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PHD THESIS SUMMARY

„Social responsibility of small enterprises the hospitality industry”

Social responsibility is currently an important element in the activities of enterprises, i. a. because of the growing social awareness and expectations of society. Enterprises meet with a reaction from their environment to emerging problems caused by their operation (social or environmental). They are expected not only to minimize negative effects, but also to prevent and compensate them.

The issues of corporate social responsibility have been constituted as a management concept, becoming part of the canon of good management practices in the spirit of sustainable development. The need for responsible and sustainable management is relevant to all types of businesses, but one of the groups that requires a particular type of pro-social action is the small enterprise.

Small enterprises, which are perceived as an important element of the market economy, apart from creating economic potential, perform a lot of social and economic functions, and their activity brings social, ecological and economic effects. Such a role of small enterprises demands from them also responsibility in operation. Increasing expectations and needs cause that small entrepreneurs notice the necessity to search a new way, based not only on achieving the greatest possible benefit for themselves, but also on identifying the targets and needs of their stakeholders. Such a path is to provide business according to the concept of corporate social responsibility.

At the same time, recent years have seen an increase in the importance of tourism, which is one of the main factors in economic development (local as well as global aspect). The main branch of tourism is the hospitality industry, which has a major impact on the social, cultural and economic spheres, as well as on the environment. As a result, guests and society at large are increasingly demanding that hospitality enterprises act responsibly in influencing so many spheres. The hospitality industry, as a source of global environmental and social threats, should be included in the stream of transformation of traditional production and consumption into their sustainable counterparts. Therefore, in this context it seems that the basic principles of the hospitality enterprises should be the principles of social responsibility, for example those

derived from the international standard ISO 26000, or those established by the Caux Round Table.

The literature contains numerous studies on social responsibility of large enterprises, much less on small organizations. A similar gap can be identified in the area of social responsibility of small enterprises in the hospitality industry. Therefore, a multidimensional and in-depth analysis of the literature on the subject has been carried out, leading to the identification of the **cognitive gap** related both to the shortage of theoretical studies, as well as the results of empirical research, related to the social responsibility of small enterprises in the hospitality industry. It should be stressed that in the literature on the subject, it is difficult to find comprehensive studies addressing the issue of social responsibility of small enterprises. There is a particular lack of studies on social responsibility of small enterprises in the hospitality industry. Therefore, in presenting the issues mentioned, there is little use of studies on social responsibility, but the different subjective factor (specificity of small enterprises in the hospitality industry) made the attempt to systematize and comprehensively present the issues related to the social responsibility of small enterprises in the hospitality industry.

When competing with others, entrepreneurs should operate transparently, acting responsibly, taking advantage of the specifics of the business and reaching out to guests through a reputation as a facility that is responsible towards all stakeholders. This is made possible by implementing the concept of corporate social responsibility.

The social responsibility of a small enterprise is the ethical behavior of this entity towards society and especially: internal groups (employee owners) and external groups (visitors, local authorities, local community, suppliers) through a permanent commitment to act ethically and contribute to economic development, while improving the lives of stakeholders, based on a moral commitment to create and offer services of the best possible quality while respecting the rights of employees and other stakeholders and taking responsibility for its activities.

Small hospitality enterprises can be identified among hotel facilities, which have specific characteristics also among other small businesses. These include a unique relationship with the local community, influence on other businesses and their employees, importance of employees for the implementation of the concept, relationship with the local environment as one of the stakeholders, scope of operations.

This type of enterprise is a member of the local community, a neighbour, a sponsor. On the other hand, for it the local community is only one of many stakeholders who can influence the leisure of guests. And they, in turn, in some way interfere in the affairs of the local

community, staying in the place of their residence and expressing their opinion about the enterprise and the region. The impact of services provided by small hospitality enterprises on customers, other businesses, industries and the economy is also, compared to other small businesses, unique. They participate in important moments of customers' lives and influence selected areas of other businesses (e.g. organisation of company meetings, organisation of private recreation for guests who are employees of other enterprises). It is also distinguished by the fact that such facilities treat the natural environment as one of the key stakeholders, due to the strength of influence resulting from considerable interference and possible negative impact, as well as dependence on it as a factor influencing customer acquisition. Small hospitality enterprises are also distinguished by the scope of their activities, comparable to large enterprises, as well as by the importance of their employees who, unlike other small enterprises, not only influence the provision of services, but also the creation and quality of the offer, its execution and consumption process.

In this paper a *small hospitality enterprise* is understood as a purposefully organised group of people, possessing and disposing of adequate material and financial means, gathered in order to perform tasks which result in satisfying guests' needs, characterised by a specific internal organisation, making independent decisions, aiming at making profit, which in the previous financial year had less than 50 employees on average per year, had more than 30 beds or more than 7 rooms (depending on the categorization requirements for each type of small hospitality enterprise) and less than 150 residential units, and generated a net revenue from sales of services and financial operations not exceeding the equivalent of EUR 7 million or the total assets of its balance sheet as at the end of the previous financial year did not exceed the equivalent of EUR 5 million.

A small hospitality business focuses its activities primarily on serving and satisfying the needs of the guest. Its success, however, largely depends on its competitive position, which depends, among others, on the region in which it operates. Well-developed infrastructure, a network of cycling and walking paths, unique cultural and landscape values are some of the values of the region that may have an impact on attracting customers and the success of a small hospitality enterprise. These are the characteristics of Jelenia Góra district which was selected as the territorial area where actively operating small hospitality facilities play an important role.

The subject of the empirical research conducted in the selected territorial area is therefore social responsibility, while the subjects of the research are small enterprises in the hospitality industry.

Jelenia Góra District has an accumulation of assets and facilities which makes it a positive reference to other regions in the country. It is an example of a region for which the hotel business is a key element and tourism is the dominant economic branch.

The research on small enterprises in the hospitality industry conducted in the Jelenia Góra region for the purposes of this study will allow to obtain results which can be used on a larger scale. This is an area where small hospitality enterprises compete with a large number of other hotel enterprises, e.g. luxury hotels, chain hotels, historic buildings (Valley of Palaces and Gardens) which also exist in other regions. The large number of these facilities results not only from the characteristics of the region (cultural and landscape values), but also from the location in the county of two well-known holiday resorts (Karpacz, Szklarska Poreba), a spa resort (Cieplice) or the city of Jelenia Góra. All these elements located in the Jelenia Góra district, give the opportunity to compare the area in question with other areas and the subsequent use of research results.

This study attempts to integrate the issue of corporate social responsibility with the specifics of the activity of a small enterprise and the specifics of the hospitality industry. As a consequence, the following **research problem** was formulated: what are the motives, instruments and effects of implementation the concept of corporate social responsibility in small enterprises from the hospitality industry? The research problem is strictly related to this research goal.

The main goal of this doctoral dissertation is the identification and evaluation of motives, principles, instruments and effects, as well as internal and external determinants of the implementation the concept of corporate social responsibility in small enterprises in the hospitality industry, as well as the development of proposals / recommendations in this field.

Additionally, the following **specific goals** have been identified:

1. To recognize the specific characteristics of small enterprises in the hospitality industry in relation to the possibility of implementation the concept of corporate social responsibility.
2. Identification of the stakeholders of a small hospitality enterprise (characteristic, objectives, expectations, range of power) and the relationship between them from the perspective of the implementation the concept of corporate social responsibility.
3. To recognize the motives and expected effects of implementation the concept of social responsibility of small enterprises in the hospitality industry.
4. Identification and evaluation of the implementation the principles of the concept of corporate social responsibility (responsibility in conducting business, responsibility towards stakeholders, building trust by going beyond the letter of the law, compliance with legal rules,

respect for the environment, avoidance of illegal activities) in small enterprises in the hospitality industry.

5. Identification and evaluation of socially responsible actions (and instruments used) in individual areas of corporate social responsibility (customer issues, fair operating practices, environment, community involvement, employee aspects) in small enterprises in the hospitality industry.

6. To identify the internal and external determinants of the implementation the concept of corporate social responsibility in small enterprises in the hospitality industry.

7. Suggestion of proposals / recommendations for social responsibility of small enterprises in the hospitality industry.

For the realization of such formulated goals and as a consequence for solving the research problem, the following **research questions** were also formulated:

1. What are the specific characteristics of small enterprises in the hospitality industry with regard to the possibility of implementing the concept of corporate social responsibility?

2. What stakeholders of a small hospitality enterprise can be identified (what are their characteristic goals, expectations, range of power) and the relations between them from the perspective of implementing the concept of corporate social responsibility?

3. What are the motives and expected effects of implementing social responsibility of small enterprises in the hospitality industry?

4. Do small enterprises in the hospitality industry implement the principles of corporate social responsibility (responsibility in conducting business, responsibility towards stakeholders, building trust by going beyond the letter of the law, compliance with legal rules, respect for the environment, avoidance of illegal activities) and in what way?

5. What actions do small hospitality enterprises take (and what instruments do they use) in each area of corporate social responsibility?

6. What are the internal and external determinants of implementation of the corporate social responsibility concept of studied small enterprises in the hospitality industry?

7. What suggestions / recommendations related with social responsibility can be proposed for small enterprises in the hospitality industry?

The paper is of literary and empirical nature. The **research process** consisted of two parts - literature research and empirical research.

The literature research analysed issues related to social responsibility and confronted them with the specifics of small enterprises. The specific features of small hospitality enterprises were also recognised in relation to the possibility of implementing the concept of

Corporate Social Responsibility, and available empirical studies on the social responsibility of small and medium hospitality enterprises were reviewed. Taking into account the specific features of small hospitality enterprises, and the identified research gap, a model of social responsibility of a small hospitality enterprise was developed for the purposes of empirical studies (as well as for their evaluation and suggesting improvements).

Preliminary research, which was the first stage of the research process, covered all categorised accommodation facilities in the Jelenia Góra district, while the actual research concerned active small hospitality enterprises in the Jelenia Góra district and the city of Jelenia Góra.

The set of objectives of this study was realised by the use of **research methods**, such as quantitative and qualitative methods. In order to grasp the complexity of the issue of social responsibility of small hospitality enterprises, the following methods were used: the method of literature analysis and criticism, the method of diagnostic survey, the method of observation, the method of document research, the case study. In addition, the following techniques were used: observation, interview, questionnaire, document study. The logic of the research was adapted to the purpose and scope of the research, as well as the specificity of small hospitality enterprises and the originality of the research problem. Therefore, research tools such as: interview questionnaire, survey questionnaire, employee survey questionnaire, observation questionnaire were used for the study.

The dissertation is divided into four chapters and an introduction and conclusion. A list of literature sources and lists of tables and figures have been attached to the dissertation. Moreover, sample research tools in the form of questionnaires, which were used during the empirical research, have been added as appendices.

The introduction to the dissertation includes the rationale for undertaking the topic, the main aim and supporting objectives, as well as the research questions and methods used in the dissertation and the characteristics of the individual chapters.

The first chapter presents corporate social responsibility, the development of the concept, as well as social responsibility models. Subsequent chapters present the areas of social responsibility, stakeholders and motives for undertaking the concept, as well as possible effects for the enterprise. Furthermore, selected norms and standards of corporate social responsibility are presented.

The issues related to a small enterprise in the hospitality industry are presented in chapter two. The starting point in this part of the thesis was to present the concept and characteristics of the operation of a small business. Then the general characteristics of the hospitality

industry were presented in order to move on to the presentation of the hospitality small business. In the following part of chapter two, the stakeholders of the small hospitality enterprise are described, their general characteristics, goals, expectations, scope of power and relationships. The specifics of the management of a small hospitality enterprise and the place of social responsibility in the enterprise are also identified.

Chapter three begins with a presentation of the synthetic characteristics of available empirical research on the social responsibility of small and medium enterprises in the hospitality industry. The literature research carried out also allowed to present, in Chapter Three, a model of social responsibility of a small enterprise. Further parts of the chapter present the course of the research process, the methodology of empirical research, and the characteristics of the research sample, as well as present the results of empirical research. The chapter ends with conclusions resulting from the conducted research.

The fourth chapter compiles proposed recommendations for the implementation of the concept of corporate social responsibility of small enterprises in the hospitality industry in terms of the formation of organisational conditions for the implementation of the concept and social responsibility towards employees, guests and other external stakeholders.

At the end of the dissertation, on the basis of a synthesis of the used methods of critical analysis of literature sources, qualitative and quantitative methods, the dissertation refers to the objectives of the work and the research questions posed, conclusions resulting from the theoretical considerations and the empirical part of the work are included. Moreover, limitations and possible directions for further research are indicated.

In response to the first research question: *What are the specific characteristics of small enterprises in the hospitality industry with regard to the possibility of implementing the concept of corporate social responsibility?* (At the same time achieving the goal: To recognize the specific characteristics of small enterprises in the hospitality industry in relation to the possibility of implementation the concept of corporate social responsibility) it was established that small hospitality enterprises are a specific group of small enterprises distinguished by special features in the context of implementing the concept of social responsibility. Small hospitality enterprises are distinguished by the number of areas of social responsibility that play a key role for them. Apart from relations with customers and employees, *social and environmental activities are equally important areas* in which small hospitality enterprises should carry out responsible activities, and on which they should equally focus their attention. This is due to the impact that small hospitality enterprises have on the local community and the environment. They interfere with the architectural space and

landscape. The natural environment is an extremely important factor for small hospitality enterprises in attracting customers, and is therefore one of the key areas. In terms of the impact on the local community the small hospitality enterprises, in comparison to other small businesses, is not one of the many functioning businesses but a neighbour and active member of the local community, which cooperates with it by supporting charity events, participating in events organised, organising events in the facility (e.g. concerts) or employing local people. In addition, incoming guests may also participate in events, support organised ventures or be customers of local companies, interfering in the local community.

Among other small businesses, small hospitality enterprises are distinguished by *the impact of their services on customers*, other businesses, industries and the economy. Their services enable them to meet both the basic needs of guests and the more complex ones related to special life and professional occasions. Participation in important moments in the lives of guests (such as weddings, communions, christenings) influences the family relationships of participants. The way in which company meetings are organised and the quality of the services provided influence the relationships between participating employees, their satisfaction and, consequently, their commitment to work in another company. Also the organisation of private recreation of individual and group guests influences their leisure time rest, regeneration and gathering of forces necessary for an effective return to professional duties. For this reason, entrepreneurs should pay special attention to the quality of the services provided. The quality of guests' rest (which translates into private life and professional work), but also their satisfaction with the most important days in their lives and later memories, depend on their commitment and approach. This is a big responsibility, which they should realise and appreciate.

Employees are key stakeholders of the company responsible for the creation of the offer, the delivery of the service, but also its consumption. The results of the empirical study show that although facility owners are aware of the importance of employees to the organisation, they do not deal with their employees properly and in accordance with the applicable regulations. These issues require significant improvement.

Another distinguishing feature of a small hospitality enterprises is the *reach of its operations*, which may be comparable to that of large establishments. Through the use of booking portals, travel fairs, websites or even social networks, small hospitality enterprises have the opportunity to reach potential guests all over the world with their offer. This is an opportunity that most other small businesses do not have. Yet, as research has shown, few

venues take advantage of this opportunity. Developing channels of reaching customers would also increase the possibilities of promoting socially responsible activities.

Small hospitality enterprises *compete not only with other small establishments but also with large ones*. Changing trends related to social responsibility have comparable impact on large and small hospitality enterprises, due to the fact that they are equally dependent on hotel guests, their choices, awareness, expectations. The chance to stand out among other facilities is to respond to the growing expectations of guests, resulting from being a socially responsible facility. Although the entrepreneurs in the survey indicated gaining competitive advantage by implementing the concept as one of the motives and intended effects, no action in this direction is visible.

In response to the second research question: *What stakeholders of a small hospitality enterprise can be identified (what are their characteristic goals, expectations, range of power) and the relations between them from the perspective of implementing the concept of corporate social responsibility?* (At the same time achieving the goal: Identification of the stakeholders of a small hospitality enterprise (characteristic, objectives, expectations, range of power) and the relationship between them from the perspective of the implementation the concept of corporate social responsibility) it has been determined that the stakeholders of a small enterprise are internal stakeholders, which include the owner, managers of departments, employees, guests (persons accommodated in the facility), and external stakeholders, i.e. suppliers, co-operators, competitors, local community, local authorities, guests (potential and referrals), natural environment. In the surveyed companies, stakeholders are not recognized, stakeholder objectives, power and expectations are not established and stakeholders are not classified. The lack of these activities affects the lack of understanding of stakeholders. While entrepreneurs can identify their stakeholders, the actions taken towards them leave many doubts and shortcomings. During the conducted research, representatives of small enterprises indicated guests/customers and employees as key internal stakeholders, while suppliers were indicated as important for the functioning of the enterprise and maintaining its quality as external stakeholders. For them, guests are the source of survival and the meaning of doing business. All activities, including those related to the implementation of the concept, are undertaken with them in mind. The representatives of the companies pointed out that the company exists thanks to the guests and can afford the development and implementation of the concept, but also because of them, these activities are undertaken, because they require it. Guests are increasingly aware and count on the enterprise to follow their expectations. Entrepreneurs know that if they fail to meet these expectations then another facility will do it,

therefore it was possible to identify socially responsible actions undertaken by small hospitality enterprises. The guest's goal is to effectively provide the ordered services according to their requirements and presented offer (of appropriate quality, price and time), while the entrepreneurs' goal is to attract guests, provide the service and obtain payment. These are convergent goals, and an important element in achieving them is proper preparation of the facility, responsible implementation of services.

Employees, according to the entrepreneurs' opinion, are the most important for service delivery and guest satisfaction. Additionally, as noted by the respondents, without employees it is impossible to undertake any activities, including the implementation of the CSR concept. They are essential, and their involvement has a direct impact on the effects achieved. Socially responsible activities should be implemented both with and towards the employees. Employees are also those towards whom the enterprise should fulfil its obligations. They have the right to expect the enterprise to deal with them fairly and in accordance with applicable legislation. They have their own goals, which, according to the information obtained during the research, include: remuneration, respect, support, opportunity for self-fulfilment and development. They can also influence entrepreneurs. The quality of service delivery and guest satisfaction depends on the employees. If they do not show commitment and make an effort, the quality of the service provided can be unsatisfactory. For this reason, entrepreneurs should respect employees and value their presence and commitment.

Suppliers, as important stakeholders according to the entrepreneurs, also influence the quality of the service and its timeliness. If they are irresponsible, unkind and do not fulfil their contracts, they will lead to considerable difficulties in the operation of the enterprise and the delivery of services, and consequently to dissatisfaction of guests and deterioration of the enterprise's reputation. They have, therefore, considerable power over the small hospitality enterprise, but it also has great influence over them. If entrepreneurs do not act honestly and meet their obligations, they may cause problems for the supplier, who also has to meet his own obligations. It is therefore important that both parties act accordingly. Businesses aim to receive the right services, at the right time, while suppliers want to be paid for their services. Both can be examples to each other of how to be responsible, and they can act together as members of the local community. The survey found that some small entrepreneurs and suppliers support the same activities, while no cooperation was detected.

In response to the third research question: *What are the motives and expected effects of implementing social responsibility of small enterprises in the hospitality industry?* (At the same time achieving the goal: To recognize the motives and expected effects of

implementation the concept of social responsibility of small enterprises in the hospitality industry), it was found that the primary motives of enterprises were social pressure and changes in guests' approach to social responsibility. Consequently, one of the most frequently mentioned effects during the interviews was the improvement of opinion and reputation of facilities. An additional motive that was important to entrepreneurs was the increased importance of the organisations intangible resources and the search for new ways to compete based on trust. Considering the fact that entrepreneurs notice a change in guests' awareness of the SOP issues and that the community expects responsible behaviour from small hospitality enterprises, it seems incomprehensible to underestimate social activities as an opportunity to build competitive advantage. It is worth noting, however, that the basic, most frequently mentioned motives for undertaking the SOP concept are not related to the desire to achieve material benefits. It is a great value of entrepreneurs' activities, proving proper foundations for building socially responsible attitudes

In response to the fourth research question: ***Do small enterprises in the hospitality industry implement the principles of corporate social responsibility (Responsibility in doing business, responsibility towards stakeholders, building trust by going beyond the letter of the law, adherence to legal rules, respect for the environment, avoidance of illegal activities) and in what way?*** (At the same time achieving the goal: Identification and evaluation of the implementation the principles of the concept of corporate social responsibility (responsibility in conducting business, responsibility towards stakeholders, building trust by going beyond the letter of the law, compliance with legal rules, respect for the environment, avoidance of illegal activities) in small enterprises in the hospitality industry) it was found that although the majority of entrepreneurs declared the implementation of all principles, the reality presents itself differently. First of all, entrepreneurs who do not comply with the Labour Code cannot talk about compliance with the principles of the ILO. This is a failure to comply with legal rules and to be accountable to key stakeholders. This has a negative impact on the morale and opinion of the facility, both of the employees and the local community from which these employees come. In the survey, businesses showed a positive attitude towards the environment. A number of companies have demonstrated numerous environmental protection measures, ranging from waste segregation (largely due to changes in waste disposal rates), water and energy saving, to the creation of kitchen gardens. Entrepreneurs see the natural surroundings of the facility as an asset and an opportunity to stand out, so they understand the need to care for the environment. There is

still a lot they can change in this respect, as the actions taken are intuitive, isolated and insufficient and much more can be done.

In response to the fifth research question: *What actions do small hospitality enterprises take (and what instruments do they use) in each area of corporate social responsibility?* (At the same time achieving the goal: Identification and evaluation of socially responsible actions (and instruments used) in individual areas of corporate social responsibility (customer issues, fair operating practices, environment, community involvement, employee aspects) in small enterprises in the hospitality industry) a number of actions taken by small enterprises were identified.

However, the actions taken and instruments used are insufficient and episodic. They lack systematisation, proper planning and organisation. Such actions are a positive manifestation and give positive effects, but they will not achieve the main objectives. These issues need to be improved and should be changed if small hospitality enterprises expect to achieve the set goals and want to call themselves socially responsible enterprises. Considering the labour issues, small hospitality enterprises take many negative actions or do not take socially responsible actions. Small hospitality enterprises violate the Labour Code by hiring some employees without contracts or by not including full salaries on contracts. Additionally it happens that the equipment of workplaces is inadequate and the atmosphere in the enterprise is unsatisfactory.

In terms of social commitment, businesses undertake a range of activities that have a positive impact on the local community and build the position of businesses in the eyes of residents as well as visitors. Enterprises try to contribute to the development of the region, take part in and support local undertakings. However, these are occasional and unplanned activities, which could give more positive effects if they were part of the enterprise strategy.

Small hospitality enterprises appreciate the importance of environment in running the business and building advantage. Environmental activities, however, are based on individual actions, partly enforced by changes in social expectations (change of guests' attitudes and awareness) and governmental actions (changes in waste charges to encourage segregation). Many of the actions taken focus on the activities of businesses and the natural environment of the facility. They are not activities undertaken in cooperation with other enterprises and organisations, which could have greater social resonance and set a positive example.

The analysis of the survey results allowed also to identify actions taken in the area of fair operating practices. Also in this area small hospitality enterprises take few positive actions. However, they fail to make sufficient use of the opportunity to build their competitive

advantage by cooperating with other small hoteliers and fail to plan and organise their activities.

The activity of small hospitality enterprises in customer-related issues is of utmost importance for the success of the enterprises and thus also for the implementation of the SOP concept. Entrepreneurs mostly act responsibly towards guests, being aware of their influence. They try to adapt their services to the needs and expectations of their guests. However, not many of them take actions to promote socially responsible behaviour among guests. They do not provide adequate information, do not inform guests during their stay, nor do they make information available on websites. There is a lack of actions, which would involve guests in responsible business activities, at the same time providing them with an example, which they could use in their everyday lives.

In response to the sixth research question: ***What are the internal and external determinants of implementation of the corporate social responsibility concept of studied small enterprises in the hospitality industry?*** (At the same time achieving the goal: To identify the internal and external determinants of the implementation the concept of corporate social responsibility in small enterprises in the hospitality industry), it was determined that just as the activities of a small hospitality enterprise are influenced by internal and external conditions, so they also affect the implementation of the SOP concept. As the research has shown, gaps in the effective implementation of the concept of social responsibility, among others, play an important role, and result from the impact of several important factors. They are related to the subject of activity, patterns prevailing in the country, difficulties resulting from complex procedures and unwillingness to search for new solutions, and the range of activities.

Due to the subject of their activity, i.e. the provision of hotel services, the entrepreneurs notice the need to be socially responsible and to carry out relevant activities. These include environmental protection measures, pro-social activities and attention to the quality of provided services. Unlike other enterprises, the environment is an important aspect of the operations of small hospitality enterprises and plays an important role in socially responsible business.

Domestic patterns remain an obstacle. Permission to bend the rules and fail to meet obligations is a handicap for businesses and puts their own principles and beliefs to the test. It may be easier to "bend" the law than to behave responsibly, but it is important to understand the benefits of appropriate behaviour.

A significant problem, especially in the current situation related to the COVID19 pandemic, is the complexity of the procedure and the often unstable and changing legislation. This is a handicap for entrepreneurs causing considerable uncertainty. Such a situation makes it difficult to decide to undertake new activities and developments. In addition, complicated procedures related, for example, to obtaining co-financing for the development of the enterprise, make entrepreneurs reluctant to look for new ones.

Outreach is a particular distinguishing feature of small hospitality enterprises. Compared to many other small businesses, they reach customers worldwide and cooperate with companies (travel agencies and booking portals) from all over the world. The failure to exploit the opportunities associated with outreach is a significant gap in the implementation of the SOP concept. Small businesses could use the opportunity to promote responsible behaviour among guests and cooperators. However, such activities are not undertaken.

In response to the seventh research question: *What suggestions / recommendations related with social responsibility can be proposed for small enterprises in the hospitality industry?* (At the same time achieving the goal: Suggestion of proposals / recommendations for social responsibility of small enterprises in the hospitality industry), a number of recommendations are presented, that should be applied by small hospitality enterprises that undertake the implementation of the SOP concept. These recommendations are presented in the following areas: formation of organisational conditions for the implementation of the concept, social responsibility towards employees, social responsibility towards guests, social responsibility towards other external stakeholders. All the proposed recommendations aim at the development of small hospitality enterprises related to the implementation of the SOP concept and at achieving the goal of being a socially responsible enterprise, which has a positive and very important impact on their functioning. The formulated recommendations may also become a practical guideline for managers of small hospitality enterprises.

This study pretends to fill the research gap identified in this paper, concerning the subject of social responsibility of small hospitality enterprises, and thus seems to bear some mark of originality. This state of affairs, contributed to several important limitations of the study.

First of all, there was a significant difficulty in studying the issue of social responsibility, due to its specificity, complexity, multidimensionality and immateriality. It is possible to identify some shortcomings of the research tools in the form of an interview questionnaire and questionnaires, which did not always help to grasp the complexity of the issue of social responsibility of small hospitality enterprises.

Additionally, the difficulty in modeling social responsibility of small hospitality enterprises, resulting from the limited versatility of existing models (mainly designed for large enterprises), did not allow for their full use, and influenced the necessity of adjusting the existing models to the specificity of small hospitality enterprises under study.

To some extent, the decision to conduct qualitative research based on direct contact with each enterprise and the associated low representativeness of the results was also a significant limitation. However, this had a significant positive impact on the quality of the research. Additionally the time constraints of the research caused difficulties in reaching a larger group of small hospitality enterprises from the whole country. In a way for this reason the research results described in the dissertation may raise doubts, as the purposeful selection of the research sample does not allow to formulate general conclusions from the conducted empirical research. At the same time, during the preparation and conduct of research, a significant difficulty arose in connection with the declaration of the state of pandemic, which affected the availability of respondents or the possibility of adapting research tools. It should be noted that this complicated the research process. The aforementioned difficulties due to the pandemic and time constraints also influenced the reduction of the surveyed stakeholders to internal stakeholders, i.e. employees. The research is largely limited to declarative statements by company representatives. However, the group of enterprises selected for the study is diverse. This is influenced by the presence of a variety of small hospitality enterprises in the study area (hotels, motels, guesthouses, youth hostels, hostels). Nevertheless, there were difficulties in comparing and distinguishing the characteristics of different types of small hospitality enterprises.

Given the identified cognitive gaps and research limitations, the following **directions for future research** can be identified:

- * Continued work on improving guidelines for small hospitality enterprises related to the implementation of the concept of corporate social responsibility;

- * Observation of the implementation of the developed guidelines in small hospitality enterprises;

- * Expand the research to include other stakeholders of small hospitality enterprises and other small hospitality enterprises in the country, using the research tools developed and without the constraints of declaring a pandemic state, etc.

However, it is hoped that an attempt has been successfully made to identify and assess motives, principles, instruments and effects, as well as internal and external conditions of implementing the concept of Corporate Social Responsibility in small hospitality enterprises,

and to develop recommendations in this respect. Consequently, it is also acceptable to state that the objectives of the study have been achieved, and the formulated research questions have been answered.

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