

LEADERSHIP IN SOCIAL ECONOMY ENTITIES ILLUSTRATED WITH AN EXAMPLE OF THE MAZOWIECKIE PROVINCE

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Purpose: The aim of the paper is to present the results of a quantitative research conducted among social economy entities operating within the Mazowieckie Province and to illustrate the effects of the literature review on leadership, resulting in the identification of determinants affecting the analysed concept. The topic was pursued by the author due to the dynamic development of social economy entities and the importance of leadership in the development of each organisation.

Design/methodology/approach: The ongoing research serves as an introduction to the in-depth analyses that will be carried out in the Mazowieckie Province. This province was chosen for the study due to the fact that according to the Polish Central Statistical Office (GUS), the number of non-governmental organisations, which comprise social economy entities, is significant and stands at 15,200 (data from 2021 – the most recent data available). In recent years, the subject of social economy has been gaining importance, particularly due to the legal conditions in this area, which emerged with the Act on social economy implemented in 2022. Due to the dynamics of the development of social economy entities, the importance of the entities in the reemployment of excluded individuals and many unexplored areas in this field, it can be assumed that the subject should be researched. The process has been initiated with the conduct of the quantitative research described in this paper and will be continued in further in-depth research.

Findings: The research conducted resulted in the verification of the prepared survey questionnaire and a very general outline of the approach of the selected representatives of the surveyed social economy entities in the area of leadership styles.

Originality/value: The discussed topic of social economy entities in the context of leadership is new and partially fills the research gap.

Keywords: social economy entities, Mazowieckie Province, leadership, leader, determinants of leadership.

Category of the paper: Research paper.

1. Introduction

The concept of leadership is interdisciplinary and can be found in many scientific disciplines. There is no single definition to fully reflect the complex nature of the concept in question. Given the topic covered by this paper, the author finds it essential to analyse the concept of leadership from the perspective of management and quality sciences.

Leadership stands as one of the four key functions of management. Alongside planning, organising and controlling, leading enables an organisation to be managed in order to fulfil its mission and adopted objectives.

The literature review paints a picture of leadership still out of holistic consideration, despite many publications and studies. It is still considered in a fragmented way. Various publications serve as a manual, giving instructions on how to be a good leader. Regrettably, no author sees leadership from the angle of specific types of organisations. The diversity of organisations does not allow for the generalisation of this concept. The characteristics of a leader vary according to the type of organisation the manager leads.

Social economy entities operating within the Mazowieckie Province were selected for the survey. The research method employed to achieve the research objectives is a quantitative survey. Despite extensive efforts to obtain a statistically significant response rate of electronically delivered questionnaires, the result obtained can only be regarded as a pilot identification of the research area in question. Nevertheless, it appears worthy of publication due to the importance and relevance of the topic.

2. Literature review on leadership

Leadership is an interdisciplinary and widely researched concept, also in the management and quality sciences.

An in-depth literature review identified nearly 70 different definitions, which were divided according to criteria reflecting the similarities between them. While some of the definitions are refined and can be attributed to a single criterion, other definitions, due to their wording, can be attributed to two criteria, thus making it difficult to provide a clear division of the phrases found.

The following definition breakdown criteria were distinguished through the literature review: engagement, self-creation, activity, action, empathy and ecology, evolution, harmony, hierarchy, interaction, direction and influence, mobilisation, motivation, influence, persuasion, process, process and feature, process and characteristic, relationship, psychosocial relation, art, direction and coordination of actions, skill, skill and feature, value and motivation, feeling, knowledge, bond, power, influence, event, management.

The analysis of the criteria accepted by the author confirms that leadership is very widely interpreted and expressed, even within management and quality sciences.

For some criteria it was only possible to attribute a single definition. However, some criteria yielded several definitions introduced by different authors. Authors: J.M. Burns (Yukl, 1989), Ch.R. Stoner & J.S. Stoner (2012), P.G. Northouse (2009), L. Smircich & G. Morgan (1982), M. Uhl-Bien (2006), P. Żukiewicz (2011), R. Wróblewski (Wyrębek, 2016), R. Griffin (Winch, 2016) define leadership as a process. The above authors' approach appears to be perfectly valid, as leadership is not a one-off act and should not be perceived as such. Leadership is a long-term process and, like management itself, is subject to refinement and development.

The following authors define leadership as influence: R. Tannenbaum & R. Wechsler (1961), D. Katz & R.L. Khan (1979), G.R. Terry (1960), H. Koontz & C. O'Donnel (1959), L.R. Pondy (1978), S. Robbins & T. Judge (2012), M. Smith (1996), J. Boguski (2003), J.C. Maxwell (Wyrębek, 2013), S.P. Robbins (Wyrębek, 2015), S. Lachniewicz (2007), P. Kopijek (2003), G.A. Yukl (1989). Perceiving leadership as influence also appears to be a valid approach and way of understanding the phenomenon. Leadership undoubtedly influences the individual, the team, their behaviour and the way they function within an organisation. The leader also influences processes, systems, the implementation of objectives as well as the creation of organisational culture.

The definitions of the following authors who construe leadership as management should be subject to a closer analysis: E. Bojar (Bojar et al., 2010), M.R. Fairholm (2007), L.R. Bittel (1994), A. Koźmiński (2013). This approach appears to shallow the very concept of 'management', which refers not only to the human capital in an organisation, but also to the information, financial and physical resources possessed by the organisation, or even the organisation's reputation or licences. Management in this context is more than just leadership.

Based on her literature review, the author concluded that leadership is a process of exerting controlled influence over members of an organisation in order to carry out management functions. Leadership represents a higher form of intellectual capital management and affects both individuals and the shaping of organisational culture as a whole. Leadership is a conscious process, subject to continuous improvement through the development of the leader and the subordinate team/units. There is a set list of determinants that shape leadership in organisations.

One should also reflect on who the leader is. A range of divergent definitions exists in this area too. Given the subject area of this paper, this issue will not be analysed in detail. However, it is important to define who the author perceives as a leader. This is a person who has the knowledge, skills and competence to manage an organisation and a team of individuals employed in it. A leader has the knowledge in the field of organisational management and understands the functioning of the industry in which the organisation operates. A leader is a person who brings together both formal and informal authority. One can only become a leader by appointment. A leader cannot be self-proclaimed – such a person is referred to by the author as a *de facto* leader. A leader can delegate tasks and enforce their implementation in compliance

with all ethical standards. A leader has a good reputation in the environment associated with the industry they represent and in the organisation they represent.

However, to establish what leadership is and who a leader is in an organisation, is just as important as to identify the determinants that build a leader. Based on the literature research, the author identified the following factors that influence the character of a leader.

These determinants include: the right time and place, acquired or innate status, personal competence of the leader, right conditions in which the leader carries out their role, natural abilities, established practice, experience, personal development, empathy, knowledge and skills, values, strength of the team led by the leader, personal qualities, type of organisation the leader belongs to, available technology, industry, relations with stakeholders, purposes of the company, organisational culture, tasks of the organisation, situation and time, position of an individual in the organisation, competitive situation.

The above determinants can be divided into groups, as shown in the table below.

Table 1.
Determinants of leadership

Types of determinants of leadership		
Internal	related to the leader	skills, knowledge, personality traits, experience
	related to the organization	mission, organisational structure, business model, organisational culture, legal personality, ownership structure
	related to the team	team that accepts the leader, team that does not accept the leader
External	related to the macro-environment	PEST (political, economic, sociological, technological)
	related to the micro-environment	Porter's Five Forces (competition – future and existing, suppliers, customers, substitutes)

Source: Own work.

The above summary of determinants demonstrates that leadership is influenced by various factors, most of which are independent of the leader. Even the conditions in the micro- and macro-environment can affect the type of leadership pursued in an organisation. One established and effective leadership style, which serves the organisation well, may prove to be ineffective when applied to another organisation. The internal determinants – related to the organisation, the leader and the team managed by the leader – seem to be quite evident. The said internal determinants will either facilitate or hinder the pursuit of the developed leadership model in the organisation.

3. Social economy entities under applicable law

The social economy is construed as ‘a type of activity which puts people first; profit is not an end itself’ (ekonomiaspoleczna.gov.pl, 2024). Central to this definition is the fact that social economy entities are not established for profit, despite their frequent market activities. It makes sense to point out the principles of the social economy entities' activities, which include:

the superior role of providing services to members of the entities over generating profit, autonomy in the management of these organisations, democratic decision-making and the superiority of people and labour over capital (Defournay, Develtere, 2006).

Social economy entities are a very heterogeneous category of organisations. The key legal act in the field of social economy seems to be the Act of 5 August 2022 on social economy (Dz.U. [Polish Journal of Laws] of 2022, item 1812), which came into force on 30 October 2022. The Act has been long anticipated by various groups, mainly due to the heterogeneity of definitions, variety of entities that operate in the field of the social economy, dynamic emergence of these entities and their links to public funds.

The legislature has defined social economy in the said act as: ‘the activity of social economy entities for the benefit of the local community in the field of social and professional reintegration, creation of jobs for people at risk of social exclusion and provision of social services, implemented in the form of economic activity, public benefit activity and other non-gratuitous activity’.

From the perspective of classifying social economy entities, it is crucial to determine which entities can be included in this group. According to the provisions of the Act on social economy, a social economy entity shall be understood as: social cooperative, occupational therapy workshop, vocational activity establishment, social integration centre, social integration association, non-governmental organisations (excluding political parties, European political parties, trade unions, employers' organisations, professional self-governments, foundations established by political parties or European political foundations), entities referred to in Article 3(3)(1), (2) and/or (4) of the Act of 24 April 2003 on public benefit and volunteer work (The Act of 5 August 2022 on social economy).

4. Leadership in social economy entities in the Mazowieckie Province

A quantitative survey was carried out to identify the way the social economy entities operate in the Mazowieckie Province. 388 entities were selected for the survey. The number of entities to be surveyed was determined on the basis of a summary of social economy entities operating in the Mazowieckie Voivodeship made available courtesy of the staff of the Faculty of Social Economy at the Centre for Social Policy in Mazovia in July 2023.

The surveyed population included the following organisations:

- Social Integration Centres – 16 entities.
- Social Inclusion Associations – 18 entities.
- Social Enterprises – 16 entities.
- Worker Cooperatives – 63 entities.

- Cooperatives of the Disabled and Visually Impaired – 13 entities.
- Social Cooperatives – 165 entities.
- Occupational Therapy Workshops – 87 entities.
- Vocational Activity Establishments – 10 entities.

The survey was conducted in September 2023 via the Forms online platform. Only 51 of the submitted questionnaires were returned, despite regular mailing of the questionnaire. Therefore, the survey can be perceived as a pilot study and can be a set point for in-depth qualitative and quantitative research. The result of the conducted survey does not allow for any conclusions to be drawn about the social economy entities operating in the Mazowieckie Province. All the conclusions drawn by the author apply only to the surveyed entities, and their analysis will allow the research assumptions to be refined in further studies of social economy entities in Mazowieckie Province and other provinces in Poland.

The returned questionnaires indicate that the respondents of the surveyed social economy entities represent the following forms of business:

- Social Integration Centre – 1 entity.
- Foundation – 5 entities.
- Church legal person – 1 entity.
- Cooperative – 26 entities.
- Company/Partnership – 1 entity.
- Association – 14 entities.
- Union of associations – 1 entity.

According to the above statement, half of the entities surveyed are cooperatives. Regrettably, the collected responses to this question indicate that the answers were poorly worded, as the inclusion of the term “cooperative” is too general. The following can be identified among the cooperatives: student cooperatives, social cooperatives, housing cooperatives, European cooperatives, worker cooperatives, food cooperatives, disabled cooperatives, cooperative banks, other cooperatives associated with various industries. This fact should be taken into account in future surveys. The division of cooperatives clearly indicates how heterogeneous this form of business is. Therefore, the goals, objectives and activities performed differ significantly among them.

In an attempt to explore the leadership model of social economy entities, a question was asked about the model used in the represented organisation. Furthermore, a classic division of leadership was presented based on the typology of K. Lewin, who distinguished the following styles: autocratic, participatory and democratic.

According to the author, the said styles were described in the questionnaire as follows:

- Autocratic model - centralisation of power, prevalent individual decision-making, no discretion of subordinates.

- Democratic model - bond between superior and subordinate, the superior expects approval for decisions made and encourages feedback sharing.
- Participative (cooperative) model - subordinates make their own decisions and the superior acts as a support and partner for them; emphasis is placed on teamwork.

Two more answers were added to the three said models: a combination of several modes and no answer, as this is a typical opinion question. The results of the responses received are presented in the chart below.

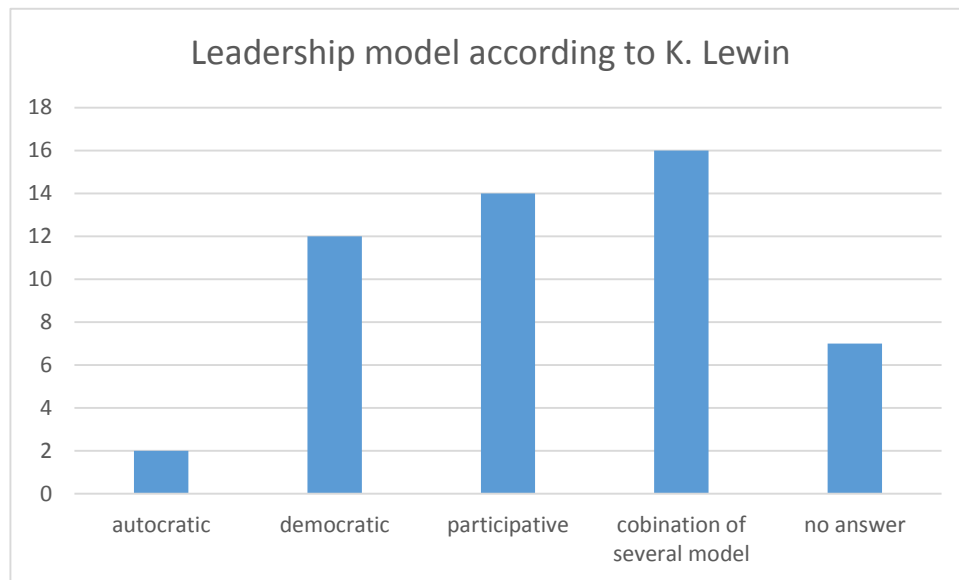


Figure 1. Type of leadership model according to Lewin's classification.

Source: own study based on survey results (n = 51).

As shown in the chart above, nearly a third of the 51 entities indicated that it was a combination of several models. Some (4 respondents) specified that it was a combination of democratic and participatory model. The responses provided are rather reliable, as the survey form explained in detail what the different leadership styles represent. Therefore, respondents, who hadn't been aware of this classification before the survey, were able to assign the style observed in the represented social economy entity to the corresponding answer. It is unclear why as many as 7 people, in such a small group of respondents, indicated that it was difficult for them to answer the question. The questionnaire was targeting decision-makers and representatives of these organisations, therefore the lack of answers is thought-provoking. In the future, it would be helpful to learn the real extent of the responsibility and involvement of the respondents and determine how deep they are involved in the management process.

The respondents were also asked a second question about the leadership styles implemented in their organisation, this time broken down into transformational, transactional, visionary and servant leadership. The results obtained were presented in the chart below. The meaning of each type of leadership was explained in the survey questionnaire to avoid any misunderstanding of the terms used. The particular types were described as follows:

- Transformational model: motivating and inspiring subordinates to achieve goals as a team.
- Transactional model: controlling and managing human resources to implement the adopted strategy.
- Visionary model: based on a vision and its implementation through long-term goals, motivation and inspiration of subordinates.
- Servant model: providing for the subordinates and helping them to achieve their goals, based on their potential.

The distribution of the answers provided was illustrated in fig. 2.

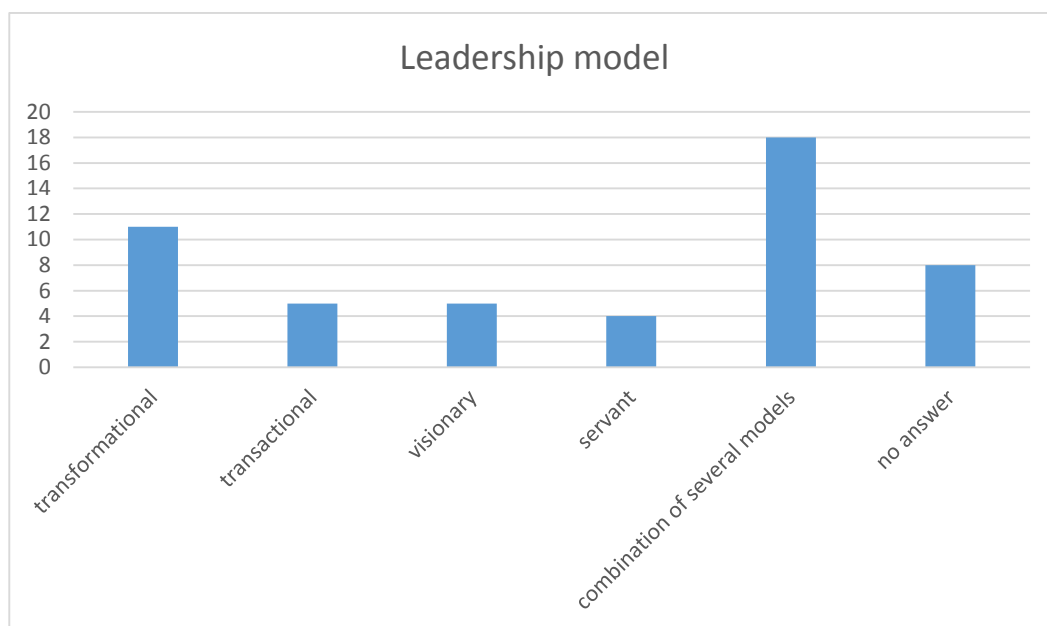


Figure 2. Leadership model type.

Source: own study based on survey results (n = 51).

The above summary revealed that a considerably small group – only 4 respondents – indicated that they recognised a servant model in their organisations. Slightly more indicated the transactional and visionary style. Most respondents opted for a combination of several models. This could be due to the fact that the leadership model is in fact a compilation of several types, or the respondents had trouble with a clear identification of the dominant features and characteristics of the leadership models used. Also, in this classification, as many as 8 respondents failed to indicate any of the types listed. This may be due to insufficient knowledge in this field or a lack of adequate competence to complete the questionnaire mailed.

5. Conclusions from the survey conducted

As mentioned before, the survey does not allow for any conclusions to be drawn regarding the social economy entities operating in the Mazowieckie Province. The findings, viewed as the result of a pilot study, serve their purpose, as the information gathered has facilitated the testing and evaluation of the way in which the questions and answers are worded in the prepared questionnaire.

There is a need to clarify the answers provided for the questions on independent variables typical of social economy entities, while in the questions on the concept of 'leadership', the wording seems accurate, but one has to wonder whether the questionnaire was addressed to the right respondents. The low response rate also implies that either the method of collecting results is wrong; direct outreach to entities should be considered – in this study the information to complete the survey was sent via email, or the form of the survey is inappropriate.

Summary

The aim of the paper was to present the results of a quantitative research conducted among social economy entities operating within the Mazowieckie Province and to illustrate the effects of a literature review on leadership, resulting in the identification of determinants affecting the analysed concept. The research focused, among other topics, on the concept of leadership, which is a legitimate choice, as no advanced research has been conducted in this area to date, especially among social economy entities. Given the specific nature of the organisations studied, the role of the leader appears central to the effectiveness of the actions taken.

The author is aware of the survey's shortcomings, both in terms of how the questionnaire was designed and how the survey results were collected. This area will be further analysed in subsequent research.

The results obtained did not reflect the population surveyed and therefore direct conclusions were not made.

The author hopes that, following the pilot study, it will be possible to better adapt further scientific tools to allow for an in-depth study of the topic of conducting business by social economy entities in Poland.

Further qualitative research will provide answers to questions on how social economy entities are managed.

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