

Corporate and NGOs' Voluntary Disclosure on Collaboration. Evidence from Poland

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Collaboration between NGOs and corporations is an expanding research area that brings up new questions. The paper seeks to establish the scope of information on philanthropic cooperation revealed by corporations and charitable organizations in a transition country (Poland) and its determinants.

The necessary data were obtained from the websites of corporations and foundations and from the reports on corporate social responsibility (CSR). The content analysis focused on the disclosures made by 41 corporations and 82 foundations. A total of 131 collaboration cases available on the websites and 95 cases disclosed in relation to CSR were examined.

The research allowed to identify the key factors determining the amount of information on philanthropic partnerships displayed by corporations and charities on their websites and in CSR reports. In the case of corporations, the NGO being a corporate foundation and belonging to the group of biggest donors were the most important factors. As far as NGOs are concerned, the major factors were the NGO being, or not, a corporate foundation and the amount of donations as a percentage of its total revenue.

Keywords: NGOs, Corporations, Collaboration, Corporate Social Responsibility, Philanthropy, Disclosure, CSR Reports.

Introduction

CSR-Related Cooperation between Corporations and NGOs

The growing importance of corporate social responsibility (CSR) has made it an interesting area of research for many scientists (Austin & Seitani, 2012; Campbell, 2007; Jamali & Keshishian, 2009). Globalization and the increasingly strong impact that business exerts on the environment and human lives (as well as improving knowledge on this subject) make corporations engage in philanthropic activities such as environmental protection, aid to the poor, children and people in need. Corporate executives themselves believe that society expects business to act in a socially responsible manner and to play an active role in public life (CECP, 2008). The importance attached to CSR is partly related to the rising number of non-governmental organizations (NGOs) that influence corporate behavior because of their engagement in the protection human health and the environment. Both corporations and individuals (customers, employees, and investors) are increasingly aware that they depend on each other. How a corporation will fare in the future is determined by the health of its customers, the skills and qualifications of its employees, and the access to natural resources (Haas, 2010, p. 4).

As corporate executives tend to perceive their core business as the source of profits and value for the shareholders, they prefer to keep business and public activity separate from each other (in this way an organization also becomes eligible for tax reductions). Consequently, many of them choose to conduct corporate social activity through specialized organizations. These

organizations (known as charitable organizations, philanthropic organizations or NGOs) usually welcome offers of collaboration, because they perceive them as an opportunity to expand their operations and to increase their positive social impact (Conley & Williams, 2005). A special type of such organizations is corporate foundations that are funded by corporations, but they have their own legal personality. Austin and Seitani (2012) indicated that collaboration between nonprofits and businesses brings significant economic, social, and environmental value for society, organizations, and individuals.

In their CSR (sustainability) reports, corporations inform on their contribution to the society and environment. The Global Reporting Initiative guidelines (GRI 2015) recommend that corporations, above all, should address in their reports the following three aspects: economic, environmental and social. In relation to the last aspect, information on labor practices and decent work, human rights, society and product responsibility should be presented.

While the activities of corporations and their reporting on their environmental impacts (see, Deegan & Kamal, 2013; Yongvanich & Guthrie, 2006; Roberts & Wallace, 2015), employees (Husser & Evraert-Bardinet, 2014) and product quality and safety (Dagiliene, 2010) have been widely analyzed by researchers in various countries, the philanthropic activity of corporations and NGOs and the related disclosures are presented less often. Researchers concentrate rather on the research examining the role of financial data and other information from NGOs' annual reports in influencing giving decisions (Waniak-Michalak & Zarzycka, 2015; Connolly, Hyndman and McConville, 2013; Khumawala *et al.*, 2005; Buchheit & Parsons, 2007).

With the increasing number and scope of NGOs' activities and their growing impact on the external environment, the public expectations as to their transparency are also rising (see Gray *et al.*, 2006). In some developed countries special organizations have been established (e.g. the Charity Navigator in the USA or the Charity Commission in the UK) to monitor the NGO sector and the effectiveness of use of financial donations. Apart from organizations reporting on the condition of the NGO sector (such as the Klon Jawor Association or the General Statistical Office), Poland does not have an organization specialized in the monitoring of NGOs' efficiency and transparency.

The GRI has also developed specific guidelines to show NGOs how their economic, environmental and social impacts should be covered in the sustainability reports (GRI, 2014). The prior research (Dhanani and Connolly, 2012) presented the patterns and motivations underlying charities' accountability practices. The researchers (Dhanani & Connolly, 2012) showed that charities' accountability practices are motivated by a desire to legitimize NGOs' activities and present the organizations' activities in a positive light. However, a study into the reports (Crespy & Miller, 2011) has revealed that NGOs disclose much less information than corporations do. This is probably so because NGOs control relatively small resources, but another explanation can be their managers' belief that as actions speak louder than words they should concentrate on building their social legitimacy on what they do, which make any reporting beyond mandatory an optional activity. Moreover, NGOs may attach more weight to informal information about them or their visibility in the community than to the contents of their websites or reports (Szper & Prakash, 2011; Waniak-Michalak & Zarzycka, 2012).

The two main objectives that the paper seeks to fulfill are the following:

- to determine the scope of collaboration between corporations and NGOs and the amount of information they disclose (on donations, projects, partners, and activities) to legitimize their functioning,
- to identify factors which determine the level of disclosure on collaboration.

The novelty of the study is that it focuses on the amount of voluntary disclosure on collaboration between NGOs and corporations and its determinants. Moreover, it investigates cooperation disclosure from both (NGO and corporation) sides.

The remaining part of the article is organized as follows. Section two outlines the social and historical background to collaboration between corporations and NGOs in Poland. In section three, CSR disclosures are analysed in the framework of legitimacy theory. In section four, research hypotheses are formulated and the sample selection procedure and the research methodology are explained. Section five provides a discussion of the results. The paper ends with conclusions, presentation of limitations in the research and opportunities for further studies.

The Social and Historical Background to Cooperation between Corporations and NGOs in Poland

Poland's transition from a socialist economy to a market economy have created special conditions for cooperation between NGOs and corporations. In the socialist system the profit-oriented sector was reduced to a necessary minimum, because private entrepreneurship and profit seeking were rejected as questioning the political and economic principles of the state. For the ruling communist party most NGOs represented a civic movement that the party could not control, so they were potentially dangerous to the system. One of the solution that the state developed to cope with numerous social problems were state agencies providing orphan care, education, etc. The official position of the communist government was that poverty and homelessness were the problems of other systems, so NGOs solving problems that did not exist were not necessary.

This attitude has been dying hard and even now, more than 25 years after communism collapsed in Poland, it still seems to affect public beliefs and behavior. Moreover, individuals and companies in Poland are less wealthy than in Western Europe or the USA, and charitable, or broadly speaking socially responsible activities need an appropriately high level of citizens' wealth, income and variability of income (Crowson, 2009). As Poland still lags behind in that respect, the scale of charitable and socially responsible activities in the country is naturally smaller. Moreover, private entrepreneurship and profit seeking still have a tarnished reputation in the post-communist countries (Padelford & White, 2010). Secondly, the public-benefitting activities have less positive connotations among citizens. Thirdly, the level of public trust in Poland is relatively low (Wike, 2008), so public activity is sometimes regarded suspiciously, likewise voluntary disclosure of corporate social responsibility that is sometimes approached as a piece of corporate propaganda. Fourthly, the short (and rather bumpy) history of charity in Poland has caused that the notion of a transparent and accountable NGO does not exist. Compared with countries with a long-standing tradition of civil society, in a post-communist country a smaller scale of collaboration between NGOs and corporations and the level of disclosure on this collaboration can be expected. Consequently, the legitimization effect of this disclosure is also likely to be weaker than elsewhere.

Disclosure on CSR in the Light of Legitimacy Theory

Legitimacy theory is one of the tools that researchers use to investigate and explain corporate social responsibility (and corporate disclosures on activities benefitting the public and environment). It also serves as the main theoretical underpinning of this paper. The theory states (Deegan & Kamal 2013) that corporations and other organizations do not have any inherent right to exist or acquire resources, but they can gain it by complying with certain rules and by proving to be useful to the public.

The doubtful legitimacy of corporations and NGOs may make it more difficult for them to acquire resources, for instance when the customers choose to boycott corporate products, when the investors are not willing to buy shares, or when the donors refuse to give their financial support.

Legitimacy theory helps explain why companies voluntarily disclose information on their social and environmental involvement (Filatotchev & Nakajima, 2014). The company must be sure that its actions are consistent with system of norms, values and society expectations (Bhattacharyya, 2015). The theory states that organizations engage in various activities because they need to justify their activities in the eyes of the public. With social legitimacy, they can maximize their access to resources and become sustainable in the long run. In fact, some companies treat the CSR initiatives as a type of marketing strategy or fashion (Vveinhardt & Andriukaitiene, 2014). Other studies show however that capacity to account for sustainability is not very high in many countries, even in UK (Mio & Venturelli, 2013), but we can see slight improve of the level of CSR reporting of listed companies (Romolini, 2014).

The concept of legitimacy is strongly associated with the company's impact on the society. Different countries have their specific institutional setting, so their laws and the way companies behave are different too. The differences between developed and developing countries in the field of corporate social responsibility were examined in several papers (Vveinhardt & Andriukaitiene 2014, Choudhury & Dey 2012, Berber *et al.*, 2014). Following the legitimacy theory, we assume that corporations and NGOs seeking legitimacy for their activities may distribute information through webpages, CSR reports, etc. However, companies in controversial industries do not disclose more information than other companies do and some corporations may avoid attracting attention to their charitable donations opinion if their managers had a hidden agenda (Brown *et al.*, 2006). The boards of some corporations may also take advantage of charitable cooperation to manage their earnings or to gain other benefits.

Corporations can prove their legitimacy by showing that they have a positive influence on the different aspects of their external environment, i.e. relations with workers, the natural environment, local communities. The information they provide on their cooperation with reputable NGOs may have a legitimizing effect too. Sandra van der Laan (2009) has demonstrated that corporations try to use social responsibility reports as a means of legitimizing their activities.

Some reasons why a NGOs might wish to enter into cooperation with a corporate partner may be serious concerns about its sustainability (caused, for instance, by cuts in the available governmental funding) and the belief that only collaboration with a corporations can alleviate the problem. According to Samii *et al.* (2002), effective cooperation between NGOs and their partners, including corporations, involves mutual use of the partner's resources, a symmetry of commitment, a symmetry of purposes, frequent communication, both partners being able to learn, common cultural values.

The degree of legitimacy a corporation may achieve depends on the level of its cooperation with NGOs. In his Collaboration Continuum, Austin (2000) has indicated three levels of this cooperation: philanthropic, transactional, and integrative.

Studies on social and environmental disclosures which are conducted within the legitimacy theory framework mainly focus on:

- the scope of corporate disclosure (Dagiliene, 2010; Crespy & Miller 2011);
- factors in the voluntary disclosure on CSR activity (Cho *et al.*, 2015; Bonson & Bednarova, 2015; Hahn & Kuhnen, 2013);
- the reasons for managers to make specific social and environmental disclosures (Adams & Frost, 2008).

Having examined disclosures made in six European countries (France, Germany, the Netherlands, Sweden, Switzerland, and the UK), Adams *et al.* (1998) established that three main elements were common to the social responsibility reports: employees, the environment and ethics. Habek and Wolniak (2015) examined what regional differences exist between sustainability reporting practices in six European countries: Denmark, Sweden, France, the United Kingdom, the Netherlands and Poland. The research revealed significant differences in quality of CSR reports between countries.

Adams *et al.* (1998) also found that the contents and character of CSR reports were mainly determined by the corporation's size (in terms of its revenue) and then by its country of origin. The industry of the corporation was determined as irrelevant.

Adams *et al.* (1998) argue that the legitimacy theory helps explain the positive correlation between the corporation's size and the amount of information it discloses, because big organizations that have a stronger impact on the community also need more legitimacy. The same authors also suggest that voluntary disclosures may discourage the introduction of mandatory social reporting, because obligatory social and environmental statements are not necessary when information is published on a voluntarily basis.

Adams *et al.* (1998) discovered the quantitative disclosures to be the most common in the Swedish companies' reports, a proof that the country context determines social responsibility reporting. They also established that in some countries social and environmental disclosure was mandatory, while in others, e.g. Poland, it was still voluntary. Even though voluntary social and environmental disclosures made by companies have been increasing in number and content, it is not likely that their number will ever be high (Lydenberg & Grace, 2008, p. 15). Corporations set up their own charitable foundations because they view them as one way to gain legitimacy. The activities of the foundations frequently attract the media and can improve the reputation of their founders.

Habek (2014) distinguished three of groups of companies preparing CSR reports on different levels:

- *High level in adaptation of the CSR concept* - the group consists mostly of large international companies;
- *Medium level in adaptation of the CSR concept* - level represented by companies trying to improve their image;

- *Low level in adaptation of the concept of CSR* - to this group belong small and medium companies.

Similar results were obtained also in the earlier paper (Clarke & Gibson-Sweet, 1999). Authors revealed that large companies with high public presence are more likely to write about their involvement in the local community.

The results of the research (Habek, 2014) revealed that CSR reports prepared by Polish companies are not of very good quality. In the CSR reports in Poland there are presented usually information on the profits and achievements of the companies, not how responsibly those profits were created and what exactly the company did for the society.

Research Hypotheses

Given the above theoretical framework and the outcomes of earlier empirical studies, the following research hypotheses have been formulated.

Hypothesis 1: The amount of voluntary corporate disclosure on disclosed on collaboration between the corporation and the NGO is low in Poland.

Hypothesis 1 has been formulated mainly because of the relatively small number of corporations in Poland that prepare CSR reports (FOB, 2012, p. 21), which appears to indicate that their management boards have little interest in corporate social responsibility. Considering the institutional setting in Poland, even companies that draw up the reports may not be willing to make them very informative. The other reason is the negative perception of companies' philanthropic activities in Poland. Some companies may also prefer to disclose the information through media releases or web pages, etc., to cut the costs involved in its preparation.

We identified three factors that may positively affect the amount of disclosed information by corporations:

1. *NGO establishment by the corporation* - as the corporation can improve its reputation by giving its name to the foundation,
2. *being a big donor* - because corporations which are more engaged in socially responsible activity give more information and that their disclosures are more complete than those prepared by other organizations (Gelb & Strawser, 2001),
3. *sinfulness* - as corporations involved in controversial business may try to minimize their negative publicity and to present themselves as "not so bad" (Campbell *et al.*, 2003) engage in CSR activities to show their "better side" and to defuse negative opinions and connotations among the public (Du & Vieira, 2012)
4. *size of corporation* - as according to previous studies is positively correlated with the level of its philanthropic activity and the general level of CSR disclosure (Douglas *et al.*, 2004; Sierra *et al.*, 2013). The size was widely used by many researchers as the factor influencing the corporate social disclosure (Said *et al.*, 2009; Hackert *et al.*, 2014; Adeneye & Ahmed 2015; Barnea & Rubin, 2004; Gui & Leung, 2004; Mohd Nasir & Abdulilah, 2004; Haniffa & Cooke, 2002; Barako *et al.*, 2006; Cheng & Courtenay, 2006; Mohd Ghazali & Wheetman, 2006).

Hypothesis 2. Polish NGOs disclose little information on their collaboration with corporations

As we mentioned Polish communities did not have non-governmental organizations that could meet their needs for long years. Nowadays, more and more new NGOs are established every year, but they concentrate on fulfilling their missions rather than meeting the reporting requirements (Waniak-Michalak, 2011), whether mandatory and voluntary.

We identified three factors that may positively affect the amount of disclosed information by corporations:

1. *NGO establishment by the corporation* - because in case of such NGOs disclosure requirements may be included in the foundation statutes or may be a form of gratitude to the founder.
2. *share of revenues from corporations donations* - because it is likely that the amount of information NGOs disclose on the particular sources of revenues depends on the relative significance of the source,
3. *cooperation with big donors* - as big donors may develop important and lasting collaboration with NGO that should be disclosed by NGO.

Selection of the Sample

In the first step of data gathering, companies that were the most likely to publish information on their social activities were selected. They came from two major groups:

1. companies publishing CSR reports,
2. major donors.

We expected that companies publishing CSR report were more committed to presenting their positive social and environmental impacts, including their cooperation with NGOs, their disclosures were assumed to be the most comprehensive. We presumed also that biggest donors would disclose more information on collaborations with NGOs due to a massive resources spent on charitable actions.

We identified 31 companies operating in Poland that had published CSR reports between 2010 and 2011. The second group contained 17 corporations that were awarded Biggest Donors by the Donor's Forum Association in years 2007–2011 and had stakeholder oriented websites. Out of these 17, 7 companies published CSR reports, so they were included in the sample in the first step. The final sample of corporations consisted of 41 companies.

In order to examine the disclosures of both partners on collaboration, NGOs that the corporations mentioned in their CSR reports or on corporate websites were added to the sample. Because most corporations (32 out of 41 in the sample) disclosed up to five cases of collaboration (a mean of 4.43), the sample was limited to five NGOs per corporation. In the case of corporations disclosing information on collaboration with more five NGOs, only the first five were included in the sample. As a result, the final sample of charities consisted of 82 organizations.

Finally, after content analysis, we identified 131 cases of collaboration presented on the websites and 95 cases in corporate CSR reports.

Methodology

A content analysis was performed with the collected data. In this study, the analysis was focused on data type and volume (reports, websites) rather than on single words or phrases, which is a more common approach. The amount of disclosure was assessed with respect to two types of information: about the partner and about the charitable activity (collaboration programme). A corporate disclosure index (CDI) was calculated with information

presented on the websites and in the CSR reports. For NGOs, the websites were the only source information, because there are only few NGOs in Poland that prepare CSR reports.

Disclosure Index

In CSR reports and corporate websites 5 types of disclosure on the partner and 8 types of disclosure about the philanthropic activity were identified in CSR reports and corporate websites (Table 1).

Table 1

The types of information disclosed by corporations on their collaboration with charities

Disclosure about the partner		Disclosure about philanthropic activity	
Type reference number (i)	Description (a,c)	Type reference number (i)	Description (b,d)
1	no information	1	no information
2	partner's name	2	program's name
3	partner's name and address, or a website link	3	program's name and description
4	partner's name and the description of its activity	4	program's name and company's non-financial support for the program
5	partner's name + address or a website link + description of the partner's activity	5	program's name, description of the program and of company's non-financial support
		6	program's name and company's financial support
		7	program's name, description of the program and of company's financial support
		8	all above

Where a,b= information on the website; c,d= information in the CSR report

The disclosure index (WDI and CSRDI) was defined as the total occurrence of the five types of disclosure about the partner and eight types of disclosure about the philanthropic activity. Specifically, for $i = 1, 2, \dots, 5$, $a_i = 1$ and/or $c_i = 1$, if the given type of disclosure occurs, otherwise $a_i = 0$ and/or $c_i = 0$, for $i = 1, 2, \dots, 8$, $b_i = 1$ and/or $d_i = 1$, if the disclosure occurs, otherwise $b_i = 0$ or $d_i = 0$. Hence, we have $WDI = \sum_{i=1}^n (a_i * i) + \sum_{i=1}^n (b_i * 5(i - 1))$

where a_i = the type of disclosure on the partner on the Website, b_i = the type of disclosure about philanthropic activity on the Website,

$$\text{and CSRDI} = \sum_{i=1}^n (c_i * i) + \sum_{i=1}^n (d_i * 5(i - 1))$$

where c_i = the type of disclosure about the partner in CSR reports, d_i = the reference number of the type of disclosure about philanthropic activity in CSR reports.

For example, if the corporation revealed on the website the name of the partner and the program's name only, than the WDI for the company was:

$$WDI = 1*2 + 1*2 = 4$$

The single source of information used to analyze NGOs' disclosures on their collaboration with corporations was their websites, because only one charitable organization in the sample had prepared a CSR report.

For further analysis 5 types of disclosure on the partner and 10 types of disclosure on philanthropic activity supported by corporations were selected (Table 2).

Table 2

Types of disclosure made by NGOs on their collaboration with corporations

Disclosure about the partner		Disclosure about the philanthropic activity	
Type reference number (i)	Description (e)	Type reference number (i)	Description (f)
1	no information	1	no information
2	partner's name	2	program's name
3	partner's and address or a website link	3	program's description
4	partner's name and description of partner's activity	4	program's name and company's non-financial support
5	full information about partner	5	program's name, company's non-financial support and program's description
		6	financial support
		7	program's name and company's financial support
		8	program's name, program's description and company's financial support
		9	program's name, program's description, company's financial and non-financial support
		10	all above

The NGO website disclosure index (NWDI) indicates the total occurrence of the five types of disclosure about the partner and ten types of disclosure about programs/projects. Specifically, for $i = 1, 2, \dots, 5$, $e_i = 1$ if it occurs, otherwise it is 0. and for $i = 1, 2, \dots, 10$, $f_i = 1$ if it occurs, otherwise it is 0. The formula of the index is the following:

$$NWDI = \sum_{i=1}^n (e_i * i) + \sum_{i=1}^n (f_i * 4(i - 1))$$

where e_i = the type of information on the partner an NGO disclosed on its website

and f_i = the type of disclosure about philanthropic activity on NGO's website.

Each time information on the partner was not available, the same index of 1 was applied. We assumed that information was significant when it contained the program's description and the name of the supporting corporation, because all NGOs report on their activities and achievements whether or not they cooperate with other organizations. Consequently, the coefficient in the index formula is 4 instead of 5. The index NWDI will show the general level of NGO's disclosure on the collaboration with corporations.

In order to verify the formulated hypotheses we used a Poisson regression analysis, because the dependent variables (WDI, CSRDI and NWDI) in our study involve counts of content types NGO and corporation websites Web site and in CSR reports. With such count variables, the ordinary least squares (OLS) method often tends to result in biased, inefficient, and inconsistent estimates (Long, 1997). To deal with this problem, nonlinear models based on the Poisson distribution were developed.

In order to verify the formulated hypotheses, three Poisson regression models were built to find out about

effects of each independent variables on the disclosure indices.

The following models were estimated:

$$CSRDI = \exp(\alpha_0 + \alpha_1 \text{ Donors} + \alpha_2 \text{ CF} + \alpha_3 \text{ logassets} + \alpha_4 \text{ logrev})$$

$$WDI = \exp(\beta_0 + \beta_1 \text{ Donors} + \beta_2 \text{ CF} + \beta_3 \text{ logassets} + \beta_4 \text{ logrev})$$

$$NWDI = \exp(\delta_0 + \delta_1 \text{ Donors} + \delta_2 \text{ CF} + \delta_3 \text{ share})$$

where:

1. CF (a corporate foundation) – 1 if the foundation was established by a corporation (corporate foundation), otherwise 0 (a dummy variable).

2. Donor – 1 if the corporation is one of the biggest donors according to the Donor's Forum Association, otherwise 0 (a dummy variable)

3. Sinful – 1 if the corporation is involved in controversial business (e.g. gambling, the sale of alcohol or manufacturing of tobacco products; a dummy variable)

4. The corporation's size as indicated by four variables:

- assets – total assets,
- revenue – total revenues,
- logassets – a logarithm of total assets,
- logrev – a logarithm of total revenue.

For the NGOs we chose following variables:

1. Share - donations as a share of the foundation's revenues

2. CF (a corporate foundation) - 1 if the foundation was established by a corporation (a dummy variable), 0 otherwise

3. Donor – 1 if the corporation is one of the biggest donors as indicated by the Donor's Forum Association (a dummy variable) 0 otherwise.

Table 3

Factors determining the indices of disclosure on the collaboration between NGOs and corporations

Hypothesis	Independent variable	Hypothesised direction	Model 1 (WDI)	Model 2 (CSRDI)	Model 3 (NWDI)
	Intercept		2.29 (0.22)***	1.24 (0.28)***	1.15 (0.09)***
1.2 2.1	CF	+	0.50 (0.07)***	0.82 (0.08)***	0.46 (0.1)***
1.1 2.2	Donors	+	0.15 (0.07)**	0.52 (0.09)***	0.40 (0.1)***
1.3	logrev	+	0.04 (0.07)	-0.10 (0.09)	-
1.3	logassets	+	-0.07 (0.06)	0.19 (0.09)**	-
2.3	share	+	-	-	1.72 (0.13)***
	n		126	90	82
	Log likelihood		-970.22	-527.17	-397.67
	χ^2		1619.45	965.99	670.72

*** $p < 0.01$ ** $p < 0.05$ Standard errors are shown in parentheses

Table 3 shows how well the independent variables perform as the predictors of the level of disclosure on collaboration between NGOs and corporations.

Discussion and Results

The outcomes of the regression analysis allowed to measure the significance of the association independent variables with the amount and scope of disclosure (see table 4).

The regression analysis showed that the value of assets is significant as the variable explaining the level of CSRDI. It means that big corporations feel required to reveal more information in the CSR reports, than other companies. Another explanation of the results may be the fact that more big companies prepare CSR reports than smaller companies. On the websites the information on collaboration of corporations and NGOs does not depend on the size of the companies.

The regression results indicate a significant association between this variable and corporate website disclosures and the CSRDI. A probable reason is the general attitude of corporations to CSR. If a corporation considers CSR activity important, then its involvement in philanthropic activity may be stronger and its CSR reports may be more specific.

The independent variable 'CF' (showing whether or not an NGO is a corporate foundation) has also the significant contribution to explaining dependent variables WDI and CSRDI. This means that corporations inform broadly on their cooperation with NGOs when the partner is their own corporate foundation than when dealing with other NGOs. It has also been found that all corporations preparing CSR reports present some information about their corporate foundations.

In the third model, focused on NGO disclosure on collaboration with corporations, all variables were significant: "donors", "share" and "CF", with "share" having the strongest unique contribution to explaining the dependent variable NWDI. In other words, the proportion of corporate donations in NGO's revenues and its being established by a corporation are important motivator for the organization to disclose information about its collaborations. The Poisson regression analysis showed the positive association between variable "CF" and NWDI. It may prove, that NGOs report more information on strategic partners. It is, however, also possible that the amount of information a NGO discloses on its corporate partner is simply required by their collaboration agreement and so it does not have to reflect the general disclosure policy of the NGO.

According to the FOB report, only few companies in Poland prepare CSR reports. Between 2007 and 2009, such reports were published by companies operating in three sectors: FMCG (fast moving consumer goods), financial services, and oil industry. Because some companies had prepared their reports for periods longer than a year, the number of companies covered by analysis is smaller than the number of reports (25 companies versus 39 reports). The majority of the CSR reports provided information on changes in the company's value and relations with suppliers. Only 8 reports followed the GRI guidelines.

In the „CSR Reporting in Poland 2010" study, 29 publicly available reports were analysed. Some of them concerned the year 2009, others spanned longer periods. Among these 29 reports, 3 were partial reports and dealt with one aspect of corporate responsibility (environmental or social); 12 were consistent with the GRI guidelines (CSRinfo, 2011).

The findings of this study confirm hypothesis 1 about a limited amount of voluntary corporate disclosure on philanthropic activity in Poland. The mean of the disclosure WDI indices was 9.21; mean for CSRDI was 9.24 and median was 2 for both types of indices, while the maximum level of WDI and CSRDI could be 40.

Half of the analyzed corporations stated simply the name and address of the NGO they collaborated with, or a link to its website. Only 3 corporations described in full their collaboration with an NGO on their websites (their WDI are the highest possible) and 1 corporation in the CSR report.

While the analysis of the results revealed that the level of corporate disclosure in CSR reports was slightly higher than on websites, the paired samples t-test did not show the two types of disclosure to be statistically significantly different ($t=-0.947$, sig. 2-tailed=0.35).

Generally, the analysed corporations supported philanthropic organizations regardless of their field of activity. One distilling company reported, however, that it limited its involvement in activities undertaken to discourage people from drunken driving and pregnant women from consuming alcohol. The CEPS (Confederation Europeenne des Producteurs de Spiritueux) guidelines on responsible alcohol consumption require corporations in the distilling industry to exclude from their marketing and promotional activities all undertakings that might encourage alcohol consumption among children and youth or increase its consumption among adults. For this reason, the distilling corporations may tend to avoid donating to charitable projects that disclose the donor information (e.g. the donor's logo), particularly if they are addressed to children. Even so, the analyzed brewing companies publicized their support for foundations helping children on their websites or in CSR reports. Although the level of disclosure among the analyzed corporations was generally low, some of those that ran their own foundations presented their collaboration with NGOs at length. Others, however, did not reveal more information on their foundations than on other NGOs.

The results of the analysis confirm hypothesis 2 that NGOs in Poland disclose little information on their collaboration with corporations. The mean of the NWDI indices of the collaborations was 7.58, the median was 2, while the maximum of the NWDI was 41.

The amount of information disclosed by NGOs is as low. Half of the analyzed NGOs gave only basic information about their partners, such as their name and address or a website link, in which they are similar to corporations making disclosures on their collaboration with NGOs. A smaller percentage of NGOs disclosed an average amount of information. Only 1 foundation presented a full account on its collaboration with the corporate partner (indicating its name, programmes carried out, donations and the type of support received). This foundation was established by a corporation.

The number of descriptions of collaborations where foundations provided the partner information (34 %) almost equaled that that they withheld from the public (32 %). Moreover, only a fraction of the information on collaboration contained the name of the programme and other details (16 %).

Seventeen of the analyzed NGOs were corporate foundations; two of them had a different name than their founder's. Less than half of the foundations (8) gave information about only one donor and three corporate foundations did not provide any information on founder's name or logo. It appears therefore that corporate foundations without their own websites (using only a subpage of the corporate website) and without any other donor but their corporation believe to deliver a clear message about being supported only by their founder. Only one corporate foundation (the Polsat Foundation) specified the donations and names of the donors on its website.

Interestingly, the total amount of donations it received from a few companies was greater than the support offered by its own founder. However, the latter offered also non-financial support, such as free promotion and publicity as well as organizational support for one of the foundation's programmes. As far as other corporate foundations are concerned, the non-financial and financial engagement of their founders could not be precisely established. The financial benefits reaped by companies donating to charities, such as increased volume of sales (products or services) or better public image are not known either. Only Danone Ltd. (one of the companies in the sample) stated in its CSR report that its philanthropic activity served three purposes: to meet the needs of local communities, to increase the motivation and satisfaction of the employees, and to gain business benefits. The company reported that by launching a nutrition program for children ("Share the meal") and by introducing products marked with the programme's logo its sales increased by 86 %.

Conclusions, Limitations and Further Research

This article extends previous content analyses of CSR reports conducted in various countries. The novelty of the research is that it focuses on amount of voluntary disclosure made by NGOs and corporations on their collaboration and its determinants. Most former papers on CSR reporting cover all aspects of social responsibility (environmental, social and economic). Our research is focused on collaboration aspect and investigates collaboration disclosure from both (NGO and corporation) sides. There are also few papers on CSR reporting in transition countries (countries that moved from communist system to free market and civil society).

The legitimacy theory framework has been adopted to find out why different types of organizations present particular pieces of information. Basing on former research and on analysis of institutional settings we hypothesised that due to low level of public trust and transparency the overall amount of disclosed information on collaborations between NGOs and corporations is low. Following the legitimacy theory, we put forward also hypothesis that some types of corporations and NGOs seeking legitimacy for their activities distribute more information through webpages, CSR reports, etc. We hypothesised that organizations especially trying to legitimise their actions are: big corporations, major donors, sinful companies, corporations establishing corporate foundations, NGOs that are such foundations, NGOs that have high share of corporate donations in their revenues.

The research has confirmed hypotheses 1 and 2, according to which corporations and NGOs in Poland give little information about their cooperation. In the communist Poland, there was no room for NGOs to exist and provide services. This probably created institutional setting in which legitimizing effect is weaker than in countries with well-established civil societies. Today, the number of philanthropic organizations in Poland is expanding fast, but their managers are much more concentrated on fulfilling the organization's mission and goals than on giving compulsory, let alone voluntary, information to stakeholders. All administrative duties are

overshadowed by the goals a charitable organization has been founded for. CSR managers may believe that more specific disclosures on the collaboration are not necessary as long as they are not explicitly required by mandatory or at least voluntary guidelines (such as the GRI guidelines). They also seem to stick to the materiality rule and to disclose information voluntarily only on projects involving the biggest budgets and/or social impact. Other factors that could affect the amount of information disclosed by corporations on their collaboration with a NGOs included the corporate business profile (e.g. the media industry) or the motivation for engaging in charitable activity. The scope of reporting can be connected to a culture which places greater emphasis on the defense of privacy rather than disclosure. Low level of reporting can result also from bad communication between managers responsible for CSR actions and those responsible for economic-financial reporting. That's why despite of the fact that most of employees and CEOs are engaged in CSR activity the level of CSR reporting can be low.

Because the level of legitimacy of corporations in Poland is low, so public trust in their reports is fairly low too. As a result customers and other stakeholders may perceive corporate disclosures as a sort of propaganda. Therefore, a corporation deciding to disclose information about its cooperation with charities to gain publicity benefits may achieve something different from what it pursued.

In our research we identified the factors increasing the amount of information on philanthropic partnerships displayed by corporations and charities on their websites and in CSR reports. On the corporate side the most important factors are: NGO being a corporate foundation and the corporation being one of the biggest corporate donors in Poland. On the NGO side the most important factors are: the NGO being a corporate foundation and the percentage of corporate donations in its total revenue. Other factors like size or being a "sinful" company" are not significant. This leads to some unexpected conclusions.

Content analysis shows unclear effect of voluntary disclosure of cooperation between NGOs and corporations legitimization. First of all the amount and quality of such disclosure is low. Companies and NGOs disclose information on only chosen collaborations. Therefore stakeholders that value such information should seek it in other sources like leaflets and media releases on various programs. Secondly, as we find association between amounts spend on philanthropy and amount of disclosure on collaboration. From the viewpoint of CSR reports users it may be a warning sign – low amount of information often means that collaboration is superficial. Thirdly, both corporations and NGOs seem to be afraid of disclosing too much information. It probably means that information on such cooperation may have delegitimizing effect for both sides. It is contrary former research that showed that in most cases voluntary CSR disclosure had positive on no legitimization effect. We may even draw a conclusion that both corporations and NGOs tried to keep their collaborations secret. More information was disclosed in case of collaborations that were evident from other sources: with corporate foundations, widely publicized by media (like in case of biggest donors). Results show some

overrepresentation of corporate foundations information in CSR reports. It may be caused by bigger influence of corporations on such NGOs. All these findings show weaknesses of CSR reports in its social part concerning collaboration between corporations and NGOs.

The research has some limitations. Firstly, it covers only one country – Poland, so the results may not be generalizable on other transition countries. Secondly, a content analysis covers only CSR reports and web pages.

These two information channels do not reflect the full spectrum of communication on NGOs – corporations' collaborations. Traditional and social media releases play important role in communication of organizations with public audience. However, the two mentioned channels (CSR reports and web pages) seem to present the most comprehensive and precise picture of CSR activities of both NGOs and corporations.

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