ORGANIZATION AND MANAGEMENT

ORGANIZACJA I KIEROWANIE

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CONTENTS

SZYMON CYFERT*

THE INTRODUCTION

Progressing globalization processes and rapid development of ICT, which is reflected in an increase in turbulence and a decrease in predictiveness of phenomena occurring in our environment, significantly alter conditions of operation of modern enterprises. In new conditions, an ability to achieve a sustainable competitive advantage is possessed only by those companies that use inner mechanisms weakening the effect of inertia and resistance to change that can grow faster than their environment.

Adopting the assumption that one of the mechanisms initiating, enforcing and accelerating processes of an organization's adaptation to its environment involves innovation described as discontinuous, multi-faceted and multi-dimensional phenomenon, raises the question about the reasons for a relatively low level of innovation activities in Polish enterprises.

Analysis of the phenomena occurring in the sphere of economic practice allows us to formulate the thesis that a kind of "reluctance" observed in respect of implementing innovative measures stems from the perception of innovation processes as projects characterized by a low level of probability of success, a high level of risk and demand for capital, whose potential effects are deferred. Innovative measures undertaken by enterprises are most often by their nature either a simple imitation of solutions already existing on the market or are implemented ad hoc, on a short-term and random basis, without analyzing consequences of the measures undertaken for the organization as a system. This results in a mismatch between an offer and market requirements, reduction in the level of effectiveness of the implementation of innovative processes, and subsequent weakening of the synergic effect.

Observation made by Paweł Mielcarek about the impact of dynamics of phenomena seen in the environment on the shape of the innovation processes management became a starting point for him for discussion regarding results of the research procedure concerning intensification of innovation processes implementation in medium and large Polish companies from the industrial sector. The Author, indicating a relatively

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low level of maturity of innovation processes in the analyzed enterprises, points out to a need to intensify innovative activities.

Barbara Fryzel attempts to analyze the impact of corporate social responsibility initiatives and attitudes towards CSR declared by companies on attribution and attitude towards a company. An experiment conducted by the Author allowed her to come to a conclusion that both CSR initiatives and general declarations may affect shaping perception of companies' social identity, which is essential for the preservation of its stakeholders.

Norbert Thom's considerations relate to the possibility of using internship programs in talent management processes. The Author, based on carried out observations, indicates benefits and risks of using internship programs in talent management, stressing out that they offer outstanding development opportunities.

Krzysztof Nowosielski analyzes the relationship between raising IT skills of staff responsible for the management reporting processes and efficiency of these processes. Using the method of case studies, the Author points to a clear relationship observed between the level of IT skills of people responsible for management reporting processes and the performance of management reporting processes; he also outlines directions for further research in this area and makes recommendations for the practical applicability of the results.

The underpinning assumption of the article by Sławomir Winch is the impact of the time orientation of company managers on their leadership style. The Author, based on a four-piece model of leadership styles (in which he distinguished: strategic, activating, forcing and operational styles) and the results of a performed quantitative research, showed a strong relationship between enterprises' orientation to the future and the strategic leadership style.

The assumption adopted by Kamila Malewska and Maja Sajdak regarding the necessity to apply intuitive approach to strategic decision making in the management processes, as well as assumptions of the efficient company concept, was a starting point for the Authors for the discussion on the characteristics of competencies and skills of modern managers.

Enjoy your reading,
Szymon Cyfert

PAWEŁ MIELCAREK*

IMPLEMENTATION OF INNOVATION PROCESS IN INDUSTRIAL ENTERPRISES – RESEARCH RESULTS

Introduction

Operation of enterprises in the turbulent environment characterized by increasing competitive pressure and the pursuit to meet customers' needs force to innovate in a systematic and efficient manner. These assumptions correspond to the concept of a process approach to manage innovation (further in text a term: Business Process Orientation – BPO will be used)). This concept involves putting strategic objectives of organization into the level of processes, while striving to meet customers' needs and improve the efficiency of operations. As a result of these actions a process-oriented organization should be created. However, in practice, the demand of shifting business model into operational activities is limited by a number of barriers. Those obstacles make it rather difficult and even in some cases impossible, to implement BPO for the development and manufacturing of innovation. One of the significant resistances in contemporary organizations is concentration on the perspective of activities through the prism of functions and specific tasks assigned to the job. This attitude weakens ability to create final results and added value for the customers. Those circumstances favor creating phenomena of sub-optimization, which contribute to a waste of resources involved and may lead to loss of productivity and efficiency across the organization.

The transition from an organization based on the functional structure to the process-oriented structure should be perceived as a strategic and long-term action. This task requires simultaneous changes in many self-related aspects of the organization,

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including: organizational culture, management style, organizational structure, procedures/processes, skills and attitudes of employees. Therefore, there was a need to develop the concept that supports implementation and development of the process approach to the management of innovation. Proposed model of maturity of the innovation process was used to investigate the degree of implementation of BPO in Polish industrial enterprises.

The main purpose of this article is to analyze the degree of implementation of innovation process in Polish industrial companies based on proposed model.

This paper has a three-stage division: the concept of innovation process maturity, methodological assumptions of research and the obtained results.

1. Model of innovation process maturity

The concept of innovation process maturity was based on the following assumptions:

- utilitarianism, concept can be used irrespective of the operation conditions or business model;
- specific and detail criteria, which will allow to separate different levels of maturity of the innovation process.

A further step in defining the model was to meet above mentioned assumptions and requirements of the process oriented organization to specific processes, including a parameterized action. In this research one used J. Brilman's model that determines the maturity of the process [J. Brilman 2002, p. 302]. The next step was to adapt this model to the requirements of the innovation process. In the result specific level of innovation process maturity is determined by four interrelated activities, organized as a cycle of actions:

1) Design/improve map of the innovation process including development of innovation management procedures. Map of processes, along with a map of relationships and scheme structure are a description of mutual relations connecting the entities involved in the process [P. Grajewski 2007, p. 152]. The key premise of designing architecture processes is to meet the needs of the customer (inner or outer). This is also one of the key objectives in preparing strategy of the organization and an innovation strategy. Transition from the level of innovation strategy to the level of innovation process and individual tasks should include setting of goals and outcomes that fulfill the assumption of inner coherence. This means that each step in the process should have a specific purpose that determines every specific action and achieved effect.

2) Design/improvement of structures that include designation of the owner of the innovation process. It is assumed that the transformation of the structures may

involve several phases of the transition, beginning from a functional organization (at this step there are no owners of the process), to functional organization based on the projects, followed by a matrix-organization with processes and finally to fully formed process organization [P. Grajewski 2003, p. 239].

Designation of the owner of the process includes listing tasks, responsibilities and scope of resources management (equipment, human resources management, funds spending) adequate to realized duties, and specification of process.

3) Monitoring of current innovative projects including a system for measuring the results of the process. This includes management of entities (including project teams) during realization of projects and the coordination of dependent resources. The issue of team`s cooperation and the prevention of the phenomenon of "white wholes" are particularly important between the tasks carried out. [G. Rummler, A. Brache 2000, p. 51–52]. The effectiveness of the projects depends largely on the level on performance level of the two previous steps.

4) The final efficiency of the innovation system and defining directions of improvement of the process. Performance management is a continuous process of monitoring of achieved results compared with the basis of customer satisfaction. Based on this assessment, proposals of renewal actions are prepared (that includes correction of errors in the process). Process improvement is possible by ensuring continuity and cyclical processes in the organization.

It is assumed that all above listed actions affect the efficiency of the innovation process. Because these operations are interdependent, that is why the level of maturity is designated by performance (intensity) of each of those actions. It is assumed that each of four operations can be performed with different intensity:

- lack of implementation;
- fragmented implementation;
- implementation of a large extent;
- complete implementation.

As a result of the combination of four operations, that determine innovation process and different intensity levels of their performance, there are four levels of maturity of the innovation process (see: Figure 1):

1) The lack of maturity of the innovation process. Not all of the innovation process determinants are realized. So there are ad hoc innovation actions as results that are characterized by a low efficiency. The organization does not have the ability to control and improve the innovation process.

2) Moderate maturity of the innovation process. The innovation process is carried out at least as fragmentary, which allows conducting systematic actions, control, and improves efficiency goal orientated approach. The effectiveness of the innovation process performance is still limited by the inertia of the organization. At this stage of maturity, innovation process has low efficiency.

3) Formed maturity of the innovation process. The innovation process implemented to a large extent, resulting in an increase in the efficiency of actions. There is a correlation and feedback between different activities realized in innovation process. There is stabilized innovation environment in organization and proactive attitude of employees prevails on the passive behavior. There is significant increase of ability to improve and develop the innovation process in an organization.

4) Complex maturity of the innovation process. Operations are performed comprehensively and as a result the organization is able to adapt to changing conditions and attain its goals, achieved full efficiency of the innovation process.

Figure 1. Maturity model of innovation process

Operations are conducted comprehensively, the organization is able to adapt to changing conditions and attain its goals, achieved full efficiency of the innovation process

complex maturity of the innovation process

Organization carries out all activities to a large extent, increases the level of control and efficiency of the process

formed maturity of the innovation process

moderate maturity of the innovation process

activities carried out at least as fragmentary, ability to process improvement

lack of maturity of the innovation process

lack of systemic activities, very low efficiency of the innovation process

Source: Own study.

Achieved level of maturity of the innovation process is dependent on the intensity of each action in process. Because of interdependencies of all four operations and cycle character of the process it is crucial to provide complementarity of actions in order to achieve effect of synergy. Therefore, the resulting level of maturity of innovation process is equal to the lowest intensity of any conducted actions.

3. Methodological assumptions of research

The analysis of the implementation of innovation process is based on the model of the innovation process maturity. Therefore it required primary data. This was obtained in two-step research based on a survey sent to 1100 companies. The first phase covered 100 companies, and its purpose was to verify the concept and the survey questionnaire. The second stage involved the remaining 1000 companies.

Process of selecting the test sample was based on a few criteria. Size of entity was one of them, due to the correlation between this factor and innovation activity of enterprises (along with growth of size innovative activity increased) [CSO 2012, p. 21]. As a result of this assumption, in the study research sample was narrowed down to medium and large enterprises. Industry's level of technical advancement was another criterion of sampling. It was assumed that the research will cover six branches, two for each type of technical advancement, while maintaining adequate number of entities belonging to any industry [CSO 2007, pp. 138–141; CSO 2010, pp. 161–165]:

- low technology: publishing, printing and reproduction of recorded media and the production of clothing and fur;
- medium technology: production of motor vehicles, trailers and semi-trailers and manufacture of chemical products;
- high technology: manufacture of pharmaceutical products and the production of radio, television and communication devices.

The study covered three years period from January 2007 to December 2009, and concerned companies operating in Poland. Surveys were mailed. In total, after the rejection of incomplete and incorrect answers, one was able to achieve the return information from 80 entities, of which 72 companies declared their activity in the field of innovation, while eight claimed lack of innovation. 7% of the original 1100 companies returned surveys. Details of responses according to industry and innovation activity are presented in the following table (see: Table 1).

The survey included questions about implementation of four indicators characterizing the maturity of the innovation process (design/improvement of the innovation process maps, design/improvement of structures, monitoring current innovative projects, the control of the innovation system efficiency). Each of these activities can be performed with varying levels of intensity (assuming four levels ranging from lack of implementation to complete implementation). As a result of combining innovation process activities and intensity level of their performance one received four levels of maturity of the innovation process. It was assumed that for a given level of maturity of the innovation process all actions must be carried out at least with the same intensity (for example, the second level of maturity – moderate maturity requires the implementation of measures at least as fragmentary). The level of maturity of the

innovation process in the rest of the article is expressed in numerical system. One adopted a scale from 0 to 3, where 0 indicates lack of maturity of the innovation process, 1 is moderate maturity, 2 means formed maturity, and 3 is equal to complex maturity of the innovation process.

Table 1. Number of respondents in a survey, according to industries and innovation activity

Industry	Non-innovative companies	Innovative companies
Manufacture of chemical products	19	1
Manufacture of pharmaceutical products	13	0
Production of clothing and fur	11	3
Publishing, printing and reproduction of recorded media	13	2
Production of radio, television and communication	9	1
Manufacture of motor vehicles, trailers and semi-trailers	7	1
In total	72	8

Source: Own study based on the results of empirical research.

4. Research results of empirical studies

This part of the article presents the results of empirical studies on the maturity of innovation process in the industrial enterprises. In the group of researched companies the average maturity of the innovation process is closest to moderate level and is equal to 0.68 (where 0 is lack of maturity and 1 is moderate maturity). Lack of maturity of the process was declared by 47% of the surveyed companies, 37% are characterized by a moderate maturity of the innovation process, and 17% are formed maturity of the innovation process. It is significant that none of the surveyed companies attained complex maturity of innovation process (see: Figure 2).

Statistical analysis of the relationship between the level of maturity of innovation process and the branch of industry is presented further. In this task one-way analysis of variance (ANOVA) was applied. A prerequisite for this method is to test two basic assumptions: normal distribution of individual groups and homogeneity of variance. Concluded, despite the failure to meet the assumptions of normal distribution (normality of distribution was distorted by the very small sample size, for example, only eight responses from the sector of motor vehicles), the variance proved to be homogeneous. Therefore, minor deviations from the assumptions of ANOVA are acceptable and allow for an analysis of variance.

By entering the verification of the hypothesis of no significant difference between the maturity of the innovation process in the surveyed industries, one set the value

of the test statistics F = 2.85. It turned out that it is so large that it exceeds the critical value (2.38), and can therefore reject the hypothesis of no difference in maturity in innovation process. Evidence of this is also low, not exceeding 0.05 probability level p = 0.02. It turned out that there are grounds to conclude that the average level of maturity in the researched groups was significantly different in at least one case, i.e. for the two industries. This is supported by the calculated average levels of maturity: it is the lowest in the production of clothing and fur (0.18), while it is the highest in the production of radio, television and communication (1.11).

Figure 2. Maturity of innovation process in industrial enterprises in 2007–2009
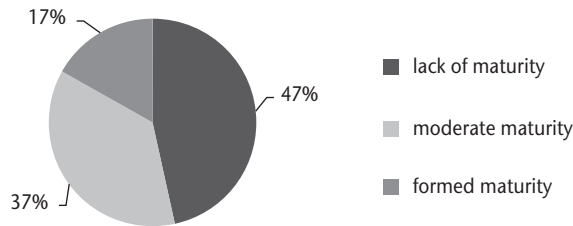
Source: Own study based on empirical research.

By analyzing the relationship between the maturity of the process of innovation and branch of industry it is crucial to emphasize the correlation between the level of maturity and level of technology advancement of industry (see: Figure 3).

Figure 3. Maturity of innovation process by branch of industry in 2007–2009
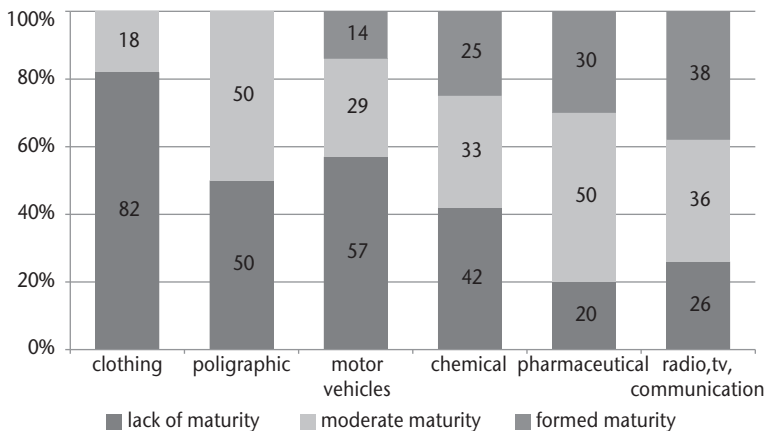
Source: Own study based on empirical research.

The companies belonging to the low technology group (manufacture of clothing and fur, printing and publishing industry) were dominated by the lack of maturity of the innovation process. The lack of maturity predominates in the medium technology industry (manufacture of motor vehicles and manufacture of chemical products), but there also appear some companies with formed maturity of the innovation process. However, the high-tech industry (pharmaceutical manufacture and production of radio, TV equipment and telecommunication) has the highest, among all study groups, representation of shaped maturity level of the innovation process.

Above results lead to the conclusion, that there is a significant relationship between the level of maturity of innovation process and a branch of industry.

The relationship between the maturity of the innovation process and the type of innovation produced in industrial enterprises was another aspect of analysis. In the study, according to the methodology of Oslo, four types of innovations were identified (product, process, organizational and marketing) [European Commission 2008, p. 19]. Subsequently, the impact of innovation scope was designated, according to assumption that each innovation can be characterized by its range. As a result four levels of scope such as: enterprise, regional, national or global levels were established:

It was assumed that the implementation of a range of innovations is a measure of the effectiveness of the innovation process. This conclusion was based on the finding that the result of the innovation process should meet customers' needs while taking into account the activities of competitors. Therefore, scope of innovation spread was taken as a measure of efficiency of innovation process. The broader the scope of innovation spread, the greater the likelihood of achieving the commercial success. Subsequently, the innovation's process efficiency was quantified by assigning weights to the various ranges of innovation:

- Innovations introduced in the company (imitative) assigned a weight factor of 0.125;
- Innovation at the regional level, with a weight 0.25;
- Innovation at the national level, with a weight of 0.5;
- Global innovation, with a weight of 1.0.

Relationship between four types of innovation and the level of maturity of the innovation process is shown in the graph below (see: Figure 4). Among surveyed industrial companies the widest range is represented by product innovations, while the narrowest by organizational innovation.

With regard to the presented results it can be concluded that the lack and moderate maturity in most of the innovation types refers to novelty on the regional level (0.25). In the transition to formed maturity of the innovation process there has been a significant increase in the scope of innovation spread (besides the organization innovation) and has attained national coverage.

Performed ANOVA analysis did not confirm the statistical relationship between the level of maturity of the innovation process and innovation developed range of

products, processes and organization innovation. After all, it can be observed that the higher the level of maturity, the higher the effectiveness of developed innovation (treated as a novelty range). As a conclusion, it can be stated that there is a correlation between those variables, but it was not statistically proven.

Figure 4. Types of innovation and the level of process innovation maturity in 2007–2009
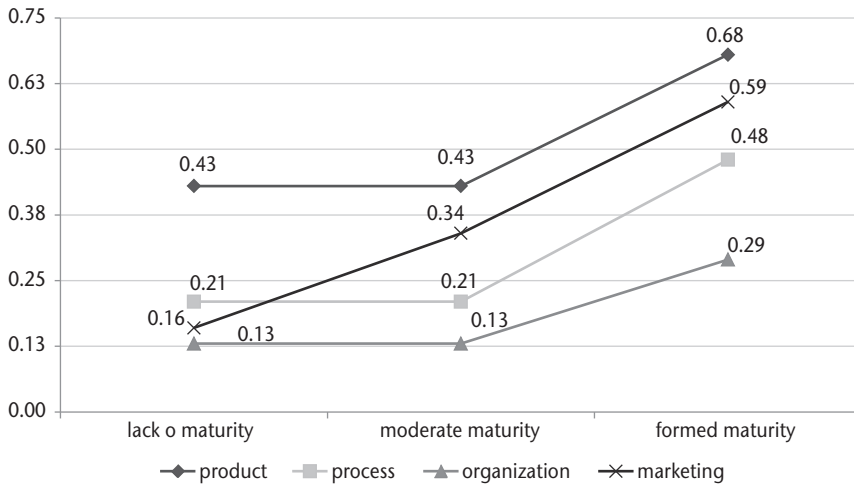
Source: Own study based on empirical research.

Conclusions

The purpose of this article is to analyze the level of implementation of innovation process in medium and large size Polish industrial enterprises. Therefore 80 firms were tested with presented model of maturity of innovation process. Average maturity of surveyed entities was moderate (with score of 0.68 on a scale of 0 to 3), whereas none of the tested subjects reaches the highest level of maturity of the innovation process.

Further tests proved relevant statistical relationship between the maturity of innovation process and the industry branch. The results were achieved with the one-way analysis of variance ANOVA. On that base, it can be stated that higher maturity level of innovation process is adequate to advanced technology industry.

The Effectiveness of innovation process was the last tested dependency. Due to difficulty in comparing separate innovations, as a result of innovation process, coverage criterion was applied. Performed ANOVA analysis did not confirm the statistical relationship between the variables, mainly due to a low number of tested entities.

However it was shown that entities with formed innovation process are more likely to create innovation with wider market coverage, that can be recognize as a higher effectiveness of innovation process.

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IMPLEMENTATION OF INNOVATION PROCESS IN INDUSTRIAL ENTERPRISES – RESEARCH RESULTS

Abstract

The purpose of this article is to analyze the level of implementation of innovation process in medium and large size Polish industrial enterprises. In order to achieve this model of maturity of innovation process was introduced in the first part of the text. This concept consists of successive operations: design/improvement of the map of the innovation process including the development of innovation management procedures, design/improvements of structures and designation of the owner of the innovation process, monitoring of current projects, including the measuring system, the final control of the innovation system efficiency and defining directions of improvement of the process. Further step was to combine listed operations with the intensity of their implementation. On that basis one received four different levels of maturity of the innovation process.

Subsequently, the concept of the empirical research was designed to analyze the level of maturity of the innovation process and the determinants influencing this phenomenon. Average maturity of the enterprises is relatively low (with a score of 0.68 on a scale of 0 to 3), whereas none of the tested subjects reaches the highest level of maturity of the innovation process. Further tests focused on the statistical relation between the maturity of innovation process and the industry branch as well as a range of market coverage by types of innovations developed by the company.

Key words: maturity, innovation, process, industrial enterprise, research results

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Streszczenie

Celem artykułu jest analiza poziomu procesu implementacji innowacji w średnich i dużych polskich przedsiębiorstwach z sektora przemysłowego. W tym celu, w pierwszej części tekstu, wprowadzono model dojrzałości procesu innowacji, a następnie wyróżniono cztery jego poziomy. Następnie w sposób empiryczny zbadano poziomy dojrzałości procesu innowacji i jego determinanty. Przeciętna dojrzałość w przedsiębiorstwach jest stosunkowo niska (wynosi 0,68 w skali od 0 do 3), podczas gdy żaden z badanych podmiotów nie osiąga najwyższego poziomu dojrzałości procesu innowacji. Dalsze badania skupiły się m.in. na statystycznej zależności pomiędzy dojrzałością procesu innowacji, a branżą, w jakiej działa przedsiębiorstwo.

Słowa kluczowe: dojrzałość, innowacja, proces, przedsiębiorstwo przemysłowe, wyniki badań

BARBARA FRYZEL*

CSR MOTIVES AND IDENTITY. ROLE OF ATTRIBUTIONS IN ENHANCING CSR DECLARATIONS

Introduction

Corporate Social Responsibility (CSR), understood as a responsibility of enterprises for their impact on stakeholders and society, is known to produce various outcomes both internally and externally.

As far as internal environment is concerned, it is an important factor in employee and team management [21, pp. 1045–1061] with a potential to enhance morale and produce psychological benefits such as affective attachment [9, p. 371–389]. In terms of external environment, extant research shows that CSR has a capacity to impact stakeholder attitudes [15, pp. 16–32], thus producing reputational effects [4, p. 257–272]. CSR legitimizes corporate conduct through identity construction [5, pp. 129–146]. Finally, CSR shapes consumption behavior and can affect purchase intent [11, pp. 639–652].

The nature of CSR effect on various areas of organizational as well as individual level outcomes is very complex and subject to mediation mechanisms such as a mode of CSR communication and a source of information [11, pp. 639–652], which shape the perceptions and attitudes of the stakeholders. One of the ways to explain the diversity of stakeholders' reactions to CSR engagements is through mediating role of attributions [10, pp. 147–157], where depending on whether the initiative is based on values or on strategic reasons or whether it is a response to stakeholder pressures, the reaction could be positive or negative, respectively.

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Given the evidence of CSR induced outcomes and its role in identity construction together with a growing skepticism around CSR, criticised for being 'defined by narrow business interests' (Banerjee, 2008), it seems important to understand whether CSR identity can be constructed through a general stories about corporate social stance and if it can generate behavioural outcomes, e.g. perceptions and attitudes, in a similar way as actual CSR activities. Or perhaps a very notion of CSR, which is emotionally not neutral, is enough to generate positive consumer reactions.

Most of the research in CSR behavioural outcomes uses specific information about CSR's engagements as stimuli, for example informing the respondent that an organization performed a certain action, e.g. donated money to a charitable cause. Organizations often use the argument of CSR in a general way, evoking it in mission or vision statements thus enhancing their identities around CSR. However, firms communicate their social engagements differently and details are not always available. Stakeholders might be exposed to detailed information, for example, to whom a company donated funds or how it reduced emissions, but they might as well be exposed to a broader stories on how organization feels about CSR and how it is generally approached, especially that abstractness of the message can diminish negative effects of reactive CSR [23, pp. 77–91]. The first type of messages is called CSR initiatives throughout the paper, while the second, simply communicating a more general stance towards issues of social responsibility, CSR declarations.

The question therefore is whether such general declarations can equally evoke CSR identity and enhance positive stakeholders'perceptions or is it only that concrete actions and detailed information have such power.

The paper contributes to literature on CSR outcomes and identity by comparing the impact of specific CSR initiatives, focused on employees, local communities and ecology, as well as more abstract CSR declarations, on attributions and attitudes. Attributions were shown to mediate between the outcomes of CSR and proactive versus reactive CSR strategy [11, pp. 639–652] but little is known about the role of attributions in concrete CSR initiatives and there are no studies looking at the outcomes of concrete CSR and more abstract CSR declarations simultaneously. The paper contributes also to the models of CSR identity generated outcomes [20, pp. 177–191] showing that CSR identity can be induced both by concrete information on CSR initiatives and by more general CSR statements.

The remainder of the paper is organized as follows. Literature review section presents overview of research on CSR in the context of organizational identity, followed by CSR induced behavioral outcomes and the relevant mediation mechanisms. The methodology section presents the research procedure, sample, stimuli and measures. It is followed by results and conclusion sections.

1. Literature review and hypothesis

Organizational identity is defined as "who we are as an organisation" [25, pp. 219––234] and as "beliefs" that distinguish one organisation from another. CSR – related beliefs, when profesionally communicated can become distinguishing feature of an organization, especially that CSR has unifying qualities and can help constructing organizational identity, when companies operate disparate identities [3, pp. 879–906]. By positioning itself as a citizen through referring to its moral, ethical, and social obligations [19, pp. 145–166] or by using CSR to create "shared organizational values" [12, pp. 38–47], organizations can form positive identity, which influences consumers' relationship with the company [8, pp. 517–554]. In that context, CSR refers to externally constructed set of preferences and ethical identifications, which are expressed and negotiated between stakeholders, assuming that, whether a corporation is deemed ethical or not, depends on whether it is seen as connected to social constituencies, thus constituting what Balmer calls ethical corporate identity [2, pp.7–15]. Such a CSR-induced identity [5, pp. 129–146] can serve as a lense through which a company is perceived, both by employees and consumers. Perceived CSR identity can therefore be defined as stakeholders'assesment of firm's CSR engagements, communicated to present company's social stance.

Stakeholder perceptions seem to occupy a key place in the complex net of relations between CSR and behavioral outcomes. Perceived CSR has been shown to have multiple and complex effects on purchase intent, through its positive impact on trust [22, pp. 47–55] and consumer – company identification [16, pp. 455–471]. It also moderates the influence of negative press on identification with the company. Organizations generate identification with their consumers on the basis of positioning its identity through CSR strategies [20, pp. 177–191] and although the direct effect of consumer – company identification on purchase intent was not confirmed, it impacts company's attitude and commitment, which in turn has effect on purchase intent.

In summary, organizations can use social, CSR related values to differentiate themselves from others. When organization's CSR policy serves to position a company as a citizen, it constructs a specific form of CSR induced identity and becomes a part of a communication strategy. Communicated in various ways, mostly through CRM messages [20, pp. 177–191], it is assessed by stakeholders and depending on their evaluation of CSR message, it generates different reactions, which are usually a consequence of CSR – induced attitudes [20, pp. 177–191, 11, pp. 639–652]. Following from there two hypotheses are proposed.

H1: Relation between (a) concrete CSR initiative, (b) CSR declarations and purchase intent will be mediated by perceived CSR identity and attitude towards a company.

H2: Perceived CSR identity will mediate the relation between CSR declarations and attitude towards a company.

Previous research showed that consumers' reactions to CSR might be different depending on the type of initiative. For example, philanthropy has stronger effect on attitudinal outcomes as opposed to other initiatives, as consumers favor more direct approach of companies to a cause [13, pp. 745–756], while local community contributions seem to influence purchase intent more than environmental initiatives [14, pp. 193–195]. Thus, on top of examining concrete initiatives against general CSR declarations, presented research also differentiates between various types of initiatives.

Concrete initiatives include: local community donations (LCD), employee benefits program (EBP) and ecology related initiatives (ECOE), exemplified as donation to a local charity helping poor children (LCD), employer paid benefit program covering medical insurance for employees (EBP) and as a reduction of energy consumption (ECOE), respectively.

The CSR declarations include general information that company cares about CSR, although for different underlying reasons: instrumental (INST), affective (AFF) and value oriented (VAL), which are operationalized through stories presenting different approach to CSR policy, i.e. profit based, employee focused and value based emphasizing contribution to common good, respectively.

Extant research showed that reactions of stakeholders to CSR initiatives depend not only on the content of CSR message but also on other factors, such as a mode or chanel of communication [11, pp. 639–652], individual support for CSR and reputation of the company [7, pp. 8–19]. Meanings, motives and intentions, which consumers assign to CSR activities, determine their attitudes towards a company [24, pp. 659–680], purchase intent [10, pp. 147–157] and recommendation intentions [10, pp. 147–157]. CSR – induced consumer behaviour is also mediated by attributions [10, pp. 147–157, 11, pp. 639–652]

Attribution theory [10, pp. 147–157] explains the sensitivity of CSR induced purchase intent to various conditions. All actions are undertaken for certain reasons as observers assign certain motivations to them. Those motivations can be seen as strategic-driven, e.g. the firm wants to increase sales or mitigate harm, stakeholder-driven, e.g. CSR is enacted because of stakeholder pressures, and values-driven, e.g. the firm believes CSR is the right thing to do. Those motives impact purchase intent differently [10, pp. 147–157]. For example values-driven and strategic-driven attributions positively affect purchase intentions, as consumers respond favorably to inherently altruistic (values-driven) corporate activities, but also accept that a core strategic goal of firms is to attract customers (strategic-driven). Stakeholder-driven attributions are considered to negatively affect purchase intentions as consumers respond negatively when CSR efforts are enacted only through the pressure from stakeholders (stakeholder-driven), perceiving such actions as forced and insincere.

Research showed that proactive CSR defined as activity engaged in, before any negative information errupts, is attributed the strategic driven and value driven motives and results in better attitude towards the company and higher purchase intent, as opposed to reactive CSR, attributed with a stakeholder driven motive [11, pp. 639–652].

Based on the evidence above, following hypothesis are proposed:

H3a: Concrete CSR initiatives will have positive effect on attributions.

Since the concrete initiatives are presented as voluntary and therefore can be seen as proactive [11, pp. 639–652], it can be expected that they will relate positively to strategic or value driven attributions but not to stakeholder driven attributions, specifically local community donation and employee benefits will be seen as value driven, while ecology will be seen as strategic driven.

H3b: Attributions will mediate the relation between concrete CSR initiative and attitudes towards a company.

H4a: CSR declarations will have positive effect on attributions.

Specifically, it is expected that instrumental CSR will be seen both as strategic and stakeholder driven as the emphasis on the profit might be seen as a consequence of shareholders' pressures. Value CSR would be seen as value driven and affective CSR will be seen as value driven as employee relations can be considered to be a derivative of organizational culture in a company.

H4b: Attributions will mediate the relation between CSR declarations and attitudes towards a company.

Summary of hypothesis is presented on a conceptual model on Figure 1.

Figure 1. Conceptual model
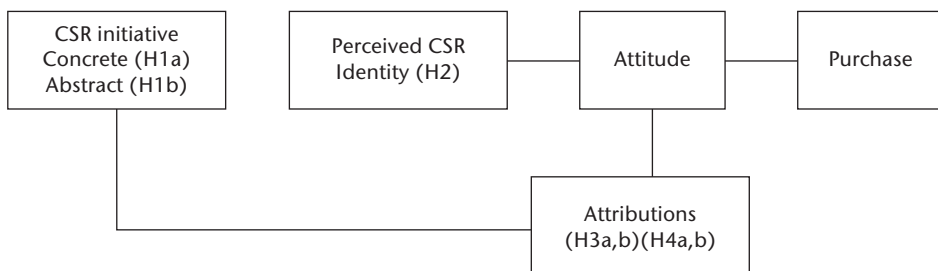
Source: Own study.

2. Method

To examine the hypothesis, the in-between subjects experiment was run in one of the universities in Warsaw, using a newswire about a hypothetical bank as stimuli. To increase the stimuli credibility, the basic newswire text was written by a professional journalist and later developed into stimuli by adding information on different types of CSR initiatives or declarations. The control group received the basic text only, with no CSR information. Banking industry was selected due to its extensive investments in CSR worldwide [17, pp. 245–260]. The sector is known for its relatively large and established CSR involvement with a certain degree of variance among the CSR programs, therefore such stimuli reduce a risk of adverse effects related to a lack of awareness of CSR and ensure variance in authenticity judgements as well [18, pp. 81–100]. Additionally, the use of ficticious company[1] allows to avoid potential adverse effects related to reputation or prior experiences of consumers with real brands [20, pp. 177–191].

Participants (N = 480) were randomly assigned to the following exprimental conditions: 4 CSR declarations (control, AFF, VAL, INST) x 4 CSR concrete initiatives (control, LCD, EBP, ECOE). In controlled conditions participants read the press note describing the bank's new product offer – a student loan – with no CSR information mentioned. The information is that a new product was implemented right after a recent bank's debut on the stock exchange. After reading stimuli, participants were asked to answer the questions measuring perceived CSR identity, attributions, attitudes towards a company, purchase intent and purchase probability. The stimuli were pretested for the effectiveness of manipulation. There were significant differences between the groups (ECOE, F = 30.57, p < .000), (EBP, F = 25.37, p < .000), (LCD, F = 6.74, p < .000).

A convenience sample of undergraduates[2] was used (men 61.12%, women 38.88%, avarage age 21.5). All scales were developed from existing research and were mostly multi-item Likert scales, anchored by 'strongly disagree'– 'strongly agree'. Perceived CSR identity scale (α= 0.881) was previously used by Perez [20, pp. 177–191], developed from three scales measuring perception of firm's commitment to society and general perceptions on CSR, which included consumer and community, environmental and employee welfare. To measure attributions three sub-scales were used [10, pp. 147–157, 11, pp. 639–652]: value-driven (α = 0.92), stakeholder-driven

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[1] For the discussion on external validity see Calder et al., [6, p. 240–244].

[2] Calder et al. [6, pp. 240–244] argue that although convenience samples limit the generalizability, it does not preclude the possibility to test the theories since generalizability is needed rather for intervention research. Nevertheless, because of the above-mentioned reservtions, the results should be interpreted with caution.

(α = 0.86) and strategic-driven attributions (α = 0.87). For the value-driven attributions, respondents were asked whether the depicted company had a long term interest in society and were trying to give back to a community and whether the company's employees believed in the cause. For the stakeholder driven attributions respondents were asked whether they agreed that the company felt, that their customers, society and stakeholders expected them to behave in a certain social manner. For the strategic driven attributions, respondents were declaring whether they agreed that the company would get more, will keep their customers or increase profits by supporting social actions. Attitude towards a company (α = 0.97) [11, pp. 639–652] was anchored by "dislike/like," "unfavorable/favorable," and "negative/positive". To assess purchase intent (α = 0.95), respondents were asked to imagine that they were interested in buying any financial products from the bank's offer, that they wanted to buy and had ability to do so. Following from there, respondents were asked to answer whether it was likely, probable or possible that they would buy a product. The scale was developed from [11, pp. 639–652] and contained three items anchored by "very unlikely/very likely," "improbable/probable," and "impossible/possible". Additionally, an 11-point purchase probability Juster scale was included. The scale was used sucessfully across many sectors and product categories including services or FMCG and is known to be a better predictor of purchase behavior than intention scales. Respondents were asked to determine the probability of purchasing a product, assuming that they wanted to and had resources to do so, choosing one of the following: 0 – no chance, almost no chance (1 in 100), 10 – practically certain (99 in 100).

All scales were back – to – back translated.

3. Results

Before verifying the mediation of perceived CSR identity and attitudes on the relation between CSR and purchase intent, two-factor ANOVA was performed to determine the impact of both concrete CSR initiatives and CSR declarations on perceived CSR identity. As seen in Tables 1 and 2 both CSR initiative and CSR declarations influence perceived CSR identity.

In case of concrete CSR initiatives all three resulted in higher perceived CSR identity than a control group with local community donations generating the highest CSR perceptions (p < 0.001). In case of CSR declarations, the highest CSR perception was generated by the affective message, which talked about company's care for employees. Instrumental CSR declaration resulted in perceived CSR identity lower than in a control condition, which might be considered as an indication that instrumental use of CSR has an adverse effect on stakeholder perceptions.

Table 1. Means and standard deviations in groups

Initiative/ Declaration	Mean					Std				
	Control	AFF	INST	VAL	Total	Control	AFF	INST	VAL	Total
Control	2.93	3.13	2.99	2.86	2.98	.54	.75	.89	.80	.75
LCD	3.26	3.44	3.25	3.61	3.39	.73	.72	.71	.80	.75
ECOE	3.29	3.37	3.14	3.32	3.28	.63	.70	.80	.67	.70
EBP	2.96	3.39	2.91	3.39	3.16	.57	.73	.70	.71	.71
Total	3.11	3.33	3.07	3.29	3.20	.64	.73	.78	.79	.74

LCD – local community donations; ECOE – ecology oriented initiative; EBP – employee benefit programs
AFF – affective identity; INST – instrumental identity; VAL – value identity
Source: Own study.

Table 2. CSR initiative/declaration and perceived CSR (ANOVA)

Factor	df	F	p	η2p
CSR initiative	3	7.34	.000	.04
CSR declaration	3	3.99	.008	.02
CSR initiative × CSR declaration	9	1.06	.392	.02
Error	469			

Source: Own study.

In the next step, relation of perceived CSR identity to attitude and the relation of attitude to purchase behavior were analysed. Perceived CSR identity affects attitude towards a company (r = .46; p < .001), which, in turn, is positively related to all purchase intent and purchase probability measures (from .36** to .53**). The results thus indicate that perceived CSR identity is sensitive both to the manipulation of CSR initiative and CSR declarations.

Mediation analysis was done by calculating 95% confidence intervals using the bootstrapping (Hayes, 2013). The mediation effect is considered significant when the confidence interval does not include 0.

The independent variable was converted into three dichotomical variables, i.e. LCD vs. control group, ECOE vs. control group and EBP vs. control group. The dependent variable was composed through a synthesis of purchase intent and purchase probability. Correlations between LCD, ECO, EBP, INST, AFF, VAL and other variables (Table 3) were calculated, assuming that mediation analysis is justified only when there is a correlation between a predicting variable and a mediating one.

All CSR initiatives, i.e. LCD, ECOE and EBP correlated positively with perceived CSR identity (.27**.21**.13* respectively) with local community donations being the strongest in enhancing positive perceptions of CSR identity. Additionally, ECOE correlated with attitude towards a company (.18**), i.e. respondents exposed to ecology

– related initiative showed more positive attitudes towards a company, but interestingly, none of the initiatives correlated with attributions thus excluding them as potential mediators of relation between CSR initiatives and purchase behavior.

Table 3. Correlations: CSR initiatives, CSR declaration and other variables

	LCD	ECOE	EBP	AFF	INST	VAL
Value driven attributions	.11	.10	.06	.17**	.06	.10
Strategic driven attributions	.05	.07	.00	.05	.17**	.10
Stakeholder driven attributions	.08	.13	.06	.08	.14*	-.01
Perceived CSR identity	.27**	.21**	.13*	.16*	-.03	.13*
Attitude towards company	.10	.18**	.10	-.04	-.13	.04
Purchase	.07	.07	.06	-.01	-.10	.03

*: $p < 0.05$; **: $p < 0.01$; LCD – local community donations; ECOE – ecology oriented initiative; EBP – employee benefit programs; AFF – affective identity; INST – instrumental identity; VAL – value identity

Source: Own study.

Significant results were reported for the relations between more general CSR declarations and attributions. Affective CSR correlated with value-driven attributions (.17**), i.e. individuals assessed the information about caring for employees as grounded in values. Instrumental CSR correlated both with strategic – driven and stakeholder-driven attributions (.17** and .14** respectively), i.e. profit oriented CSR can be assessed either as strategic but also as a result of stakeholders pressure (shareholders). Both affective and value CSR correlated with perceived CSR identity (.16* and .13* respectively), indicating that individuals exposed to information that a company cares for employees or for common good, ultimately perceive CSR identity stronger.

Analysis of mediation shows significant indirect effects both for CSR initiatives and for CSR declarations (Table 4) thus rendering support for hypothesis H1.

All three CSR initiatives (LCD, ECOE, EBP) relate to purchase behavior through perceived CSR identity and attitude towards a company. Additionally, local community donations and energy consumption reduction generate purchase intent through a positive attitude on perceived CSR.

The same procedure for mediation analysis was performed to determine indirect effects for CSR declarations.

As seen in Table 4, the relation between affective CSR and purchase behavior is mediated through value-driven attributions, perceived CSR and attitudes towards a company. Relation between instrumental CSR and purchase behavior is mediated by strategic and stakeholder-driven attributions, perceived CSR and attitude towards a company. The relation of value CSR and purchase behavior is mediated through

perceived CSR identity and attitudes towards a company, but not through attributions. Declaration about company caring for common good results in positive perception of CSR identity and enhances attitude towards a company but no motivation is attributed to it, thus in this case positive attitudinal outcomes seem to occur without a mechanism of motives assesment playing any significant role.

The results do not confirm the direct relation between CSR declarations and attitude, however value CSR relates to perceived CSR identity, which mediates the relation between all types of CSR declarations (affective, instrumental and value driven) and attitudes and purchase intent, thus rendering support for hypotheses H2.

Table 4. Mediation analysis – CSR initiatives: LCD, ECOE, EBP, AFF, INST, VAL

Indirect effects	Effect	Lower 95% CI	Higher 95% CI
LCD > Perc CSR > Purchase	0.07	0.01	0.15
LCD > Perc CSR > Attitude > Purchase	0.14	0.07	0.23
ECOE > Perc CSR > Purchase	0.05	0.01	0.13
ECOE > Perc CSR > Attitude > Purchase	0.07	0.03	0.14
EBP > Perc CSR > Attitude > Purchase	0.06	0.01	0.12
AFF > Val attrib > Attitude > Purchase	0.04	0.01	0.10
AFF > Val attrib > Perc CSR > Attitude >Purchase	0.03	0.01	0.08
AFF > Perc CSR > Purchase	0.03	0.01	0.09
AFF > Perc CSR > Attitude > Purchase	0.06	0.01	0.11
INST > Strat attrib > Purchase	0.04	0.01	0.10
INST > Strat attrib > Perc CSR > Purchase	0.01	0.01	0.03
INST > Strat attrib > Perc CSR > Attitude >Purchase	0.01	0.01	0.03
INST > Stake attrib > Purchase	0.02	0.01	0.08
INST > Stakeholder attributions > Perceived CSR > Purchase	0.01	0.01	0.03
INST > Stake attrib > Perc CSR > Attitude >Purchase	0.01	0.01	0.03
INST > Attitude > Purchase	−0.09	−0.20	−0.01
VAL > Perc CSR > Purchase	0.02	0.01	0.07
VAL > Perc CSR > Attitude > Purchase	0.06	0.01	0.12

LCD – local community donations; ECOE – ecology oriented initiative; EBP – employee benefit programs; Purchase – purchase combined of purchase intent and purchase probability scales; AFF – affective identity; INST – instrumental identity; VAL – value identity; Perc CSR – perceived CSR identity; Attitude – attitude towards a company; Val attrib – value-driven attributions; Strat attrib – strategic driven attributions; Stake attrib – stakeholder driven attributions

Source: Own study.

Although the results do not support hypothesis about the direct effect of CSR initiatives on attributions and their mediation role on the relation between initiatives and attitudinal outcomes (H3a and H3b), there are significant direct effects of CSR declarations on attributions and mediation effects for CSR declarations thus rendering

support for hypotheses H4a and H4b. The evidence also largely supports the predictions on the relation of specific attributions to CSR initiatives, i.e. as expected instrumental CSR was attributed both strategic and stakeholder driven motives, while affective CSR based on employee relations was attributed value driven motives. Surprisingly though, value CSR, which explicitly relates to common good as the motivation for CSR policy, did not relate to any attributions.

Conclusions

Presented research was inspired by a number of existing models of relations between CSR initiatives, CSR perceived identity and purchase intent [10, pp. 147–157, 11, pp. 639–652], which show strong mediation effects of attributions on the hypothesized relations and significant role of attitudinal outcomes. In particular, it builds on the findings of Groza et al. [11, pp. 639–652], who showed that relation between proactive CSR and purchase behavior is mediated by attributions and on the suggestions of future research contained herein.

This research extends the model by expanding on the types of CSR initiatives and on top of environmental one it includes local community donation and employee – related initative, examining their impact on attributions as well as the impact of more general CSR declarations. Concrete CSR initiatives are differentiated from general CSR declarations on the basis that the latter is induced by a general approach of the firm to CSR, when stakeholders might be exposed to broader information about organizational CSR stance. Additionally, it is assumed that all the concrete CSR initiatives are presented as voluntary and as such should be considered as proactive.

Main findings of the presented research reveal:
- a capacity of general CSR declarations to generate significant behavioural outcomes,
- a limited importance of attributions as mediating factor in the relation between CSR and perceptions and in particular, a lack of relation between the specific CSR initiatives and attributions,
- an importance of attribution in mediating between general CSR declarations and behvioral outcomes.

Results show that broadly described CSR declarations can have equal impact on consumer perceptions and potentially purchase behavior as concrete CSR initiatives, confirming that perceived CSR identity is sensitive even to general communicates from the companies if they are based on the social arguments. Surprisingly, none of CSR initiatives had impact on attributions. Attributions did not mediate the relation between CSR initiative and perceived CSR identity. Instead, CSR declarations related directly to attributions, which also mediated the relation between perceived CSR identity and attitudinal outcomes. Although the mediating role of attributions could

not be confirmed for CSR initiatives, there is the interesting dynamics of different initiatives as far as perceptions are concerned. Local community donations had the strongest, positive effect on perceived CSR identity. Ecological initiative also had a positive impact on perceived CSR identity and on top of it, they both had direct and positive effects on attitude towards a company.

The results of the presented experiments support the findings that stakeholders response to CSR may differ across the initiatives chosen by the firms. Those differentiations can be largely based on the perceived motives behind the initiative [1, pp.144–150], where philanthropy is seen as the purest, while sponsorships are dubious, because the company can promote itself. Although consumers do not seem to attribute any motives explicitly to those initiatives, they might implicitly see donations as philanthropic. Given also that consumers have preference for more direct approach of companies to stakeholders, it is possible that they react with a stronger positive perception when the initiative is addressed to immediate neighbourhood (local community).

Nevertheless, since philanthropy and sponsorship can be two different forms of CSR, future research could examine whether there are differences in reactions to various initiatives addressed to local communities. For example, if different motives are assigned and different perceptions evoked depending on whether community donation is operationalized as pure philanthropy as opposed to community sponsorships.

Previous works [11, pp. 639–652] showed that proactive CSR has positive effects on value – driven and strategic – driven attributions and that they mediated the relation between CSR, attitudes and purchase intent, thus suggesting that CSR inititives designed to generate organizational benefits are also largely accepted by stakeholders. Researchers were unable to validate a hypothesized negative impact of proactive CSR on stakeholder driven attributions. Presented research shows that both strategic – and stakeholder – driven attributions relate to instrumental CSR. The fact that concrete initiatives, all assumed as proactive, did not evoke any attributions and at the same time both strategic – and stakeholder – driven attributions relate to the form of CSR explicitly constructed around profit motives, may indicate that the difference between what is seen as strategic – and stakeholder – driven is fairly vague. It might be that consumers do not distinguish clearly between them. Future research could also examine whether attribution mechanism operates differently across various stakeholder groups, e.g. employees versus consumers. Given that strategic-driven attributions related to instrumental identity and respondents exposed to instrumental identity reported lower perceived CSR identity than those who were not exposed to any CSR message, suggesting that seeing initiative as instrumental might produce negative behavioral outcomes, it would be interesting to see whether and under what conditions, strategic – and stakeholder – driven attribution can generate adverse effects as far as purchase behavior is concerned.

In summary, the fact that attributions did not play any role in explaining attitudinal outcomes for CSR initiatives but related to more abstract CSR declarations, might suggest that perhaps the attribution mechanism is needed when there is scarce information about the details of CSR engagements. Another explanation could be that consumers might be relatively lazy in speculating about reasons for organizations' social involvement and it is easier to make them assign motives to firms' behavior when they are exposed to ready CSR claims.

The study is not free of limitations. In order to increase external validity, future research could use a real-world scenario, using a number of real brands, while controlling for the industry. Another limitation relates to a mode of operationalization of proactive CSR. Previously, proactive CSR was evoked by implying that action is done on a voluntary basis by the company [11, pp. 639–652], while in the presented research, some actions could have been assumed as voluntary more than others, due to the fact, that it was not indicated explicitly. This might be one of the reasons why results are different from the previous findings [11, pp. 639–652] and in particular why they do not hold for attributions.

Another limitation relates to the stimuli. Instrumental CSR was evoked by relating CSR explicitly to profit categories, which rarely happens in a real world scenario, when organizations might not be that open about their motivations for CSR. Future research could thus examine, how behavioural and attitudinal outcomes react to a more implicitly evoked instrumentality.

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CSR MOTIVES AND IDENTITY. ROLE OF ATTRIBUTIONS IN ENHANCING CSR DECLARATIONS[3]

Abstract

The paper looks at the behavioural outcomes of corporate social responsibility (CSR). It examines the role of attributions in mediating the relation between various types of CSR initiatives and attitude towards a company, perceived CSR identity and purchase intent. It looks into a difference in mediation mechanisms depending on whether CSR identity is induced by concrete CSR actions or by more abstract declarations about CSR. The results

of in-between subject's experiment show that both general CSR stories and concrete CSR initiatives, influence purchase behaviour and that this relation is mediated through perceptions of CSR and attitudes towards a company. Surprisingly attributions matter in case of the generalised CSR declarations but not in case of concrete initiatives.

Key words: Corporate Social Responsibility (CSR), attributions, organizational identity, purchase intent

MOTYWY I TOŻSAMOŚĆ CSR. ROLA ATRYBUCJI WE WZMACNIANIU SPOŁECZNYCH DEKLARACJI FIRM

Streszczenie

Celem artykułu jest analiza wpływu inicjatyw społecznej odpowiedzialności biznesu oraz deklarowanych przez firmy postaw wobec CSR na atrybucje oraz nastawienie do firmy.

Potencjał CSR w generowaniu efektów behawioralnych zależy m.in. od mediującej roli atrybucji, jednak niewiele wiadomo jak atrybucje kształtują relację między skonkretyzowanymi inicjatywami CSR, np. dotacjami na cele lokalnej społeczności czy działaniami na rzecz pracowników a zachowaniem.

Ponadto, wpływ konkretnych inicjatyw CSR w porównaniu do ogólnych deklaracji społecznych firm na postrzeganie firmy przez interesariuszy, nie był dotąd intensywnie badany.

Artykuł przedstawia wyniki eksperymentu wskazujące, że zarówno konkretne inicjatywy, jak i ogólne deklaracje CSR mogą wpływać na konstruowanie postrzeganej społecznej tożsamości firm, która ma kluczowe znaczenie dla zachowania interesariuszy. Pomimo, iż atrybucje są mediatorem relacji CSR w przypadku proaktywnych strategii, nie odgrywają one roli w przypadku skonkretyzowanych inicjatyw, a jedynie w przypadku ogólnych deklaracji o społecznych postawach firm.

Słowa kluczowe: społeczna opowiedzialność przedsiębiorstw (CSR), atrybucje, tożsamość organizacji, intencja zakupu

NORBERT THOM*

TALENT MANAGEMENT THROUGH "TRAINEE PROGRAMMES". CONCEPTUAL PRELIMINARIES AND RESEARCH-BASED ADVICE ON THE DESIGN OF CORPORATE EDUCATIONAL PROGRAMMES FOR UNIVERSITY GRADUATES

Introduction

Few issues in HR management have seen such a boost in significance in recent times as talent management has. In 2010, Boston Consulting Group, in collaboration with the World Federation of Personnel Management Associations WFPMA, conducted a survey among 5561 HR specialists around the globe, asking which fields of activity they expected to grow in importance in the future ("future importance") and how well they thought they were currently handled ("current capability"; cf. [1]). Regarding future importance, "managing talent" was rated exceedingly high in the survey. At the same time, current capability was assessed as particularly low. From this striking imbalance, the authors of the study derived a "strong need to act". A follow-up study of 2011, covering 2039 HR managers in 35 European countries, came to a similar conclusion (cf. [2], [6]).

Drawing on many years of research and close relations with HR practitioners, the author hopes to show in the present paper that in German-speaking Europe, vast

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amounts of knowledge and experience have been gathered in the more specific area of fostering talented young university graduates in so-called "trainee" or "graduate programmes". He would therefore venture that the somewhat unsettling outcome of the BCG/WFPMA study surely must be qualified for the German-speaking world in view of what has been achieved there: the claim is that when it comes to talent management by means of trainee programmes, its future importance has been very well recognised, and the current capability with which organisations address the issue is quite considerable.

The author is among those who firmly believe in the potential of trainee programmes as a talent management instrument, and he thinks that companies in all regions of Europe and the world could and should benefit from them. The present article, accordingly, is intended to stimulate an interest in trainee programmes among HR specialists outside the German-speaking world, and to provide an overview of the dos and don'ts in implementing such programmes.

Before dealing more closely with trainee programmes as a talent management tool, a number of preliminary remarks on the concepts of talent and talent management are requisite.

1. Talent and talent management: conceptual preliminaries

In antiquity, the term *talent* referred to various units of weight (usually of precious metals) and corresponding units of monetary value. The concept thus bore connotations of "value" and "valuable" from the outset; there was also a further connotation of "trust" in said (monetary) value. A new figurative meaning appeared in the 15th century: probably deriving from its "monetary value" sense, *talent* came to be used to refer to a special aptitude or giftedness in a certain field of human activity. Later on, the concept expanded further, so that *talent* could now also refer to a person possessing an aptitude of the mentioned kind, or indeed – a very common usage today – as a generic term to whole groups of talented people.

In the narrower sense the term assumes, in the context of HR management, one feature of talented employees, i.e. they tend to have gone through higher education. This, however, does not need to always be of an academic nature – just think of celebrity chefs or particularly gifted craftspeople. Furthermore, talented workers are taken to be highly motivated and to love challenging tasks. They have an incessant craving for continued professional training, and they satisfy this need whenever they can. Where these kinds of assets are crowned with highly developed social skills (e.g. with regard to communication and cooperation), such people are viewed as particularly talented. In this case, the talented person has a socially skilled manner of interacting

with colleagues, superiors and with people outside the organisation (e.g. customers). From the employer's point of view, one might say in short then that a talented person possesses certain key skills that are particularly useful and important for the company's continued favourable development and overall success.

Talent management is defined by the authors of the mentioned BCG/WFPMA study as concerned with "attracting, developing and retaining all individuals with high potential – regardless of whether they are managers, specialists or individual contributors – across all levels of the organization" ([1]). Experts in the field generally like to speak of a "high potential" of people with talent. In the European management literature, the concept of "high potential" is sometimes used more narrowly for those who not only show potential for development, but who are also at a point in their current position where they have attained their maximum level of performance (cf. [9]). In any case, talented young employees are supposed to have or to develop towards such a status of high potential.

Today, talent management has attained a firm position within HR management teaching and research. In a current anthology on the topic, talent management is described as "focused on the core process of HR management that comprises everything from recruitment to evaluation and development all the way down to retention management" ([4, p. 15]; our translation). In the understanding of the present author and his research collaborators (e.g. [11], [12]), talent management takes the shape of a cross-domain process within the company's overall HR management scheme. Talent management is a task shared between line managers and HR management specialists. Both will need to cooperate when it comes to attracting talented people, introducing them to the organisation, assessing their performance and potential, developing their skills and retaining their capability and willingness to perform within the company.

On this view, the core process of talent management (devoted to attraction, introduction, assessment, development and retention of talent) is affected by five overarching functions of HR management:

1. **Strategic HR management:** Strategic HR management is concerned with adjusting the HR strategy (how much staff with what skills will we require in the future?) to the overall company strategy (on which markets do we want to compete, using what kind of competitive strategy?). This will clarify not only what kind of talent will be needed where and when, but also what objectives the organisation can achieve through talent in the first place.

2. **Organisation of HR management:** Who (line managers, own and external HR specialists) is assigned with which tasks in talent management, with what capacities (decision-making and other authority) and responsibilities? How to organise the sub-processes of talent management?

3. **HR planning:** HR planning must be coordinated with corporate planning in other domains (e.g. sales, production and financial planning). This part of operational planning specifies personnel requirements in both quantitative and qualitative terms and clarifies what kind of talent management the company can afford.

4. **HR marketing:** The task here is to increase the employer's attractiveness on the relevant labour markets. For this purpose, the company must know the needs of target groups (in this case, talented jobseekers) and must offer appropriate incentives.

5. **HR controlling:** This comprises continual monitoring of the key figures that are relevant in the tailoring of all activities to the objectives pursued. Certainly relevant to talent management are, for instance, figures on the duration of stay in specific positions, results of performance assessment, job satisfaction, and activities and advances in further education.

With this, we have sufficiently outlined the framework within which the talent management core process is situated. In the next section, we briefly discuss what trainee programmes actually are and what they aim at, before going on to identify some of the crucial design features they must have if they are to succeed as a talent management tool.

3. Talent management through trainee programmes

In Germany, the first trainee programmes for graduates (henceforth: TrPr) in business administration and economics were introduced immediately after the Second World War. Today, such programmes are standard in many companies in German-speaking Europe, while the target group has been enlarged to include engineers, lawyers or scientists with business proclivities. Manfred Becker, the best known German author on HR development, provides the following brief characterisation: "...university graduates are systematically introduced to their new environment, to tasks and the corporate culture. Trainee programmes aim to make things easier for graduates at the start of their working lives. To this end, trainees proceed through various positions within the company. In addition, they are subjected to supplementary educational measures. Trainee programmes last from 6 to 24 months." ([3, p. 560])

The author of the present paper has continuously observed and, together with his collaborators, done extensive research on TrPr since the 1970s. One of his own early definitions of TrPr specified that they were "supposed to allow a selected circle of university graduates to receive basic training preparing for future management positions, to become clearer about their capabilities and interests, to establish personal relations and to become familiar with the corporate structure and culture of an organisation" ([8]).

Today, talk of a "select circle" is certainly still appropriate in connection with attractive employers, where large numbers of candidates apply for any available programme position. Often, complex procedures (e.g. assessment centres) are used in selecting the most suitable individuals.

Other parts of the definition, however, require modification from a contemporary viewpoint. "Future management positions", for one thing, must be made more precise: while former trainees continue to be candidates for line management careers, and in some companies have indeed reached top management positions, many of today's employers also offer opportunities for technical specialists or project managers as an alternative to classical management careers (cf. [7], which provides examples).

Furthermore, research suggests that the learning objectives as sketched out in the above definition of Thom ([8, p. 218]) should be spelled out and completed as follows:

1. The **educational objective** is still fundamental. After completion of the programme, trainees should be prepared for a job at management assistant level that is adequate to their formal education (e.g. junior controller, product manager, HR manager).

2. Also an **informational objective** remains firmly in place. Trainees are supposed to get to know the company and to become more reassured about their own personal performance capacities and their preferences regarding the subsequent stages of their professional lives. Employers for their part hope to learn as much as possible about the abilities and interests of each individual trainee.

3. The **objective of integration** amounts to the trainee's deeper understanding and internalizing of the corporate culture – or, more precisely, of the system of core values to which each of the visited departments subscribes.

4. The **image objective** captures the employer's aim to attract as many excellently qualified applicants as possible. Employer's attractiveness is to be raised on the talent labour market (i.e. particularly among advanced students on relevant university courses).

TrPr are a costly matter; from an accountancy viewpoint, they are an investment. Accordingly, an adequate return in the form of work in the employer's service is expected after the TrPr. Thus, pursuing a sustainability objective, the employer strives to make trainees stay in the company for a certain amount of time (e.g. three years) after completion of the programme.

By means of trainee programmes, employers basically aim to establish a corporate pool of qualified and highly motivated young professionals. On the basis that they possess the characteristic features of talented workers mentioned above, former trainees may go on to enjoy continued special fostering and be promoted to positions with more complex task profiles. On the classical view in German-speaking Europe, however, no one is talented forever just because they have participated in a corresponding programme at some point. New decisions must be made after every stage

of testing the candidate's worth as to whether they are still part – and still want to be part – of the talent pool.

At this point, the obvious question arises as to how the objectives, on the part of both trainees and employers just discussed, can be achieved to the best possible degree. As the initial claim of this paper has it, a considerable base of knowledge and experience has accumulated in the German-speaking world in this regard. In academic research, great amounts of empirical data have been collected and analysed. Two research institutes, with which the present author is affiliated, for instance, have carried out six studies on TrPr in Germany and another six in Switzerland. In the course of this work, a wide range of valuable insights regarding the actual design of such programmes has been won (cf. [9], [10]). In particular, certain long-term tendencies (relating, for instance, to the duration of TrPr, their customisation versus standardisation, the importance of stays abroad, different programme types, or recurrent problems in TrPr implementation) have been identified.

Shortage of time on the part of trainees' superiors is one striking and very serious problem in designing TrPr. Over the course of the programme, trainees shift between various departments (e.g. sales, accounting, HR). An implicit presumption here is that the various departments' superiors have enough time to impart the necessary practical and theoretical knowledge to the trainees. However, in ten of the twelve mentioned empirical studies in Germany and Switzerland, lack of time on the part of superiors for teaching and supervision turned out to be the greatest obstacle to an effective and efficient programme. Insufficient time resources of superiors, however, jeopardise several of the objectives of TrPr as laid out above. This is evident with regard to the educational objective; but also familiarisation with values (objective of integration) may be hampered, along with other aims. In a series of workshops with TrPr directors organised by the author, one important reason for time shortage was identified: in both the job profiles (job descriptions) and the annual objectives of superiors, the objectives of TrPr tend to rank only very low or even do not figure at all. This simple circumstance seriously endangers the success of TrPr..

The last large-scale research project on TrPr supervised by the author of the article was completed in 2012 at the University of Bern's Institute for Organisation and Human Resource Management (IOP) and resulted in the monograph of Nesemann ([5]). This book and all its contents so far have been published in Germany only; our presentation of the principal results in the remaining paragraphs represents their first publication in English.

The project, whose methodology and outlook derived from a long series of preceding studies, started out from a very wide-ranging and varied database. After systematic selection from 552 providers of TrPr in German-speaking Europe, 136 (88 German, 35 Swiss, 13 Austrian) were taken into account. All of them offered TrPr with the following minimal set of features:

1. Trainees are recruited among graduates from universities or universities of applied science, mostly in business administration and economics, but also in law, engineering, computer and natural science.
2. The programme consists of planned and well-organised procedures with an overall didactical structure. Trainees enjoy training both on the job and parallel to it, engage in project work, and shift between multiple training positions (job rotation).
3. Programme duration ranges from 6 to 24 months.
4. There are several participants in the programme at any time (the programme does not amount to a mere development measure for single individuals).

After filtering out the very few defective questionnaires, 130 cases (providers of TrPr) were finally analysed (cf. [5, pp. 125–128]). Before going into hypotheses and results, a bit of statistical background: firstly, companies from the services sector (banking, trade, insurance) were much more numerous in the sample than employers in the industrial sector (63% versus 37%). Secondly, the TrPr under analysis had an average length of about 18 months (arithmetic mean: 17.8; mode: 18 months). Third, the trainees proceeded through four to five training positions (arithmetic mean: 5.2; mode: 4).

Based on an in-depth analysis of both the existing literature and 12 relevant earlier studies, and taking into account the outcomes of 30 workshops with HR managers on the topic of TrPr and HR development that the author had organised together with Staufenbiel Institute, Cologne/Germany, a series of hypotheses were derived and tested against the database. Statistical analysis rested on two regression techniques (ordinary least square regression and robust regression).

Here are the most important hypotheses that were confirmed by the study:
1. The amount of time spent by trainees' **direct superiors** on the TrPr as a whole has a positive impact on (a) the objective of integration and (b) on the technical educational objective.
2. A visible effort on the part of the company's **top management** in favour of TrPr adds to a positive internal image of TrPr.
3. A **mentoring programme** within TrPr may contribute to a positive external image of TrPr.
4. **Project work** in the course of TrPr has a positive impact on (a) the objective of integration, (b) the technical educational objective of TrPr (technical training) and (c) the methodological educational objective of TrPr (training in methodology).
5. **Stays abroad** enables trainees to acquire intercultural competences as part of the educational objective of TrPr.
6. **Integrating TrPr within corporate HR development** is conducive to retaining trainees in the company for a prolonged period of time after completion of the TrPr, and thus to achieving a sustainability objective.

These results call for a number of explanatory comments:

On 1a:

The establishment of good relations between trainees and the people in their surroundings is an important indicator of successful integration of them. This will also ensure that trainees become familiar with formal and informal networks and power structures (the prevailing "rules of the game"; cf. [5, p. 51]). Inclusion in informal networks makes it easier to find allies and to build coalitions ([5, p. 52]).

On 1b:

The aim is also to deepen and expand trainees' technical competences. "Deepening" here means that trainees gain company-specific knowledge regarding the tasks of individual organisational units within particular fields of activity. "Expansion" means the acquisition of know-how that goes beyond the boundaries of departments and indeed of the company as a whole; such know-how may concern, for instance, external partners (such as contractors or customers; cf. [5, p. 45]).

On 2:

A positive internal image means enhanced acceptance of TrPr within the organisation and, in particular, stronger support of TrPr on the part of direct superiors, which may at least to some extent mitigate the problem of time shortage discussed earlier. The company's top management is the one circle of individuals that has the power to ensure the long-term existence of TrPr (cf. [5, p. 53]).

On 3:

A positive external image may in turn help to increase the number and quality of applications for trainee positions, thus creating an advantage for the company (cf. [5, p. 53]).

Mentoring in the present context contributes to a partnership between a hierarchically superior person (the mentor) and the hierarchically lower, less experienced trainee. This partnership is in principle one among equals, although the focus of course lies on a learning process on the part of the trainee. Also, the partnership is dynamic in that it will undergo modifications while it lasts. Mentoring must be beneficial to both partners and must rest on mutual trust. Learning from a mentor needs not be restricted to technicalities, but may also include informal personal and power relations; it may facilitate access to networks and thus support the trainee's integration process. Last but not least, the trainee may also learn to assess her or his own performance and potential more accurately. In theory, there is a whole range of objectives of TrPr that might be pursued through a sophisticated mentoring scheme (cf. [5, pp. 81–91]). Firm statistical evidence, however, is only forthcoming for a positive effect on the external image objective. In general, there is still potential for optimisation in this area.

On 4:

Project work can take various forms. Projects may be small and restricted to individual training stages and positions. Less common are larger projects involving

informational stays in several organisational departments. Projects are task complexes with limited time resources. They are oriented towards precise goals (adhering to time and cost limits, attaining quality standards, etc.), thus making it possible for TrPr to have trainees taking considerable responsibility.

The objectives of integration and technical education have been mentioned variously. The methodological educational objective comprises, among other things, techniques of information collection and processing and of deriving practical conclusions from such information. More specifically, this involves training in group work and presentation techniques, or methods of project work (e.g. time and cost planning).

On 5:

Intercultural competence is a special variety of social skill. It is the ability to interact with people from foreign cultures in adequate and effective ways. A distinction can be made here between a cognitive level (e.g. linguistic, historical, geographical knowledge), an emotional level (e.g. empathy) and a practical level (communication skills, etc.). As an element in the training of talented young professionals that is continuously growing in importance, intercultural competence is best acquired through stays abroad – provided these are designed such that they actually allow, or indeed enforce, maximally intensive exchanges with the host culture.

On 6:

In the study under discussion, the sustainability objective was defined in terms of a stay of trainees with the employer for at least three years after completion of the TrPr.

Integration of TrPr within comprehensive HR development schemes is often regarded as more or less a matter of course. For the present study, a special index was developed in order to measure the extent of such integration. The index took the following elements of integration into account: early information on career and further education opportunities after programme completion; continued mentoring after the programme; regular assessment of trainees applying the same system that is used in the company's leadership development programme; integration of trainees in real teams and corporate project groups; personal commitment on the part of the company's top management for the TrPr; and, finally, continued existence of the programme (no termination due to, for instance, cost reasons).

Conclusions and prospects

As the present paper should illustrate, a massive amount of know-how relating to TrPr as a talent management tool has been gathered over the past decades in German-speaking Europe (cf. also [13]). It is an author's heartfelt concern that other regions of Europe and the world should benefit from these rich resources of knowledge and experience.

Progress in empirical research has made it possible to evaluate actual programmes with regard to their effectiveness and efficiency. The author's research institute at the University of Berne has twice awarded a prize for the best TrPr in Switzerland; the relevant catalogue of criteria has been published (cf. [10, pp. 31ff.]). The results of evaluations at various companies make it clear that at least the leading employers are very skilled at using TrPr as a talent management instrument. This, together with the overview of academic research provided in the sections above, will hopefully convince the reader of the truth of the claim made at the beginning of this paper that the outcome of the BCG/WFPMA study according to which there is an imbalance between "future importance" and "current capability" in the area of talent management is too sweeping in the light of what has been and is still achieved with TrPr for graduates in German-speaking Europe.

What remains to be made at this point are a number of concluding remarks on the pedagogical role of TrPr and their place in the broader educational and economic context:

1. University graduates, particularly those in business administration and economics, tend to be *capable*, but not quite *ready* yet for entering the profession. Tailor-made forms of supplementary training at and by employers are required. In a sense, a TrPr is a dual educational programme where theory-centred university courses are followed by more strictly regimented corporate training.

2. In German-speaking Europe, TrPr have in the meantime been opened to graduates from so-called universities of applied sciences (UAS), i.e. institutions of higher education for people who have first completed an apprenticeship. On graduation from an UAS, usually with a bachelor degree, the great majority of students enter working life. It is also possible, however, to go on studying for a master's degree, either at the UAS or at regular universities, which usually demands successful passing of further exams before accepting UAS students. Such additional requirements notwithstanding "permeability" are a cherished ideal in this system: young people need not go straight to university; they can do an apprenticeship first, after which they still have all options open to themselves. There is thus no need for a high percentage of an age-group to strive directly for tertiary education through one or another kind of purely theoretical university admission qualification (as is the case with most countries outside German-speaking Europe). As a rule, employability is considerably improved where such alternative educational paths exist. There is a reason to assume a causal link here with the relatively low youth unemployment numbers in German-speaking Europe.

3. Currently, there are developments towards "dual study programmes": university students are formally employed by companies while studying for a bachelor or master's degree, where the academic courses include project and transfer work to additionally increase practical relevance. Steinbeis University Berlin/Germany

is one example of the institution that has been collecting a lot of experience with this kind of scheme and cooperates with renowned employers such as Daimler or Bosch.

4. The German-speaking countries are very much export-oriented and are home to many international companies. Accordingly, stays abroad, as an integral part of TrPr, have grown in importance in recent decades. Doing part of participants' trainee programmes in foreign subsidiaries, not only improves their intercultural competence, but it may also contribute to corporate know-how export, thus enabling companies to benefit far beyond the immediate purposes of an established tool for fostering and managing talent.

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TALENT MANAGEMENT THROUGH "TRAINEE PROGRAMMES". CONCEPTUAL PRELIMINARIES AND RESEARCH-BASED ADVICE ON THE DESIGN OF CORPORATE EDUCATIONAL PROGRAMMES FOR UNIVERSITY GRADUATES

Abstract

Studies suggest that HR managers worldwide perceive talent management as a field of managerial activity that is of crucial importance, but rather badly handled in actual practice. So-called "trainee" or "graduate programmes" – on-the-job training programmes for university graduates – offer an excellent path towards improvement here, but so far have received surprisingly scant attention outside German-speaking Europe. Drawing on many years of research and close relations with HR practitioners, the author hopes with the present paper to stimulate an interest in such programmes among HR specialists in Poland and, as the case may be, further regions of Eastern Europe, and to provide an overview of the essential dos and don'ts in implementing them.

Key words: HR management, HR development, talent management, training, graduates

ZARZĄDZANIE TALENTEM POPRZEZ "PROGRAMY STAŻOWE". ZARYS KONCEPCJI ORAZ POPARTE NAUKOWO SUGESTIE ODNOŚNIE TWORZENIA KORPORACYJNYCH PROGRAMÓW EDUKACYJNYCH DLA ABSOLWENTÓW UCZELNI

Streszczenie

Badania sugerują, że menedżerowie działów HR na świecie postrzegają zarządzanie talentem, jako pole działalności menedżerskiej, które ma kluczowe znaczenie, ale jest raczej zanie-dbywane w praktyce. Tak zwane programy stażowe – praktyczne szkolenia w miejscu pracy skierowane do absolwentów uczelni wyższych – oferują wspaniałe możliwości rozwoju, ale dotychczas poświęcano im zadziwiająco mało uwagi w krajach spoza niemieckojęzycznej Unii Europejskiej. Czerpiąc z wielu lat badań i bliskich relacji ze specjalistami branży HR, autor ma nadzieję, poprzez ten artykuł, stymulować zainteresowanie takimi programami

wśród specjalistów HR w Polsce, i być może w pozostałych regionach wschodniej Europy oraz dostarczyć przeglądu kluczowych zaleceń i ostrzeżeń dla chcących wprowadzić te programy w życie.

Słowa kluczowe: zarządzanie HR, rozwój HR, zarządzanie talentem, staż, absolwenci

KRZYSZTOF NOWOSIELSKI*

CONTROLLERS' IT-QUALIFICATIONS AND MANAGEMENT REPORTING PERFORMANCE – CASE STUDY

Introduction

Management reporting (MR) refers to processing data and supplying the decision makers with information necessary for achieving business goals. Periasamy defines MR as a system of communication, normally in written form, of facts which should be brought to the attention of various levels of management who use them to take suitable actions [11, p. 23]. Based on the research conducted by German specialists it can be noted that MR process consumes more time than the processes of, e.g. planning or monitoring [15, p.15]. Unfortunately, MR is a process which is particularly prone to dysfunctions which may result from, among other things: the changeability of management information requirements, the dependence of the process from the access to data and the support from the IT departments, the dispersion and the large amount of data, the time pressure[1].

As the conducted research concludes, one of the major impediments in the realization of the MR processes is the lack of sufficient level of knowledge and skills in the area of IT service. The IT department's staff possess the necessary skills and access to the data crucial in supporting MR process, however, there is often a tension between IT-departments and other business units, which generates problems in the access to information. That is why business units responsible for MR processes (e.g. Controllers, Management Accountants) often devote too much time to obtain and process data, while simultaneously spending too little time on data analysis,

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[1] Compare, e.g. Paefgen [10]; Hess [8]; Baumöl, Meschke [3]; Taschner [16].

presentation of results and discussions with managers. This is further confirmed in the interviews conducted with the respondents, which is described later in this article.

Taschner claims that the effective and efficient supply of information (reporting) to corporate executives is essential for business success [16, p.10], therefore MR process managers[2] ought to undertake any actions in order to make the reporting process proceed efficiently and reliably. If these assumptions are to be applied, people responsible for MR process cannot be forced to work as technicians carrying out routine, copy-paste type of tasks as an inept replacement for the IT support work. It is necessary to intelligently disburden them, which can be achieved by, e.g. improving IT-qualifications of MR process manager. The author of this article assumes that making MR process manager self-sufficient in the area of obtaining and processing of data can influence not only the increase of reporting processes effectiveness, but also improve the relations between the representatives of IT and business units responsible for MR process.

The purpose of this paper is to provide evidence for how companies employ IT-qualifications of process manager to improve MR process performance. For that purpose, a case study research method was used. The research was limited to the analysis of spreadsheet and database tools as the basic IT tools used in the MR process by Controllers in a multinational company operating in Poland.

The paper is organized as follows. In the following section, one conducts a literature review describing the issue of IT-qualification of MR process managers, as well as the process performance. Next, the research method is described, including the research approach, procedure, as well as the methods of data collecting and analyzing. In the following section, the case studies are presented. In the discussion section, the links and correlations between IT-qualifications of process managers and the performance of the reporting processes are discussed. Some interpretations from the author of this paper are added to the research results, as well as some criticism, which comes from the specification of the designed research method and procedure. A potential practical application was also suggested. In the latter section, conclusions and proposals for further directions of the studies are presented.

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[2] The traditional division of people involved with the process into: a process owner, a process manager and a process responsible person is difficult to apply in the case of MR process. In the cases of various companies, the three mentioned functions can be realized by one person or by distinct people. In the article, the name "process manager" is associated with a person who has the authorization for process modelling and improving, which does not exclude a circumstance in which the person can also realize the MR process (see more in Becker, Kugeler and Rosemann [4]).

1. Literature review

The conducted literature review indicates that the authors touch the issues concerning the subject of IT-qualifications of business units responsible for MR processes and also the subject of MR process performance. However, no theoretical or empirical studies researching a correlation between IT-qualifications and management reporting performance have been found. In order to obtain a possibly broad picture of the subject in question and due to the universal character of management reporting process in this section, both Controlling and Management Accounting literature have been overviewed.

An issue that is both important and often talked about is the quality of information supplied by the units responsible for reporting. For example, in a case study research the influence of human factor on information quality is shown [20, pp. 461–470; 2, pp.17–20; 14, pp. 41–49]. The need for measuring the quality of information supplied by Controllers is postulated by Hess in his research [8, p.1]. The issue of IT-qualifications and skills of employees responsible for the reporting process is also researched. For example, spreadsheet functional skills in public accounting are researched in Ragland and Ramachandran survey study [12, pp.113–129]. The IT-qualifications of new accounting students are presented in the case study research by Rasit and Ibrahim [13, pp. 33–40]. The need to improve accountants' IT-skills is indicated by Ehab and Sherif [9, pp. 3–16]. According to these authors being familiar with technology is not only beneficial, but also vital and necessary.

The Author of this paper observes the gap in the literature and provided researches in the subject of correlation between IT-qualifications of MR process managers and MR process performance issues. The next sections provide some evidence of this correlation.

2. Research method

2.1. Research approach

The author of this paper aims at discovering some correlation between IT-qualifications of MR process manager and the performance of this process using some evidence from practice (based on Controllers' case)[3]. The case study was chosen as a research approach. As Yin said, this is a good method, when focusing on

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[3] In the case study presentation, the original names of positions were preserved. Because the research concentrates on the conditions of the realization of management processes and not on the way positions

contemporary phenomenon within some real-life context [21, p. 1]. Some authors emphasize the experience of the actors, which is important in a case study research [6, p. 57]. The case study method is also recommended when the scientific research is at its early, exploratory stage and when no manipulations of subjects or events are involved [21, p. 3; 5, pp. 372–383]. Using these specific cues as well as the research gap indicated in the previous section, a choice has been made to make use of this particular method in order to realize the aim of the research in question.

To further support the choice of a case study method, a set of questions introduced by Benbasat [5, p.372] was used. The results of this test are presented in Table 1.

Table 1. Test questions confirming the case study method

Test question	The answer confirming the choice of case study method		Case study method verification
	expected	given	
Can the phenomenon be studied outside its natural settings?	No	No	P
Are control or manipulation of subjects or events necessary?	No	No	P
Does the phenomenon of interest enjoy an established theoretical base?	No	No	P

Source: Own study based on Benbasat checklist [5, p. 372].

2.2. Research procedure

The case study research was conducted using the following procedure: preparing the research, collecting data and analyzing the collected data.

In the **preparation phase**, some basic activities were undertaken. Multiple, longitudinal case study was chosen as the specific method of researching. In choosing the cases the following conditions were established:

1. The minimum of two management reporting processes were to be chosen for the study.
2. These processes were to be performed parallel to one another in one company by two different business units. This condition was chosen in order to allow for a comparison of results and to avoid the issue of the influence of other factors (such as, e.g. the level of IT-system advancement) on the researched process performance.
3. The respondent should have the authorization to modify the process.
4. Two moments in time, before and after the improvement of IT-qualifications of the respondents, were to be researched.

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are referred to in a given company, the author believes that there is a possibility to treat the gathered data as common to the Controlling and Management Accountant concepts.

5. Between these two moments the researched processes were to undergo improvement efforts.

For the sake of **gathering data**, a semi-structured questionnaire containing the following two sets of questions was developed:

1. Set 1 included single choice question enabling an assessment of the level of the respondents' IT-qualifications (from basic to advanced qualifications in spreadsheet and databases servicing) as well as open-ended questions concerning the reasons for the improvement of qualifications and the expectations towards the training courses.

2. Set 2 also included single choice questions enabling an assessment of MR process performance. The indicators were selected from the list of Process KPIs developed by experts from International Group of Controlling to measure Controlling processes performance [7, p. 62]. In addition, the set was also comprised of open-ended questions concerning the description of the process, as well as the problems that accompany its realization, that result from the lack of adequate IT-qualifications or IT-tools.

The interviews by means of the created tool were conducted in October 2013 (t_0) and June 2014 (t_1). The data was gathered directly into the questionnaire. The **data analysis** was conducted after the study had been finished. Due to the qualitative character of the study, the data was subject only to simple comparisons in time between the analyzed processes.

3. Case study

As mentioned in the previous section, the subject of the study focused on two reporting processes being carried out in one company, in two separate departments. In order to respect the privacy of the participating company, as well as the respondents, they are not identified by their real names. For the sake of simplification of the description of both cases, in the later part of this article the processes have been given P1 and P2 symbols respectively.

Firstly, a general description of the case company has been performed pointing out the main business domain and size. Sample management reporting process P1 and P2 and IT systems used in the area of management processes have also been described (point 4.1).

Secondly, a characterization of IT-qualifications of respondents who are responsible for each process has been performed based on the results of an interview. Furthermore, in this point, the scope and the method of raising the respondents IT-qualifications have been characterized (point 4.2).

Then, the results of evaluation of the studied processes have been presented. The evaluation was carried using indicator mentioned in the previous section. Sources of problems in the realization of both processes and their impact on the process performance have also been identified (point 4.3).

Due to the nature of the study, the descriptions used in points 4.2 and 4.3 concern two moments in time, namely:

- t_0 – the moment before the increase of the IT-qualifications of a respondent;
- t_1 – the moment after the increase of the IT-qualifications of a respondent.
  Between the moments t_0 and t_1, there were two general changes that took place:
- first of all, the respondents increased their IT-qualifications by means of the same training program;
- secondly, the acquired knowledge and skills were used by the respondents to improve the reporting processes they were responsible for. The scope of these changes was dependent solely on the character of a given case, although it was based on the common IT-tools.

3.1. General background

The presented company is a big multinational company operating in the field of IT-hardware production and providing IT services, hiring over 250 employees and with a turnover and balance sheet total exceeding € 50 m, which all make it belong to the large business entities group.

P1 process concerns sales reporting (segment margin type of report). In large corporations, having access to information about the gross margin for the entire business is not sufficient to make business decisions, therefore there exists a necessity for conducting assessments and analysis of data separate for specific areas. In the studied company, the division of the sales results into groups, subgroups and even individual clients is conducted in accordance to the criteria of the type and duration of business relations with clients, as well as of the size of contracts.

P2 process concerns the accounts payable reporting and is required due to the need of approval of individual invoices by an authorized person (project manager or the head of the purchasing department). This report plays a crucial part in monitoring the payment deadlines. It allows for avoiding potential delays in paying off the accounts payable and their financial consequences.

In the researched company, a SAP R/3, ERP class system as well as other smaller systems for evidencing and reporting business events function there. There is also an implementation process of BI (Business Intelligence) carried out. In the case of both mentioned processes, controllers have pointed to MS Excel as the basic analytical tool. Table 2 presents a brief characteristic of the examined processes.

Table 2. A brief characteristic of the examined processes

Case symbol	Reports' name	Type of report	Frequency	Process manager	Type of report's recipient	Number of recipients
P1	Sales Report	Standard	Periodic, Once a month	Controller in the Sales Analysis Department	Sales manager	Many
P2	Accounts Payable Report	Standard	Periodic, Once a week	Controller in the Accounts Payable Department	Project manager, Purchasing department	Many

Source: Company's documentation.

3.2. Respondents' IT-qualifications

Respondents' IT-qualifications at t_0 moment

The person responsible for the P1 process (respondent 1) is in the position of a Controller in the Sales Analysis Department. At the t_0 moment, the time before the increase of IT-qualifications, the levels of knowledge and skills of the respondent in the subject matter could be described as intermediate (for the research method see: section 3). The interview carried out at the t_0 moment concluded that what predominated in the tools repertoire of the given respondent were simple spreadsheet functions, such as e.g. VLookup, HLookup, CountIf, SumIf. Similarly, pivot tables. Some basic VBA procedures and instructions were also utilized.

The person responsible for the P2 process (respondent 2) is in the position of a Controller in the Accounts Payable Department. At the t_0 moment, the levels of knowledge and skills of the respondent in the subject of IT service could be described as basic (for the research method see section 3). The interview carried out at the t_0 moment concluded that the given respondent made use of simple spreadsheet functions, such as e.g. VLookup, HLookup, CountIf, SumIf and also pivot tables.

In both instances, the lack of qualifications in the area of IT solutions necessary for a proper realization of the tasks given was the incentive behind undertaking additional courses. The interview carried out at the t_0 moment concluded that the respondents expected primarily to achieve higher practical skills in navigating the complex information system of their company, including the processing of a large amount of data. Because the IT support department was engaged in the process of BI system implementation, the only solution for the respondents was to get involved in the reporting process personally. The involvement of the IT department was to be limited to establishing the query for the main ERP database and generating files containing raw source data. Improving the IT-qualifications of the MR process manager, then, was supposed to make him not so dependent from the IT support.

The development of respondents' IT-qualifications between t_0 and t_1 moments

Both respondents have finished a postgraduate study of employing IT in management processes together. The aim of this course was to strengthen the self-reliance of the participants in terms of obtaining and processing data for the needs of realization of such management processes as: planning, budgeting, monitoring or reporting. The process of increasing IT-qualifications of a chosen group of respondents began in October of 2013 and it finished in May of 2014. The program was scheduled for 160 hours conducted in a computer lab. Over 90% of the activities were of practical character and the participants worked on examples provided by the trainers. They also worked in a work environment appropriate for modern office positions. The training included predominantly the most common office applications: MS Excel, MS Access, MS Query, VBA and SQL. Despite the course being aimed mostly at the teams connected to management accounting and controlling processes, among the participants, there were employees from, e.g. manufacturing, logistics or financial accounting. The basic elements of the program included, among others:

1. Classes devoted to IT tools, including:
   - MS Excel analytical and database tools such as spreadsheet database functions and PivotTable;
   - Database exploring using MS Access, MS Query, and SQL;
   - VBA programming tools.
2. Classes devoted to application examples, including:
   - Programming the tools for budget and reporting processes automation as well as budget propagation with the use of MS Excel and VBA;
   - Creating advanced interactive manager dashboards for presenting the results of analysis with the use of functions and tools of MS Excel and VBA;
   - Generating spreadsheets for monitoring the KPIs with the use of spreadsheet functions of MS Excel;
   - Building data warehouses including tools for reporting the results with the use of MS Excel, MS Access, SQL and VBA (Self-Service Business Intelligence).

Respondents' IT-qualifications at t_1 moment

In both cases, after the graduation from the course, the participants represented a comparable level of knowledge and skills in terms of automation of the management reporting process which was reflected in the knowledge tests results performed during and after the course. Most importantly, the participants were sufficiently qualified to:
- Obtain and process big amounts of raw data coming from a variety of sources;
- Validate the acquired data;

- Process the obtained data by means of database and analytical tools;
- Generate and propagate reports.

Table 3 synthetically illustrates the characteristics of respondents' IT-qualifications for t_0 and t_1 moments.

Table 3. Synthetic illustration of the characteristics of respondents' IT-qualifications

Case symbol	t_0 moment		t_1 moment	
	Assessed level of qualifications	Level of respondents' knowledge and skills	Assessed level of qualifications	Level of respondents' knowledge and skills
P1	Intermediate	Basic spreadsheet functions, Basic VBA programming skills	Advanced	Advanced spreadsheet functions, analytical and database tools, VBA solution programming, database exploring using MS Access, MS Query, SQL basics
P2	Basic	Basic spreadsheet functions		

Source: Results of semi-structured interview.

3.3. Process performance

Process performance at t_0 moment

In both cases, it was impossible to generate a report in the required form and with the required content directly from the ERP system. Hence, both the reports were prepared manually which gave rise to various problems (see: Table 4). Additionally, in both cases the MR process was dependent from IT department.

Table 4. Identified IT problems in the area of researched cases

Case symbol	Problems in the area of MR processes realization				
	Difficulties in obtaining and processing source data				Ineffective generating and propagation of partial report
	Dispersed sources	Large number of records	Errors	Missing data	
P1	✓	✓ (over 2 m records)	✓	✓	-
P2	✓	-	-	✓	✓

Source: Results of semi-structured interview.

In the case of P1 process a very large number of data for processing (over 2 m records in one of the databases) was indicated as the most serious problem. The limited character of available analytical tools (MS Excel) hindered the reporting process the most. It was necessary to prepare numerous reports, and only later, a final report, based on them. In the case of P2 process, the process manager indicated the

issue of dispersed data sources, as well as the high laboriousness of the generation and propagation of the reports for the internal business units (report recipients), as the main problems.

Process performance at t_1 moment

After the improvement of the IT-qualifications, the respondents undertook the task of reporting process automation. In order to achieve that, they employed the basic IT tools described in section 4.2, namely: MS Excel/Access/Query/VBA applications, as well as the SQL language basics. Setting up the data warehouse and data marts (repository of raw data available to Controllers) were left on the part of the IT department.

The proper realization of the MR process phases was secured by the process managers. It is an approach typical of a self-service business intelligence[4] concept.

In the case of P1 process, the data acquired from SAP R/3 was obtained via SQL server, and later by means of VBA procedures it was downloaded to the MS Access database. The using of SQL server was stemmed from the need to process a higher volume of data than what MS Excel allows for (over 2 m records). At this stage, other source files among them, database with information about customers, which is required for the hierarchization of the report, were also imported to MS Access, at the end, the VBA procedure in MS Excel using SQL was used in order to generate final sales reports (the segment margin type). The report is in the form of pivot tables, which allows for further change of report layout. Thanks to the new solution used, it was possible to shorten the report preparation time and improve the quality of the data included.

In the case of P2 process, the data acquired from SAP P/3 were obtained directly from the MS Excel application, and then merged with other types of data (e.g. lists of project managers and contracts) using VBA procedures. Next, still using the VBA procedures, the accounts payable reports were generated and sent automatically via email to internal recipients. The automation of the P2 process has significantly reduced the amount of time required for its completion and enabled the increase of the frequency in delivering the reports from once a week to once a day with a lower level of the respondents' involvement.

Table 5 presents a juxtaposition of the process performance for both P1 and P2 cases and two of the researched moments t_0 and t_1. The examination tool described in section 3 was used here for the evaluation of the process performance.

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[4] Searching, extracting, and integrating data by data users through continuous interaction with the application, without any mediation or intervention by analysts, designers, or programmers [1, p. 67].

Table 5. Process performance of P1 anP2 cases

Process performance indicators		Case symbol	Process performance results		Positive change
Dimension	Indicator/unit		t_0 moment	t_1 moment	
Quality	errors in the report/ (none/few/many)	P1	many	few	P
		P2	few	none	P
	degree of automation/ (low/medium/high)	P1	low	high	P
		P2	low	high	P
Time	punctuality/ (low/medium/high)	P1	low	high	P
		P2	medium	high	P
	lead time/ (hours)	P1	8h	<0.5h	P
		P2	4-8h	<0.5h	P

Source: Results of semi-structured interview.

4. Discussion

The cases in question constitute evidence that the problems concerning MR processes can be solved by the employees responsible for the said processes, and not necessarily transferred to the IT department. The author is of the opinion that, as far as possible (in terms of available time, level of competences of a given person and the approval on the part of the superiors), the IT-qualifications should be provided for the position that deals with the given problem. Too narrow specialization of the MR process manager and his or her lack of sufficient IT knowledge and skills of independent dealing with data (especially in the case of large amounts of data) can reduce the effectiveness and efficiency of reporting processes. Such assumptions can also be true in the context of other processes, where a Controller or Management Accountants are the responsible persons, as e.g. budgeting processes. These assumptions can also hold for yet another related position in a company, e.g. Business Analyst. Admittedly, this is only a hypothesis for verification, however, observing the resemblance of these employee groups' tasks it is justifiable to assume that they experience similar problems and limitations.

The study concentrates on proposing a correlation between the IT-qualifications of MR process manager and the process performance. The competences of process manager were not studied (which stands for their individual abilities and predispositions). Instead, it focused on their qualifications (the acquired IT-knowledge and IT-skills). As is commonly known, competences and qualifications are connected in a positive or a negative way. Moreover, the increase of IT-qualifications was limited almost exclusively to the elements of MS Office tools and SQL language, which seem to be typical and basic environment in which MR processes are realized.

Nevertheless, after performing the analysis of the results the following problematic questions arise:

- Should IT-qualifications of MR process manager be increased over the aforementioned IT-tools, so as to improve the MR performance even further?
- What is the power of the relationship between the aforementioned IT-qualifications and MR process performance?
- What other factors (e.g. personal competences, the approval for self-development or active management's support of the employee's development) foster the improvement of MR performance?
- Can the observed correlations be related to other positions or processes? If so, what links these cases together?
- What is the meaning of IT-qualifications of process manager and process responsible for MR process performance if these roles are separated?

Finding answers to the above mentioned questions surely is not easy and calls for further, more detailed researches.

5. Practical application

The author's experience suggests that the issue of IT-qualifications of MR process manager is very important for ensuring the efficiency of this process, as well as the management processes, where the outputs of MR process are used. Among others, the following types of benefits can be indicated, which come from the higher level of IT-qualifications of MR process manager:

1. Thanks to the ability to automate the MR process, the process manager can make a better use of their work time. Repetitive tasks are performed automatically, and the process manager can focus his attention on, e.g. individual problems of the decision makers (*ad-hoc* reports). The higher the IT-qualifications, the higher the quality of the delivered reports and the less conflicts between e.g. the Controlling department and IT department.
2. The decision makers receive high-quality reports on time and have a better access to the MR process manager support.
3. The company experiences a reduction in the costs of the reporting processes realization, which can constitute a major positive argument in favor of retaining the position of a controller in the company in the current world of complex IT systems and big data problems.
4. The IT support can focus on securing the proper functionality of the whole informational system, first of all, setting up the data warehouse and not getting distracted by being burdened with the task of meeting the often-changing requests for information.

The observation of the career development of the respondents who took part in the study, as well as of other graduates of IT tools usage courses provides evidence for the existence of a positive correlation between the increase of IT-qualifications of process manager and his or her attractiveness on the job market, which can be of high importance in the times of current economical stagnation.

Conclusions

Currently, with the ever-increasing amounts of data for analysis, the improvement of IT-qualifications is a key undertaking necessary for the improvement of the effectiveness of MR processes. In the typical supplier-recipient relations, it is the IT department staff that is most often the winner by successfully making the information recipients fully dependent on their services. On the other hand, the recipients themselves, oftentimes, make the mistake of sending a vaguely defined requirement for information, which may lead to the data received by the IT department not being in accord with the expectations. This in turn, unnecessarily extends the duration of the reporting process. The conclusion based on the conducted interviews, is that the improved IT-qualifications of MR process manager, with the exception of the indicated improvement in the process lead time or the data quality, additionally result in the improvement of the relations between the employees of the IT departments and business units responsible for MR processes.

The study makes use of the case study method, which contains certain flaws, such as, e.g. no possibility to generalize the results. On the other hand, however, it allows for a deeper analysis of the examples, reaching conclusions concerning the further course of action and even creating research hypothesis. The author's opinion is that further quantitative studies are required in order to determine precisely what the relation between the IT-qualifications of MR process managers (or other people involved in MR processes) and process performance is. Such studies should also span over other processes characteristic for management, e.g. planning and budgeting.

Furthermore, the Author proposes a thesis that a horizontal development of MR process manager qualifications in the direction of IT knowledge and skills ought to be realized in the same manner as the increase of the level of core knowledge and skills of the process manager is performed.

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CONTROLLERS' IT-QUALIFICATIONS AND MANAGEMENT REPORTING PERFORMANCE – CASE STUDY

Abstract

The purpose of this paper is to provide evidence that increasing IT-qualifications of management reporting (MR) process manager can positively influence MR process performance and the quality of its outputs. Multiple-case, longitudinal study in a multinational company operating in Poland was provided. Two MR process managers were interviewed in two moments in their career, before and after increasing their IT-qualifications. Between these two moments in time, they received the same knowledge and acquired skills in the area of obtaining and processing data, as well as generating and propagating reports. They also used the acquired knowledge to improve their performance of their MR processes. As was proven on the basis of the analysis of the presented cases, there is a correlation between the level of an employee IT-knowledge and IT-skills and the performance of the MR process, for which the mentioned employee is responsible. Discussion, practical applications and possible directions of further, quantitative studies in researched area have been presented.

KEY WORDS: IT-QUALIFICATIONS, MANAGEMENT REPORTING, PERFORMANCE, CONTROLLING

KWALIFIKACJE IT CONTROLLERA A EFEKTYWNOŚĆ PROCESU RAPORTOWANIA ZARZĄDCZEGO – STUDIUM PRZYPADKU

Streszczenie

Celem artykułu jest przedstawienie praktycznych przykładów na istnienie związku między podnoszeniem kwalifikacji IT osób odpowiedzialnych za procesy raportowania zarządczego (ang. Management Reporting – MR) a efektywnością tych procesów. Badania oparto na metodzie typu case study. Przeanalizowano dwa przypadki procesów MR (multi-case study) badając ich funkcjonowanie w przedsiębiorstwie międzynarodowym działającym w Polsce. Przeprowadzono wywiady z managerami procesów MR w dwóch momentach w czasie (longitudinal case study), przed i po zwiększeniu ich kwalifikacji IT. W obu opisywanych przypadkach udoskonalono procesy MR z wykorzystaniem poszerzonej wiedzy i umiejętności z zakresu IT. W przedstawionych przypadkach zaobserwowano wyraźny związek między poziomem kwalifikacji IT osób odpowiedzialnych za procesy MR i wydajnością tych procesów. W artykule przedstawiono także zagadnienia wymagające dalszej dyskusji naukowej, praktyczne zastosowania wyników i możliwe kierunki dalszych badań ilościowych.

Słowa kluczowe: kwalifikacje IT, raportowanie zarządcze, efektywność procesów raportowania zarządczego, controlling

SŁAWOMIR WINCH*

LEADERSHIP IN FUTURE-ORIENTED ENTERPRISES – RESULTS OF EMPIRICAL RESEARCH[1]

Introduction

Time orientation of enterprises is a rare subject of publications in the area of management sciences. It is caused by a silent assumption that the essence of reasonably operating economic organisation is to create plans or strategies and that it is naturally future-oriented. Two criteria related to time perspective can be distinguished: definition of the moment of current profits consumption and perception of future events' impact on the present time and future, opening other areas of analysis. They are very often indicated in publications on anthropology and organisational culture. The works of E. Hall, P. Zimbardo or F. Trompenaars about sequential and linear time perception should also be mentioned[2].

According to the authors mentioned above, time perspective determines the development of organisational structures, motivation system, scope of control in an enterprise etc. In other words, it influences management. As a consequence, it is also a factor that constitutes leadership in economic organisations and can also be a variable explaining the behaviour of enterprise leaders. The reference literature

[2] E. Hall, *Poza kulturą* (original title: *Beyond Culture*), PWN, Warsaw 2001. The author divided time into polychromic time (performing several actions simultaneously) and monochromic time (performing one action at a time). Time perception influences planning, control etc. Compare: P. Zimbardo, J. Boyd, *Paradoks czasu* [original title: *The Time Paradox*], PWN, Warsaw 2009; F. Trompenaars, Ch. Hampden – Turner, *Siedem wymiarów kultury* (original title: *Riding The Waves Of Culture*), Oficyna Ekonomiczna, Cracow 2002.

comprises numerous empirical studies concerning the leaders' behaviour. From the point of view of behaviourism and functionalism it is worth mentioning the research by G. Yukl, while in the interpretative area works by A. Koźmiński, J. Mach and T. Weil are considered most important[3]. They prove the existence of relationship between the leadership style and an enterprise effectiveness. However, they indicate different factors responsible for the strength and direction (positive vs. negative) of this dependence. Other works show a positive relationship between time orientation and financial situation of an enterprise[4].

The statement that time orientation of management staff of enterprises influences the style of leadership is the main thesis developed in this article. Its aim is to show the strength of this relation using statistical measures. Statements of management staff collected by telephone interviews using standardised survey interview by the end of 2013 are analysed.

The research question is: which time perspective determines the adoption of a certain leadership style? The main hypothesis (H1) is the statement that orientation to the past is strongly related to activating leadership style, orientation to the present time is related to operational leadership style and orientation to the future is related to strategic leadership style.

1. Time perception

Time is traditionally divided into past, present and future. In the organisational culture research the criterion differentiating time perception is the moment when people decide to consume their profits.

Orientation to the past is taken from behaviour patterns that were effective in the past. In order to understand it, it is necessary to introduce additional perspective, which is the perception of causal relationships. It is featured by a deep belief in the influence of the past on the present and future. If the past experience therefore suggests immediate consumption of profits, it will be carried out. If it turns out that it is worth investing the profits, they will be invested. That is why orientation to the past does not provide one area of behaviour in a given enterprise. For, on the one hand it is said, that it causes avoiding innovations. On the other hand, there is a strong belief that people's behaviour based on their history makes it possible to introduce changes

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[3] G. Yukl, *Ku behawioralnej teorii przywództwa,* in: W.E. Scott, L.L. Cummings (ed.), *Zachowanie człowieka w organizacji,* Vol. 2, Państwowe Wydawnictwo Naukowe, Warsaw 1983, pp. 90–107; A.K. Koźmiński, *Ograniczone przywództwo. Studium empiryczne*, Poltext, Warsaw 2013; J.G. March, T. Weil, *On Leadership*, Blackwell, Oxford 2005.

[4] S. Winch, *Czas jako wymiar kultury organizacyjnej a efektywność przedsiębiorstwa,* "Organizacja i Kierowanie", No. 2, Oficyna Wydawnicza SGH, Warsaw 2006, pp. 51–65.

in line with the systems of norms and values, which unite people working together. Within orientation to the past, it is difficult to decide on the leadership style without the knowledge about the tradition of a given company.

The orientation to the future provides different situation. It is believed that the profits are consumed at the moment of their creation. It is probably related to the mentality of people believing that "a bird in the hand is worth two in the bush". The functioning management systems (i.e. relations between various groups or units of a company) and features of the environment should also be taken into account. The essence of management by objectives is to indicate feasible objectives in a short (i.e. one year) time perspective. It is also connected with a bonus system giving bonuses for performance of current tasks. The emphasis on the present can result for example from constantly changing law, which destabilises activities and makes it difficult to determine future size of profits. It therefore seems reasonable to use them in the moment when they are generated. Orientation to the future necessitates current cooperation in the group and intensive contacts with the clients. The nature of the created relations is instrumental, since any investments are considered as highly uncertain and consequently they are not worth of interest in longer term. The organisational structure includes planning or strategy departments, which are however considered effective only when they bring immediate profits. In this perspective the past does not play any significant role. No causal relationships are taken into account. Only "here and now" is important.

Orientation to the future assumes readiness to postpone consumption, because it gives a basis to generate them in an even greater scale. Enterprises of this type have departments of planning, quality control etc. A long-term strategy and investing in all kinds of relations are considered very important, as it can generate more profits. Such economic organisations build knowledge bases, personal policy is developed, as well as related employees' development[5]. The more an enterprise is future-oriented, the greater its readiness to introduce changes and undertake risk. Cooperation among employees and trust in the management staff is necessary in such organisations. For, it is difficult to imagine that multiplying profits would be possible without these factors. There is also a need to show the non material dimension of profits, e.g. the stability of employment, development, professional satisfaction. A convincing substantiation of postponing consumption should be provided.

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[5] M. Juchnowicz (ed.), *Zarządzanie kapitałem ludzkim. Procesy – narzędzia – aplikacje,* PWE, Warsaw 2014.

2. Leadership styles

The issue of leadership styles is constantly present in management science reference literature. As soon as in the 1930 s K. Lewin analysed processes occurring in small groups in respect of autocratic and democratic power[6]. In 1990 s these works were continued by, among others, G. Yukl, and B. Bass is an author of a classic description of leadership styles[7]. He concluded, on the basis of reference literature and related empirical studies, that leaders' behaviour can be classified into two groups. The first one is focused on the power (autocratic style oriented to task performance), while the second is focused on egalitarianism (democratic style oriented to people).

The proposal of B. Kaplan and R. Kaiser, distinguishing two dichotomies of leaders' behaviours is also in line with this tradition. The first, classic one refers to the way of executing power. In this context a forcing (autocratic) and activating (democratic) style was distinguished. The second one refers to auxiliary instruments of power: a strategic (formulating vision, investing in innovations) and an operational one (current control, organisation of work, emphasis on current tasks performance)[8]. The authors develop a thesis that enterprise effectiveness increases with the growth of leaders' ability to apply the listed styles, depending on circumstances.

There are also many styles that are a mixture of the ones listed above, e.g. strategic and forcing, operational and activating etc. Forcing leadership is aimed at full control over the tasks performed by employees. They are accounted for achieving the set objectives, and their evaluation does not include the circumstances, such as market crisis, conflicts in employees' groups etc. Strong pressure is made on the achievement of objectives. This leadership style can be reflected by the following statement: "I don't care how you do it, but it has to be done".

Activating leadership is the opposite of forcing leadership. This style consists in sharing power, inspiring the subordinates to show initiative and supporting them by consultations or using additional resources. An activating leader is interested in the others' views, regulates all conflicts, taking into account interests of all parties. This style can be described by the following statement: "We can solve many problems together, and I want to encourage you to show initiative".

Strategic leadership puts emphasis on formulating company's strategy based on previously created development vision. Its characteristic feature is the focus on market opportunities and niches giving chances for an enterprises' development. Strategic

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[6] K. Lewin, R. Lippit, *An experimental approach to the study of autocracy and democracy: A preliminary note*, "Sociometry", Vol., 1/1938, pp. 292–300.

[7] G. Yukl, *Leadership in organization, Upper Saddle River*, Prentice Hall, New York 1998; B. Bass, Bass and Stogdill's handbook of leadership.

[8] B. Kaplan, R. Kaiser, *Wszechstronny lider*, Oficyna Wydawnicza Wolters Kluwer business, Cracow 2010.

management, searching for competitive advantages in long-term perspective, is dominating. The essence of this style is reflected by the statement: "We are looking into the future and constantly looking for market success opportunities".

Operational leadership is focused on current actions. What is important is "here and now". Emphasis on details and work efficiency is dominating in relations with subordinates. Considerable emphasis is placed on acquiring information from outside, as they are an important criterion in the decision making process, especially in crisis situations. Sentences reflecting this style are: "What is important is here and now" and "You are as good as your last professional achievement".

3. Research hypotheses, operationalisation of terms, research method

In order to address the research issue, a hypothesis H (1) has been formulated, that orientation to the past is strongly related to activating leadership style, orientation to the present time is related to operational leadership style and orientation to the future is related to strategic leadership style.

Orientation to the past requires permanent discussion among the employees about the choice of experiences that are helpful in solving current problems. It seems difficult without decentralisation of power, and especially the small distance of power. The small distance of power, according to G. Hofstede's concept, means non-acceptance of inequality at an enterprise[9]. It is not about the scope of responsibility stemming from organisational structure, but about egalitarianism related to performance of social role and the possibility to express one's own opinion. The competitive hypothesis can also be substantiated: orientation to the past determines the forcing style of group management. As it was mentioned before, the choice of leadership in this orientation is conditioned by experiences, which can be different for various enterprises.

Orientation to the present time necessitates current control, clearly determines the entity taking decision and thus assumes relation with forcing and operational leadership style. It is opposed to orientation to the future, which is based on formulating a vision of development, emphasis on planning and building relations of trust. It is therefore assumed that the strategic and activating leadership style is dominating.

It is possible that the leadership style depends on the sector, number of years of an enterprise's presence on the market and the respondents' sex. The last factor is of psychological and social nature, which is worth taking into account.

Three further specific hypotheses have been formulated. Hypothesis H(2) says that orientation to the future is more common in the food processing sector than

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[9] G. Hofstede, *Kultury i organizacje. Zaprogramowanie umysłu*, PWE, Warsaw 2000.

in the other sectors (i.e. wholesale and retail trade and construction industry), which generates strategic leadership style[10]. Hypothesis H(3) states that the shorter the time of an enterprise's operation on the market, the more common orientation to the present related with forcing/operational leadership style[11]. Hypothesis H(4) states that men, compared to women, more commonly chose the strategic leadership style related to their traditional social role.

The proposed research model is presented on Figure 1.

Figure 1. Research model
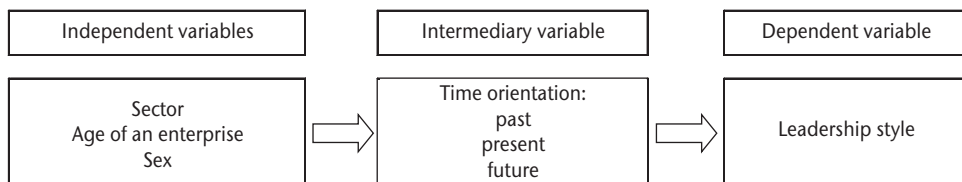
Source: Own study.

It is also interesting to answer the question: on what levels do the respondents place the leaders? It seems, according to hypothesis H(5), that they would be placed on the highest levels of organisational structure, which means that they would be members of the management board.

The next specific hypothesis, H(6) is about the functions that a leader should perform. Five following functions have been listed: formulating vision of development, motivating employees, undertaking risks of organisational changes, taking responsibility in crisis situations, providing an example of moral behaviour. It seems that the first function would be most commonly indicated. The respondents hold the highest positions in management structures, which are associated with formulating a vision of development and motivating employees.

The level of a given leadership style has been measured according to the five-point Likert scale. The question was: *According to a five-point scale, where 1 means 'strongly disagree' and 5 means 'strongly agree', please evaluate the following statements referring*

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[10] In the sample of enterprises 83% were companies from three sectors: food processing (45.0%), wholesale and retail trade (27.0%), construction industry (11.0%). The remaining 17.0% are companies from sectors such as production and provision of electricity, gas, steam, hot water and air-conditioning systems; transport and motorcycle management etc. Due to such a percentage distribution, the three most represented sectors were distinguished in further analyses, while the remaining ones were placed in the "other" category.

[11] The sample under research was divided into two groups depending on the companies' age. The first one comprises companies established before 1990 (40.0%), the second includes the ones established after 1990 (60.0%). The choice of the year is symbolic and it refers to the beginning of the Polish economic transformation.

to a person that could be called "a leader" in your enterprise. The answers indicated the distinguished leadership styles:

a) he/she willingly shares the power (activating style);
b) actively searches for opportunities to gain competitive advantage by the company (strategic style);
c) performs constant control over employees (forcing style);
d) puts emphasis on performing current tasks (operational style).

The measurement of time orientation of an enterprise has also been made according to the five-point Likert scale. The question was: *To what extent do you agree with the statements referring to your enterprise? Please use the five-point scale where 1 means 'strongly disagree' and 5 means 'strongly agree'.* The answers indicated the distinguished time orientations:

a) past actions are often presented as an example to be followed in my company (orientation to the past);
b) what is important for the company is "here and now" (orientation to the present);
c) the company invests a lot in the future (orientation to the future).

Computer Assisted Telephone Interviews (CATI) were applied to address the research issue. The method is of quantitative nature and it consists of telephone contact of an interviewer with a respondent and filling a questionnaire with the use of a computer programme[12]. The collected empirical material was used to verify the formulated hypotheses. The interviews were carried out in October and November 2013.

The research was carried out on a sample of enterprises from the "List of 2000" published by the "Rzeczpospolita" newspaper in 2011. The choice of sample was random. 147 enterprises from various regions of Poland were drawn. The interviews were carried out with persons holding the following positions: president/ vice president (27.0%), board member (40.0%), marketing director/ deputy marketing director (11.0%), CEO/deputy CEO (4.0%), marketing department manager (15.0%), a person authorised by those listed above or another person holding similar position (3.0%). Standard error of estimate for the analysed sample is 6%[13]. The research sample does not make it possible to refer the research results for the Polish enterprises on the whole. It enables however substantiating the hypotheses and gives bases to formulate subsequent research problems.

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[12] Compare: E. Babbie, *Badania społeczne w praktyce* [original title: *The Practice of Social Research*], PWN, Warsaw 2003, p. 297–298.

[13] Error of estimate shows the difference in percentage between the value of sample statistics with the value in population and it makes it possible to define the range where the real value is.

5. Verification of hypotheses – research results

The main hypothesis H (1) assumed relation between the time orientations and leadership styles. The strength of such relation will be measured with the use of Pearson correlation coefficient (see: Table 1)[14].

Table 1. Measurement of strength of relation between time orientation and leadership style

Leadership	Time orientation		
Style	Past	Present	Future
Forcing	0.073	0.140	0.000
Activating	0.051	0.063	0.054
Strategic	−0.022	−0.059	**0.429****
Operational	0.138	0.077	0.121

Source: Own study ** significance level (p < 0.01)[15].

The values of correlation coefficients positively verify part of H(1) hypothesis indicating a strong relationship between future-orientation and a strategic leadership style. Probably several leadership styles are applied in enterprises simultaneously, since considerable changeability of the environment and internal events require various types of behaviour, which B. Kaplan and R. Kaiser defined as comprehensive. It turns out that the forcing and operational styles are most strongly related to each other according to Pearson correlation coefficient (0.333). The relation strength equal to 0.429 (Table 1) between future-orientation and the strategic style is high, while in other cases it is statistically insignificant.

It is important to answer the question about the intensity of a given time orientation and the dominating leadership style in the analysed respondents' group. The answer has been provided by an analysis of average values, which allowed for comparing central values of variables under question[16]. The analysis results are presented on Diagram 1 and 2.

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[14] The coefficient uses values from (–) 1.0 to (+) 1.0, the sign indicates the direction of dependence, and its value indicates its strength. Compare: A. Aczel, *Statystyka w zarządzaniu*, PWN, Warsaw 2000, pp. 479–484.

[15] The significance level indicates in general the probability of the 1st type error. If it is lower than 0.01, in less than "one per hundred" cases the indicated relation is possible not to occur.
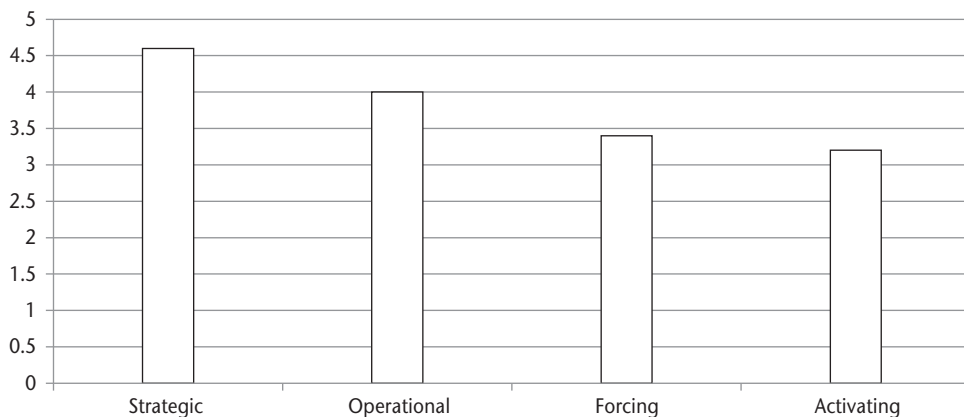
[16] The average as a measurement of the central trend is used to measure central trends of interval variables and ratio variables. Compare: J. Górniak, J. Wachnicki, *Pierwsze kroki w naliczaj danych SPSS*, Cracow 2008, p. 103.

Diagram 1. Average intensity of time-orientation
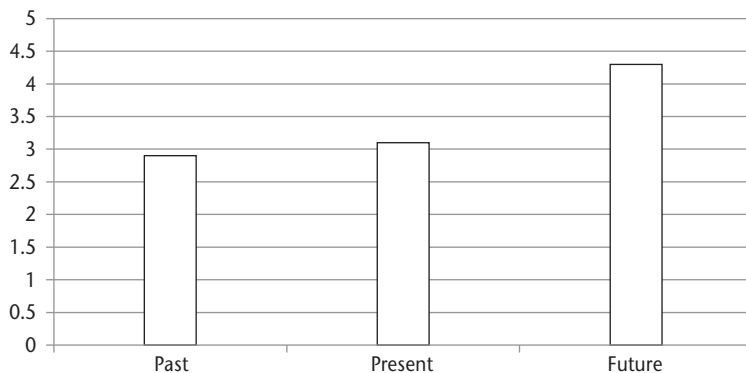
Source: Own study.

Diagram 2. Average intensity leadership style orientation

Source: Own study.

Diagrams 1 and 2 indicate that in the analysed sample future-orientation and strategic management style are featured by the highest average values.

The possible relations between time orientation and leadership style can possibly be connected with other independent variables: sector, age of the enterprise and respondents' sex.

According to hypothesis H(2), future-orientation is more common in the processing industry than in the other sectors (i.e. wholesale and retail trade or construction), which generates strategic leadership style (see: Tables 2 and 3).

Table 2. Time orientation depending on the sector (%)

Time Orientation	Sector			
	Processing Industry	Wholesale and retail trade	Construction	Other
Past	3.0	7.0	7.0	4.0
Present	4.0	5.0	7.0	5.0
Future	41.0	42.0	33.0	39.0
Mixed*	52.0	46.0	53.0	52.0
Total	100.0	100.0	100.0	100.0

Source: Own study *, respondents have indicated more than one time orientation; $p > 0.05$.

Percentage distribution presented in Table 2 indicates that industrial processing and wholesale trade are similarly future-orientated and present-orientated. The construction industry is interesting. It seems that the investment cycle in this sector is relatively long, compared to the other sectors. It starts with the choice of a site, purchase of a plot and ends with providing a ready product. Each stage brings problems requiring immediate actions. Thus this industry is featured by the highest rate of present-oriented companies. Percentage differences are not big enough to state that the sector conditions perception of time at a company. It can be stated however that orientation to the present conduces activating leadership style. It was indicated by 57.0% enterprises of the construction sector, 48.0% enterprises of the processing industry sector and 38.0% of the wholesale trade sector.

Dependences between leadership style and the sector are presented in Table 3.

Table 3. Leadership style depending on the sector (%)

Leadership Style	Sector			
	Processing Industry	Wholesale and retail trade	Construction	Other
Forcing	3.0	0.0	0.0	0.0
Activating	5.0	0.0	7.0	4.0
Strategic	27.0	22.0	14.0	39.0
Operational	3.0	3.0	7.0	9.0
Activating/strategic	12.0	11.0	7.0	13.0
Strategic/operational	18.0	22.0	14.0	4.0
Mixed*	32.0	42.0	51.0	31.0
Total	100.0	100.0	100.0	100.0

Source: Own study *, mixed style is the style described by respondents which gave the same rate to more than two categories; $p > 0.05$.

Considering percentage distribution in Table 3, more than two leadership styles (mixed style) occur in all sectors. This influences the nature of the research sample comprising 2000 largest enterprises in Poland. The size of a company (employment, turnover, etc.) can significantly influence the diversity of leadership styles. Activating style is most common in the construction industry. Companies from this sector hire numerous contractors, separate companies are created to carry out certain construction projects. In this context centralisation of power seems ineffective. The specific nature of work necessitates dispersion of decision centres, which, as a consequence, generates activating leadership style. Percentage differences however are not big enough to regard it as a significant relationship. Considering percentage distribution, a significant share of strategic style in processing industry and wholesale trade sectors can be established.

Two-variable (see: Tables 2 and 3) do not verify H(2) hypothesis. Regression analysis will be used to do this[17]. The value of R^2 coefficient in the analysis of line regression between the sector, time orientation and leadership style amounts to 0.004. It means that less than 0.5% of leadership style variances are explained by the sector and time orientation of an enterprise. Consequently, research results do not confirm H(2) hypothesis.

Hypothesis H(3) states that the shorter the time of an enterprise's operation on the market, the more common orientation to the present related with forcing/operational leadership style. Distribution of percentage depending on the number of years of enterprise's existence on the market and time orientation is presented in table 4.

Table 4. Perception of time depending on the number of years of an enterprise's existence on the market (%)

Time	Years of an enterprise's functioning on the market	
Orientation	Established before 1990	Established after 1990
Past	3.0	6.0
Present	3.0	6.0
Future	35.0	44.0
Mixed	59.0	44.0
Total	100.0	100.0

Source: Own study; p > 0.05.

[17] "The aim of regression analysis is to indicate those independent variables, which explain the biggest share of dependent variable variability (...) Determination coefficient R^2 expresses the percentage share that can be explained by dependent variables taken into account". T. Pavkov, K. Pierce, *Wprowadzenie do SPSS dla Windows*, GWP, Gdańsk 2005.

The percentage distribution shows that enterprises established after 1990 are more commonly oriented to the present and future. This result suggests that they will also more frequently experience the strategic leadership style (Table 5).

Table 5. Leadership style depending on the number of years of an enterprise's existence on the market (%)

Leadership	Years of an enterprise's functioning on the market	
Style	Established before 1990	Established after 1990
Forcing	4.0	0.0
Activating	4.0	4.0
Strategic	16.0	33.0
Operational	2.0	6.0
Activating/strategic	12.0	11.0
Strategic/operational	20.0	15.0
Mixed	42.0	31.0
Total	100.0	100.0

Source: Own study; p < 0.05.

"Young" enterprises definitely prefer strategic style of leadership and management. The value of R^2 coefficient in the analysis of line regression between the period of enterprise's functioning on the market, time orientation and leadership style amounts to 0.003. This means that 3.0% of leadership style variances are explained by the age of a company and its time orientation. The research results do not confirm H(3) hypothesis entirely. Only the fact of younger enterprises' orientation to the present was confirmed.

Table 6. Leadership style depending on the sex (%)

Leadership	Sex	
Style	Women	Men
Forcing	2.0	1.0
Activating	0.0	6.0
Strategic	21.0	29.0
Operational	2.0	6.0
Activating/strategic	9.0	13.0
Strategic/operational	19.0	15.0
Mixed	47.0	30.0
Total	100.0	100.0

Source: Own study; p < 0.05.

Hypothesis H(4) states that men, compared to women, more commonly chose the strategic leadership style related to their traditional social role.

According to traditionally perceived social role, the man is supposed to provide for the family, and the woman cares about the house. In this context it seems natural that the men prefer the strategic leadership style, and the women prefer the forcing style. Interestingly, women from the research sample are not willing to share their power, which also confirms the presented opinion. Percentage values presented in Table 6 confirm the traditional point of view. On the other hand, these are not only social, but also professional roles. In professional respect preference of a given style should be independent from personal features, but apparently the social nature can have stronger impact than the professional situation. The strength of relations between the variables presented in Table 6 is not too big (Cramer's V = 0.252[18]) but the percentage values and significance level substantiate hypothesis H(4).

The two last hypotheses referred to relations between two or more variables, but assumed that leadership is performed on higher management levels – hypothesis H(5). It was entirely confirmed, since 94.0% of respondents stated that these were the management board members who should be called the "leaders".

The last hypothesis H(6) referred to preferences concerning functions performed by the leaders and it was assumed that they would consist in defining the enterprise development vision in the first place. The percentage values confirm that the hypothesis is true, as 52.0% of respondents considered this function as the most important for the leaders. Functions such as taking responsibility in crisis situations (21.0%), motivating employees (15.0%) and taking risk in crisis situations (10.0%) were also indicated. The smallest number of answers (2.0%) referred to the leader's being an example of moral behaviour. Many contemporary concepts of leadership highlight the importance of moral attitude of the company leaders, as it is necessary to influence the others' behaviour effectively[19]. The research results do not confirm the formulated thesis.

5. Recapitulation

The research results have confirmed part of the H(1) hypothesis concerning the strong relation between an enterprise's future orientation and the strategic leadership

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[18] Cramer's V coefficient measures the strength of coexistence between the nominal data is expressed by values from 0 to 1. Compare: M. Rószkiewicz, *Metody ilościowe w badaniach marketingowych*, PWN, Warsaw 2002, pp. 135–144.

[19] Compare: K. Blanchard et al. (eds.), *Przywództwo wyższego stopnia,* PWN, Warsaw 2009; M. Brown, M. Mitchell, *Ethical and Unethical Leadership: Exploring New Avenues for Future Research*, "Business Ethics Quarterly", October/2010, pp. 583–616.

style. The two other types of time orientation – past and future – are not correlated with any of the distinguished styles. There are several time orientations occurring in enterprises simultaneously and any future research should exactly determine management areas for each of them and diagnose their relations with leadership style.

Compared to other sectors, processing industry is more future-oriented and the strategic leadership style is more common there, which is confirmed by H(2) hypothesis. These dependences are not however unequivocally confirmed by percentage values. The biggest percentage of companies in the construction industry is present-oriented, which is conducive to the activating leadership style.

The research results confirm H(3) hypothesis in the part concerning the correlation of the young age of companies with the orientation to the present. It is not however the most common orientation in the discussed group of companies and more dependence are observed between orientation to the future and the strategic leadership style.

The causal relationship between the sector, the company's age, time orientation and leadership style has not been confirmed. It could however be examined in the context of the respondents' sex. H(4) hypothesis has been confirmed concerning the relationship between the sex and leadership style. It has turned out that according to assumptions of H(5) and H(6) hypotheses the leaders are found on the highest levels of organisational structure and they are expected to formulate an enterprise's development vision.

Research on time orientation of enterprises using quantitative methods requires more indicators to be included in the questionnaire concerning various management areas. Independent variables related to the organisational structure should also be used.

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LEADERSHIP IN FUTURE-ORIENTED ENTERPRISES – RESULTS OF EMPIRICAL RESEARCH

Abstract

The article discusses the thesis according to which time orientation of management staff of enterprises influences the style of leadership. It has been developed on the basis of qualitative research showing statistical strength of relationship between time perception and personal management style. Four basic styles have been distinguished: strategic, activating, forcing and operational style. The research results have confirmed the hypothesis concerning the strong relation between an enterprise's future-orientation and the strategic leadership style. The two other types of time perception – past and future – are not correlated with any of the distinguished styles. There are several types of time orientation occurring in enterprises simultaneously and any future research should exactly determine management areas for each of them and diagnose their relations with the leadership style.

Key words: time perception, leadership, leadership style

PRZYWÓDZTWO W PRZEDSIĘBIORSTWACH NASTAWIONYCH NA PRZYSZŁOŚĆ – WYNIKI BADAŃ EMPIRYCZNYCH

Streszczenie

W artykule rozwinięto tezę głoszącą, że orientacja czasowa kadry kierowniczej przedsiębiorstw wpływa na styl przywództwa. Dokonano tego w oparciu o badania ilościowe pokazujące statystyczną siłę związku pomiędzy percepcją czasu a stylem kierowania personelem. Wyróżniono cztery podstawowe style: strategiczny, aktywizujący, forsujący i operacyjny. Wyniki badań potwierdziły hipotezę mówiącej o silnym związku pomiędzy orientacją na przyszłość przedsiębiorstw a strategicznym stylem przywództwa. Dwa pozostałe rodzaje percepcji czasu – przeszłość i teraźniejszość – nie są skorelowane z żadnym z wyróżnionych stylów. W przedsiębiorstwach występuje kilka orientacji jednocześnie i w kolejnych badaniach należy precyzyjnie określić sfery zarządzania i dla każdej z nich zdiagnozować związki ze stylem przywództwa.

Słowa kluczowe: percepcja czasu, przywództwo, styl przywództwa

KAMILA MALEWSKA*, MAJA SAJDAK**

THE INTUITIVE MANAGER
IN AN AGILE COMPANY

Introduction

Modern organizations operate in a changing, complex and barely predictable environment. In order to survive and develop under conditions of strong competition they must possess certain attributes that make it possible to quickly identify and take advantage of market opportunities and efficiently adapt to changes (resulting from the buyers' needs and the actions taken by competitors) in both the close and distant environments. Therefore, we may assume that survival and, in the long run, competitive advantage depend on the ability of organizations to respond to business environment's changes and, in particular, on the ability to meet specific customers' needs. Organizations should be proactive in developing their ability to adapt [18, pp. 137–143]. It may be noted that these characteristics coincide with those of an agile organization as defined in the literature on the subject. An agile enterprise is one that is able to gain a competitive advantage through intelligent, quick and proactive identification and use of opportunities, as well as the elimination of threats [3].

The features of the environment determine not only the formation of particular business characteristics and the abilities of an enterprise, but also the unique competences of its members. The conditions under which managers make decisions are characterized by a high degree of uncertainty, time pressure and a lack or excess of information. Managers, particularly at a strategic level, have to deal with unstructured and distinctive problems. This all means that they increasingly turn to their intuitive potential in the decision-making process. Intuition makes it possible to analyse a lot of information and identify that which is the most relevant in decision-making.

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On the other hand, in the absence of information, intuition helps to fill the information gap. Moreover, empirical studies show that intuition is used in management practice primarily to generate innovative, unconventional decisions facilitating the solution of single problems [1, pp. 206–207].

The aim of this paper is to present the concept of an agile enterprise and an approach based on intuition in decision-making as a response to changes in the business environment. The paper is based on the assumption that the characteristics of an agile enterprise and the competencies and skills possessed by intuitive managers may be necessary for the survival and development of organizations in the nearest future. The paper consists of three main parts. The first one presents the essence of an intuitive approach in management, especially in decision-making process. The second part lays out the concept of an agile enterprise. In the last section an attempt has been made to compare intuitive manager's competences and skills and the characteristics of an agile enterprise with the requirements for the efficient functioning of modern organizations resulting from business environment's changes.

1. Intuition in management

Despite the fact that sometimes the conditions under which modern managers operate limit or prevent any rational analysis, such an approach lays the foundation for decision-making processes in many organizations. So far, intuition, which is thought to be the opposite of rational analysis, has been ignored in decision-making processes. However, a growing interest in intuition has been observed in recent years. This interest can be explained by limitations in the application of rational analysis and its lack of suitability for the conditions under which decisions are taken nowadays (uncertainty, information noise, time pressure). Additionally, the results of research in the field of psychology have shown that a significant majority of cognitive acts take place beyond rationality, in the realm of the unconsciousness [21, p. 76]. Moreover, scientists argue that effective managers follow their intuition in decision-making [21, p. 79]. The authors claim that intuition is used particularly in critical situations, emergencies, time constraints, the lack or excess of information, or when there are several alternatives, all of which can be substantiated by rational arguments [5, p. 92].

Therefore, decision-making based on an intuitive approach is a reaction of managers to time constraints, inadequate information in terms of both quantity and quality, as well as the dynamics of internal and external changes. Owing to these decision-making conditions, it is not feasible to perform a sequential, systematic and rational analysis. The process during which a problem is solved, is difficult to explain and, even more so, to restore. Nevertheless, managers provide solutions to problems relying on their personal experience [24, p. 278]. This means that decision-makers are

often forced to tackle the problem of decision-making by adopting a synthetic, holistic attitude, drawing simultaneously upon their knowledge and experience without any rational reasoning. Additionally, in a situation where the manager does not know any potential options for solving a problem, he/she is forced to come up with a new solution and only then, it can be evaluated. Therefore, decision-makers must turn to their full intellectual potential and especially their creativity, which involves the use of intuition [6, pp. 235–236].

The concept of intuition is not clearly defined. This is due to the interdisciplinary nature of the term itself, and the fact that a variety of descriptive terminology is used in relation to it, for example [23, pp. 30–31]:

- paranormal strength, a sixth sense, parapsychology;
- a personality trait acquired in the early stage of human personality development and remaining relatively unchanged throughout a lifetime;
- an unconscious process (as opposed to rational analysis);
- a set of actions to obtain and use information;
- distilled experience;
- something that remains after a rational analysis has been done;
- instinctive knowledge;
- an illogical process within the subconscious;
- knowledge gained without any conscious effort.

Analyzing the definitions of intuition one can discern three main directions in explaining the meaning of the term. Some authors maintain that intuition is a rational thought process that results from the analysis of both facts and feelings [1, p. 18; 19, p. 61]. The second group of researchers is in opposition to the first one, and postulates that intuition consists in the acquisition of knowledge without rational thinking [6, p. 238; 4, p. 4]. The third type of definitions is associated with the way "intuition" is identified with experience, and presupposes the existence of a linear relationship between these categories. This means that the more experience the decision-maker has, the larger his/her intuitive potential [15, pp. 9–21]. Considering the definitions of intuition presented in the literature, C.K. Williams has identified three important similarities relating to the use of intuition in solving decision problems: intuition is very often external to our consciousness; information is processed in a comprehensive way; and intuitive cognition is accompanied by emotions associated with the conviction that the provided solution is right.

In the context of decision-making processes intuition must be seen as a managerial ability which can be studied, exploited and developed [24, p. 279]. Intuition is a form of cognitive activity in the human mind that differs from classical rational reasoning. It is often not even conscious and, therefore, the process is difficult to present and recreate. Intuition involves thought processes that are different from the classical canons of scientific cognition. It should be emphasized, however, that this process

is not irrational, neither it is separated from the knowledge the decision-maker has, nor from the information he/she obtained during the decision-making process. It is a thought process, the principles and mechanisms of which are difficult to demonstrate, but its results are verifiable and possible to present [6, pp. 238–240].

The most effective method of characterizing the intuitive decision-making process is to combine and compare it with the rational decision-making process that has been thoroughly described in the literature on the subject.

Table 1. Comparison of the rational and intuitive decision-making processes

Criterion for comparison	Rational decision-making process	Intuitive decision-making process
Location of the decision--making problem	▪ Finding problems in existing irregularities	▪ Finding problems in the future, not the present
Method of problem solving	▪ Finding solutions to the problem by identifying the causes of irregularities ▪ The solution is found by dividing it into parts, followed by an analysis involving rational thinking	▪ Generating unconventional ideas ▪ The solution is found by considering the whole problem, followed by an analysis made from the perspective of facts and feelings
Evaluation of alternative variants of the decision	▪ Careful estimation of the costs and benefits associated with each alternative solution to the problem	▪ Emotional rejection of alternative decisions that are considered inappropriate
Approach to risk and uncertainty	▪ Maximum reduction of risk and uncertainty	▪ Acceptance of risk and uncertainty
Source of information	▪ Reliance on external information	▪ Using both external information as well as hunches and feelings (emotions)
Using information processing procedures	▪ Stressing the importance of the correct information processing procedures	▪ Frequent ignoring of existing procedures
Documentation of the decision-making process	▪ Careful documentation of the entire decision-making process	▪ Lack of documentation in the decision-making process
Involvement of the decision-maker in the decision-making process	▪ Avoiding subjective and emotional judgments	▪ Personal commitment of the decision-maker
Logical thinking	▪ Dominance of the deductive thinking style	▪ Dominance of the inductive thinking style
Awareness in action	▪ Rational decisions are acts of choice preceded exclusively by a conscious search for a solution to the problem	▪ Intuitive decisions are acts of choice preceded not simply by a conscious search for a solution to the problem
Possibility of presenting the decision-making process along with the decision (communicative potential)	▪ Rational thinking and decision-making can be expressed by means of words, numbers or symbols	▪ Intuitive thinking and decision--making cannot be expressed by means of words, numbers or symbols (one can try to convey it using metaphors or images, but this leads to a loss of value)

Source: Own study based on 6, p. 256.

The practical application of a decision-making approach based on intuition requires that managers have a significant intuitive potential which, in turn, is associated with specific characteristics and managerial competence. Managers with well-developed intuition usually have the following characteristics [5, p. 92]:

- high self-esteem, which usually translates into confidence in action;
- curiosity which affects the ability to create unconventional and innovative ideas;
- intrinsic motivation to seek the best solutions to the problem;
- independence, self-reliance in taking action;
- internal controllability versus external controllability, which means that feelings and emotions are the driving forces;
- activity (preferring action over inaction);
- decision-making readiness, which is associated with a willingness to take risks (taking decisions despite the lack of necessary information);
- focus on solutions, not problems;
- preference for informal interpersonal relations;
- self-awareness (awareness of how various stages of the decision-making process develop);
- unique approach to problem solving (which is not a continuation or extension of previously applied solutions).

2. The agile company as an idea for adapting the company to the environment and its changes

The operational conditions under which economic entities function have been affected and changed by a turbulent and unstable environment. Modern businesses have been challenged to create new values in co-operation with customers and acquire the skills to adapt to ongoing changes and to speed-up their response to customers' needs. All these skills lay a solid foundation for the agile enterprise. A. Gunasekaran [11, pp. 1223–1247] defines "agility" as the ability to survive and fend for oneself in a competitive environment, full of unpredictable changes demanding a rapid and effective response. To meet customers' expectations in a changing market, companies must take quick action which will enable them to maintain their competitive advantage. They must introduce innovations in the production process and in information and communication technologies that will require company restructuring and new marketing strategies.

A competitive advantage – the driving force behind changes in the environment – depends largely on the company's ability to respond to them. Any external change creates opportunities for profit, thus making room for new business initiatives which will stimulate the entrepreneurial spirit and generate new innovative ideas and more

effective methods and tools for their implementation. The ability to respond takes into account two crucial skills. Firstly, the ability to anticipate changes in the environment and, secondly, the ability to react to changes.

As markets become more and more restless and unpredictable, a fast response time resulting from greater flexibility is becoming an increasingly important source of competitive advantage. First of all, the ability to react quickly requires access to information. Since traditional economic and market forecasting has become less effective, companies have become more dependent on prospective analyses (using big data and social networks) through direct relationships with their customers, suppliers and even competitors. In order to use information from these sources immediately, the following factors are needed: short cycles for implementing changes, a high level of flexibility and the adaptability of enterprises to changing environmental conditions [10, pp. 266–267].

Agile companies need agile managers who will rise to such challenges as flexible workforce management, flexible rewarding of employees, the ability to create flexible plans, a flexible approach to problem solving, technological agility and flexibility in implementing organizational policies [8, pp. 18–20]. Under conditions of a frequent lack of time, flexible decision-making requires constant decision-making readiness (the ability to solve a decision-making problem by means of intuition, even in the absence of the necessary information) [17, pp. 334–351]. Therefore, intuition often plays a key role in quick recollection and making associations that draw upon personal experience, thus allowing managers to make effective choices without performing an in-depth analysis. Agile management is often burdened with unexpected decision-making under conditions of incomplete information deficit – then, past experience is of great value, as it helps make the best choice when a new decision is to be taken. The effective use of personal experience requires the prior verification of solutions found in the past.

J. Bersin [2] draws attention to three characteristics of an agile enterprise: quick decision-making and its implementation; an organizational culture focused on high efficiency; and the ability to get the right information at the right time. These features, however, are not interdependent, and the main obstacles in pursuing them may be a slow decision-making process and conflicts of interest and objectives in various company departments. Therefore, in companies aiming to achieve agility, the process of human resource management (HR), which should focus on such skills as learning and effective management, plays an essential role.

N. Bonner [7, pp. 83–101] observes that the managers of agile projects act as leaders, coordinators and trainers rather than authoritarian managers that make all the decisions and try to control all the changes. J. Highsmith [13] refers to the management model based on leadership and cooperation in which leadership supersedes commands and orders, and cooperation replaces control. In this model, responsibility includes

defining the course of action, providing support, facilitating the decision-making process and accelerating the communication between employees and teams. This type of leadership encourages taking up of challenges arising from changes and inspires the search for new solutions. Agile leaders have the ability to create visions and motivate people to work on unconventional solutions. They do not make decisions directly, but rather provide the ambient conditions to enable group decision-making. One of their functions is to support, motivate and mentor the team, as well as to solve possible problems and conflicts (both personal and group ones). J. Highsmith [13] emphasizes that leaders do not become leaders because of what they do, but because of who they are. This means that the leadership qualities that are required for success in an agile company operating in a changing and unstable environment do not necessarily have to be learned, but they may result from individual managers' predispositions.

There are many definitions of agility in the literature of the subject. Summing up, one can distinguish four different themes relevant to agility that are most frequently mentioned by the authors of these definitions: namely, meeting customers' needs; competitive advantage; surviving under harsh conditions; and the desire to achieve higher efficiency.

Agility results from the way enterprises respond to changes in the business environment, and is a function of those changes and the situation of the company. In practice, the ability of a company to respond strategically to the new criteria of the business environment means using the methods, processes and organizational practices and tools, most of which have been developed so far. The available tools and methods are most often used in manufacturing companies for specific tasks, while others are being developed in order to provide the skills necessary to achieve agility. One of the major differences between an agile and a traditional company is that the first one uses intensely integrated information systems that provide the highest relevance and wealth of data, as well as effective communication [20, pp. 69–79].

3. Compatibility of the intuitive manager's traits and skills along with the distinctive features of an agile company in the context of efficiency requirements pertaining to the functioning of modern enterprises

In this paper an attempt has been made to compare the competence and skills of an intuitive manager and the characteristics of an agile company with the requirements of efficient functioning of modern organizations resulting from environment's changes. The analysis revealed the compatibility of the two approaches in the process of adapting enterprises to a changing and unstable environment. The requirements for the effective functioning of modern enterprises determine the necessity

to improve both the intuitive manager's competences and the attributes of an agile company. Therefore, it seems reasonable to conclude that the presented ideas, due to their mutual integration, can produce a synergy effect in the efficient operating of modern enterprises.

Table 2. The intuitive manager's competences and skills and the characteristics of an agile company in the context of the efficient requirements pertaining to the functioning of a modern company

Requirements for the efficient functioning of modern organizations	The intuitive manager's traits and skills	Characteristics of an agile company
Survival and development under conditions of strong competition	– Ability to conduct a comprehensive analysis of competitors; – Ability to identify new trends, customers' needs and emerging opportunities in the business environment; – Courage and confidence in action [5, p. 92].	The ability to quickly seize market opportunities and perceive any risks in the environment, ability to categorize the situation as favourable or unfavourable [25, p. 75]. The ability of an organization to gain competitive advantage through an intelligent, quick and proactive use of environment opportunities and an adequate response to threats [18, pp. 137–143].
The need for individual, complex and unstructured problem-solving	– Ability to generate innovative and ingenious solutions (unique approach to problems) [1, p. 163].	The ability to take advantage of emerging opportunities as stimuli for innovative market solutions and their use in the process of market competition through rapid and surprising (for your competitors) allocation of the necessary resources, knowledge and market relations [9]. The ability to reconfigure existing resources and to initiate and modify the necessary projects and ongoing control of their execution. The ability to assess the adequacy of resources and the ability to obtain them from the environment [25, p. 75].
The need to acquire, analyse, and synthesize a plethora of information	– Ability to analyse and synthesize large amounts of information and to identify that which is necessary from the point of view of the decisions being made [1, p. 163].	
The need to fill the information gap in the absence of sufficient information	– Readiness for decision-making (the ability to solve a decision-making problem, even in the absence of information by filling the information gap using intuition) [17, pp. 334–351].	
The rate of decision-making (the need to make decisions under time pressure)	– Ability to make quick decisions (the importance of timing in decision-making); – Quick recollection and using personal experience (experience allows you to make quick choices without doing an in-depth analysis. It is valuable when it refers to the past in order to make the optimal choice in a new decision situation. The past solutions should be verified in order to determine if they are adequate for the new decision-making circumstances);	H. Sharifi and Z. Zhang developed four categories of agile skills: ■ ability to react – the ability to identify a rapid response to change, introducing a reactive or proactive activity; ■ competence – the ability to efficiently and effectively carry out the objectives of the company; this includes an extensive list of skills from which the company gains productivity, efficiency and effectiveness in achieving the objectives;

Requirements for the efficient functioning of modern organizations	The intuitive manager's traits and skills	Characteristics of an agile company
	– Evolved emotional awareness associated with the ability to recognize our own emotions and those of others; it enables us to cope effectively with emotions and, consequently, efficient decision-making [22, pp. 77–79].	▪ flexibility/adaptability – the ability to implement new processes and improvements to achieve the same goals; ▪ speed – the ability to complete the objectives and actions as soon as possible, consists in the flexibility of individual components: such as product flexibility and speed in delivering products or services [28, pp. 772–794].
The need to adopt a strategic perspective (no immediate results arising from the implementation of modern management concepts)	– Perseverance in pursuit of a goal; – Constant search for better solutions; – Internal motivation for action [26, p. 311].	The ability to combine a visionary attitude and operational management; i.e. the spread of ideas; but also the ability to embed these ideas in company operations, taking into account any limitations.
Effective decision-making under conditions of risk and uncertainty	– Acceptance of risk and uncertainty (willingness to take risks); – Ability to function in a risky and unstable environment [12, pp. 145].	The ability of a company to cope with unpredictable changes in order to survive unforeseen threats in the business environment [27, pp. 7–22].

Source: Own study based on 17.

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THE INTUITIVE MANAGER IN AN AGILE COMPANY

Abstract

The aim of this paper is to present the concept of an agile enterprise and an approach based on intuition in decision-making as a response to changes in the business environment. The paper is based on an assumption that the characteristics of an agile enterprise and the competencies and skills possessed by intuitive managers may be necessary for the survival and development of organizations in the near future. The paper consists of three main parts. The first one presents the essence of an intuitive approach in management, especially in decision-making. The second part lays out the concept of an agile enterprise. In the last section an attempt has been made to compare intuitive manager's competences and skills and the characteristics of the agile enterprise with the requirements for the efficient functioning of modern organizations resulting from business environment changes.

Key words: intuition, agile company, adaptation

INTUICYJNY MENEDŻER W SPRAWNYM PRZEDSIĘBIORSTWIE

Streszczenie

Celem pracy jest prezentacja koncepcji sprawnego przedsiębiorstwa i podejścia w podejmowaniu decyzji opartego na intuicji w odpowiedzi na zmiany zachodzące w otoczeniu biznesowym. Pracę oparto na założeniu, że cechy sprawnego przedsiębiorstwa i umiejętności intuicyjnych menedżerów mogą być niezbędne dla przetrwania przedsiębiorstw w bliskiej przyszłości. Praca składa sie z trzech głównych części. Pierwsza prezentuje esencję podejścia intuicyjnego w zarządzaniu, szczególnie w podejmowaniu decyzji. Druga wykłada koncepcję

sprawnego przedsiębiorstwa. W trzeciej porównano kompetencje i umiejętności menedżera intuicyjnego oraz cechy sprawnego przedsiębiorstwa z wymaganiami efektywnego funkcjonowania nowoczesnych organizacji wynikający i ze zmian w otoczeniu biznesowym.

Słowa kluczowe: intuicja, sprawne przedsiębiorstwo, adaptacja

THE COMMITTEE ON ORGANIZATIONAL AND MANAGEMENT SCIENCES POLISH ACADEMY OF SCIENCE

The Committee mission

To stimulate growth of the organizational and management sciences in Poland and to promote accomplishments of organizational and management sciences and their authors in other academic circles and among practitioners.

The Committee aim:

- to represent the scientific community of organizational and management sciences, to interact with other sciences, boards and other bodies of Polish Academy of Science, government bodies and international organizations dealing with the problems of organization and management;
- to stimulate the quality of scientific institutions and members of the community forming the society of management sciences;
- to actively influence young researchers, local scientific communities and practitioners;
- to integrate the community of organizational and management sciences;
- to involve the Committee in cooperation with international community.

WARSAW SCHOOL OF ECONOMICS

The Warsaw School of Economics (SGH) was founded in 1906 by August Zieliński, being Polish first university of economics. Currently the SGH is a internationally renowned institution, which played important role during economic transformation of Poland in 1990 s. SGH graduates are members of Polish, European and global most influential institutions such as the Polish Parliament and Government, the National Bank of Poland and the European Commission. They also hold top managerial posts in numerous Polish and international companies.

Over 15 000 students are currently enrolled for studies at the SGH. It consists of 6500 full-time students and about 5400 part-time students. Additional 2700 students participate in postgraduate courses and 1200 are candidates to doctoral degree. The SGH offers three degrees of undergraduate/postgraduate studies as well as a variety of postgraduate courses including 2 MBA programmes.

Research, along with education, is crucial activity of the SGH. Research topics are selected to support the teaching process and enhance educational standards of the academic staff. Research projects are conducted by Collegia, institutes and departments and cover a wide range of current issues of a significant impact on theory and practice.

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CORRIGENDUM

The authors of the article "Value Creation Through Restructuring – Key Value Drivers and Value Creation Models" by Siniša Mali, Slađan Barjaktarović Rakočević and Gheorghe Savoiu [OiK, Vol. 2012, Iss. 4(153) (Dec 2012)] have failed to include a publication by Stifanos Hailemariam [Corporate Value Creation, Governance and Privatisation: Restructuring and Managing Enterprises in Transition – The Case of Eritrea, University of Groningen, 2001] in their cited literature. Below we publish the necessary corrections.

As a process of improving business efficiency, restructuring is nowadays widely implemented in both the developed and the developing countries. Companies and economies undergo restructuring processes in order to achieve a higher level of performance and survive when the existing business structures become ineffective [Hailemariam 2001]. The goal of the restructuring process is to transform the company into an enterprise that creates value for the shareholders [Hailemariam 2001].

McTaggart, Kontes and Mankins define value creation as managing performances of individual business units with respect to the realized money flows and the returns on investment rate [McTaggart, Kontes, Mankins, 1994; Hailemariam 2001].

According to Knight, value is created by operational and investment decisions managers make on a daily basis [Knight, 1998]. For the value-based management to succeed, it has to be built into daily decision-making. This means achieving a high level of managerial understanding of how management can have an impact on the increase in the company's value and on the translation of abstract concepts of value creation into meaningful daily operation tasks [Hailemariam 2001]

The focus on value creation implies that decisions and activities are assessed in terms of how much value they will create, and that the value-creation oriented behaviour is encouraged throughout the organization. Establishing a value-creation culture requires far-reaching organizational change. If management is oriented toward results, business aspects like ICT will be adopted more easily Čudanov, Jaško 2012]. Monnery maintains that the value creation process requires that managers should fully apprehend which factors create value and in which way they should encourage employees to do things in a different manner [Monnery 1995; Hailemariam 2001].

Value is created only if the business unit or the entire company can earn the rate of return on invested capital that exceeds its cost of capital [Hailemariam 2001].

Pentagon is used in creating a conceptual framework and identifying the key value drivers to measure whether value in business is created or lost [Copeland, Koller, Murrin 1996]. This framework is based on the analysis of the free cash flows and the key value drivers [Hailemariam 2001].

weighted average cost of capital. The value of the growth potential is, on the other hand, determined by the key value drivers – the rate of return on invested capital, amount of net new investments, competitive advantage period, investment rate, and the weighted average cost of capital. The competitive advantage period indicates the period of time during which the expected rate of return on invested capital exceeds the company's weighted average cost of capital [Hailemariam 2001].

Two authors, Crum and Golderberg, developed a conceptual framework for the assessment of the company sustainability known as a PARE model (Potential and Resilience Evaluation Model) [Crum, Goldberg 1998]. These authors maintain that taking steps that improve the potential and resilience of the company is value creative [Hailemariam 2001]. According to the model, strong potential and strong resilience show that the company is a powerful competitor and actions should be taken to retain this position [Hailemariam 2001].

On the other hand, low resilience and low potential show that the management should think about liquidation or, at least, about a serious restructuring of the company [Hailemariam 2001].

Analysis of the company in terms of its potentials and resilience helps identify the problems and points to the corrective steps that should be undertaken to create value [Hailemariam 2001].

According to this model, the attractiveness of the industry and the competitive advantage are the major sources of value creation [Porter 1985]. The more favourable they are, the higher the likelihood that the company will create value [Hailemariam 2001].

After reviewing the position submitted by the main co-author, the Editorial Board decided to publish a revised version of the study and replace the Retraction Notice with a Corrigendum. The authors wish to apologize for the error.

The letter of explanation received from the author of the article is available at: http://kolegia.sgh.waw.pl/pl/KZiF/publikacje/koik/numery/Documents/2015_Letter _Sinsa_Mali.pdf

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