

EUROPEANIZATION OF CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN POLISH ORGANIZATIONS

Jolanta MAJ^{1*}, Liliana HAWRYSZ²

¹ Opole University of Technology, Opole; j.maj@po.edu.pl, ORCID: 0000-0001-5542-0713

² Warsaw University of Technology, Warsaw; Liliana.hawrysz@pw.edu.pl, ORCID: 0000-0002-0357-9930

* Correspondence author

Abstract: Organizations and decision-makers are increasingly interested and aware of the importance of sustainable development and corporate social responsibility. This has led to the adoption of the European Union's Directive 2014/95/EU regulating the reporting of non-financial and diversity information. The research problem of this paper concerns the top-down Europeanization of corporate social responsibility disclosure in Polish organizations. Secondly, the actual reaction of the entities affected by the Directive 2014/95/EU has been investigated. The level of Europeanization has been analyzed through qualitative text analysis of legal documents and the reaction and perception by the entities of EU influence has been examined by CATI research. The research has been conducted on a sample of 101 organizations listed on the Warsaw Stock Exchange, subject to the Directive. The findings suggest that although some change in Polish law did occur, and, therefore, transposition has been made, the organizations assessed the impact of the Directive as non-existing. The novelty of the paper lies with the comprehensive analysis of the Europeanization process, from the level of national legislation to the actual perception of affected entities.

Keywords: Europeanization, corporate social responsibility, isomorphisms, sustainability reporting, corporate social responsibility (CSR) reporting.

1. Introduction

Organizations and decision-makers are increasingly interested and aware of the importance of sustainable development and corporate social responsibility. The environmental and social effects of an organization's activity have become one of the factors of the assessment of an organization's functioning and overall success (Alrazi, de Villiers, and van Staden, 2015; Birkey et al., 2016). In this context, enterprises are being supervised in regards to their social responsibility by other organizations and groups of stakeholders (Agudo-Valiente, Garcés Ayerbe, and Salvador, 2012). One of such organization is the European Union.

The commitment of the EU towards reporting of non-financial information has been visible since the adoption of the fifth action program on the environment *Towards sustainability* (1992). This included proposals of initiatives from the accounting area. This document, however, dealt only with environmental issues. The concept of corporate social responsibility (CSR) emerged in the EU in 2000 and has evolved since then (De Schutter, 2008) resulting inter alia in the adoption of the *Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups Text with EEA relevance* (2014). The Directive obligated EU Member States to transpose its provisions by December 6, 2016. As a consequence, large companies are to adjust their reporting in 2017 and include non-financial and diversity information. The Directive has become an example of the regulations shaping boundaries between voluntary and mandatory disclosure (Truant, Corazza, and Scagnelli, 2017). It, therefore, illustrates how the international, political environment has the power to influence the functioning of organizations. However, the question remains open whether the European Union is actually able to influence the entities in question to change and adjust their reporting schemes and include non-financial and diversity information, especially since it has been object to criticism. As pointed out by Hojnik (2017), although the Directive needs to be perceived as a step forward, it also has its flaws, which include inter alia leaving much room for discretion in regards to the subject of non-financial reporting or the lack of any reporting methodology and implementation of standards, which may prevent or hinder developments in the area of sustainable reporting and jeopardize it in general (Hojnik, 2017).

In view of the above the research problem chosen for this paper is twofold. Firstly, the issue of the Member States reaction to top-down Europeanization through the Directive 2014/95/EU, in terms of the adopted legal solution, has been examined. Secondly the actual reaction of the affected entities has been investigated

2. The process of Europeanization

The term 'Europeanization' is accompanied by a certain conceptual confusion and the lack of a clear and uniform application of the concept itself (Olsen, 2002; Maj, 2017). There are many definitions of Europeanization. Review and systematization of the concept have been performed, among others, by Howell (2004a) and Buller and Gamble (2002). The multiplicity of definitions may result in conceptual stretching and expansion of the concept, which means throwing all phenomena in which the influence of the European Union is visible, into the *bag of Europeanization* (Radaelli, 2000). When analyzing Europeanization, it should be distinguished from such phenomena as globalization and European integration. Generally speaking, europeanization can be defined as a "situation where distinct modes of European

governance have transformed aspects of domestic politics" (Buller, and Gamble, 2002, p. 17). Radaelli used a more specific definition: "Europeanization consists of processes of a) construction, b) diffusion and c) institutionalization of formal and informal rules, procedures, policy paradigms, styles, 'ways of doing things' and shared beliefs and norms which are first defined and consolidated in the EU policy process and then incorporated in the logic of domestic (national and subnational) discourse, political structures and public policies" (Radaelli, 2004, p. 3). However, such an understating of Europeanization shows only one side of this process. Europeanization is not a one-way process. It entails two: 'top-down' and 'bottom-up' (Börzel, 2002) or if 'cross-loading' is brought to bear, sometimes even three dimensions (Howell, 2004b). The concentration on the first two dimensions shows that the impact of the EU on its Member States is not a separate, independent process. Because the EU is an organism consisting of its Member States, it can influence individual member states, while at the same time changing due to influence coming from them. Nevertheless, this first and dominant top-down perspective has also been adopted in this paper.

2.1. Mechanisms of europeanization and the Member States response

According to Knill and Lehmkuhl (2002), three basic mechanisms of europeanization can be distinguished: by institutional compliance, through changing domestic opportunity structures and through the framing of domestic beliefs and expectations. These mechanisms are not exclusive, which means that the EU can use all of them within one interaction. The authors believe these mechanisms are present in virtually all EU policies, however, they point to the different configurations of mechanisms in various directives (Knill and Lehmkuhl, 1999). The mechanisms of institutional compliance assumes that the EU triggers domestic change through the development of a specific institutional model, which then, has to be adopted by the Member States, who have only a limited manoeuvrability in regards to the final result. The instruments used within these mechanisms fall in most cases within the so called 'hard-law' (Beveridge, 2012). The second mechanisms affects the domestic regimes in a less direct way, rather through changing domestic opportunity structures and thus altering the choice possibilities for domestic actors, then prescribing a specific solution. While the first mechanism is connected with positive integration, the second one occurs within negative integration i.e. it excludes certain options and solutions rather than impose new ones (Knill, and Lehmkuhl, 1999, 2002). The third mechanism represents the weakest form of europeanization, the framing integration. Rather than imposing any direct change or excluding some choice options, it imposes indirect influence through manipulation of beliefs, values and expectations, which in turn may lead in time to institutional changes. By using soft instruments, the EU creates a climate for change, it re-directs the discourse, strengthens the support for plans and changes and, in the future, enables positive integration (Maj, 2017). In the case of the first mechanism, institutional compliance, the domestic response is a two-step process. In the first step, the level of compatibility between the national law and the proposed solution needs to be examined.

Based on the misfit, a hypothesis regarding the adoption of the imposed solution may be developed. The existence of a misfit is, however, not a sufficient condition of change. The second step includes, therefore, assessing domestic support or the lack of it. Börzel and Risse (2000) have further indicated the facilitating factors. These include:

- Multiple veto points, that is the entities that may inhibit the process of europeanization. The authors have put forward the thesis that the greater the number of actors able to make decisions and influence their final form, the more difficult it is to make a binding decision.
- Formal institutions that can provide support and additionally legitimize solutions proposed by the European Union, as long, of course, as they are consistent with the direction of the proposed actions by the EU.
- Change agents who are responsible for the change at the national level and perform a specific mobilizing function through the process of social learning. Among the agents of change the authors distinguish ‘epistemic communities’ – the networks of specialists or actors with appropriate and recognized authority in the area of certain issues. At the same time if their power of persuasion is the greater, the greater the uncertainty and lack of knowledge of the decision-making bodies. The second group are advocacies or principled issue networks, that is the entities, which are the authorities not so much because of the common expertise, but rather because of the beliefs and shared values.
- Political culture and informal institutions, which when they are focused on cooperation and consensus, facilitate overcoming the multiple veto points.

Several typologies describing possible Member States reactions to Europeanization have been created (Börzel, 2002). For example, Börzel and Risse (2003) distinguished three degrees of domestic change due to EU transformative pressure: absorption – defined as incorporation of EU regulations into domestic institutions without substantial changes; accommodation – understood as adapting existing institutions without essential changes by i.e. patching up new institutions into already existing ones; and, finally, transformation - with the highest degree of change coming about through the replacement of existing institutions by new ones. Börzel (2005) then added two other possible reactions, namely: inertia – understood as a lack of change, and retrenchment – defined as a resistance to change which increases the existing misfit rather than decreases it. This typology refers to the possible reaction of the Member States, to the institutional level of change due to europeanization.

3. Institutional isomorphism and CSR reporting

The theory on europeanization aims to explain the influence of the EU on the Member States. However, in the case of the Directive 2014/95/EU, the final recipients of this law are

organizations meeting the requirements listed in the document. Thus, in order to fully analyze the influence of the EU directive one has to analyze whether the final end recipients changed or were willing to change their way of conducting business in accordance with the new directive. It must be understood that organizations exist and conduct business on an environment that changes due to the adoption of new laws, new standards or practice designs (Roszkowska-Menkes and Aluchna, 2017). The organizational changes as response to the institutional change were the subject of multiple neo-institutional studies (DiMaggio and Powell, 1983; Meyer and Rowan, 1977). According to DiMaggio and Powell (1983), the response to institutional pressure and the interactions with peers leads to institutional isomorphism.

Three mechanisms of isomorphic organizational change can be distinguished:

- Coercive isomorphisms, which result from formal and informal pressure generated by other organizations that the entity depends on, and from social expectations. Within CSR, reporting this type of isomorphism also includes promoting voluntary initiatives like GRI (Matten, & Moon, 2008).
- Mimetic isomorphisms, which result from a process of modeling business actions on more successful peers.
- Normative isomorphisms, which result from professionalization and from interactions within a professional network.

Although those mechanisms are not exclusive and very often occur simultaneously, they can lead to different outcomes when it comes to CSR (Roszkowska-Menkes, & Aluchna, 2017) and CSR reporting (Shabana, Buchholtz, and Carroll, 2017). Using Vissers model of five ages of CSR evolution (Visser, 2011), Roszkowska-Menkes and Aluchna (2017) argue that coercive and legal isomorphisms lead to the defensive CSR mode; coercive and normative isomorphisms lead to the charitable CSR mode; coercive and mimetic isomorphisms lead to the promotional CSR mode; mimetic and normative isomorphisms lead to the strategic CSR mode; and, finally, normative isomorphisms lead to the systemic CSR mode. Focusing strictly on CSR reporting, Shabana, Buchholtz and Carroll (2017) present a three-stage model of CSR reporting, which includes:

- Defensive reporting, where the organization fails to meet stakeholders' expectations, and reporting is being used to close the gap between performance and expectations. In this stage, coercive isomorphisms dominate.
- Proactive reporting, where the practice of CSR reporting becomes normatively sanctioned and knowledge about it spreads. Moreover, the firm looks towards CSR reporting as a new way of meeting organizational goals. Universities and training networks have, therefore, presented materials to managers, which develop similar approaches and perspectives. In this stage, normative isomorphisms dominate.

- Imitative reporting, where organizations report on CSR not in order to achieve business goals, but rather because their more successful peers do so, thus mimetic isomorphisms dominate in this stage.

In case of an in-depth europeanization, which in the analyzed Directive 2014/95/EU would mean change and encouragement of organizations to report on non-financial information, we would deal with coercive isomorphism and thus with defensive reporting.

4. Research design and methodology

As presented in the Introduction to this paper, the main research problem refers to the reaction of Poland, as a EU Member State, to top-down europeanization through the Directive 2014/95/EU. The authors decided that the selection of Poland as the case study for the examination of this research problem is particularly interesting, as Poland is being perceived as a country with poorly developed traditions in corporate social responsibility and disclosure in this area. As previous research show, disclosing non-financial information is a common practice among business organizations, and it is undertaken by 73% of 4500 organizations analyzed in 2015. Indeed, among 250 of the Fortune 500 organizations, over 90% publish separate corporate social responsibility reports and 3 from 5 organizations publishing such reports, disclosed such information together with financial information (KPMG, 2015). However, Poland falls behind this global trend. Only 20% of the biggest Polish organizations prepare CSR reports and only 10% make an effort to prepare professional CSR reports by inter alia using international reporting standards like the Global Reporting Initiative Guidelines (Krzemień and Piskalski, 2012). At the same time, research shows a high degree of generality and selectivity in the disclosed non-financial information (Fijałkowska, 2015, 2013; Galimska, 2015). Previous analyses allow concluding that organizations often use corporate social responsibility reports as PR or marketing tools (Fijałkowska, and Sobczyk, 2014).

In view of the above, the misfit condition, necessary for europeanization to be set in motion, would be fulfilled in the case of Poland. In order to examine this research problem, the following research questions have been asked and subsequent hypothesis have been adopted:

Q1: Has there been any change in the existing Polish legal system regarding issues addressed in the Directive 2014/95/EU due to its adoption and coming into force?

Referring to this research question a hypothesis has been developed stating that:

H1: There has been minor change in the Polish legal system.

The first research question was further supplemented by additional sub-questions:

Q2: What was the nature of the undertaken change?

Q3: What was the degree of the undertaken change?

This research questions led the adoption of the following hypothesis:

H2: The undertaken change led to the adaptation of the already existing law to the requirements of the Directive 2014/95/EU.

H3: The adjustment of Polish law has fully transposed the provisions of Directive 2014/95/EU, but did not go beyond the absolute minimum recorded in the Directive.

Furthermore, a third research questions was asked:

Q4: How do the entities directly affected by the Directive 2014/95/EU perceive the influence of the EU in the analyzed matter?

Due to the assumed and investigated minor change of the legal system, the following hypothesis has been developed:

H4: The entities directly affected by the Directive 2014/95/EU perceive the influence of the EU in the analyzed matter as rather insignificant.

In order to answer the first three research questions, a qualitative text analysis of the legal law and legal documents from the legislative process has been undertaken. The aim was to establish the scope of change undertaken in the Polish legal system due to the Directive. In order to answer the fourth research question, a CATI (computer-assisted-telephone-interview) research with representatives from the entities affected by the legal change has been conducted. According to the Regulatory Impact Assessment developed by the Ministry of Finance (16.112), the entities affected by the adoption and transposition of the Directive are "potentially all public companies whose shares are traded on the regulated market" (Rządowe Centrum Legislacji, 2016). All organizations listed on the Warsaw Stock Exchange were included in the population of the study. However, due to turnover of the CATI research, the final sample included only 101 companies.

5. Research results

The transposition of the Directive 2014/95/EU into the Polish legal system has been twofold. The issue of reporting of non-financial information has been transposed through the adaption of the already existing Act of 29 September 1994 on Accounting (DzU. 2016, item 1047 with subsequent amendments) through the Act of 15 December 2016 on Amendments to the Act on Accounting (Ustawa z 15 grudnia 2016..., 2017). The transposition was made by adding article 49b. The first issue of the article regulates which entities are obliged to report non-financial information. The Polish act fully transposes the criteria of which entities must meet to become the subject of the Act, however, there are small differences in those criteria due to the exchange rate used to convert the balance sheet total and the net turnover into PLN. This, based on the Act, has been calculated at 4,25 PLN per 1 EUR, which is relatively high. This way the first opportunity to create a law with a broader scope than in the Directive was missed. Subsequently the reporting area has been described. Here, the Polish law added

some additional information that should be reported, namely the description of due diligence procedures and if the organization applies these in relation to the described policies. Furthermore, the requirement of reporting principal risks has been slightly expanded by highlighting the role of contractor relations. A quite important change made during the transposition that may affect the scope of reporting of non-financial information is the fact that the Polish transposition included the possibility to report in accordance with the organizations own standards. This was not provided for in the Directive. The Directive only referred to national, international or EU reporting norms, standards or guidelines. Furthermore, the Polish Act lacks the transposition of point 5 and 6 regarding the verification of the reports by attested auditors and independent assurance services providers.

The transposition of the Directive 2014/95/EU has, therefore, been made with a slight narrowing of its provisions. The mentioned exchange rate used for the calculation of the organizations balance sheet total and net turnover as criteria qualifying for the obligation to report non-financial information may cause a slight decrease in the number of entities becoming the subject of the new law. Additionally, the omission of records related to the verification and audit of reports, especially connected to the allowed possibility to report in accordance with the organizations own standards, may lead to a vagueness and unreliability of the non-financial reports with no possibility to control or correct them – as no control mechanisms have been established.

The second issue undertaken in the Directive is the issue of disclosure of diversity information. This provisions have been transposed by a different document, the *Regulation of the Minister of Finance of 25 May 2016 amending the Regulation on current and periodic information provided by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state* by adding to the already existing Regulation paragraph 91 subparagraph 5 point 4 point 1 (Ministry of Finance, 2016). This paragraph includes the financial criteria from the Directive converted into PLN using the mentioned high exchange rate. The transposed paragraph is a direct translation of the legal note included in the Directive.

Considering the above and also the fact that the entire legislation process was quite fast and consistent, the following conclusion can be made.

First of all, the first research hypothesis (H1) has been confirmed. The adoption of the Directive 2014/95/EU and the consequent requirement to incorporate its provisions into national law till December 6, 2016 resulted in the adoption of two new legal acts, adapting already existing law. This means that Polish decision-makers have diagnosed the necessary misfit condition and necessary action has been undertaken. The second and third research questions referred to the nature (Q2) and scope (Q3) of the change. As assumed in H2, the undertaken change led to the adaptation of already existing law to the requirements of the Directive 2014/95/EU. However, it can be argued that the importance attached to the change was rather minor, as the transposition occurred in two separate documents, only one of which

was an Act (the second being a Regulation). Furthermore, the issues from the Directive in question have been only one of many more implemented into the already existing law through these new regulations.

Regarding the degree of change resulting from the adoption of those new provisions, as already mentioned, the Polish law adapted the minimum provisions from the Directive and missed the opportunity to develop a more progressive law. Furthermore, through some minor records, the possibility to prepare non-financial reports in accordance to internal norms, as well as the slightly high exchange rate chosen for the conversion of the balance sheet total and the net turnover, the Polish law seems to be more vague, and at the same time, more restrictive than the Directive. The higher exchange rate may also have freed some organizations from the requirement to report non-financial information. Moreover, the admission of internal standards and norms may have deprived from the possibility to compare the reports to an external guideline or to each other, and left an open window for vagueness in the disclosure. Therefore, both hypothesis (H2 and H3) have also been confirmed.

5.1. The assessment of the EUs transformative power by Polish organizations

When trying to assess the level of europeanization, the level of change caused in Poland by the transposition process by means of legislative changes alone raises some false conclusions. These can be brought to light by way of the work of Trieb and Falkner (2008) who developed a typology of four worlds of compliance within the EU. This includes: the world of law observance – where compliance overrides domestic concerns and non-compliance occurs vary rarely; the world of domestic politics – where the transposition and compliance is a consequence of a cost-benefit analysis; the world of transposition neglect – where the transposition happens mostly only after the countries are being reminded by the EU; and finally the world of dead letters – where the countries transpose the laws, sometimes even quite quickly and efficiently, especially if the constellation of mediating actors is favorable – however, they do not implement the control and enforcement mechanisms which would help to really bring the new provisions to life. Previous analysis, of other policy areas, showed that Poland can be included into the fourth world: the world of dead letters (Maj, 2015). Therefore, it is important not to finish the analysis of Europeanization only on the analysis of the law, but to delve deeper and analyze how the EU truly affects the entities that are subject to Directive 2014/95/EU.

The legal documents, discussed above do not include any provisions about control and enforcement mechanisms. Furthermore, they even cut out some provisions from the Directive mentioning the necessity of audits or the verification by independent assurance services provider. Therefore, doubt is raised as to the actual transformative power of the Directive and the EU. In order to verify whether the adoption and transposition of the Directive will have an actual impact on the entities, the described CATI research has been conducted.

So as to assess the impact of the Directive 2014/95/EU on the entities that are the subject to the regulation, the following questions have been asked. Firstly, the general issue of factors

affecting the organizations willingness to share non-financial and diversity information was examined. According to the results, presented in Table no. 1, legal regulations, national and international have been ascribed as the most crucial.

Table 1.

The evaluation of selected factors influencing the organizations willingness to disclose non-financial information (Question no. 1: Please evaluate how much of the following factors affect your willingness to share non-financial information. Please evaluate on a scale from 1 to 5 where 1 means that the factor in question is not relevant at all and 5 means that it is crucial for your readiness to make non-financial data available)

Factors	The evaluation of the following factors on a scale from 1 to 5 (number of organizations)				
	1 not relevant at all	2 rather not relevant	3 difficult to assess	4 rather relevant	5 very relevant – it is crucial
Legal regulations (national and international law)	0	4	4	27	66
Marketing and PR issues	5	11	27	25	33
Because this is the trend among the industry leaders.	8	14	38	24	17
Because we think it is the right thing to do and this is what our stakeholders expect	10	13	31	21	26
Other	63	2	29	1	6

Source: own elaboration.

From the 101 organizations questioned, over the half, namely, 66 entities assessed legal regulations as crucial influence on their willingness to disclose non-financial information, while, 27 entities judged it as rather relevant. Only 4 organizations assessed it as rather not relevant to their willingness to disclose non-financial information. Moreover, the responders appraised the PR and marketing consequences of disclosing non-financial information as rather important. Herein, 58 organizations held it as more or less relevant, while 16 rated is as rather not relevant (11) or not relevant at all (5). The third most important factor was the perception of disclosure of non-financial information as ethical, the right thing to do and also coming out against stakeholders' expectations. This factor was considered by 47 out of 101 organizations as rather important (21) or crucial (26). However, 23 organizations perceived this factor as not that relevant (13) or not important at all (10). Surprisingly, following the trend in the industry, as well as the leaders, was met with moderate optimism compared to the other factors. Several organizations also mentioned that other factors influenced their willingness to disclose non-financial and diversity information, including business requirements and needs, requirements of the group and/or the board of directors, the decision of the board, as well as in a negative sense, the time and costs connected with collecting non-financial data. These factors have been appraised as crucial or rather important.

Due to the high impact assessment of legal regulations there is a window of opportunity for europeanization, as the organizations see the need to obey the legal rules. Of course, the question of how strict the companies follow the law and if they do anything more than that foreseen by the law remains open.

The second question asked in the survey referred directly to Directive 2014/95/EU and the assessment of its influence on particular elements of non-financial reporting. As presented in Table no. 2, despite the high appraisal of the impact factor of legal regulations, the weighing of the influence of the Directive, and therefore also the gauging of the degree of Europeanization is crushing. In all analyzed cases, over 70% of the respondents estimated the impact of the Directive as non-existing. In their opinion, Directive 2014/95/EU had no influence at all as to the decision to disclose non-financial information, the scope of the non-financial information gathered or the scope of the non-financial information disclosed. In addition, a further 7 organizations assessed the impact in all three areas as little, while about 7% stated that the Directive had much impact and more or less the same number of entities stated that the Directive has been crucial. Clearly, the dominance of negative responses is crushing.

Table 2.

The evaluation the impact of the Directive 2015/95/EU on the disclosure of non-financial information (Question no. 2: On a scale from 1 to 5 please assess the impact the adoption of the Directive 2014/95/EU on the disclosure of non-financial and diversity information by certain large entities and groups had on the following issues, where 1 means that the Directive did not have at all influence and 5 means that it was crucial)

Factors	The evaluation of the following factors on a scale from 1 to 5 (number of organizations)				
	1 The Directive had no influence at all	2 The Directive had little influence	3 The influence of the Directive was average	4 The Directive had much influence	5 The Directive was crucial
The decision to disclose non-financial information	72	7	6	8	8
The scope of the non-financial information gathered	71	7	8	8	7
The scope of the non-financial information – disclosed	72	7	5	7	10

Source: own elaboration.

In view of the presented results, the final hypothesis, H4 stating that the entities directly affected by the Directive 2014/95/EU perceive the influence of the EU in the analyzed matter as rather insignificant has also been confirmed.

6. Conclusion

In view of the presented results, the question arises if it is justified to speak about europeanization in the area of corporate social responsibility reporting in the case of Poland. If one would define europeanization only in terms of changes in legal norms, than the transformative power of the European Union could be traced down to some degree, as some legal changes, due to the adoption of the Directive have occurred in the Polish legal system. As presented above, the degree of change may be assessed as critical, as a change in the Polish law occurred without a doubt. Therefore, in such a limited scope, europeanization took place. If, however, one would define europeanization in terms of actually influencing and changing domestic regimes, the 'ways of doing things', in this case, actually disclosing non-financial and diversity information, then, faced with the presented results, it would have to be concluded that the European Union, with the Directive 2014/95/EU had no transformational power or potential at all.

Börzel (2005) and Börzel and Risse (2003) distinguished five degrees of domestic change: retrenchment, inertia, absorption, accommodation and transformation. In view of the presented results, the case of domestic change due to the top-down europeanization through the Directive 2014/95/EU may be qualified as absorption, as some changes in legal norms occurred, however, without substantial changes or even the adopting of separate, dedicated legal norms. In view of the second part of the study, namely the analysis of the influence assessment by the affected by the Directive entities, using the typology presented by Falkner and Trieb (2008), Poland may once again be included into the "world of dead letters".

The other question that arises from the results is that although the Directive had no or very little influence on the decision to report non-financial information or the scope of collected and disclosed information, yet legal regulations were the most significant factor influencing the organization's willingness to disclose non-financial information. This would suggest that in this case the most dominant mechanisms introducing and influencing change is coercive isomorphism and we deal with defensive reporting.

7. Discussion

The disclosure of non-financial and diversity information, is still not an obligation to most of the companies, through the increasing tendencies to legislate CSR and the disclosure of non-financial information will become of importance to more and more entities. Current research shows, however, that organizations in Poland generally do not disclose non-financial information or do it in a selective and general way (Hawrysz, 2016; Maj, 2016). Therefore,

a legal obligation, especially in the case of Poland, would seem to be beneficial. However, as stated by Luque-Vílchez and Larrinaga (2016), governmental regulations alone do not necessary guarantee better disclosure of non-financial information. On the other hand, Directives, as the European Union's instruments of positive integration, are perceived as efficient europeanization instruments, especially due to the perspective of financial penalties in case a Member State does not transpose the provisions in time or in full scope (Maj, 2017). Therefore, the question of EU's transformative power in regards to the disclosure of non-financial and diversity information that are the subject of Directive 2014/95/EU is particularly important.

Although Poland transposed the Directive, the degree of change has been rather low. Hence, of particularly interest is an appraisal of the level of change caused by the changes in legal regulations in the functioning of the organizations subject to the Directive and the law.

As a result of the conducted research, a very interesting issue has been noticed, namely a very high discrepancy between the assessment of the influence of legal regulations (national and international) and the assessment of the Directive itself. While legal documents in general have been judged positively in terms of their impact possibilities, the Directive 2014/95/EU has been ascribed as having no influence at all. This is consistent with the doubts presented by Hojnik (2017) as to the Directive itself. Furthermore, the implementation of the provisions of the Directive into the functioning of an organization, especially one consisting of separate entities within one group, may prove to be difficult, as they may conflict with the group's internal policy governing the subsidiaries (Szabó, and Sørensen, 2016). Furthermore, while due to the high assessment of the influence of legal documents on the willingness to disclose non-financial information, we can speak of the dominance of coercive isomorphism, the results suggest that the source of it lays somewhere else.

Due to the chosen research method, there are some limitations to the study. The results of the CATI research require deepening to gain insight into the decision about disclosure of non-financial information, as well as the motivation, including the role of Directive 2014/95/EU and other national and international legislation.

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