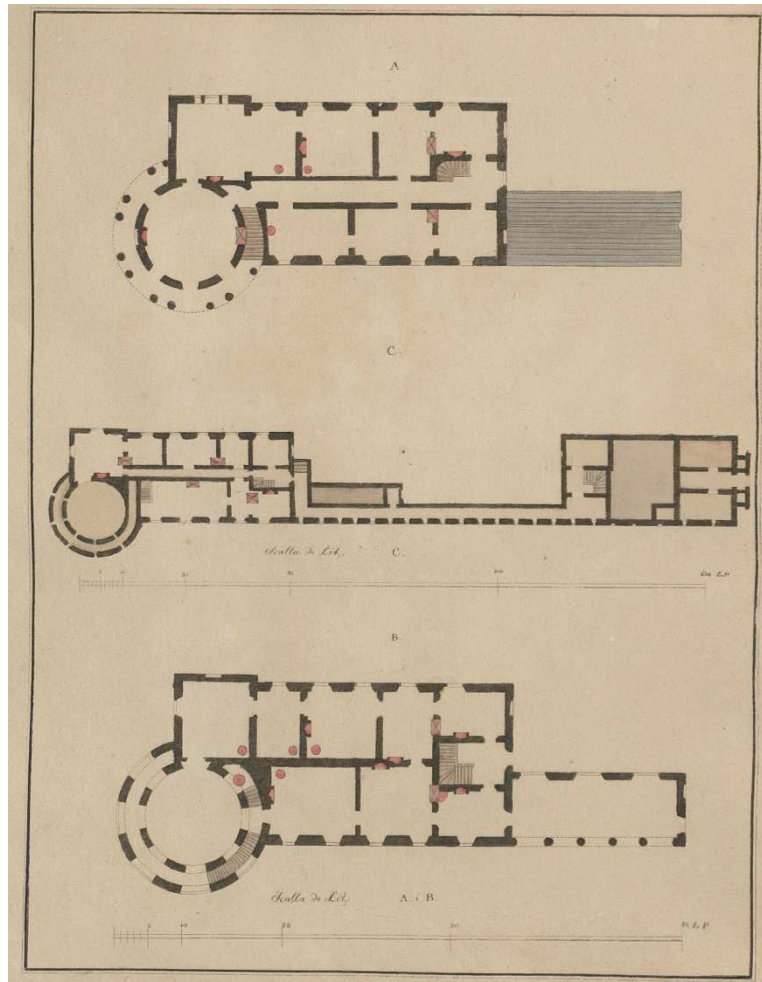


Figure. 2. The palace in Zarzecze – plans

Source: (Morska, 1836, tabl. 3).

The basements can be accessed from the west through a stair case, initially through steps leading from the rotunda. They are covered with flat ceilings with a quarter circle cove. In the southern room by the rotunda in the times of Magdalena Morska there was a dining room, and then a cigar smoking room. The south vault under the rotunda is supported by a cylindrical pier, and the basements are lit by narrow windows. Some traces of a kitchen lift have been preserved.

To the east on the ground floor there is an orangery which is connected to the palace by a pergola. The orangery has some cellars, it is lit from the south by five windows, smaller than the original ones, and it is decorated with Tuscan columns without the base. To the west of the pergola there is an entrance to the staircase with communication to the cellars

and to the first level by means of quarter landing stairs. From the staircase there is communication to the room in the south bay ("the room where it rains") and the corner room in the north bay. "The room where it rains" ("the ashy lounge") is lit by a window in the south, and adorned by wood panelling having geometrical folk decorations (the descriptive and photographic documentation was made by W. Menet), marble fireplace on the north wall, parquet and – under the ceiling – a quarter circle cove included in moulded cornices. Originally the ceiling was decorated by a painting showing a blue sky and pink clouds.

This room is communicated with "the room where the sun always shines". Also here the ceiling was decorated with a painting presenting a sky with clouds, and by the north wall there stood an alabaster fireplace with a relief sculpture in the form of garlands and plant festoons with bands. Further to the west there was "the round room on the ground floor" (former ball room), which to the north was communicated with "the yellow room" lit from the north and west by windows. The walls were covered with stucco, and on the ceiling a stucco rose window was placed, and the cove was filled with symmetrical acanthus leaves. In the middle of the east wall there is a door to the former "Mrs Morska's bedroom" decorated in the upper part of the walls with emerald green paintings. To the west there is "the round upper room" and the "Venetian room". The representative rooms on the first floor include the upper round room of the rotunda with a dome richly decorated with stucco, in the lantern a clear sky was painted, and under the dome there was put stucco entablature consisting of elements in the shape of a bull skull (bucranium), rose windows, garlands, rows of cubes, bullock eyes, corbels, astragals (stylised leaves, rolls, pearls, prismatic beads).

3. THE ORIGINS AND ANALOGY TO THE ZARZECZE PALACE

Finally, let us look for the origins and analogy to the Zarzecze palace. First of all, we need to state that Morska's creation is clearly different from the rural classicistic structures in Poland, and the differences concern a lack of the column portico at the main entrance and existence of dissymmetry of the palace (see Jaroszewski, 1971). The tradition of the Dzieduszycki family (Dzieduszycki, 1865) derives the structure in Zarzecze from the Temple of the Sibyl in Puławy (fig. 3). Also Bacciarelli's villa near the Royal Łazienki built in accordance with Kamsetzer and Zug's concept, very similar to the palace in Zarzecze, is also mentioned. However, the prototype is believed to be the palace in Góra Puławska. The village is located opposite the residence in Puławy on the other bank of the Vistula, today in the Koziński Poviát. After 1800 the leaseholder of the property, major Orłowski, built a palace in accordance with Aigner's design and also created a garden. The structure was destroyed during the second world war and is known only from iconographic sources and photos. The designer gave it the shape of a rectangle enriching its body with a rotunda located in the south east corner of the structure. In style it was similar to the Roman Temple of Vesta in the Forum Boarium, which perhaps was dedicated to Hercules Olivarius (not Vesta). In Góra Puławska the rotunda was covered with a flattened roof, and it is adorned by four Corinthian engaged columns. This structure is within the group of palaces with a rotunda, like Zarzecze, Ponikwa, Rudniki, Morysinek, or Hrehorów (Marconi, 1843, tabl. LXXXIV). An analogy to the lower lounge in the rotunda of the Zarzecze palace can be found in the lower room of the Temple of the Sibyl in Puławy, covered with a flattened dome supported by nine arcades, with access from the buttress slope.



Figure. 3. The Temple of the Sibyl in Puławy – general view

Source: (photo by M. Zub).



Figure. 4. Tivoli. The Temple of Vesta – remains

Source: (Anderson, Spiers, 1902, fig. 118).

The palace in Ponikwa near Brody (Ukraine) was built around 1820 by Antoni Kownacki based on Aigner's design. However, Fryderyk Bauman is also sometimes named as its creator. It is a one-storey building on high basements, and only the avant-corps on the side of the driveway are storied. One of them has a characteristic triangular top section similar to the top section of the front elevation of the Gothic House in Puławy. Its dominant part is a huge rotunda, rusticated in the lower part, whose upper part is adorned by pairs of Corinthian columns, and which is topped with a tower surrounded by a small gallery (Jaroszewski, 1970).

The palace in Rudniki (Ukraine) is contemporary to the palaces in Zarzecze and Ponikwa (Chlebowski, B., Walewski, W., red., 1888). The idea of the residence probably came from Aigner, but the investment was built by Fryderyk Bauman, who also decorated the structure.

We also have similar buildings in England, one illustration being the Cronkhill House built based on J. Nash's design (Jaroszewski, 1957), but once again Italian buildings should be highlighted, for instance the Temples of Vesta in Tivoli (fig. 4) and in Rome in the Forum Boarium (as already mentioned probably dedicated to Hercules), which were distant prototypes of Aigner's buildings. As a side note, let us add that when T.S. Jaroszewski (1957) shows ancient analogies, he indicates (not properly) as an example the Temple of Sibyl (not Vesta) in Tivoli, and it was a structure on a plan of a rectangle.

4. CONCLUSION

Let us summarize the above-mentioned remarks on the origins of the structure and analogy. They have already been highlighted, and the facts that Christian Piotr Aigner was the author of the designs, and that the decorations were made by Fryderyk Bauman have probably been proven. The previous residential structures which remember the Baroque and Early Classicism were axial buildings, and the symmetrical bodies were decorated with a column portico and a triangular tympanum, sometimes they were flanked with side wings, and connected with the palace by a gallery or orangery. There also appeared central structures, about which the creators forgot for two-three centuries.

In Zarzecze new elements were used: breaks in the entablature of colonnade, which gives an impression of a ruin, red brick veneering of blind windows and arches in the rotunda, use of columns without the base or fluting, and use of cove with a motive of sunflowers and sheaves in the decoration, which must have been Fryderyk Bauman's idea. The use of these decoration motives and illustrations of La Fontaine's tales is clearly related to Romanticism, and the creation of the English garden and plants inside the palace reinforces the trend even more.

Let us chronologically systematize the Romantic era palaces. The oldest one is probably English Cronkhill of 1802, and in Poland the residence in Góra Puławska of circa 1800, then in 1805 the Romantic palace in Łańcut was built for Izabela Lubomirska based on Aigner's design, and in 1807 Fryderyk Bauman made there stucco.

Another one is the structure in Zarzecze of 1807 (stone with this date indicating the beginning of the investment). The date shows that the concept of palaces with a rotunda is earlier than it was believed. We have already mentioned the stages of its construction, but let us revise them due to the duty of a chronicler. First the basements were built, then the "yellow room", rotunda and "Venetian lounge". In 1810 the annex with English and Polish kitchen on the ground floor and apartments on the first floor were built.

The last one is the palace in Ponikwa of 1820.

Summarizing our considerations regarding Zarzecze, we should underline that the structure is a synthesis of Romantic era art, and that Magdalena z Dzieduszyckich Morska, Christian Piotr Aigner and Fryderyk Bauman played a significant role in its construction.

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PROJECT MANAGEMENT AND PLANNED COST ACCOUNTING

The necessity of functioning in a volatile environment increases the likelihood of economic entities to organise work in the form of projects. Projects are temporary, atypical, include limited budgets with costs, and implemented by an interdisciplinary team. Project management is connected with the need for specific information, including financial information, to use in the characteristic phases of the project life cycle, i.e. initiation (definition), planning, execution, and closure. The purpose of the article is to examine the possibility of using information provided by planned cost accounting in project management. The article defines and proposes, *inter alia*: what information resulting from planned cost accounting is useful in project management; what conditions should be met to provide it, and an outline of the planned cost accounting model to implement in the enterprises performing projects. The following research methods were used in the article: literature analysis, inductive, and deductive inference. Based on the conducted research, it was proposed that properly adjusted planned cost accounting for the informational needs of project management may be a useful tool in supporting this process.

Keywords: project management, projects' planned cost accounting, planning and controlling of projects' costs.

1. INTRODUCTION

Each economic entity has implemented, or will implement, a project at least once in its existence, and it is understood as an unusual and risky undertaking with a limited and budget. The project also distinguishes the interdisciplinarity and temporariness of a team of people created to implement it (Strojny, Szmigiel, 2015). Because of specific features, the organization of work in the form of a project is becoming more and more popular in entities that must operate in conditions of high variability and uncertainty. Depending on, among others, the number of projects implemented simultaneously, their degree of complexity, importance, duration, and budget values, there are different informational needs associated with managing them.

Project management involves the need for specific tools and information that are used in the characteristic phases of the project life cycle, i.e. initiation and definition, planning, execution and closure (Wysocki, McGary, 2003; PMBOK guide, 2013). Among the information supporting management, the position provided by accounting occupies a special place. The role of accounting in management should not be limited to the level

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of operational support in project planning and review, but should also manifest itself, among others in search of ways to improve the efficiency of project implementation, providing information to motivate project teams to achieve better results, and an information base for learning based on previously acquired experience (ada, Kozarkiewicz, 2007).

Among the many accounting instruments that can support project management, it is worth noting planned cost accounting, which is a variation of a priori cost accounting, using in its construction both actual costs and costs that are expected to be incurred in the future. Because of its essence, it can be useful in project management. However, at present there is an information gap in this regard. Therefore, the article addresses the research problem regarding the way enterprises can use planned cost accounting as a tool supporting project management.

The purpose of the article is to indicate the possibility of using information provided by planned cost accounting in project management. The article defines and proposes, *inter alia*, what information from planned cost accounting can be useful in project management, what conditions should be met in order to provide it and a draft of the planned cost accounting model that could be implemented in the enterprises performing projects.

The following research methods were used in the article: literature analysis, inductive and deductive inference.

2. INFORMATION REQUIREMENTS IN PLANNING AND CONTROLLING PROJECT COSTS

Project management can be defined as taking actions ensuring the achievement of assumed aims within a specified time and budget. Project management includes all specific management functions, including planning, organization, motivation, and review (Strojny, Szmigiel, 2015). One of the key factors determining the project's success, in addition to creating value for clients, is cost management enabling the effective use of resources to achieve the assumed aims (Venkataraman, Pinto, 2008). In the practice of project management, cost management covers all activities related to planning, estimating, budgeting and controlling costs, as well as financing the project in a way that allows its implementation within the approved budget (PMBOK guide, 2017).

The relationships between project life cycle phases and project costs are presented in Table 1.

Project costs are planned in several stages. During initiation and definition of the project, there is cost planning – usually for the needs of strategic management. The costs estimated at this stage include, among others, the manner for conducting a preliminary assessment of the project's profitability and the possibilities of its implementation. Because of the fact that cost estimates are created here at a significant level of generality, they are often laden with serious errors (Wysocki, McGary, 2003; PMBOK guide 2017).

When the project successfully passes the first phase, the planning phase begins, which includes creating a cost budget at the operational level – which is an elaboration of the budget from the initiation and definition phase. The cost budget created at this stage is closely related, *inter alia*, with the scope of work to be carried out under the project, the necessary resources and schedule (PMBOK guide, 2017). The project cost budget from the planning phase, upon approval, becomes the budget in force during the project's execution and closure phases, and its fulfillment is one of the most important challenges for the project team.

Table 1. Relationships between project life cycle phases and project costs

Project life cycle phase	Phase characteristics	Project life cycle phase and project costs
Initiation and definition	The emergence of project ideas, their selection and general description of the project (definition).	Estimating project costs is most often done at a high level of generality and is primarily used for the preliminary assessment of the project's profitability and feasibility.
Planning	Project implementation planning, including appointing a project team, creating a work breakdown structure, schedule, resource planning (human, material and financial).	Cost estimation is carried out in detail, including based on the work breakdown structure, schedule, resources needed to implement the project. On this basis, a cost budget is created, which, after approval by authorized persons, is in force during the implementation of the project (called the base cost budget). In this phase, a re-assessment of the project's profitability may be carried out based on more detailed data than was in the initiation and definition phase.
Execution	Project implementation, including monitoring, control and guidance	At the implementation stage, there is primarily monitoring of actual costs resulting from the work carried out in the project, their review, i.e. comparison with planned costs, determining the size and causes of variances. In the event of changes to the project, it may be necessary to adjust planned costs for work not yet completed, or to plan costs for new works that were not previously planned. When there are significant variances of the actual costs of completed works from planned costs and / or significant changes in the planned costs of yet unfinished works, it may be necessary to reassess the profitability of the project based on the value of actual and planned costs.
Closure	Project closure, including receipts, settlement of accounts, documentation	In this phase, the total actual costs resulting from the implemented project work are compared with their planned costs, which allows determining the value of the total variances.

Source: personal study based on (Trocki, 2012; Williams, 2008).

Ensuring the implementation of the project in accordance with the assumed plans requires constant monitoring and review of the performed works, also in terms of costs. It is worth emphasizing, that it is insufficient to compare planned costs with actual costs, as it is also necessary to take into account the scope of work planned and completed to the date of review (PMBOK guide, 2017).

Therefore, analyzing the need for financial information in individual phases of the project life cycle, one can notice that in the phases of initiation, definition and planning of the

project, information on planned costs are crucial, while in the phases of execution and closure of the project both information on planned and actual costs are significant.

It is worth emphasizing that in the project execution phase it is important to have a monitoring system that will provide up-to-date information enabling linking actual costs with specific activities, determining whether they were reasonable, plotting a trend of changes and taking immediate remedial actions if adverse results occur (Lester, 2014). For this reason, in reviewing the project, the earned value method is often used, which not only assesses the degree of cost budget implementation and work schedule, but forecasting the total costs and duration of the project is also possible, including on the basis of the size and reasons for the variances found on the day of the review (Practice Standard for Earned Value Management, 2005; PMBOK guide, 2017; Heagney, 2012). Therefore, information on planned and actual costs, as well as the conclusions drawn from the analysis of variances discovered during particular project implementation reviews play a key role in effective project management. They allow not only a quick response to variances from the plan during the execution of projects, but can also be a valuable element of the lessons learned, which allows improving actions taken in the future (Kourounakis, Maraslis, 2016; Williams, 2008).

In the context of the indicated demand for cost information in project management, properly organized planned cost accounting can be a useful tool.

3. THE ESSENCE OF PLANNED COST ACCOUNTING

Cost accounting, which is an obligatory element of any accounting system, is based solely on actual costs. Therefore, the use of information originating from it in management is limited. Planned cost accounting has greater possibilities in generating useful management information (e.g. due to the possibility of presenting actual costs separated into planned costs and variances). Planned cost accounting is based on the costs expected to be incurred for the implementation of specific economic tasks while rationally using the enterprise's resources and production capacity. Therefore, planned costs are economically justified costs, being a consequence of the planned level of activity (Nowak, 2010).

The essence of the planned cost accounting, which, moreover, determines its particular usefulness, is to compare actual and forecasted quantities and determine the differences between them – variances. These differences can arise for a number of reasons, including: price volatility, consumption of a different quantity of resources than was assumed in the plan, errors or deficiencies in documentation, negligence of employees, etc. The classification of variances, due to different criteria, is presented in Table 2.

Variances generally signal irregularities in the course of economic processes and / or incorrect determination of the level of planned costs. Therefore, quickly detecting variances and identifying the causes for their occurrence often allows limiting or eliminating their negative effects. In the case of favorable variances, determining the reason for their occurrence may allow undertaking actions to strengthen this effect.

Table 2. Classification of variances due to selected criteria

Criterion for dividing variances	Classification of variances and characteristics
The reason for the variances	<ul style="list-style-type: none"> • Variances due to changes in planned costs – occur when there is a permanent change in the assumptions adopted in determining planned costs. • Current variances – the reason for their occurrence are various situations related to the ongoing implementation of the assumed activities. • Inventory variances – may appear when comparing the inventory status with the actual status.
The method for documenting variances	<ul style="list-style-type: none"> • Documented variances – the quantities differentiating actual costs from planned ones are included in detail in the additional documentation on an ongoing basis. For this reason, it is possible to quickly and thoroughly analyze the reasons for their occurrence, as well as react immediately to them or draw conclusions for the future. • Undocumented variances – their identification is based on a periodic comparison of actual and planned costs. In this case, there is no documentation containing detailed data confirming their creation. Generally, very general information is obtained, since the size of the variances is usually the result of several factors and sometimes it is almost impossible to determine the exact reasons for their occurrence.
Possibility of determining the causes, locations and persons responsible for the occurrence of variances	<ul style="list-style-type: none"> • Identifiable variances – they occur when it is possible to identify the causes, locations and persons responsible for their occurrence. • Unrecognizable variances – they occur when it is not possible to identify the causes, locations and persons responsible for their occurrence.
The level of significance of variances	<ul style="list-style-type: none"> • Significant variances – exceeding the level of limit values adopted in the enterprise (specified by a value or a percentage). • Insignificant variances – within the level of limit values adopted in the enterprise (specified by a value or a percentage).
Possibility of influencing variances	<ul style="list-style-type: none"> • Dependent variances – occur when it is possible to shape the level of variances. • Independent variances – occur when the level of variances cannot be shaped.

Source: personal study based on (Nowak, 2010; Czubakowska, 1996; Szydełko, 2004; Sołtys, 1999).

4. OUTLINE OF THE PLANNED COST ACCOUNTING MODEL TAILORED TO THE NEEDS OF PROJECT MANAGEMENT

When designing planned cost accounting that would be able to provide useful information in project management, the need to implement the management function, i.e. planning, organizing, motivating and controlling, in particular phases of the project life cycle should be taken into consideration. The ability to provide useful information for management in connection with project life cycle phases through planned cost accounting, is shown in Table 3.

Table 3. Ability to generate information from planned cost accounting useful in management and project life cycle phases

Project life cycle phase	Information generated from planned cost accounting useful in project management
Initiation and definition	In these phases, the planned cost accounting may provide information on actual costs incurred for similar projects and / or works in the past, variances from planned costs, and the reasons for them. This information, when properly used, can assist in planning the costs of new projects, protect against errors made in the past, and contribute to a more efficient use of resources.
Planning	
Execution	<p>In this phase, planned cost accounting can provide information on the actual costs of works carried out, the costs planned for these works, the size of variances and the reasons for their occurrence.</p> <p>Among the most common reasons for variances in actual costs from those planned in the projects, can be mentioned:</p> <ul style="list-style-type: none"> • change of project aims and / or emergence of unforeseen problems to be solved, necessitating the implementation of additional works, • underestimation and / or overestimation of cost budget items, • change in the amount of resource consumption, • change in rates of resource consumption costs, • a change in the duration of work, which often entails greater than expected resource consumption etc. <p>Depending on the adopted method for determining variances, this information may be detailed (variances for a given cost item are determined in the total amount and broken down into, among others, variances because of changes in the amount of consumption and rates) or general (variances for a given cost item are set in the total amount).</p> <p>The information mentioned above is particularly useful in monitoring progress in project implementation, motivating the project team and controlling further project implementation.</p>
Closure	<p>In this phase, planned cost accounting can provide information on the total actual costs of the works conducted, the costs planned for these works, the size of the variances and the reasons for their occurrence.</p> <p>This information is part of the lessons learned that allows an increase in the efficiency of future actions and better use of resources. They should be used, inter alia, in the initiation and definition phases, as well as in the planning of subsequent projects.</p>

Source: personal study.

Benefiting from the use of information from planned cost accounting in project management will require the introduction of appropriate modifications in accounting records, structure of accounts, financial and accounting documentation, and above all, regularity in determining and analyzing variances between actual and planned costs.

The development of cost accounting principles and the structure of accounts as part of planned cost accounting supporting project management should precede the resolution of the following issues:

- I. what relationships should occur between planned cost accounting and project cost budgets,
- II. in what sections should project costs be recorded as part of planned cost accounting,

III. whether, and if so, to what extent planned cost accounting is to be integrated with the existing cost accounting kept in the economic entity,

IV. details of variances of actual costs from planned costs useful in project management.

I. The relationship between planned cost accounting and project cost budgets is as follows:

- The underlying budgets set the maximum cost levels that should be incurred during the implementation of projects, and therefore constitute the reference point for planned costs in planned cost accounting.
- At the stage of project implementation and closure, information on the actual costs of completed works, variances from planned costs and the reasons for their occurrence should come from planned cost accounting. This information can be used in the financial and material review of project progress, motivating the project team (e.g. based on the results achieved [Strojny 2013, p. 194]) and taking actions to control the further implementation of the project.
- Information from planned cost accounting concerning implemented or completed projects, especially conclusions from the variance analysis, should be used when setting the cost budgets for new projects in the initiation, definition and planning phases.

II. Obtaining maximum benefits from the relationships between project cost budgets and planned cost accounting will be possible when the plan of accounts is adapted to the classification of costs included in budgets. In addition, the structure of accounts should be detailed enough to allow reports on actual costs, planned costs and variances, consistent with the structure of costs in project budgets. Among the classification of costs used in project budgets, it is worth mentioning (Klinowski 2010; Łada, Kozarkiewicz 2010):

- costs by type,
- direct and indirect costs,
- variable and fixed costs,
- costs according to activities (tasks), project stages, milestones,
- costs according to the units implementing the project.

In practice, it is often the case that several cost classifications are combined simultaneously in the project budget.

III. From the point of view of the demand for cost information, especially at the stage of project execution (so that it is possible to provide current data necessary to carry out reviews on the progress of works and the costs incurred for them, including an analysis of the causes of variances), it is important that planned cost accounting be systematically performed and on an ongoing basis, which ensures its integration with the economic entity's existing cost accounting, by appropriately expanding the structure of accounts. However, this will not always be possible, even if considering the need to ensure consistency of the structure of cost by nature with their arrangement in project budgets. Nevertheless, incorporating planned cost accounting into existing cost accounting would be desirable because of the reduced labor intensity of this solution. In the absence of such a possibility, planned cost accounting for the needs of project management can be performed concurrently, e.g. in an additional set of accounts.

IV. Given the method for determining the variance of actual costs from planned costs, it is important to choose whether they are to be determined in detail (e.g. divided into

variances due to changes in the amount of consumption and unit rates) or in general (in the total amount).

A detailed variant should be used to determine variances of actual costs from planned costs in all those items that are of significant importance in projects, and whose formation is influenced by decision-makers. However, considering the speed in determining variances and the cognitive possibilities of their causes in this variant, covering at least the direct costs of projects in the system of activities for which exact planned values can be determined is suggested (preferably as an effect of consumption volume and unit rate).

It should be remembered, however, that detailed determination of variances involves keeping appropriate documentation, in which each recorded cost item is presented as the actual cost, planned cost and possible variances; which is labor-intensive, and thus costly. The indication of cost items for which the variances will be determined in detail is of course for the management and is a matter of discretion.

Determining the variances in a general way, i.e. in the total amount by comparing the actual amounts included in the cost accounting system with the planned amounts resulting from the budget, seems to be more rational in relation to the indirect costs of projects and to all those cost items for which it is difficult to precisely set planned costs, or they are insignificant.

The established causes of variances should be properly described in the documentation and constitute a compulsory element of reporting on project cost control.

Table 4 presents a sample structure of accounts for project A in planned cost accounting, whose cost budget was prepared in a task-by-type system, with the division of costs into direct and indirect. It was assumed that the cost by nature of project A in the planned cost accounting will be entered in the off-balance sheet records, in an additional set of accounts.

Table 4. Sample structure of accounts for project A in planned cost accounting in an additional set of accounts No. 9

Account number	Account name
901	COSTS OF THE "A" PROJECT
901 01	DIRECT COSTS
<i>901 01 01</i>	<i>Task 1</i>
901 01 01 01	cost by nature 1 - actual costs
901 01 01 01 01	cost by nature 1 - planned costs
901 01 01 01 02	cost by nature 1 - variance from planned costs
<i>901 01 XX</i>	<i>Task ...</i>
901 01 XX XX	cost by nature... - actual costs
901 01 XX XX 01	cost by nature... - planned costs
901 01 XX XX 02	cost by nature... - variance from planned costs
901 02	INDIRECT COSTS
901 02 01	indirect costs - real
901 02 01 01	indirect costs - planned
901 02 01 02	indirect costs - variance from planned costs

Source: own study.

In the example presented in Table 4, the costs budget of project A assumes that direct costs are costs that can be clearly allocated to individual tasks and expressed as the result

of the planned amount of resource consumption and the planned unit cost price. Indirect costs were planned in the total amount resulting from the result of the specified % mark-up and the value of direct costs. Therefore, it was assumed that within the planned cost accounting, variances will be determined on an ongoing and detailed basis for all direct cost items of Project A. Actual indirect costs will be recorded at the end of each month in the global amount (resulting from the specified % mark-up and the value of actual direct costs), broken down into planned costs and variances.

The presented model of planned cost accounting adjusted to the needs of project management is only a preliminary concept and is the result of literature studies. Its implementation in practice in a particular economic entity is possible after solving a number of problems related to, among others, defining information needs in the field of project management, changes in the accounting system, developing appropriate financial and accounting documentation (including principles for determining and documenting variances), and a description of accounting documents. There is no doubt that the implementation of planned cost accounting for the needs of project management will increase the costs of accounting, so first and foremost, the economic entity should assess whether it will be a viable solution.

5. CONCLUSION

The swiftness of economic changes often forces economic entities to act flexibly. Therefore, the organization of work in the form of projects that are of a temporary nature enjoys growing interest, which makes it possible to adapt to current needs to some extent. Project management is not possible without the proper information. Among the multitude of information generated for the purposes of project management, financial information, including planned and actual costs, holds a special place. One of the tools that can provide such information is planned cost accounting.

Planned cost accounting can support project management, *inter alia*, in:

- making rational decisions regarding the selection of projects to be implemented by using information on planned costs to assess their effectiveness,
- developing and applying incentive systems for project teams, mobilizing them to use resources efficiently,
- controlling the implementation of projects, by determining the amount of variance of actual costs from planned, together with identifying the reasons for their occurrence, as well as indicating possible actions to be taken to correct the effects of irregularities found, or to prevent their reoccurrence in the future,
- improving the methods of selection, organization and implementation of projects by using information on planned costs, as well as conclusions from the analysis of variances of actual costs from planned ones,
- effective use of resources in achieving assumed goals.

It is worth noting that planned cost accounting allows actively shaping the level of costs incurred, not only by analyzing variances during the implementation of actions, but also by forcing the examination of costs before they are incurred, which should be considered as one of its most important advantages (Bryła, 2014).

In addition, information from planned cost accounting is useful in risk management, as one can infer the level of risk based on the size of the variances, i.e. the larger the variances, the greater the risk of non-compliance with planned costs (Nowak, 2016) and appropriate action can be taken.

Based on the conducted research, it seems reasonable to state that properly adjusted planned cost accounting for the informational needs of project management may be a useful tool in supporting this process.

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PICTURE OF EVOLVING SOCIETY CAPTURED IN BRITISH COMMERCIALS

This paper explores the issue of cultural changes in the Media in relation to the state of contemporary society. The aim is to show commercials as closely connected with the state of society at a given moment in time, which is done by examining selected advertising campaigns in Great Britain. As a result the picture that emerges is not only a reflection of what Jean François Lyotard labelled as the world with a so called postmodern condition, but it is also a challenge to the seemingly well-established conceptions about the society in question. Finally, people are offered a broader and more complete picture of their particular place in society, which enables them to better understand its structure and negotiate its shape and form through both: direct and indirect participation. In that sense advertising can be used as a critical tool to study the growing complexities of social relations that are always in flux and undergo a metamorphosis.

Keywords: society, media, commercial, change, culture.

1. INTRODUCTION

Evolution is the ongoing process that is present in all areas of life. When it comes to a society it is a process of bringing matters up-to-date with technological advancements, beliefs and human desires. In no other field can it be more noticeable than in the world of advertising. Respectively, over the last century the advertising industry has come a long way that parallels social development. Simple and straightforward commercials introducing new products to the public by enumerating their features have been replaced with elaborate works of artistic concepts, playing on human desires and dreams. More profound than just influencing consumption behaviour, advertising now has the ability to shape human aspirations. Furthermore, in order to overcome growing competition, companies have been resorting to an array of different strategies to win over potential customers. To be relevant, these strategies must accommodate the aforementioned constant changes taking place in any evolving society.

Companies shift from merely delivering monologues, to engaging in a conversation, transforming the relationship that exists between brand and buyer. This new dynamic has made brands appear more human in the process, as they centre on creating discourses around shared values. Therefore, by using elements important to a given nation in a particular time, advertisements reflect cultural evolution. Since society is a constantly evolving entity, also the norms and rules governing it evolve with it. The advertising industry often draws on this fact by portraying these changes in order to promote a product or a service.

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As stated above, advertising has become an elaborate and sophisticated platform and a tool of addressing humans' needs and aspirations. In terms of its research value, when discussing cultural aspects, commercials evolve with a society always reflecting new trends, beliefs and fads in order to fulfil their primary objective, i.e. to sell a product. Since the human desire is defined in terms of 'to be' rather than 'to have' companies use this fact to advertise an idea or a concept more than the product itself, and in that way they both mirror and create an image of today's society.

In order for commercials to be relevant and notable they must be able to capture the mood within the society in such a way that individuals can connect with the values and beliefs presented in the commercial. As a result, a picture of evolving society emerges. Since the primary function of advertising has always been about selling the product, as society grows more refined, sophisticated and advanced so do the commercials. In today's world simply presenting an object and stating its credentials is not enough to keep the audience interested. Likewise, employing the notion of 'to have' while presenting new products is perceived as somewhat outdated and basic for a 21st century customer. On the other hand, presenting a product by using the concept of 'to be' draws on one's desires and dreams as it offers an idea, or a strong belief that 'to be' is one's purpose in life.

2. MEDIA AND SOCIETY

The mass media, undoubtedly, play a vital role in a way we perceive the world. Human desires fuel technological advancements, leading consequently to the broadening of views and changes in a society's belief system. Therefore, the media are tools such as: channels, strategies and platforms, which people use to obtain, produce and finally share knowledge about the world through communication and interaction (Lindgren 2017). Lindgren states that "throughout history, different media, such as cave paintings, television, or the internet and mobile phones, have all played a specific role in how we relate to the world, and how we understand how society has transformed, and is continuously transforming" (2017). According to Deana A. Rohlinger in *New Media and Society*, traditional media outlets, i.e. radio, television, newspapers and books, as well as the new media platforms, such as internet and blogs in particular, even though profit-oriented, they are also social institutions as they teach us the behaviour and norms of our society. "Mass media help give meaning to the world around us and provide guidance on how we should behave in it" (Rohlinger, 2019). Furthermore, the author adds that these institutions are critical since they incorporate every area of social life while fulfilling essential functions: perpetuating society and preserving order. Rohlinger acknowledges the media's profit-making orientation and the way companies "craft the stories they tell us, the products they offer, and, consequently, the messages we receive about the world and how it works" (2019).

The development of interactive technologies has extended the role that the culture industry plays in everyday life (Carah, Louw, 2015). According to the authors, the 20th century culture industry was criticized for limiting the range of cultural resources to which audiences had access, and containing the extent to which the population participated in the creation and circulation of meaning. In recent years the culture industry² has become more permissive and participatory; it is also more responsive and deeply rooted into everyday life (Carah, Louw, 2015). Likewise, Arthur Asa Berger in *Media and Society: A Critical Per-*

² I use the expression 'culture industry' in the same sense as Theodor Adorno did in his seminal essay.

spective, claims “The media entertain us, socialize us, inform us, educate us, sell things to us (and sell us, as audiences, to advertisers), and indoctrinate us- among other things. The media help shape our identities, our attitudes toward racial and ethnic minorities, and our attitudes about sexuality” (2007). Furthermore, Berger, drawing on the works of Durkheim, Sausseure and Freud, who reversed the perspective from being motivated by individual behaviour to deriving from collective social systems states that mass media are in society and society is in the mass media (2007).

3. SOCIETY AND CULTURE

According to Raymond Williams, the term society is quite broad and refers to the entire social world in which we exist, i.e. “the body of institutions and relationships within which a relatively large group of people live” (1985). At the core of a society are such elements as patterns of wealth power and inequality, but also social institutions: government and law apparatus, education system, religious organisations, commercial corporations and smaller organisational units – families. These institutions together with firmly established hierarchies of wealth, control and power, form a set of structures through which social relations are lived out (Hodkinson, 2017). Therefore, the question arises of whether people are shaped by elements such as the gender, social class or ethnic category into which they are born, or indeed by the education system, family structure or religious institutions which play a vital role in shaping human lives and opinions.

The term culture refers firstly to the worlds of creative expressions, and secondly to the whole way of life of a society, including traditions, norms of behaviour, values, meanings and ways of understanding the world (Williams, 1985). Although the two concepts are different, the corresponding senses are closely related. Williams points out that the term culture refers to creative practices as much as broader ways of life in a more general way employing a range of cultural features and practices across a broader reach of people.

“The complex of senses indicates a complex argument about the relations between general human development and a particular way of life, and between both and the works and practices of art and intelligence. It is especially interesting that in archaeology and in cultural anthropology the reference to culture or a culture is primarily to material production, while in history and cultural studies the reference is primarily to signifying or symbolic systems” (Williams, 1983).

Even though society and culture are two different terms, there are major overlaps and ambiguities between them. It would be difficult to research cultural rituals, understandings or creative practices without any reference to the society in which they take place. At the same time it would be impossible to examine social relations or structure and agency while omitting the cultural ways of life (Hodkinson, 2017).

4. MEDIA AS A SHAPER OR MEDIA AS A MIRROR

Hodkinson mentions two contrasting approaches present while discussing the relationship between society (culture in a broad sense of all areas of life) and mass media content. The author states that approach of media as a shaper regards the media as constructors because the content they circulate has the power to influence people and therefore affect the future of society. As an example Hodkinson uses stereotypical portrayals of ethnic minority

groups which can easily lead to the marginalisation of such groups; and political favouritism which may lead to a predominance of particular opinions among audiences. The quality of media content affects how informed, engaged and creative a population really is (2017). Therefore, approach that sees media as a shaper portrays the media as an influencing tool.

In contrast, the approach of media as a mirror focuses on how media content reflects (mirrors) society. In this approach the media follows rather than leads the way. Therefore, if the dominating element in the media is, for example, violence and sex this is because these elements are present and regarded as important in the society. However, the author argues that media producers are quite selective as to what they include, and they also control the way it is done. Hodkinson adds that instead of offering the viewers a 'mirror' they present a selective, manufactured set of representations of our world (2017). "Representation is a very different notion to reflection. It implies the active work of selecting and presenting, of structuring and shaping" (Hall, 1997). Following this thought, it can be said that the viewer is still influenced by the media. Therefore, both approaches mentioned by Hodkinson really affect the way we perceive the world and the way we create our opinions.

5. MEDIA FOR PROFIT: ADVERTISING

Advertising is considered a key source of revenues for the media. In fact, when it comes to broadcasting, advertising may be the only source of revenue, therefore quite often "TV commercials seem more clever and interesting than the programs they surround" (Croteau, Hoynes, 2003). After all, as is stated in the *Oxford English Dictionary*, to advertise is to draw attention to a service or a product in a public medium in order to promote sales (Advertisement, Oxford English Dictionary, <https://en.oxforddictionaries.com/definition/advertise>). Therefore, in the words of Kumari: "Advertisement is directly related to the need of man to communicate his message and attract to each other" (2014). Veerkumar and Jaiswal also acknowledge the pivotal role advertising plays in forming an image in the mind, the image that manufacturers indirectly communicate in order to provide information. Therefore, an advertisement focuses on the audience that may be persuaded by it or simply watch and pay attention to this medium (2015). According to Potter, advertising can be compared to well-established institutions, such as the Church or schools, when it comes to the magnitude of its social influence (Chapman, 1992). Furthermore, since it dominates the media, advertising has the power to shape popular standards by portraying consumer culture.

Even though, on occasion, an advertisement has been referred to as a play for a client, poetry for sale, or a game of words or dreams for sale, the images it employs "are neither false nor true reflections of social reality because they are in fact part of social reality" (Jhally, 1990). Therefore, Rutledge Shields states that advertising needs to be studied as a main part of our social reality, and not as a reflection of it (2002). According to Jhally "the critique of advertising has to start by giving people permission to recognise the strength of the images of advertising, of where the power rests. From that we can start to unfold the exact role that advertising plays in our culture from a critical perspective" (1990).

6. THE PICTURE OF EVOLVING SOCIETY CAPTURED IN COMMERCIALS SHOWN IN GREAT BRITAIN

A lot has changed since the 1965 *Marlboro Cigarettes Commercial*, where a man is fixing his car while smoking a cigarette. Looking unemotional and distant, yet in full control

of the situation he calmly states that he is the kind of man who likes to work on his car, and when he works on it he forgets about everything, but he *never* forgets to smoke. "I always smoke when I work", he says and adds, "they go together", and only then does he state why he chose Marlboro by enumerating the brand's qualities (YouTube, *Marlboro Cigarettes Commercial*, 1965, <https://www.youtube.com/watch?v=wibHcZ4FNbU>).

These days, with the medical knowledge most people possess, there are no commercials advertising cigarettes or promoting smoking in general. On the contrary, nowadays anti-smoking campaigns are featured in the media, stating the danger of smoking not only to one's health but also to bystanders due to passive smoking (YouTube, *Anti-smoking advert*, <https://www.youtube.com/watch?v=AIyqcST29wQ>). Looking at these two commercials it is noticeable how far society has come; it is common knowledge today that smoking is harmful; furthermore, judging by the share volume of sports-related commercials encouraging exercise one can concur that we are living in a very health-oriented society.

Another major company evolving its image with the times is Gillette. The 1960's Gillette Razor Blades commercial – Gillette Slim Adjustable – portrays first of all, two men fishing, and then camping in the forest, while talking about a new product on the market, namely a Gillette razor and its qualities (YouTube, *Gillette Razor Blades commercial - 1960's - Gillette Slim Adjustable*, <https://www.youtube.com/watch?v=YCGZp9nmhkW>). The commercial is short and straight to the point, the scenarios in which the two men are portrayed are simple, yet they draw on the fact that fishing or camping was always considered a manly thing. However the motto of the company *The best a man can get* over the years has changed together with the message that the company is trying to convey in its commercials to *The best a man can be*, reflecting the new trend within a society, namely from 'to have' toward 'to be'. Yet, quite often the 'to be' requires the 'to have' in the first place. According to Jean Baudrillard in *The Consumer society: Myths and Structures* "the consumption of goods (...) does not answer to an individual economy of needs but is a social function of prestige and hierarchical distribution" (2017). The whole idea behind the advertisement phenomenon is, after all, to present a product or a service in such a way that will be desirable by many people. This new image is exploited by most of today's companies. The 2018 Gillette commercial *For the best men* presents its product in a new way (YouTube, *The Best Gillette Razors for the Best Men | Gillette UK*, 2018, <https://www.youtube.com/watch?v=6xpLSsoJNrA>). Instead of introducing the product and its qualities, the advertisement suggests for who the product is, i.e. for the best men, but then the narrative goes on to present the qualities of the best men of today. With messages like the best men aren't afraid to show their feelings, they don't just look good on the outside, they take a good look inside, they are not afraid of a challenge or a commitment, the commercial shows men's sensitive side, which is more of a portrayal of the beliefs of today's society. However, Gillette's new advertising campaign in 2019, *We believe: the best men can be* it chooses a different strategy. This time the company draws on the notions of bullying, sexual harassment, toxic masculinity, which, as it is suggested, have been in existence for far too long, and it is time to change it; therefore, after a lengthy presentation of some of the negative elements of society, the Gillette's company states "we believe in the best in men...to say the right thing, to act in the right way...as the boys of today will be the men of tomorrow" (YouTube, *We Believe: The Best Men Can Be | Gillette*, <https://www.youtube.com/watch?v=koPmuEyP3a0>). With the final motto: *It's only by challenging ourselves to do more that we can get closer to our best*, the commercial ends without actually presenting any particular product.

Boots is yet another company through whose commercials we can notice changes in society. This company's commercials are different to Gillette's in the way that they present a range of products in a very colourful and loud way. There are no hidden messages and deep thoughts. With the simple message: "it is not just how it makes you look" the Boots advertising strategy is to present its products to as many potential customers as possible (YouTube, Boots TV advert *It's not just how it makes you look*, <https://www.youtube.com/watch?v=wL7SJ4p9ZSs>). Nevertheless, the 30-second ad showing a range of skincare goods, still draws on the new concept that 'to be' is more than 'to have': "it is not how it makes you look but how it makes you feel" is the final statement of the commercial. This statement appears just after a small group of women, who have previously appeared in short video clips, walk in onto a stage and stop to pose together for a picture. This final portrait shows to whom Boots addresses the commercial: there we have an elderly white lady, a young white female, people of mixed race and black women, a black transgender woman and a white disabled female. A different company, namely Superdrug, advertises its goods in the same way; a short, cheerful ad showing a range of beauty products, no commentary, only a final statement and again the same final shot of the people taking part in the commercial, representing potential markets to which the commercial is addressed (YouTube, *Superdrug Christmas Advert 2018*, <https://www.youtube.com/watch?v=Rxx3YynpN44>). A couple of teenagers, a boy and a girl, an elderly mixed race female, a young black female, a young white female, a middle-aged black man, and a transgender woman, in other words a portrait of evolving British society captured in a photo frame.

Since the purpose of a commercial is usually to present a new product or a service to the public, it must evolve with the times in order to be desirable. These final photo snaps in both of the abovementioned commercials, i.e. Boots' and Superdrug's, give us not only a look into British society per se, but also show us the changes in values and beliefs. Notions such as racism, ageism, genderism, are things of the past here. Britain has become known for its multiculturalism and remarkable tolerance, which was captured by yet another commercial, this one for Amazon. A 2016 Knee Pads commercial bridges the faiths, by showing an elderly priest and an elderly imam as the best of friends (YouTube, Amazon, *Knee pads*, <https://www.youtube.com/watch?v=l8ku6bO0moo>). In this Amazon ad an elderly imam is visiting his old friend for tea, they are portrayed laughing and joking while drinking their beverages, now and then the imam, probably due to his age, is touching his knees implying that he must be in pain. The next day, unknown to one another, they order each other knee pads from Amazon's online service. This short commercial with no commentary, but only with one short line, reading: "the next day", meaning that Amazon offers a next-day delivery service, is yet another example of the growing tolerance in British society.

Another retail giant, M&S, broke with tradition in its 2016 Christmas commercial, where Santa Claus is actually a woman (YouTube, M&S 2016 *Christmas Ad: Christmas with love from Mrs Claus*, <https://www.youtube.com/watch?v=V5QPXhStb5I>). The clever advert does not present any new products, it is more of a Christmas greetings message to its loyal customers. In the commercial Mr and Mrs Claus live at the North Pole, and while Mr Claus is getting ready to fly off in his sleigh to deliver some Christmas presents, Mrs Claus, unbeknownst to her husband, is doing the same but in a modern way. She is tall and slim, dressed in a trendy bright red dress-suit and high heels, and delivers the presents by means of a helicopter. In this commercial where tradition meets progress, M&S recognised the evolving nature of society. While Santa Clause is still portrayed as he has always been, being fat, with a long white beard and moustache, in a red suit, flying his open sleigh pulled

by reindeer to distribute the gifts, Mrs Claus looks more like a business woman, and not just in the sense of her looks, but the way she is running the whole 'North Pole' operation centre, using modern technology, gadgets, computers, snow quads and helicopters, all of which are facets of the modern world, and in her free time she is reading *Fifty Shades of Red*. The 'old' meets the 'new', and just as the commercial demonstrates, both of these properties can coexist in harmony.

7. CONCLUSIONS

Insomuch as commercials reflect the changes within a society, they also influence social perceptions and attitudes. Since the primary objective is to sell the product, the producer needs to take into account the current mood in the society, its beliefs and values. As a result, the more sophisticated and less straightforward messages in today's ads are parallel to the growing social awareness as well as they mirror social complexities. Inadvertently, the commercials also transform the being-having relation that is paramount to the capitalist system. Namely, if 'to have' really determines 'to be' in capitalism, as it was observed by Marx in *The German Ideology* (Torrance, 1995), then by reversing that pattern, i.e. putting being ahead of having, commercial advertisers of today show that we have already entered the new phase of what can be called a post-capitalist reasoning. Finally, when they conceptualise their message to such an extent that an idea or a concept become more exposed than the product itself, they change the character of market economy, an indication that a symbol of value has been turned into value alone. This, in turn, is a proof that the connection between a signifier and a signified is lost and, as observed by Baudrillard, we live in the world of free-floating signifiers (Elliott, 2014).

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BENEFITS AND DISADVANTAGES OF ADOPTING VIDEO RECRUITMENT

Well-conducted recruitment and selection process is extremely important for the organization, allowing an in-depth and objective verification of candidates in terms of meeting employer's expectations and leads to their employment. The objective of the following work is to present the benefits and disadvantages of adopting video recruitment in the recruitment and selection process. Qualitative research design was considered the most suitable for the purpose of the investigation. The paper considers the possibilities of including video recruitment in the recruitment and selection process. Two unquestionable benefits are: limiting the length of the process in time and a possibility to decrease the costs. In the following paper one of the significant disadvantage of video recruitment was poorly built candidate experience.

The recommendation for businesses embarking on developing their e-recruitment activity is to adopt the philosophy of a positive candidate experience and place it at the centre of their e-recruitment strategy. Prahalad and Krishnan (2008) spoke of the importance of the ecosystem and the "ecosystem mindset" that takes a holistic view of the whole e-recruitment network to appreciate the full scope of e-recruitment activity.

Keywords: video recruitment, building candidate experience, cost of recruitment platform.

1. INTRODUCTION

Various types of digital human resources management practices have become a daily practice in organizations throughout the world, affecting all aspects of managing employees in organizations. Among various HRM activities, recruitment is one of the human resource (HR) functions that has changed dramatically, from traditional paper-based process to digital or electronic recruitment process, commonly referred to as e-recruitment. This transformation was well observed and reported particularly in North America, Europe, and Asia-Pacific (e.g. Lee, 2005; Parry and Tyson, 2008; Yoon Kin Tong, 2009).

Organisational recruitment plays a crucial role in the development of human capital and strategic human resource management (Liviens & Chapman, 2010; Millmore et al., 2007).

Personnel selection includes three key steps: recruitment, selection and implementation for work (Listwan, 2010). Well-conducted recruitment and selection process is extremely important for the organization, because it permits for in-depth and objective verification of candidates in terms of meeting their employer's expectations and leads to their employment. The main task and purpose of the personnel selection team is not the process itself, but the

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final choice of a person who meets all criteria and is unambiguously suitable for a given position.

An increasing number of practitioners from the HR area recognize that their hard and often repetitive work can be supported or even completely replaced by tools from the area of modern technologies. Some companies use online knowledge management systems to hire employees, exploiting the advantages of the World Wide Web. These are termed e-recruitment systems and automate the process of publishing positions and receiving CVs (Faliagka et al., 2012).

Despite the apparently widespread use of e-recruitment, however, a gap seems to have emerged between research and practice (García-Izquierdo, Aguinis, & Ramos-Villagrasa, 2010), possibly because scholars are struggling to keep up with the sheer pace of change (Anderson, 2003). The question arises whether video – recruitment can replace traditional paper recruitment.

The purpose of this paper is to assess the benefits of video recruitment. This is the third paper out of the series concerning use of new technology in the recruitment and selection process. The first paper (titled: *Internet based technologies used in the selection and recruitment*) has been published in *Economics and Culture Journal* in 2018, the second one in 2018 in *Nowoczesne Systemy Zarządzania* presented two case studies regarding e-recruitment. It included the whole e-recruitment process on two examples ITutor group and a chain of luxury boutiques. This paper takes a wider perspective as it is going into detail of benefits and disadvantages of using video-recruitment and taking the perspective of building candidate experience.

The research questions are as follows:

- RQ1. What are the benefits of using video-recruitment?
- RQ2. How to calculate the potential costs saved due to running video recruitment?

The paper is structured as follows: the first part takes a consideration of traditional recruitment versus video-recruitment, the second part presents advantages and disadvantages of video-recruitment. Then candidates experience is presented with the view of using new technology. Finally a formula is presented to calculate the savings of running interview with the use of video recruitment. Paper ends with conclusions.

2. TRADITIONAL RECRUITMENT VERSUS VIDEO-RECRUITMENT

The recruitment process can vary in complexity and degree of difficulty depending on the recruitment objectives and the recruitment sources chosen (Breaugh & Starke, 2000).

The traditional, i.e. paper-based, recruitment of external candidates from job advertising is a linear process with consecutive tasks. It usually starts with the identification of required applicants, their location and placement in the labour market, and proceeds with activities designed to attract and persuade qualified applicants to apply.

Job applications are then received, screened, and sorted, leading to the drawing up of a shortlist. The process ends with communicating the pre-screening results to applicants. (A summary of this type of recruitment by tasks, subtasks and activities is presented in Fig. 1.) Therefore, we can state, that a typical recruitment process is treated as a business process, which, in line with Davenport and Short (1990), can be defined as a set of logically related tasks performed to achieve a defined business outcome for internal or external recipients. A business process occurs across or between organisational subunits and is independent of a formal organisational structure.

On the other hand Lee (2005), who has studied the evolution of e-recruitment systems and analysed the corporate career websites of Fortune 100 companies, emphasises that e-recruitment has fundamentally changed the corporate recruiting process from batch mode to continuous mode, suggesting a major change in the business process. Unlike the traditional paper-based recruiting process, e-recruitment allows around-the-clock collection and processing of job applications. Thus, according to Lee (ibid.), a modern e-recruitment process is a two-way communication process, web-enabled, time- and space-independent, and a ubiquitous system for both job seekers and recruiters.

Based on a review of the literature, Singh and Finn (2003) conclude that the increased use of ICTs in recruitment has had a fundamental impact on all aspects of an organisation's recruitment function, including people, processes, organisational structures, and forms. They suggest that new processes are needed to lower costs, accelerate transactions, improve efficiency, and provide better service. One example of such processes is the automated pre-screening of applicants.

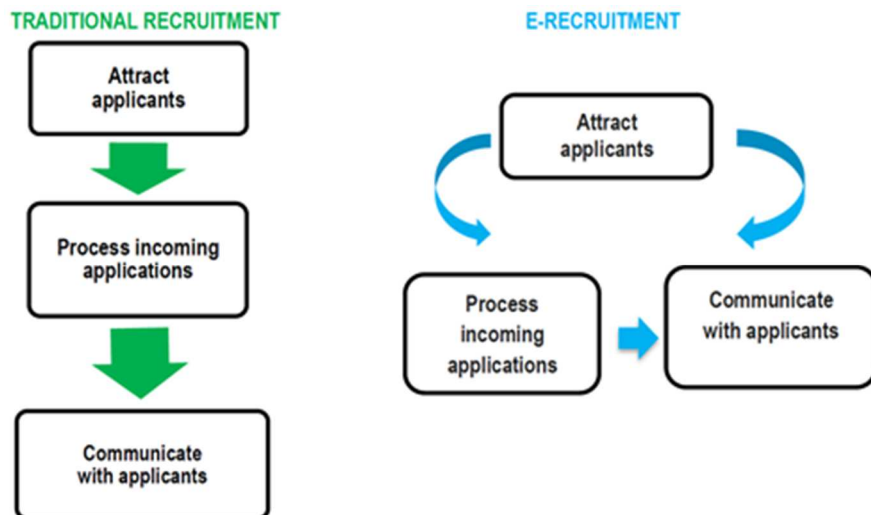


Figure 1. The design and sequence of tasks in traditional paper-based recruitment versus e-recruitment

Source: (Sołek-Borowska, Wilczewska, 2018).

Basing on the comparison on traditional recruitment and e-recruitment it can be noted that processing incoming applicants and communication with applicants is taking place simultaneously in e-recruitment allowing for faster communication with applicants.

3. METHODOLOGY

Qualitative research design was considered the most suitable for the purpose of the investigation, since it permits the use of multiple data sources (Creswell, 2009), which could provide the necessary insights into new area of research. As two earlier papers presented the two case studies, this paper is taking the analysis one step further investigating in detail benefits of video recruitment and importance of building candidate experience using the

research results of two previous papers and contrasting them with the literature review. The recruitment process was used as the unit of analysis and focused only on the business process itself. The data collection process was therefore designed to capture the entire recruitment process in the case organisations in as much detail as possible, which would permit comparative analysis for each step of the recruitment process. Thus, a mix of qualitative methods, techniques, and data sources available at the time of the research was utilised during the study.

4. VIDEO RECRUITMENT

Using video recruitment technology, HR departments, recruitment agencies and employers can interview candidates without having to leave their offices or even their desks. After identifying potential candidates, interviews can be arranged quickly at convenient locations for the candidate, which helps HR and employers move quickly in recruiting the best talent for their organizations.

Video recruitment is a tool fully based on modern technologies currently available on the market. Video recruitment is used primarily in the selection process, it is a tool that gathers all the candidates obtained, permitting to systematize the project. However, the most important factor is time saving, which for the business side plays a significant role in planning the recruitment and selection strategies.

Video recruitment influenced the standard recruitment through the creating and presenting employers with CV in the form of video. It is currently a very popular method in Western Europe, but also in Poland, because unconventional approach is increasingly appreciated (Puls HR, Video CV 2017).

Video recruitment is to help the human resources management team in less time-consuming but reliable verification of incoming applications. There are two types of video recruitment: an automatic form and a live form (Kluza, 2015). The live form is much more popular because companies have been using it for a long time, mainly involving a tool like Skype. It is associated with a direct interview and few aspects distinguish it from other forms of recruitment. The most important of them is the possibility to organize it without the need to visit a candidate in the recruiter's office. It can take place independently of the place where both parties are staying.

The automatic form is at the moment the solution, which is investigated thoroughly by HR specialists. It involves building a platform on which incoming applications are collected. Interview questions are generated by the system, the answers are recorded, archived and sent to the person responsible for the selection.

Video recruitment is still a controversial and relatively new way of personnel recruitment. Nevertheless, its development is inevitable and probably in the future it is forecasted that all phases of the selection process will be transferred to the online environment. It is worth emphasizing that the use of this tool does not mean saving time and costs by lowering the efficiency and quality of the recruitment project. On the contrary, it is more transparent, generates wider pool of candidates and helps to select better candidates (Buckley et al., 2004). Video recruitment has many supporters in Western Europe, is very dynamic in the United States and although it is only taking its first steps on the Polish market, it has great potential to remain a key determinant of most recruitment and selection processes.

5. ADVANTAGES AND DISADVANTAGES OF VIDEO-RECRUITMENT

Parry and Tyson (2008) noted that the effective use of e-recruitment might necessitate far reaching changes to the recruitment process as a whole, even though it was hardly a new phenomenon by this stage. This statement is even more relevant today with many more methods of online engagement emerging.

Time, so extremely important nowadays in every business process, can be largely saved due to video recruitment. At each stage, the possibility of implementing individual elements at the same time for a dozen or several dozen candidates would not be the case with standard solutions. Additionally, the quality of the recruitment process is maintained throughout the whole duration of the project. Candidates feel cared for, regardless of the time in the recruitment process. Despite the lack of direct meetings, they did not have the impression of being left alone.

As it was mentioned in other papers, the added value, often emphasized by the client's side, was lack of chaos due to the VideoCasta platform, which verified the status of not only the entire project, but also individual groups or individual candidates. Reporting took place regularly and did not require long and tedious preparations from Work Service.

The least tangible, but equally important factor was the opportunity to strengthen the image – a company that copes well with new challenges in the HR environment using modern technologies. So far, not a single company on the Polish market from the HR industry has used such advanced technology with limited interference of the human factor (<https://www.rp.pl/Rynek-pracy/307199861-W-Polsce-rosnie-rzesza-wirtualnych-emi-grantow.html>, Błaszczak, 2016). The project ended with success caused interest from other companies that were impressed with the solution and wondered to which extent it could have been introduced and adapted to their requirements.

Video recruitment offers not only positive benefits. The peculiarity of the process, its remote character and the lack of direct contacts (face to face) meant that the relationship with the candidate was very poorly built. The results of this research indicate that the benefits of video recruitment was not utilised fully as Allden and Harris (2013) state that the biggest potential of e-recruitment is to provide a positive candidate experience. This should be core to any recruitment strategy. In the following case the poorly built candidate experience can be explained by the fact as it was the first project on the Polish market and the company did not know how to do it. Currently, HR practitioners emphasize the need to focus on the recruitment as a business process in order to be sure not only to complete it successfully, but also to build employer branding associated with positive experience.

Due to peculiarity of the project, but also the position and the workplace, the employees did not feel any integration with the future employer. Very often, after completing the recruitment the process, people emphasized that they treat their duties as additional tasks, an additional source of income for what they do on a daily basis. Very few employees finally decided to devote all their time and effort to teaching through the ITutor system.

Ultimately, e-recruitment bears a threat of data infringement. Any attempt to break into or access to them by undesirable persons could have adverse effects. Table 1 presents advantages and disadvantages of video-recruitment.

An extremely important aspect of the recruitment and selection processes highlighted by HR specialists is the process of building a relationship with the candidate and ultimately a potential employee. Very often, theorists, but also practitioners emphasize that the phenomenon of “candidate experience” in the time of development of the HR market will play

an increasingly important role and the use of modern solutions will certainly have a great impact on it, but it is very difficult to clearly assess whether positive or negative. Research in this area is relatively at an early stage and none of the researchers has yet dared to make a decisive voice (Morgan, 2017).

Table 1. Advantages and disadvantages of e-recruitment

Advantages	Disadvantages
Savings (considering time and money)	Poorly build relationship with candidates
Strengthening the image of company introducing new	Lack of integration of candidates with future employees
Reaching a broader audience of potential candidates	A threat of data infringement

Source: own development.

The need to build relationships with candidates to improve the quality of the recruitment process is a recurring theme. Businesses have tended to shy away from a relationship approach due to the complexity, cost and its long-term nature (Papazoglou and Ribbers, 2006). However, this is a critical element because talent sourcing is neither B2B nor B2C but bridges the gap as companies engage with individuals for the purpose of building a business relationship. For a business to gain advantage in the market place it needs to engage and retain talent by denying competitors' access to the best human resource assets, resulting in a "rush for talent" (Prahalad and Krishnan, 2008).

6. BUILDING POSITIVE CANDIDATE EXPERIENCE

A strong and highly skilled employee base can give the firm an advantage over competitors, generating more business and higher profits, which in turn feeds the economy. This is why nowadays more than ever before; the candidate experience is critical to corporate brand and ability to hire key talent (<https://www.pageuppeople.com/resource/7-recruitment-trends-for-2020/>).

People change the way they view your company depending on their recruiting experience. Technology and social media now play such a big role in the hiring process, a negative review, post or comment can have a huge impact on an organization's ability to recruit. Human Capital Institute reports 55 percent of job seekers avoid certain companies after reading negative reviews online. It's better to plan up front and take a holistic approach-looking at the entire candidate experience from start to finish. (<https://www.helioshr.com/2019/03/top-4-ways-to-improve-the-candidate-experience/>). Communication and timely feedback is crucial to hiring process, which will be presented in detail below.

Communication is key, starting with an explanation of logistics of time slots, the length they can expect to be interviewing, with whom and what their positions are and directions to the interview site. Just as important is communicating an overview of the company, in-depth description of the position, organizational structure and expectations. Communication becomes even more critical the deeper into the hiring process a candidate gets.

Timely and personal **feedback** is crucial to hiring success and building company brand. According to the 2018 Talent Board North American Candidate Experience (CandE)

Benchmark Research Report, “positive candidate ratings jump upwards of 28 percent when they receive a phone versus the automated email rejection”. A candidate should get a clear and objective reason for non-selection. Many companies collect numerous online applications and then fail to provide feedback to candidates. This may lead to the loss of applicants that companies wish to interview as candidates may choose not to work for organizations they perceive as having poor people skills. Disgruntled applicants can also spread the word very quickly using social media networks; this may discourage future applicants from seeking positions with such companies. However, there are firms who demonstrate that they understand the value of human capital. Breslin (2012) provides two examples of companies that stand out as models for online recruitment. Sage Software of Irvine California has a transparent screening process, which starts with a short online application and ends with a commitment to complete the candidate screening process within 20 days.

7. CALCULATING THE COSTS OF VIDEO-RECRUITMENT WITH THE USE OF DEDICATED PLATFORM

E-recruitment with the use of dedicated platform offers not only benefits but also bear the cost of building such platform. Significant saving are in terms of money allocated which are presented below.

Measuring the efficiency of savings.

Assuming that:

C_T – average time of traditional recruitment

C_V – average time of e-recruitment

K_P – total cost of recruitment platform preparation,

K – remuneration per hour for a recruitment specialist.

The per hour savings (Δ) achieved with the use of e-recruitment over traditional one can be expressed on the basis of the equation 1:

$$\Delta = (C_T - C_V) \cdot K \quad (1)$$

Taking into consideration number of potential candidates N taking part in the process of recruitment, the total saving (Δ^*) can be estimated, as follows:

$$\Delta^* = (C_T - C_V) \cdot K \cdot N \quad (2)$$

Including the total cost of creating the recruitment platform (K_P), the total savings (Δ^{**}), can be calculated with the use of the equation 3:

$$\Delta^{**} = \left(C_T - C_V - \frac{K_P}{N} \right) \cdot K \cdot N \quad (3)$$

Assessing the break even point of creating a recruitment platform it makes sense when the number of potential candidates N meets the following criteria:

$$N > \frac{C_T - C_V}{\frac{\Delta^{**}}{K} + K_P}$$

Considering above calculations we can state that building a platform for video-recruitment makes sense when a large pool of candidates is considered to be accepted.

8. CONCLUSIONS

It has been shown that companies can increase the efficiency of the recruitment process and significantly cut costs, by integrating e-recruitment systems in their HR management infrastructure.

On the basis of the conducted research it can be concluded that the use of modern technologies in the recruitment and selection process is not only a guarantee of completion with the intended effect of a given project, but also causes a real improvement in the recruitment process, which allows, in particular for the business sector to reduce costs and time.

The results suggest that the typical paper-based recruitment process is no longer present in its original form and design. The most significant differences identified were attributed to changes in the sequence of tasks and the nature of the related activities. E-recruitment techniques and related technology were observed to be used, in the tasks of attracting applicants, processing incoming applications and communicating with candidates.

Organizations which do not recognize the importance of providing good candidate experience practices will find it increasingly difficult to source the right talent. Candidates expect a return on investment, and time invested will become the currency that fuels their expectations. Their key expectation/requirement will be timely, accurate and transparent communication. A personalized experience, and all that entails, will become the norm.

Introducing new technology in the recruitment process can have many benefits for organizations in the recruitment process but research about this is scarce. The possible benefits include time savings, cost reduction, reaching a broader audience and more accurate and detailed information about applicants. Benefits of e-recruiting can differ between organizations, because every organization has its own strategy, and recruitment objectives should support that strategy. The recommendation for businesses embarking on or developing their e-recruitment activity is to adopt the philosophy of a positive candidate experience and place it at the centre of their e-recruitment strategy. Prahalad and Krishnan (2008) spoke of the importance of the ecosystem and the “ecosystem mindset” that takes a holistic view of the whole e-recruitment network to appreciate the full scope of e-recruitment activity.

Finally the author would like to follow the statement of Ford (2015) that the use of modern technologies in the recruitment and selection processes is not just another trend in the changing environment, but it will permanently appear in the area of human resources. Admittedly, this will not involve complete resignation from the recruiters' work, but any actions that can be supported by algorithms, solutions from the borderline of artificial intelligence will be most welcomed (in this case, the most frequent mentioned is the analysis and verification of the applications received, providing feedback to candidates or even replacing first contacts with the purpose of basic selection) (Ford 2015, pp. 83-86). Though it sounds like a vision of the future filled with solutions that will significantly simplify the work of human resource management teams, however, quite a large percentage of specialists are still wary of entrusting the decision-making process to machines. The significant potential in the field of artificial intelligence and ma-

chine learning has been proven many times, but there is still a long way to go for the HR industry to fully use them or just to convince them to be used in an appropriate way (Morgan, 2014).

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TOWARDS INCLUSIVE ECONOMY – NECESSITY OR CHOICE IN THE CONTEXT OF THE MATERIAL SITUATION OF PEOPLE WITH DISABILITIES

This article analyses the material situation of households of disabled people in an inclusive economy. It presents the results of the study based on statistical data from the households' budget survey conducted by Statistics Poland. The article compares the material situation of households in which disabled people live with the situation of households without disabled people, with an emphasis on the importance of economic inclusion as a condition factor of their situation's improvement. The study tested three research hypotheses: 1) achievement of higher income by households without disabled people; 2) higher levels of hypothetical incomes as just as useful by households of disabled people who run a business compared to disabled people who do not carry out such activities); 3) a higher risk of poverty by households with disabilities. The findings supported the hypotheses concerning differences in the material situation of the surveyed households.

Keywords: the material situation of households, disabled people.

1. INTRODUCTION

Nowadays, entrepreneurship is common in almost every area of human life and activity, "it takes various forms and dimensions and is not limited to the economy or economic area" (Maciejewski, Faron, 2014). Entrepreneurship – understood as a feature of activity, a way of responding to various challenges – takes on special significance. It is not only desirable, but even necessary for the proper functioning of all economic entities, regardless of their form of ownership, the nature of activity or size, as well as, various social groups, especially disadvantaged ones.

The inclusive economy is a new approach to understand and create economic processes. It assumes inclusion of disadvantaged groups into a wide stream of economy. Its derivative

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is an inclusive growth whose aim is “to contribute to the building of a new mainstream – one centred on an economy for well-being; for the many, not the few” (Walby, 2018). This kind of growth “emphasizes ensuring that the economic opportunities created by a growth are available to all – particularly the poor – to the maximum possible extent” (Ali, Son, 2007). It manifests by the inclusive entrepreneurship, which is the concept of including social groups excluded from the labour market, wider – from the capitalist economy, their return and active participation in economic life, in the implementation of various undertakings not only business, although most often it concerns economic projects.

The aim of this article is to analyse if going to develop the inclusive economy is an necessary or is it a choice in the context of material situation of disabled people. Such the aim joins two spheres of the analysis: assumption of inclusive economy – and what's the matter with it – inclusive entrepreneurship, as well as, material situation of two groups of households: with disabled person(s) and without it (them). Previous research pointed, that supporting excluded groups of people in setting up their business can positively affect to increase of the income earned (See: Szczygieł, 2015; Szczygieł, Piecuch, 2018). Entering those groups on an active part of the labour market could change also their social situation and is convergent with actual social policy⁴.

The article presents, inter alia: the specificity of disability (quoting the definitions), the material situation of households with disabled persons in comparison to the households without them (analysing the average monthly income, expenditures and savings), and at risk of poverty rates (according to three poverty lines). Special attention is paid to the assessment of income utility by the different types of households, especially with regarding of running a business by the disabled people.

The article was developed in connection with the implementation of the project entitled “Work-based Entrepreneurship Training for People with Disabilities (WOT)” co-financed by the European Commission under the Erasmus + Program (No. 2016-1-PL01-KA202-026055) and realised by the transnational partnership under the leadership of Centre for Education and Entrepreneurship Support.

2. PROFESSIONAL SITUATION OF DISABLED PEOPLE

2.1. Definition of disability

World Health Organization defines the disability as the problems with human functioning which are categorized in three interconnected areas: 1) impairments (problems in body function or alterations in body structure – for example, paralysis or blindness); 2) activity limitations (difficulties in executing activities – for example, walking or eating); 3) restrictions in participation (problems with involvement in any area of life ex. facing discrimination in employment). *Disability refers to difficulties encountered in any or all three areas of functioning (World report on disability, 2011)*. Disability in that context could be understand as any limitation or inability (due to disability) to live an active life in a manner or range considered to be typical for a human being.

⁴ I.a. *EUROPE 2020, A European strategy for smart, sustainable and inclusive growth*, EUROPEAN COMMISSION, Brussels 2010; *Project Europe 2030 – challenges and opportunities. A report to the European Council by the Reflection Group on the Future of the EU 2030*, European Union, Stuttgart 2010; *Poland 2030, The Third wave of modernity. Long-term National Development Strategy*, Ministry of Administration and Digitization, Warsaw 2013.

In Polish legislation, disability is specified as permanent or temporary inability to fulfil social roles due to permanent or long-term impairment of the body's fitness, in particular causing inability to work (Act of 27th August 1997 *On vocational and social rehabilitation and employment of disabled persons*). Disability is a non-homogeneous phenomenon, not only because of the forms, but also the effects. In this regard, the law indicates three levels of disability: considerable, moderate and light. The first one concerns the situation where the fitness of the organism of a person is impaired. This person is incapable of work or only able to work in protected work conditions and requiring, in order to perform social roles, permanent or long-term care and help of other people in connection with inability to live independently. In the second case – moderate level of disability – the person with impaired fitness of his/her body requires temporary or partial help of other people in order to fulfil social roles. In the last case – light level of disability – the impaired fitness of body causes significantly reduction of the ability to perform work (compared to a person with full physical or mental fitness), but this situation can be compensated by the use of orthopaedic, ancillary or technical equipment (Act of 27th August 1997 *On vocational and social rehabilitation and employment of disabled persons*, art. 3 and art. 4.1-4.3.).

2.2. Data sources of material situation of disabled people and research assumptions

Statistics Poland is the most important source of data related with material situation of disabled people. In Household Budget Surveys, published every year there are presented the data that concern inter alia: average monthly receipts per capita in households with or without disabled persons, as well as, the average monthly outgoings per capita in the same layout. It allows to compare not only the income and the expenses, but also savings. In that source are presented the data of subjective evaluation of material situation of households in that two types of households. It allows to compare only the percentage of households assess their situation according to a five-grade category: *very good*, *rather good*, *average*, *rather bad* and *bad*. Another, available data, come indirectly from household budget surveys, relate the risk of poverty in that households. They are presented in other, separate publications (*Range of economic poverty in Poland*, Statistics Poland, Warsaw [every year]). From point of view of assessing the real income utility it is not possible to do it based on that data. Those data are collected but not published (non identified, paid data). In the present paper we used the data from the official publications concern period from 2010 to 2017 (material situation of that households and risk of poverty) and 2010–2012 (income utility)⁵, but also we cited the results of analysis based on the second ones (non-identified data - unit data that do not allow household identification). Years of using data are related with their availability. In case of material situation the data are open, but in case of income utility, the authors used unpublished data came from Statistics Poland and the result of analysis conducting under the project entitled “Study of utility of income in Polish households and its impact on the households”.

The aim of the empirical study presented in the article was to get answers to the questions about the differences between material situation of two groups of household: with disabled person(s) and without it (them).

⁵ The choice of time was justified by the framework of the implementation of the project entitled: “Study of utility of income in Polish households and its impact on the households” financed with the Centre for Education and Entrepreneurship Support’s own resources.

The implementation of the goal formulated in this way conditioned the adoption of the following research hypotheses:

H₁: households without disabled persons achieve higher level of income than households with them and they are more likely to postpone the consumption;

H₂: households with disabled persons conducted their own business indicate higher income levels as just as useful, than disabled people who do not carry out such activities, which means increasing the so-called inflationary lifestyle;

H₃: households with disabled persons are more at risk of poverty.

Verification of hypotheses, formulated in this way, was based on data from household budget surveys from mentioned years, including non identified data.

2.3. Professional situation of disabled people

The material situation is related with professional situation of people, it is particularly evident in the case of people with disabilities, who acquire this status precisely on the basis of an assessment of their ability to work and live independently. In Poland the average coefficient of professional activity of people with disabilities (PWDs) is more than two times low than the same coefficient in the group of people who are fully functional (PFFs) (Table 1). A slightly different situation concern unemployment rate. It is higher in PWDs group (minimum 1,5 times), but the in-depth analysis indicates that PWDs are more often professionally inactive.

Table 1. The professional activity coefficients and unemployment rates among PWDs and PFFs

	The coefficient of professional activity				Unemployment rate			
	PWDs	PFFs	difference (PFFs-PWDs)	relation (PFFs/PWDs)	PWDs	PFFs	difference (PWDs-PFFs)	relation (PWDs/PFFs)
2010	25,7	71,6	45,9	2,8	15,3	9,8	5,5	1,6
2011	26,3	72,1	45,8	2,7	15,5	9,8	5,7	1,6
2012	27,5	72,9	45,4	2,7	16,2	10,3	5,9	1,6
2013	27,3	73,5	46,2	2,7	17,9	10,5	7,4	1,7
2014	27,1	74,3	47,2	2,7	16,1	9,2	6,9	1,8
2015	25,9	74,1	48,2	2,9	13,0	9,3	3,7	1,4
2016	26,8	75,2	48,4	2,8	11,6	6,3	5,3	1,8
2017	28,9	75,9	47,0	2,6	9,3	5,0	4,3	1,9

Source: own elaboration on the base of Statistics Poland, quarterly data from the *Labour Force Survey* (LFS).

An analysis of professional situation of disabled people should to be supported by in-depth analysis of employment status (in the sense of being employed or employers) (Chart 1). In the group of employed PWDs (over than 440 thous. people in 2017), the vast majority of them were hired by the others (86,4% in 2017). The self-employment and being employers were not as much popular as being employees. The decision of running their own business took only 11,3% of PWDs (in 2017) and in this case the significant decrease is observed (from 21,3% in 2010). This situation concerns also being an owner and hiring others by PWDs. For that way of earning decided only 1,6% of PWDs in 2017 (2,5% in 2010).

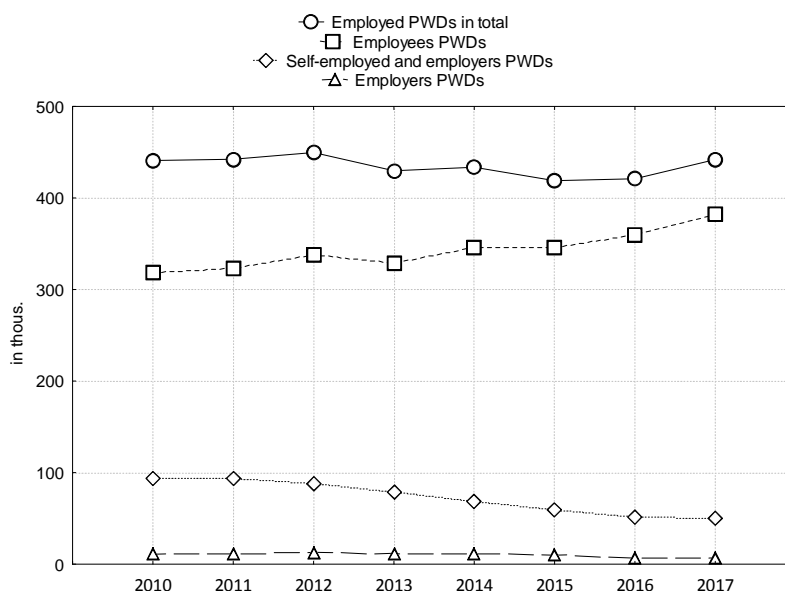


Chart 1. The employment status of PWDs in Poland

Source: as in Table 1.

The number of PWDs conducting their own business (entrepreneurs) is also possible to calculate on the base of data come from the State Fund for Rehabilitation of Disabled People (Państwowy Fundusz Rehabilitacji Osób Niepełnosprawnych – PFRON). Based on the Subsidy and Refund Management System about the number of disabled people running a business who apply for the refund of social security contributions, it can be said that the number of PWDs who are entrepreneurs is decreasing. Averaging annually the data, the number of PWDs entrepreneurs decreased by almost 5,100 persons (between 2010 and 2018) (Table 2 & Chart 2).

Table 2. The number of PWDs entrepreneurs due to the level of disability

	PWDs Entrepreneurs			
	considerable	moderate	light	in total
2010	1 415,1	8 943,2	17 657,8	28 016,0
2011	1 667,7	9 835,3	15 869,8	27 372,7
2012	1 855,5	10 225,3	12 228,4	24 309,3
2013	1 932,4	10 750,9	10 929,3	23 612,7
2014	2 011,6	11 625,8	10 307,9	23 945,3
2015	2 039,6	12 185,9	9 552,7	23 778,2
2016	2 038,5	12 759,8	9 284,3	24 082,6
2017	2 056,2	12 959,3	8 945,3	23 960,8
2018*	2 013,9	12 707,1	8 199,0	22 920,0

Note: [2018*] – average number from eleven months (I-XI)

Source: own elaboration on the base of Subsidy and Refund Management System (SODiR) PFRON

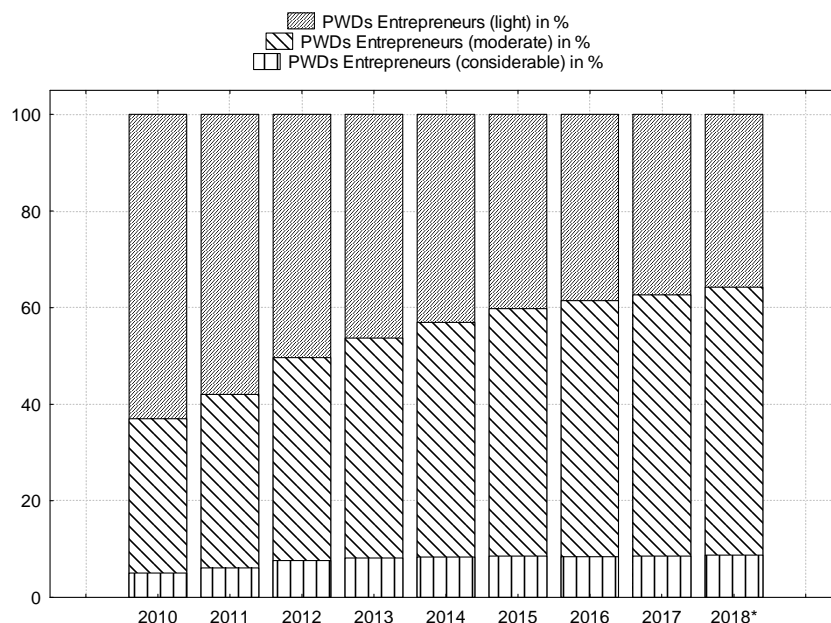


Chart 2. The percentage of PWDs entrepreneurs due to the level of disability

Source: as in Table 2.

According to those data, it can be said that the decreasing of number PWDs who are entrepreneurs is not coherent phenomenon. Although, the total number is decreasing, disabled people at considerable or moderate level become entrepreneurs more often than previously – or more precisely – they apply for the refund of social security contributions.

3. MATERIAL SITUATION AND RISK OF POVERTY AMONG DISABLED PEOPLE

3.1. Monthly income, expenditures and savings as a base to assess the material situation of disabled people

The material situation of people is presented generally by analysis of countable quantities i.a.: level of income, expenditures or savings calculated on that base (streaming approach), as well as, wealth calculated as a total fortune of household (resource approach). Due to the fact, that the total wealth is very difficult to calculate we decided to use the available data come from Statistics Poland, which are presented within streaming approach. The income taking into consideration was available monthly income of households members *per capita*; also the expenditures were presented as *per capita* values. The savings, within the meaning of this article, were the difference between average income and average expenditures. We also decided to present the assessment of income utility level, based on the non-observed statistics preparing within household budget survey, because those data show how the households members evaluate the value of similar income level.

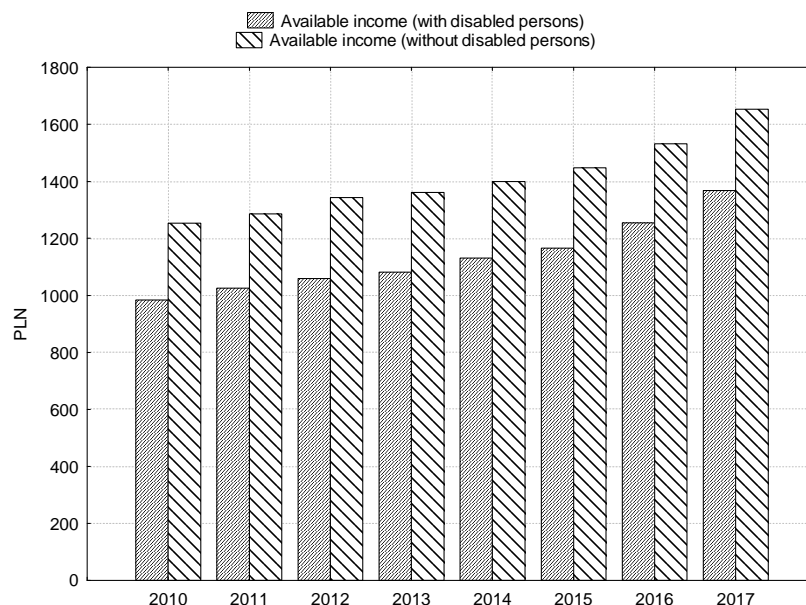


Chart 3. The amount of average available income *per capita* in households with or without PWDs

Source: own elaboration on the base of *Range of economic poverty in Poland – Annexes*, Statistics Poland.

Between 2010 and 2017 the amount of average available income *per capita* in households with disabled people was lower than in households without PWDs. The average difference was approx. 270 PLN in analysed time (Chart 3). What is worth to underline, the speed of growth was higher in the households with PWDs (115,3% to 112,4% for households without PWDs). However the nominal level of income was lower in the households with PWDs. It could be caused by the problem of ability to work among the members of that households. Analysis of source of income (income from wage labour, self-employment, an individual farm in agriculture or social insurance benefits, and etc.) showed that in households with PWDs the average level of income which came from wage labour and self-employment was almost two or three times higher in the households without PWDs. On the other hand – the income came from social insurance benefits was approx. two times higher *per capita* in the households with PWDs.

The average level of expenditures was also higher in the households without PWDs than those in which the disabled people lived. The average difference between those households' expenditures was almost 200 PLN, so the difference was not a mirror reflection to the income, but lower (Chart 4). The expenditures in both types of households increased, but the speed of growth was higher in the households with PWDs (109,7% to 107,9% in households without PWDs).

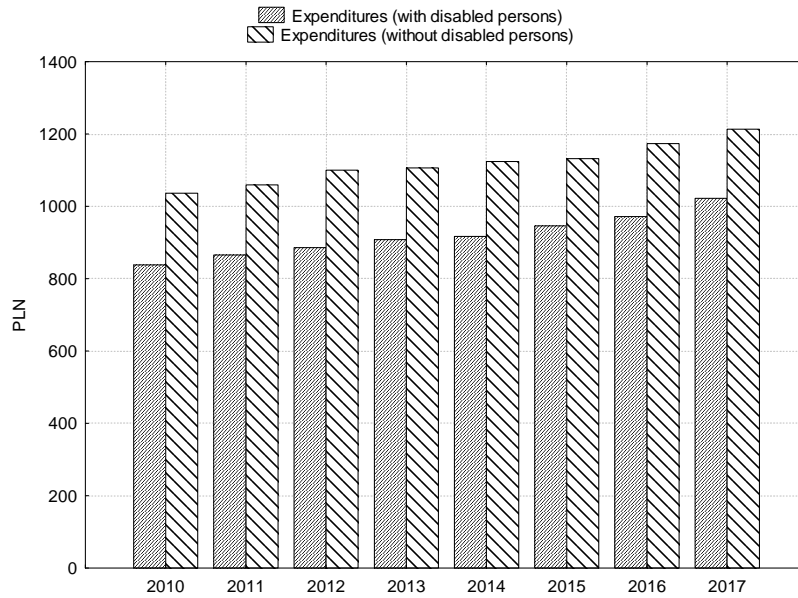


Chart 4. The amount of average expenditures *per capita* in households with or without PWDs
Source: as in Chart 3.

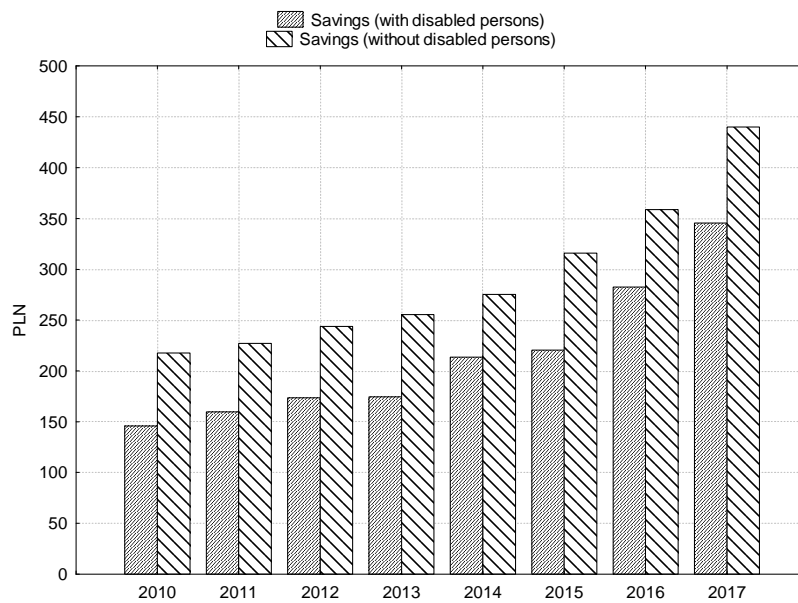


Chart 5. The amount of average savings *per capita* in households with or without PWDs
Source: as in Chart 3.

The households without PWDs generated the higher average level of savings than the households with PWDs. The average difference in the analyzed period of time was almost 80 PLN (Chart 5). The speed of growth was not steady but in 2017 significantly increased. This phenomenon applies to both types of households. In households with PWDs in 2016, the speed of growth reached the level of 193,5% (counting compared to 2010=100%) and in 2017 – 236,8%. In the households without PWDs the speed of growth was not so high, but also significant and it reached in 2016 – 164,9% and in 2017 – 202,3%.

Available income of households with PWDs is constantly lower than in the households without such members. The difference counted as % of total level of income (in all households) amounts approx. 20,5% in analysed period. With reference to expenditures is lower and amounts 18,5%, but the difference between average amount of savings is the higher and reaches 29,1% in analysed period of time (Table 3).

Table 3. The income, expenditures and savings of households with or without PWDs as % of total income, expenditures and savings for all households type

	Available income		Expenditures		Savings	
	with PWDs	without PWDs	with PWDs	without PWDs	with PWDs	without PWDs
2010	82,5	105,1	84,5	104,5	72,5	108,0
2011	83,6	104,9	85,3	104,4	75,4	107,3
2012	82,9	105,1	84,3	104,6	76,2	107,0
2013	83,3	104,8	85,5	104,2	73,5	107,6
2014	84,4	104,4	85,0	104,2	81,6	105,2
2015	84,1	104,4	86,7	103,7	74,8	107,1
2016	85,0	103,9	85,9	103,7	82,3	104,6
2017	85,6	103,5	86,9	103,2	82,0	104,4

Source: as in Chart 3 – own elaboration.

Those differences can suggest that the H_1 is true, but the final confirmation of it needs to apply statistical tests. In this purpose we used the nonparametric U Mann-Whitney test for independent samples (groups) with $\alpha=0,05$. Comparing the mean level of income in both types of households, the difference between them turned out to be statistically significant ($p = 0,000793$; $p < \alpha$). The mean for the households with PWDs is 1133,67 PLN and for households without them – 1409,75 PLN. On that base, there is no reason to reject a first part of the hypothesis H_1 . It means that households without disabled persons achieve higher level of income than households with them. Simultaneously, also the second part of that hypothesis should be approved, because the differences between savings in that households are also statistically significant, so it means that the households without PWDs are more likely to postpone the consumption ($p = 0,000793$; $p < \alpha$).

3.2. Self-assessment of the material situation as a entrance to analysis of income utility

Those differences also influences at households' self-assessment of their material situation. Based on the Statistics Poland data, concerns the self-assessment of material situation (five-step scale), the weighted average was counted (Chart 6). Only in the first year of analysis, the situation was higher assessed by the households with PWDs. The next editions

of assessment revealed that the households without PWDs are much satisfied from their material situation than those where live PWDs. On the situation in the first year of analysis influenced the higher percentage of “rather good” assessment which was declared by 25,8% of respondents (in next years, this level was chosen by no more than 15%).

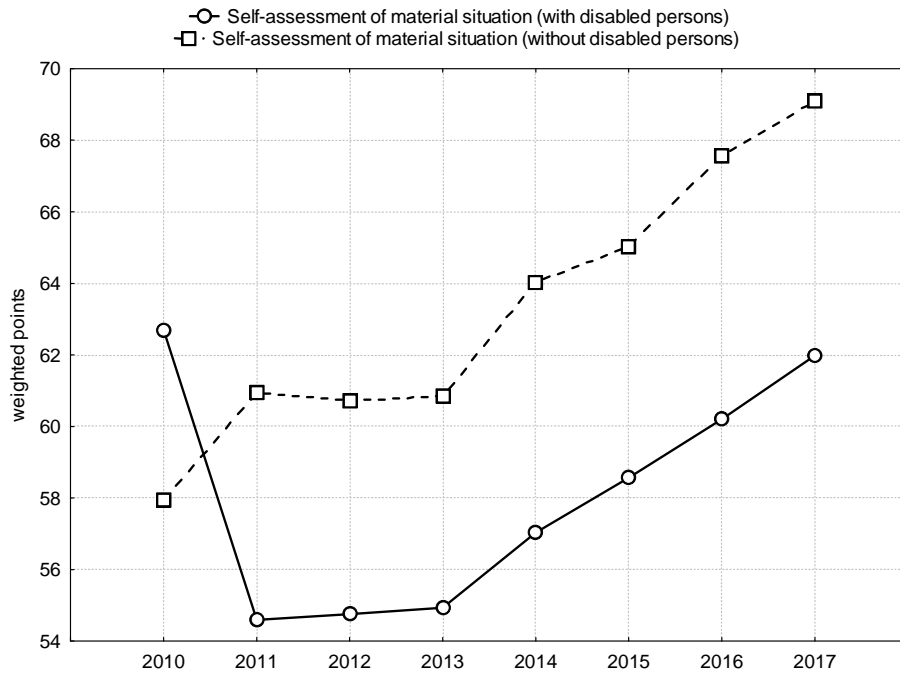


Chart 6. Self-assessment of material situation in households with or without PWDs

Source: as in Chart 3 – own elaboration.

The self-assessment of material situation is closely related with utility of income (See: Szczygieł, 2014). Based on previous analysis conducted by E. Szczygieł (elaborated with using of non identified data from households' budget survey came from Statistics Poland), it is possible to identify the significant differences between those types of households (<http://problemypoleczne.edu.pl/index.php/pl/8-aktualnosci/100-roznice-w-dochodach-i-ocenie-ich-zytecznosci-w-gospodarstwach-domowych-osob-niepelnosprawnych-i-bez-niepelnosprawnosci>) (Chart 7).

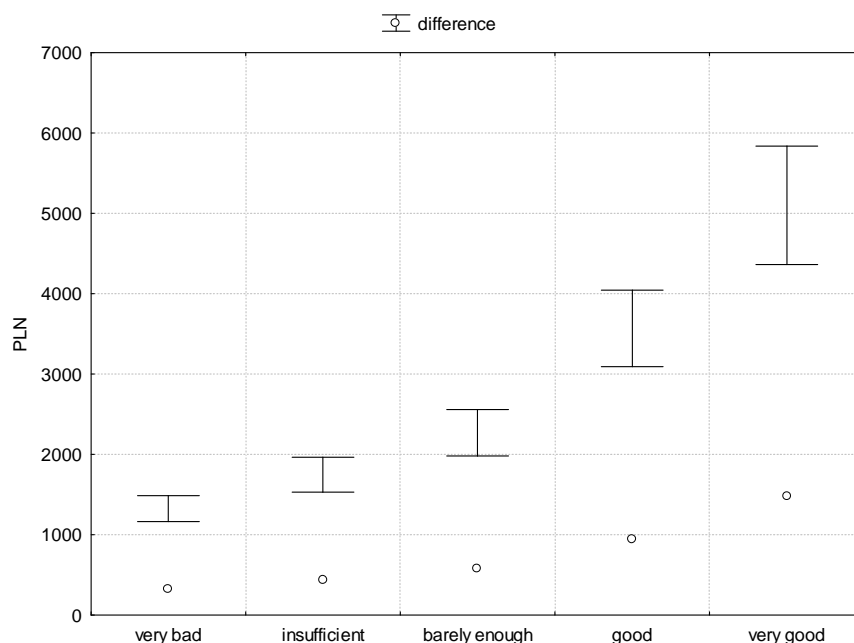


Chart 7. Differences between assessed income utility level in households with or without PWDs (in 2012)

Source: own elaboration on the base of non identified data from households' budget survey – Statistics Poland.

The difference between the hypothetical level of income assessed as *very bad* is the lowest and increases with the transition to the next verbal assess: *insufficient*, *barely enough*, etc. The difference is marked as a dot on the chart 7. The range values presented on the Whiskers diagram mean the hypothetical value of each income: the lower presents assessment conducted by households with PWDs; the higher – without PWDs. This regularity is also confirmed by the analysis for previous years. Also, the comparison of the real income and hypothetical assessment of its utility between PWDs and non-PWDs households conducted their own business approves the differences. Chart 8 presents the mean difference of hypothetical income assessment between disabled head of households' who conduct their own business and those who do not conduct.

Similarly, as in chart 7 on chart 8 the range values is presented on the Whiskers diagram: the higher range of difference means the hypothetical value of each income assessed by self-employed PWDs; the lower – by the other PWDs. The difference is marks as the points for each year. The biggest differences were noted on 2011. This year was also significant in terms of real income: self-employed heads of non-PWD households gained the lower real income than self-employed PWDs. Additionally, it needs to be highlighted that the real income gained by the households is higher among self-employed (both PWDs in non-PWDs) in the comparison to those households which head does not conduct their own business. It means, that income from self-employment has positively affects on the higher level of material situation.

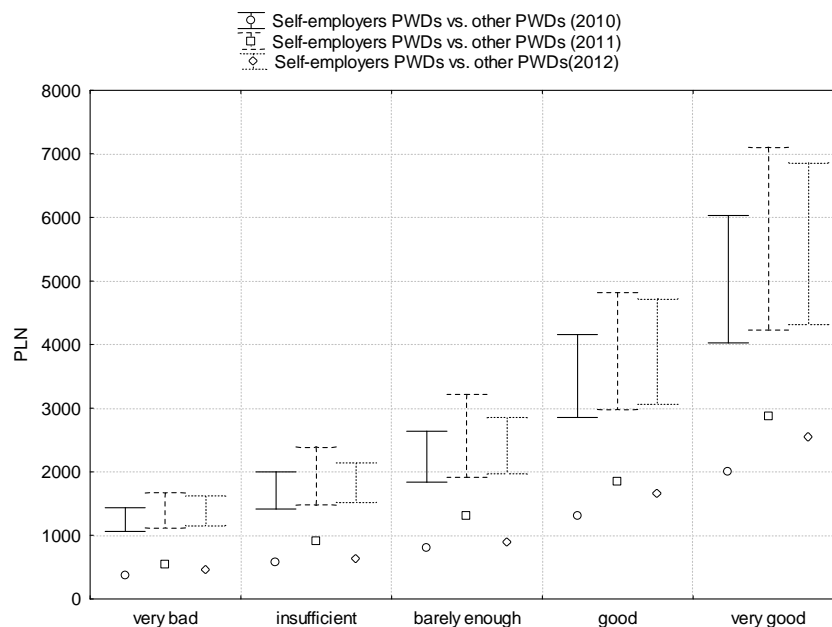


Chart 8. Differences between assessed income utility level in households of self-employed PWDs and other types of PWDs households

Source: as in Chart 7 – own elaboration.

Table 4. The results of U Mann-Whitney test for differences between assessment of income utility in both types of households

		Z	Adjusted Z	p
2010	Very bad	2,112503	2,135761	0,034644
	Insufficient	2,550392	2,563134	0,010761
	Barely enough	2,582744	2,594144	0,009802
	Good	3,449256	3,471173	0,000562
	Very good	4,071433	4,097035	0,000047
2011	Very bad	5,554565	5,611100	0,000000
	Insufficient	7,125654	7,159626	0,000000
	Barely enough	7,454441	7,484619	0,000000
	Good	7,752904	7,798099	0,000000
	Very good	7,775610	7,818169	0,000000
2012	Very bad	5,696650	5,748353	0,000000
	Insufficient	7,028828	7,060138	0,000000
	Barely enough	7,666645	7,697150	0,000000
	Good	8,562413	8,610030	0,000000
	Very good	8,524838	8,573401	0,000000

On bold – statistically significant differences.

Source: own elaboration.

The results of the above analysis was also confirmed by using statistical test. After a comparing the hypothetical level of each income assessment by using U Mann-Whitney test, there is no reason to reject the hypothesis H_2 (table 4). It means that the households with disabled persons conducted their own business indicate higher income levels as just as useful, than disabled people who do not carry out such activities. In effect it means increasing the so-called “inflationary lifestyle” (See: Szczygieł, Piecuch, 2018).

3.3. Risk of poverty among people with disabilities

Risk of poverty used to be considered with using of poverty lines below them the poverty phenomenon appears. In the present paper, we used three, most popular poverty lines: the subsistence minimum, the relative poverty line and the statutory poverty line (See: *Range of economic poverty in Poland in 2017, 2018 – Annex.*) Those lines are used by Statistics Poland in their analysis related with this topic. The range values presented on the Whiskers diagram mean the level of being at risk of poverty in both types of households: the lower in households with PWDs; the higher – without PWDs (Chart 9).

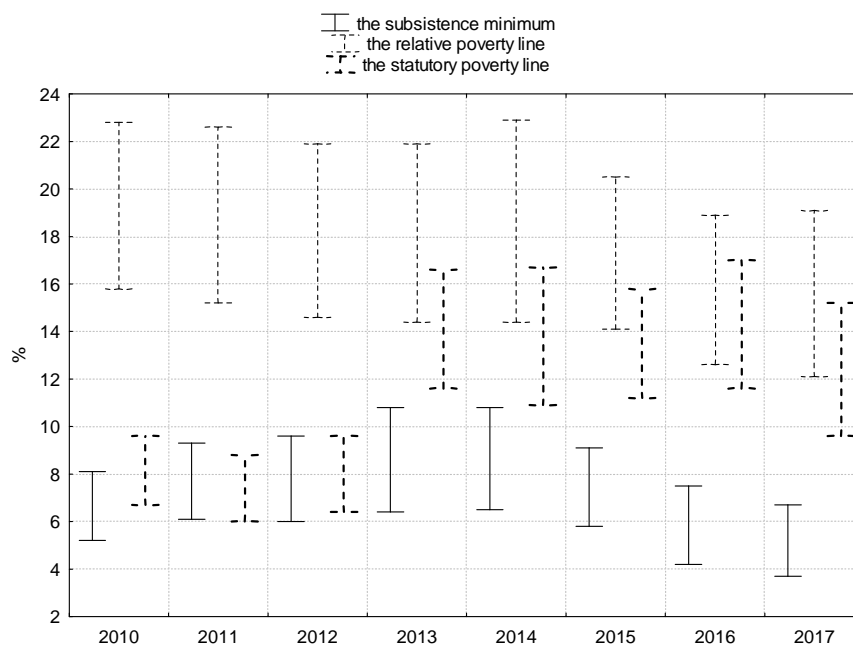


Chart 9. Differences between households with min. 1 PWD person and without PWDs in three values of poverty lines in analysed period (2010-2017)

Source: as in Chart 3

The range of differences between the subsistence minimum in households with and without PWDs consisted on average 3,5% in the period of analysis. Of course the highest level of risk of poverty was noted in households with PWDs. In the case of the relative poverty line it was 7,2% and in case of the statutory poverty line – 4,4%.

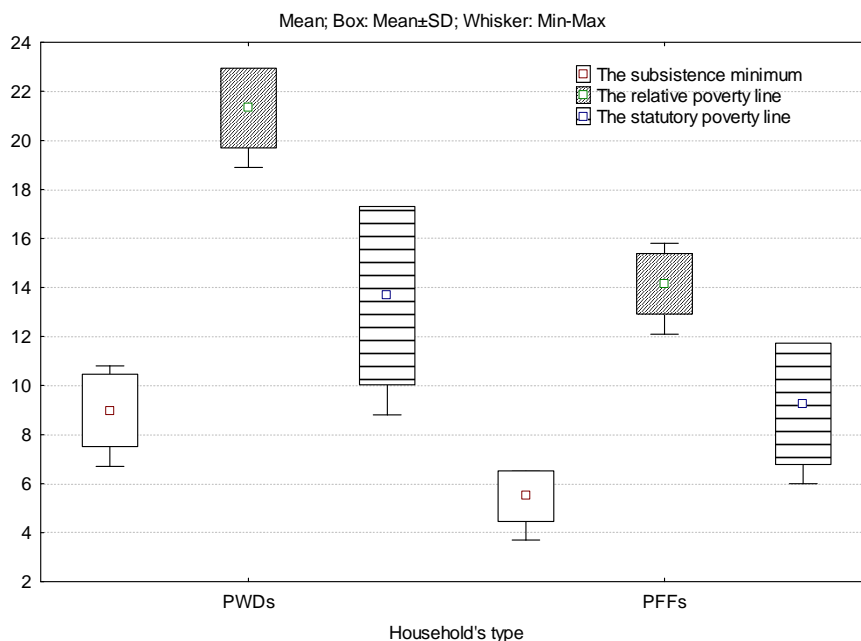


Chart 10. Differences between households with min. 1 PWD person and without PWDs in three values of poverty lines (summary)

Source: as in Chart 3.

In order to confirm statistically significant differences between all three poverty lines for PWDs and non-PWDs households, we decide to use also U Mann-Whitney test (Table 5).

Table 5. The results of U Mann-Whitney test for differences between three poverty lines assessment in both types of households

Poverty line	Z	Adjusted Z	P
The subsistence minimum	3,360672	3,363146	0,000778
The relative poverty line	3,360672	3,365625	0,000778
The statutory poverty line	1,890378	1,897367	0,058708

On bold – statistically significant differences.

Source: own elaboration.

The statistically significant difference is observed for the subsistence minimum and the relative poverty line ($p < \alpha$). The difference between the level of poverty risk between two analysed types of households (counted as statutory poverty line) is statistically insignificant, what caused that hypothesis (H_3) for that poverty line should be rejected. Households with disabled persons are more at risk of poverty only when we use the subsistence minimum or relative poverty line.

4. INCLUSIVE ENTREPRENEURSHIP AS A PART OF INCLUSIVE ECONOMY

Inclusive entrepreneurship is a new concept in entrepreneurship⁶. Generally speaking, it is a concept of including social groups which are excluded from the labour market, and more broadly from the capitalist economy, their return and active participation in economic life, in the implementation of various undertakings – not only business – although most often it concerns economic projects (Wach, 2015). It creates equal opportunities for various social groups in fulfilling their aspirations and dreams, as well as, in the implementation of various types of enterprises – economic and non-economic. In other words, it contributes to equalizing opportunities for entrepreneurship, so that the possibilities resulting from it are available to all interested persons (Martinez, ed., et al., 2018). Inclusive entrepreneurship concerns, i.e.: entrepreneurial activity of women, seniors, young people, people with disabilities, immigrants, various ethnic groups (including national minorities) or unemployed people (Wach, 2015). Therefore, its beneficiaries could be “weaker population groups, which for various reasons have a worse chance of functioning in society, what often leads to social exclusion (Cieřlik, 2014). These are people disadvantaged and underrepresented in terms of entrepreneurship and self-employment in some respects (including mentioned previously groups) (<http://www.oecd.org/cfe/leed/inclusive-entrepreneurship.htm>). Inclusive entrepreneurship offers these individuals and their families the opportunity to gain economic independence and stability, contributes to social inclusion, giving equal opportunities to do business. It can also contribute to the increase of the sense of identity and self-esteem and have a positive impact on the health of some dysfunctional persons (ex. disabled) (Martinez, ed., et al., 2018).

As mentioned above, inclusive entrepreneurship includes, inter alia, the entrepreneurship of people with disabilities. Their situation on the labour market is particularly difficult. Due to various types of dysfunctions, their professional activity is, for obvious reasons, at a fairly low level. The low rate of professional activity of people with disabilities may attract a high percentage of those who decide to undertake individual business activities. Such a situation may result from many different reasons. One of the most important is probably the great determination of action and the willingness to provide for a livelihood in a situation where it is impossible to obtain any work. It is also worth pointing out different levels of disability, some (especially in the case of light) do not constitute such a big obstacle, especially to conduct certain types of activity. Large possibilities (qualitatively different) are also created by the Internet today, which in the case of people having, for example, mobility problems is a great opportunity. It also facilitates individual (flexible) regulation of working time, which is extremely important for people with disabilities, and what is difficult to achieve in the case of full-time work, even despite the friendliness and positive attitude of the employer and the facilities that are legally vested in this group of employees (Cieřlik, 2014). Activation of disabled people carried out as part of inclusive entrepreneurship is a very important aspect of preventing disadvantaged people from social exclusion, with a particularly difficult situation on the labour market.

⁶ This term was created at the University of Syracuse on the basis of a successful entrepreneurship program for disabled people and those with low incomes. The program has identified unique tools and processes that entrepreneurs must overcome. It was a four-level entrepreneurial model, with an emphasis on 1st stage, which used self-assessment tools to help beginner entrepreneurs identify and implement their passions, define strengths and make them a business dimension (See: Martinez (ed.), Malinowska, Radoń, Ambrogi, Marcus, Szczygieł, 2018).

Inclusion is a value in itself. It is the driving force of innovation, competitiveness and efficiency, and thus improving the quality of people's lives. An inclusive system counteracts exclusion, frees and drives creativity and entrepreneurship by strengthening positive ties based on a sense of security, trust and commonality of interest. An inclusive economy is a system based on as many as possible sovereign and equal participants, connected more by bonds of partnership and conscious interdependence than hierarchy and subordination in relations between the state - citizen - business - social groups (Mączyńska, *Gospodarka inkluzyjna...*, https://www.bgk.pl/files/public/Pliki/news/Konferencje_BGK/XII_Konferencja_BGK...). It means, on the scale of national economies, that way of the economic growth creation, in which all of citizens participate and all of them can enjoy the benefits of it (Kot, Kraska, 2017).

There is more and more evidence that the inclusion of the socio-economic system is an indispensable condition for harmonious development, while social exclusion (i.e. excessive inequality) and the non-inclusivity of the system hamper development and cause crisis. The fundamental elements of an inclusive socio-economic system are (Mączyńska, *Gospodarka inkluzyjna...*, https://www.bgk.pl/files/public/Pliki/news/Konferencje_BGK/XII_Konferencja_BGK...):

- institutions of social inclusion – understood as: 1) achievements of civilization, directed at the development and strengthening of these gains; 2) regulations, regarding among others the issues such as universal social security and health protection, universal access to education, guaranteed minimum wage, trade union rights, equality, common goods and other;
- inclusive enterprises – oriented towards optimal absorption of knowledge, innovation and effective reconciliation of interests in the world of work, capital and social interest;
- inclusive market – characterized by optimal, socially accepted entry and exit rules; it is perceived as a guarantor of the contract culture, symmetry of contractors' rights, including competition protection and consumer rights
- inclusive state and law as well as self-government institutions – it is a guarantee of justice and respect for the law, support for creativity, innovation, civic initiatives, development of pro-inclusive institutions and, as a system preventing the creation of exploitative institutions and preventing inequalities in access to law.

5. CONCLUSION

Economic inclusion, expressing itself in participation in open labour market, seems to be key factor in improvement of material situation of each households. This positive effect is observed clearly, when we analysed the situation concerns two different groups. In present paper, we conducted the analysis for households where disabled people live and compare it with the situation of households of fully functioned people. The obtain results of empirical study, presented in the article, allowed us to get answers to the questions about the differences between material situation of that two groups of household [with disabled person(s) and without it (them)]. The effect of statistical hypothesis' verification confirmed adopted assumptions. In the reference to the first hypothesis (H_1 : households without disabled persons achieve higher level of income than households with them and they are more likely to postpone the consumption), we could say that the differences refers not only the income or the savings but also expenditures. The difference between all three categories

(for two analysed types of households) is statistically significant. It means that households without disabled people achieve higher income, realize higher expenditures and – despite this – achieve higher level of savings. In case of the second hypothesis (H_2 : households with disabled persons conducted their own business indicate higher income levels as just as useful, than disabled people who do not carry out such activities, which means increasing the so-called inflationary lifestyle), based on non-identified data, we showed that conducting own business is strictly related with assessing higher levels of hypothetical income. This dependence is observed not only in households of PWDs, but in other types (See: Szczygieł, Piecuch, 2016). This observation confirms the inflationary lifestyle thesis of entrepreneurs' households and allows to think about positive affect of conducting the business on economic aspiration and – in effect – on the material situation of this type of households. In reference to the third hypothesis (H_3 : households with disabled persons are more at risk of poverty), we showed that statistically significant risk of poverty depends on the poverty line. In case of the subsistence minimum and relative poverty line, the poverty risk is higher in PWDs' households, but we cannot say that, based on statutory poverty line.

All results allow us to think that economic inclusion expressing itself by participation in open labour market, conducting own business, leads to improving material situation of each excluded household. Inclusion should be a new orientation in thinking about the economy, because it assumes better, socially justice access to benefits.

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LEGAL ACTS

Act of 27th August 1997 On vocational and social rehabilitation and employment of disabled persons [Ustawa z dnia 27 sierpnia 1997 r. o rehabilitacji zawodowej i społecznej oraz zatrudnianiu osób niepełnosprawnych], (Dz.U. z 1997 r., nr 123, poz. 776).

DATABASES

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SOCIOLINGUISTIC AND GRAMMATICAL ASPECTS OF ENGLISH COMPANY REGISTRATION DISCOURSE

The paper examines the complexity of legal communication in English in the context of its stylistic variantivity. The research examines whether the variable of genre and selected sociolinguistic factors affect the grammar of legal texts, and, specifically the quantitative distribution of verbal structures. The analysis fits in the paradigmatic approach to generic and sociolinguistic studies, where the distribution of discrete units is presented in quantitative terms. The operationalisation of the research involved the identification of the relevant linguistic material in the corpus, its statistical processing, and conducting relevant R analysis to determine potential correlations. The findings showed that the legal texts making up the corpus were not stylistically homogenous; the varied provenance of the source texts (from a diatopic and diachronic perspective, and in terms of genre profile) affected the stylistic structure/grammar of the texts; the frequency distribution of same grammatical categories tended to be discriminative for various categories of texts. The research makes a contribution through addressing legal communication within the realm of secondary genres that are underrepresented in legilinguistic studies, constituting a significant yet problematic domain from an intra- and inter-linguistic perspective. The findings obtained in the analysis and patterns are of practical use in multi-national, institutional environments, where English is used as a lingua franca in corporate communication. Moreover, the conclusions drawn provide a foundation for studies on legal translation in professional settings, including the didactic perspective.

Keyword: legal language, sociolinguistics, stylistic variantivity, lingua franca, verbal structures.

1. INTRODUCTION

An overview of the research into legal language shows that over the last few years there has been an increasing tendency to foreground the phenomenon of variantivity² in text stylistics³. It is either that the researchers explicitly aim at identifying distinctions between various areas of legal communications, or that they conduct their analyses on various sections of legal language data, which is determined by the existing types of corpora, technical feasibility to process them and the market-related needs. Ultimately, the findings gathered

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² The term *variantivity* is used in the foregoing with reference to the potential of legal language to express one function with distinct stylistic/grammatical tools.

³ The empirical data caused that variation is recognised to be a feature typical also for specialised languages which is manifested in the development of new research areas such as Socioterminology and Sociocognitive Terminology. For more information (See: Peruzzo, 2017).

are either an account of differences between the dissected types of legal discourse or an account of the distinctive features of legal stylistics, held as universal for legal communication, yet annotated with the reservation that they were identified in a field-specific corpus. Whichever is the case it remains evident that legilinguistic research takes account of the intra-domain distinctions, and 'domain' here means the whole area of legal communication.

The factors causing distinctions in legal stylistics are manifold. The titles of the papers and monographs are often indicative of their nature. Hence, the stylistic distinctions run through (i) specific types of legal texts, (ii) specific institutional domains delineated by the types of users (in professional settings) or (iii) legal systems (in the EU context), (iv) specific national context (in Italian legal texts)⁴.

In the research under discussion the primary objective was to identify potential distinctions in the stylistic structure of the legal texts belonging to a communicative context that is specific and homogenous, yet varying in sociolinguistic and genre-related background. The study is intended to be a modest contribution to the corpus-based studies (See: for example, Baker, 2004; Pontrandolfo, 2015; Biel, 2014), making use of the concept of *shallow features*, also referred to as *discrete units* (See: Legallois, Charnois & Meri Larjavaara, 2018), processed in a supervised way (See: Longérée & Mellet, 2018). The author is aware of the shortcomings of the analyses based on the processing of discrete units, as voiced in the literature of the subject (See: Longérée & Mellet, 2018), yet the aim of this paper is to go somewhat beyond the basic model of this kind of analysis in which texts are thought to be mere material to be statistically processed and – firstly – take account of the sociolinguistic background of the texts and – secondly – possibly develop the qualitative description component. The variantivity factor will be measured by taking account of the variables of text genre, country origin of the documents and year of publication of the document. The choice of these variables may be said to be natural since the variables that were transformed in the categories of statistical description were found to be the factors differentiating the documents making up the corpus.

The added value of the study is also deemed to lie with the authenticity of the material, its representativeness of English as the lingua franca (See: House, 2013), its qualification as secondary genres⁵, the homogeneity of the material in terms of the legal domain the texts belong to (registration-related discourse) and application of apt and effective – as is deemed to be – querying techniques making use of detailed filtering against metadata selection and thus enabling presentation of detailed and precise results.

It remains the main objective of the study to confirm a well-established hypothesis about stylistic distinctions in the legal discourse. It is hypothesized that the texts making up the corpus which are related to the same communicative situation (company registration proceedings) do not make a stylistically homogenous group and the distinctions run through the variables causing the variantivity (i) genre, (ii) country of origin, (iii) year of the source texts.

⁴ Examples here include, in the order of mentioning: studies of court judgements (See: Pontrandolfo, 2015; studies on corporate discourse see: Bhatia, 2017; studies conducted on EU texts in general see: Biel, 2014; interlingual analyses – Ebeling, 1998.

⁵ Studies on secondary genres are claimed to be underrepresented in legilinguistic studies (See: Bhatia, 2006).

2. CORPUS AND DATA SELECTION; TASK OPERATIONALISATION

The analysis was conducted on the basis of a custom-designed corpus composed of English documents and their Polish translations, as found on court files at the National Court Register (working title: CorpCourt). The documents include commercial law documentation for court registration proceedings in Poland. The CorpCourt corpus as a whole covers source texts and their translations and has been used as a translation corpus and/or parallel corpus for other studies⁶. Materials are pre-processed, individualised and aligned. The corpus includes c. 1.1 million running words of source documents and approx. the same number for the translated texts. For the purpose of conducting this analysis the corpus was not searched in its entirety and the author processed only the source text data.

With regard to the corpus design principles which hold true both for the corpus in its final shape as a translation/parallel corpus and in its source-texts-only variant exploited for the analysis in question the following comments need to be made. CorpCourt accounts for the principle of homogeneity in that the documents belong to the same context, domain, setting, purpose. The author used systemic search criteria which means that the search criteria were defined by spatiotemporal factors, that is (i) the year of entry in the register and (ii) the category of registration proceedings. Specifically, CorpCourt comprises an exhaustive set of documents for the year 2017 as found on court files for the registration of a branch of a foreign company in 1 out of 21 divisions of the National Court Register in Poland. The principle of exhaustive search and the fact of having searched an adequate proportion of the court localisations (2 out of 21 units of National Court Register) and systemic pre-definition of court files to be searched testifies to the reliability of the results.

The operationalization of the hypothesis involves calculating the frequency of selected verbal structures and comparing the results against the variables picturing the situation for genre-related, diatopic and diachronic perspective. Verbal structures were selected since they are claimed to constitute an important component of specialised languages in general and their distribution and use is said to be genre specific (See: Gotti, 2005; Williams, 2005). The nine types of verbal structures were selected on the principle of being basic forms and used extensively in the texts making up the corpus, which was established via visual pre-analysis of the corpus. For the sake of clarity, the term verbal structures is used with reference to the main categories covered by analysis and visualised on the radarplots (Figures 1–5) with abbreviated labels. Whenever the author refers to the forms or types then specific categories of verbal structures are meant.

This study was developed through the following stages: (i) lexical data processing was performed using Sketch Engine software; (ii) statistical computing was performed with the R tool; (iii) the data were normalized; and (iv) the frequencies of the features analysed were calculated for individual genres (predefined functionally) and with the variable of country and year of document publication. The texts making up the corpus involve the following categories: CONFIRMATION OF REGISTRATION, COMPANY EXTRACTS, FOUNDATION ACTS, DECLARATIONS OF WILL, FINANCIAL DOCUMENTATION, REPORTS, AUTHENTIFICATIONS, AUTHORISATIONS, VERIFICATIONS, RESOLUTIONS and MISCELLANEOUS. For calculating the tendencies with regard to the variable of year, country of origin the metadata were standardised to the following broader categories: (i) country: US, UK, EU, AS, CA and (ii) year: <2000, 2001–2010, >2010.

⁶ The author uses the term parallel corpus as stipulated, for example by (Ebeling, 1998; Więclawska, 2018; Więclawska, 2019).

The steps in the R analysis involved plotting radar-plots data pre-processing. PCA analyses were performed to see if there are any clear clusters. Unfortunately in each case the proportion of variance carried out by the two first principal components was low.

3. RESULTS

Plotting the frequency data allowed the author to arrive at the distribution schemes of the verbal structures covered by the analysis in the context of the variable of genre, country of origin and time of publication of the documents making up the corpus. The verbal structures scrutinised include the following, starting from the top, reading the Figure in the clockwise direction: *modals with past reference followed by active infinitive*, *modals with present reference followed by active infinitive*, *modals with present reference followed by passive infinitive*, *present perfect active forms*, *present perfect passive forms*, *simple past active forms*, *simple past passive forms*, *simple present active forms* and *simple present passive forms*. Figure 1 visualises the data for the genre referred to as FINANCIAL DOCUMENTATION but it is held as a fairly close model, representing the average data distribution for all the texts in the corpus.

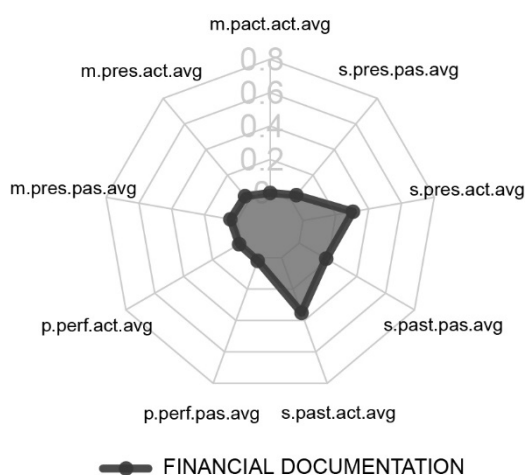


Figure 1. Model frequency distribution of verbal structures for the CorpCourt texts

It is evidenced that majority of the verbal structures present equal participation in the usage and three of them show themselves as salient values. The latter class includes simple present active forms, simple past passive forms and simple past active forms. The extensive use of basic grammatical tenses, as is the case here shows the texts making up the corpus present high level of generality (See: Gotti, 2005).

The foregoing discussion is not intended to refer to all the aspects of the material compared. The author refers only to selected patterns within a verbal structure which is shown to be most prominent statistically and/or relevant as a rhetorical tool of text stylistics. The discussion proceeds from the identification of the verbal structure which causes stylistic variability in the context of the variable of genre, place of origin and time of document publication, and discussing selected aspects of this verbal structure. Notably, even when

comparison of two different distribution patterns yields a few differences, the author limits the discussion to one instance because of limitation of space and the scope of the data processed.

The general frequency distribution is visualised in the Figures in the text but the author uses additional data extracted from Sketch Engine performing further queries with the functionality of filtering and sorting the material so that the operation of the three variables is accounted for. Importantly, the truly comparative component of the discussion is limited to identifying the distinctive linguistic features, that is the extensive use of given verbal structures. The data discussed further in relation to these features refer exclusively to various aspects of the verbal structure, as found distinctive in the context of a given variable. The discussion at this stage does not focus on the aspects that constitute the material causing distinctions. Specifically, the data related to the tendencies evidenced on the relevant Figures below and discussed, refer consistently to the specific categories within the salient verbal structures (types/forms), their semantic profile and – if possible – some tendencies with regard to the closest collocates.

Figure 2 below presents the data that are illustrative of a case of stylistic distinction of two genres. The data were extracted by applying the querying formula: [tag="VVP|VVZ|VBZ|VBP"][[tag!="VVN|VBN"]], which involves the elimination of the so called noise and unwanted structures. The most significant differences between the genre-related contexts compared seems to be the case of simple present active forms which show to be dominant in the texts related conceptually to the category COMPANY EXTRACTS when juxtaposed with the sub-corpus of the texts affiliated to the conceptual category FINANCIAL DOCUMENTATION.

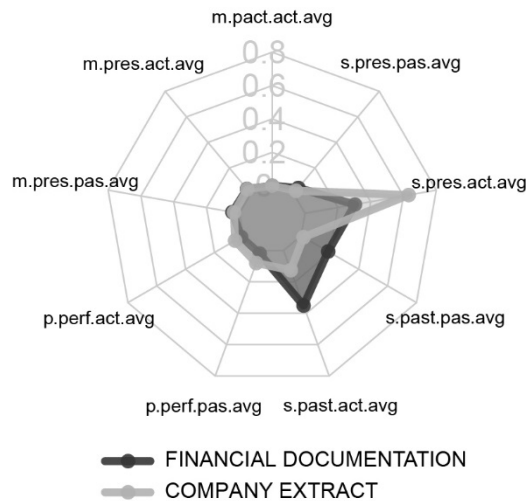


Figure 2. Comparative account of the frequency distribution of verbal structures in the category FINANCIAL DOCUMENTATION and COMPANY EXTRACTS – salient simple present active forms

The scores for the two genres are 631 hits (561,29 per million) and 592 (627,48 per million) in favour of COMPANY EXTRACTS. More detailed processing of the material allows us to discern various types of verbs which fit in the category of verbal structures labelled as simple present active. The top agent on the list here is the third person singular form of 'be', both in negations or affirmative sentences. These forms account for more than half of all the instances of simple present active (229 hits/203,7 per million out of the total of 631 hits/561,29 per million). The high frequency of the third person singular forms of 'be' often followed by predicative adjectives acting as subject complements or predicative adjuncts acting as complements of the copular 'be' can be attributed to the preference for simplicity. Sophisticated forms are avoided and basic verbs with a wide scope of application are used instead. This principle shows to be more in force for COMPANY EXTRACTS which is justifiable on the grounds of low complexity of the contents and purely, standardised communicative function of the said texts. Also, there are numerous instances of third person verb forms followed by the pro-form 'hereby' and these are considered as markers of performative forms, which remains one of the most common characteristics of legal language, being exceptionally distinctive for the genre of COMPANY EXTRACTS, as emerges from the data.

Furthermore, some of the context in which simple present active structures are used in the texts fitting the category of COMPANY EXTRACTS confirm the assumption made about grammar of specialised languages saying that some verb forms are used not according to the time axis of the events in question but as a tool to fulfil some rhetorical function. The case in point seems to be consistent use of third person singular 'be' followed by infinitive to express command or contingent future.

Generic distinctions with regard to the verbal structures are also visible when we juxtapose the texts classified as FOUNDATION ACTS and COMPANY EXTRACTS. Figure 3 shows that *modals with present reference, followed by the active infinitive* stand out when compared with the documents categorised as COMPANY EXTRACTS.

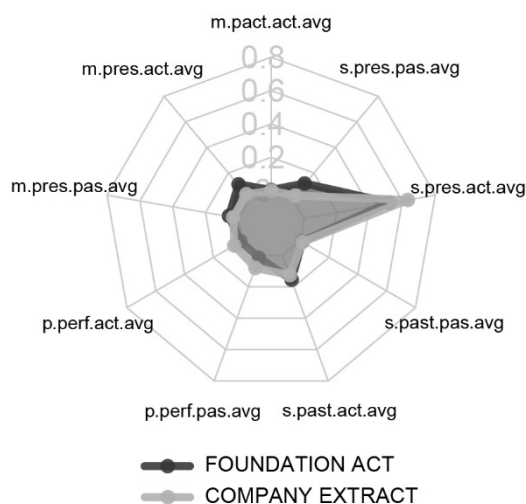


Figure 3. Comparative account of the frequency distribution of verbal structures in the category FOUNDATION ACT and COMPANY EXTRACTS – salient modals

The extraction of the relevant material was performed by operation of the query: [tag="MD"&word!="will"] [tag="RB"]{0,1} ([tag="VV"] [tag="VH"] [tag="VB"] [tag!="VVN"]). This allowed for elimination of the noise and unwanted structures and – after having filtered the material for the salient genre – provided us with frequency data for the documents classified as FOUNDATION ACTS. *Modals with present reference followed by active infinitive* account for 4,402 hits (3,916.66 per million) as compared to COMPANY EXTRACTS which the score of 146 hits (129.87 per million).

There are a few comments to be made at this point. Firstly, closer examination of the categories of the said modals here points to the high position of *shall*, which is in line with the empirically evidenced assumptions about the increased use of deontic *shall* in legal texts. It is evidenced that this tendency is stronger for FOUNDATION ACTS. Secondly, the unequal distribution of the frequencies in this respect points to high correlation between the communicative function of a text and the use of these verbal structures. FOUNDATION ACTS are found to include more rhetorical tools that serve as a vehicle for imposing/stating rights. When used in its deontic capacity, *shall* is the main tool to express obligation, which is of significant application in the texts types scoring higher results in frequency of usage. Thirdly, the frequency data for the individual modal verbs used in the context referred to as modals with present reference followed by active infinitive show huge disproportions in the distribution, which may be considered to be the peculiarity of the genre in question. As mentioned, the list of modals with present reference, followed by active infinitive is topped by *may*, scoring 2,077 hits (1,847.53 per million). *May* is followed by *shall* with a score of 1,983 (1,763.92 per million). The remaining categories such as, for example, *must*, *would*, *can* and *need* fall well behind in terms of scores. This points to the highly repetitive structure of legal texts categorised as FOUNDATION ACTS, also confirmed by the repertoire of the lexical items constituting the immediate, first-to-the-right context. Again the disproportion here is significant in that the first 5 hits show formula scoring 100 hits or more with *shall not apply* as a leader (226 hits (201.03 per million), while the number of occurrences for the other modals constitutes less than one third of the top scores.

3.1. Diatopic perspective

With regard to the diatopic perspective, potential variation in the distribution of the lexical features in general is assumed to be operative on the grounds of differences in the legal systems to which the said texts belong. The influence of this factor on the stylistic structure of the texts remains unquestionable and it is materialised, among others, by virtue of the principle of intertextuality which obligates the entities drafting legal texts to use prefabricated, constantly recurring phrases from the statutory instruments. If the latter differ cross-nationally the texts classified as secondary genres will display stylistic differences as well.

Analysis of the material from the diatopic perspective is promising and revealing in view of the range of foreign countries and thus system represented by the texts making up the corpus. These are not only instances of the UK or US varieties but also texts from other Anglophone countries, where English has the status of first official language, second official language or is the language of corporate communication in the capacity of the lingua franca.

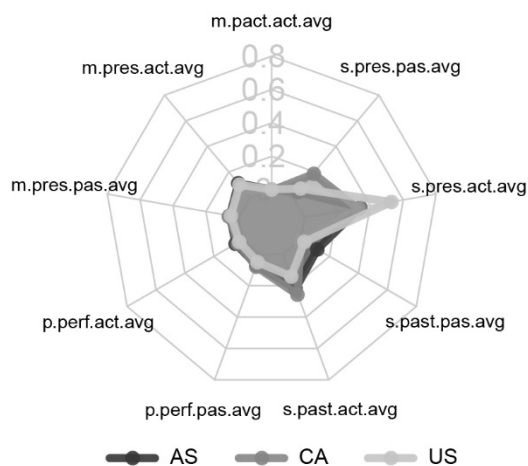


Figure 4. Diatopic account of the frequency distribution with regard to verbal structures – salient simple present active forms

The data visualised in Figure 4 evidence a few salient areas. One of them is the relatively increased frequency of simple present active verbal structures in the texts originating in the US. The technical aspect referring to the query formula with respect to this verbal structure was already referred to.

Referring to the US background, the overall score for the US with regard to the said verbal structures is 1,110 hits (987.32 per million). This number is yielded by Sketch Engine after the data were filtered according to the possible noise factor (hits followed by past participle form, which would constitute cases of passive voice, were eliminated) and country of origin of the document publication.

The linguistic material that proves to demonstrate the increased frequency on the radar-plot (Figure 4) can be split into the categories corresponding to the types of verb forms. The score in point is as follows: third person singular simple present tense lexical verbs other than *be* top the list with 453 hits (402.95 per million); this category is followed by the third person singular simple present verb *be* scoring 373 hits (331.79 per million); with two further, minor categories with decisively decreased scores, and these are non-third person singular simple present lexical verbs other than *be* evidenced with 181 hits (161.00 per million) and non-third person simple present forms of the verb *be* with 103 hits (91.62 per million). Three comments may be made at this point. Such a frequency distribution shows preference for the third person forms in the said texts, whether these are lexical verbs or simple present forms of *be*. Third person form is impersonal and it is often exploited in performative formula, which defines legal discourse in general to some point, and proves to be a specifically strong peculiarity of the simple present active forms in the texts originated in the US. Moreover, the high position of *be* in simple present and *do/does*, both found in the top 10 word forms testifies to the evident preference for the use of verbs of wide application. Finally, the semantic profile of the lexical verbs proves to be highly schematic. The top 10 lemmas are dominated by the verbs that operate as authority markers, either by the act of legitimising acts in law (*approves, certifies, bears* [the signature]) or by the act of exercising rights (*adopts, resolves, requires*).

3.2. Diachronic perspective

The diachronic perspective visualized on Figure 5 below was supposed to examine whether legal grammar is subject to variation in time, with focus on the scrutinised verbal structures and – if ‘yes’ – which verbal structures are affected. The hypothesis related to variation in time rests on the positive empirical evidence on the time-related variation in legal terminology (See: Peruzzo, 2017), including the short-period perspective. The time span variable applied in this study is visualised as the three temporal categories according to which the texts making up the corpus were classified. The period taken into consideration is determined by the date of publication of the said documents and it covers approximately 20 years. There are literally a few documents dated in the 1960’s but these make a statistically insignificant sample.

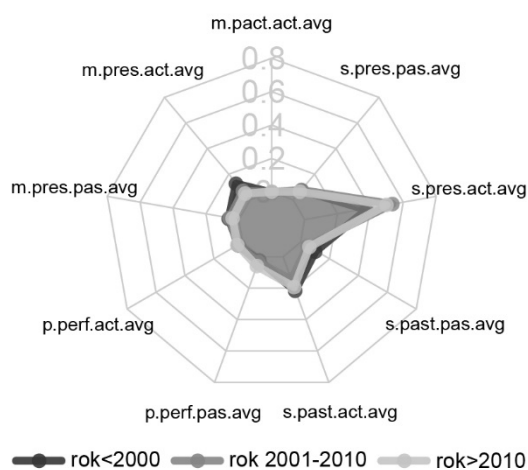


Figure 5. Short-term diachronic account of the frequency distribution with regard to verbal structures

As evidenced in Figure 5 no significant variation is noted with regard to the use of the verbal structures under analysis. None of the lexical features analysed shows as distinctively salient in any of the specific time slot. The distribution patterns corresponding to the individual periods in principle are overlapping, with simple present active and simple past active forms in a considerable majority, modal present active forms fairly salient as regards the frequency load and the other verbal structures staying at the level of centre-close circles on the radar-plot.

This finding seems to confirm the general assumption about the slow dynamics of legal language (See: Lemmens, 2011; quoted after Peruzzo, 2017) even in longer time perspectives. It may also be the case that verbal structures prove to be more change resistant in the diachronic perspective that other areas of legal language, terminology being an example of the latter (simplification, proliferation of new terms referring to one concept etc.).

4. CONCLUSIONS

The discussion presents results that foreground the features of legal language against the background of specialised languages in general. The added value of the findings consists in

presenting results related to the so-called secondary genres of legal communication, and there are few studies that do that, especially as regards authentic texts. Specifically, the data complements the findings gathered in the research on prescriptive texts, mainly EU texts. Additionally, the research addresses the need for more field- and context-specific research in that it relates to the domain of corporate law, focusing on the company registration discourse thus enabling future comparative studies setting legal stylistics in general against domain specific stylistics (company registration discourse).

Some of the findings confirm the well-established assumptions related to the specificity of specialised communication on the ground of legal communication, and specifically distinctive features of verbal structures. Here belong (i) the prevalence of present indicative (See: Gotti, 2005) (ii) the correlation between the frequency scores of specific data and text types with regard to their communicative purpose (See: Gotti, 2005) and (iii) the fact that it is often the rhetorical functions that determine the verb forms and not the time axis (See: Gotti, 2005; Lackstron, Selinker, & Trimble, 1973). The discussion also unveils some correlation or lack of correlation between the said verbal structures and some sociolinguistic factors presenting the lingua franca dimension of English.

It remains the author's hope that, apart from being a research exercise which – hopefully – complements the bulk of research on English legal language, the research provides valuable and reliable material for didactics of specialised languages. Teachers receive a confirmed repertoire of grammatical structures that recur through the said area of legal communication, which allows them to authenticate the teaching process and profile the teaching curricula in a rational and market-related way. What is of significance, the materials serve as a good source for compiling context-specific and usage-based functional equivalents for a number of rhetorical structures and routine formula to be used in translation, both with regard to teaching translation and practising translation.

It needs to be admitted that in some respects, even within the realm of verbal structures, the analysis did not exploit the problem area in total. For more complete results the research could be extended by covering new disciplinary domains of legal communication and – with regard to the structures analysed – it could cover other verbal structures, including the non-finite constructions. It is to be verified whether more in-depth qualitative analysis could disclose some functionally significant yet frequency-wise less prominent structures which remain distinctive markers of the registration discourse stylistics. This can hopefully be achieved by more fine-grained techniques of querying the corpus, involving various combinations of metadata filtering and by applying processing some the material for sociolinguistic data with regard to the individual genres.

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w Zeszytach Naukowych Politechniki Rzeszowskiej
zjawiska *ghostwriting* i *guest authorship***

Aby przeciwdziałać nierzetelności w nauce (*ghostwriting*, *guest authorship*), redakcje Zeszytów Naukowych Politechniki Rzeszowskiej prowadzą odpowiednie procedury charakterystyczne dla reprezentowanych dziedzin nauki i na bieżąco wdrażają podane rozwiązania:

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Z *ghostwriting* mamy do czynienia wówczas, gdy ktoś wniósł istotny wkład w powstanie artykułu, lecz ani jego udział jako jednego z autorów nie został ujawniony, ani nie wymieniono go w podziękowaniach zamieszczonych w publikacji.

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Formularz recenzji / Review Sheet

Zeszyty Naukowe (HSS i MMR) / Scientific Papers (HSS and MMR)

Tytuł pracy/Title:

A Prosimy o odpowiedzi na następujące pytania
Please respond to the following questions

1. Czy tytuł pracy jest zgodny z jej treścią?
Does the title of the paper reflect the content sufficiently? Tak Nie
 Yes No
2. Czy podejmowane problemy są aktualne?
Are the discussed issues up-to-date? Tak Nie
 Yes No
3. Oryginalność pracy
Paper originality **Max. 20 points**
4. Realizacja założeń sformułowanych w celu pracy
Goals realization formulated in the paper objective **Max. 20 points**
5. Poprawność języka i stylu pracy
Language and style correctness **Max. 20 points**
6. Dobór literatury i wykorzystanych źródeł
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- Suma punktów:
- Total no. of points:
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Is the paper suitable for publication?
- Tak/Yes
- Tak, ale po wprowadzeniu wyszczególnionych w punkcie 9. uwag
Yes, but after the remarks specified in point 9 are corrected
- Nie, ponieważ/No, because

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podpis Recenzenta / Signature of the Reviewer

Uzasadnienie odrzucenia recenzji/ Justification of review rejection

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**9. Proponowane przez Recenzenta zmiany:
Suggested changes by the Reviewer:**

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Instrukcja dla autorów artykułów naukowych publikowanych w Oficynie Wydawniczej Politechniki Rzeszowskiej

Jan KOWALSKI¹ (czcionka 10 pkt, pogrubiona, wyrównanie do lewej)

TYTUŁ ARTYKUŁU (CZCIONKA 14 PKT, WERSALIKAMI, WYŚRODKOWANY, POGRUBIONY, ODSTĘP PRZED AKAPITEM 42 PKT, PO 18 PKT)

Streszczenie tekstu 1 akapit zawierający **100-150 słów**. Czcionka 9 pkt, wcięcia obustronne 0,5 pkt, wcięcie pierwszego wiersza 0,5 pkt, tekst wyjustowany.

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2. TYTUŁ ROZDZIAŁU (czcionka 10 pkt, wersalikami, pogrubiony, wysunięcie pierwszego wiersza 0,5cm, numerowany, odstęp przed akapitem 12 pkt, po akapicie 3 pkt)

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Rys. 1. Przykład rysunku i jego opisu (opis rysunku umieszczony pod rysunkiem, czcionka 9 pkt, wyjustowany, obustronne wcięcia 0,5 cm, wysunięcie pierwszego wiersza 1 cm, odstęp przed akapitem 6 pkt, po akapicie 3 pkt)

¹ Informacje o autorze: tytuł (stopień), imię i nazwisko, jednostka organizacyjna, uczelnia, miejscowość, adres uczelni, mail. Informacje w przypisie proszę podać zarówno w języku polskim, jak i angielskim. W przypadku kilku autorów artykułu proszę wskazać, kto jest autorem korespondencyjnym. Każdy z autorów jest zobowiązany do podania numeru ORCID. Instrukcja dla nieposiadających: https://www.ifj.edu.pl/library/open-access/materials/Instrukcja_ORCID.pdf

Tabela 1. Przykład tabeli i jej opisu (czcionka 9 pkt, wyjustowany, wysunięcie pierwszego wiersza 1 cm, odstęp przed akapitem 6 pkt, po akapicie 3 pkt)

	Po tabeli należy zostawić odstęp 6 pkt
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Przykład zapisu wzoru:

$$A_2^1 = \sum_{i=1}^n \frac{b_i \cdot \cos^2 \alpha}{2 \cdot a \cdot c} \quad (1)$$

Wzór należy wyśrodkować, odstęp przed i po akapicie 3 pkt, numeracja wyrównana do prawej strony marginesu.

Przykłady cytowania – styl APA:

- Nazwisko autora wpisywane jest w nawiasie okrągłym oraz rok ukazania się publikacji, numery stron podawane są w przypadku dosłownego cytowania tekstu. Zgodnie z Standardem APA nazwiska, rok oraz numery stron oddzielone są przecinkiem: **(Kowalski, 1999)**.
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- Cytowanie więcej niż jednej publikacji autora: Po nazwisku autora wpisujemy chronologicznie lata ukazania się publikacji **(Nowak, 2013; Nowak, 2018)**
- Jeżeli obie publikacje zostały wydane w tym samym roku, po jego podaniu wpisuje się litery alfabetu. Socjolog jest to osoba, która potrafi wyzwolić się ze swoich bezpośrednich uwarunkowań i zobaczyć rzeczy w szerszym kontekście. **(Nowak, 2013a; Nowak, 2013b)**.
- Gdy autorzy noszą to samo nazwisko: Publikacje rozróżnia się stawiając pierwszą literę imienia przed nazwiskiem autora. **(J. Nowak, 2018; Z. Nowak, 2016)**
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- Powołując się na pracę zbiorową, należy podać nazwisko redaktora ze stosownym dopiskiem (red., red nauk.) ale w nawiasie kwadratowym, (Nowak, Kowalski [red. nauk.] 2013)
- Akty prawne: wskazujemy początek tytułu np. ustawy, rozporządzenia (w bibliografii pojawia się pełny tytuł), autor może wskazać konkretny paragraf lub artykuł,

który pojawia się jako strona (**Ustawa, 2005, art. 35 ust. 1**). Jeżeli autor wykorzystuje dwa lub więcej aktów prawnych z tego samego roku, wówczas podajemy pierwsze wyrazy tytułu aktu prawnego (**Ustawa o Straży..., 2001, art. 1. par.4**).

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Nowak, J. (2016). *Współczesne problemy aksjologiczne*. Warszawa: PWN.

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Kowalski, A. (2016). *Etyka życia codziennego*. Warszawa: Wydawnictwo Naukowe PWN.

— (2018). *Wartości codzienne*. Warszawa: Wydawnictwo Naukowe PWN.

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Nowak, H. (2018). *Etyka życia społecznego* [w:] Kowalski E., red., *Etyka*. Warszawa: Państwowy Instytut Wydawniczy, s. 13-25

- Z kolei opis bibliograficzny artykułu w czasopiśmie przybiera następującą formę:

Nowak, S. (2015). *Płaszczyzna aksjonormatywna*. "Studia etyczne" Nr 4.

- Akty prawne :

Ustawa z 2.10.2005 o podatku dochodowy. Dz.U. 2005, nr 20, poz. 456, z późn. zm.

- Opis dokumentu elektronicznego musi zawierać datę dostępu, źródło dokumentu, typ nośnika, wersję, np.:

Staśkiewicz T. (2016). *Co by się stało gdybyśmy wszyscy zostali wegetarianami? Naukowiec z Oxfordu szokuje prognozami* [dostęp: 18.02.2018]. Dostęp w internecie: <https://innpoland.pl/125943,co-by-sie-stalo-gdybysmy-wszyscy-zostali-wegetarianami-naukowiec-z-oxfordu-szokuje-prognozami>

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