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Attitudes of entrepreneurs of cluster members in undertaking CSR activities

Postawy przedsiębiorców członków klastrów w podejmowaniu działań CSR

Abstract. The article discusses how entrepreneurs and cluster members build their reputations through CSR activities. The article is conceptual in nature. Its purpose is to present a conceptual model and research proposals relating to CSR attitudes and activities of cluster entrepreneurs, as well as the impact of these activities on reputation building and recommendations by cluster members. The conceptual model is presented on the basis of the literature on the subject. Entrepreneurs undertake socially responsible activities in the hope that they will be well-perceived by other cluster members. Due to their reputation, they are recommended by cluster members, which in turn enables them to build networks within the cluster.

Key words: entrepreneurs, cluster members, corporate social responsibility, reputation, recommendations

Synopsis. W artykule omówiono, jak przedsiębiorcy, członkowie klastra budują swoją reputację poprzez działania z zakresu CSR. Artykuł ma charakter koncepcyjny. Jego celem jest przedstawienie modelu koncepcyjnego oraz propozycji badawczych odnoszących się do postaw i działań przedsiębiorców klastra w zakresie CSR, a także wpływu tych działań na budowanie reputacji i udzielanie rekomendacji przez członków klastra. Model koncepcyjny został przedstawiony na podstawie literatury przedmiotu. Przedsiębiorcy podejmują działania społecznie odpowiedzialne w nadziei, że będą dobrze postrzegani przez innych członków klastra. Dzięki swojej reputacji są rekomendowani przez członków klastra, co z kolei umożliwia im budowanie sieci współpracy w klastrze.

Słowa kluczowe: przedsiębiorcy, członkowie klastra, społeczna odpowiedzialność biznesu, reputacja, rekomendacje

JEL codes: M14, L14, O14, R11

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Introduction

This article focuses on entrepreneurs who are members of industrial clusters. Although the issue of CSR has been discussed in the science of management for many decades [Carroll 1979, p. 497], it is only relatively recently that researchers have analyzed CSR in the context of industrial clusters [von Weltzien Høivik and Shankar 2011, p. 185, Lund-Thomsen and Pillay 2012, p. 568, Zaleśna and Predygiel 2021]. Writing the keywords “industrial cluster” and “corporate social responsibility” into the databases of Ebsco, Web of Science, and Scopus provides results on publications that only originated in 2008. Writing the same keywords into Google Scholar gives only 1,420 results [26.06.2022]. For this reason, these issues require further analysis and research in this area.

Despite the growing literature on CSR itself [Wójcik 2018, p. 122], reputation itself [Fombrun 2012, p. 95, Ravasi, Rindova, Etter and Cornelissen 2018, Veh et al. 2019] or industrial clusters themselves [Lazzeretti et al. 2019, Gordon and McCann 2000], there has been relatively little empirical research on these combined issues with regard to cluster members. Academic discussion in this area remains embryonic [Lund-Thomsen et al. 2016, p. 9]. Therefore, this paper is to provide the conceptual model to drive the scholarly examination.

The first motivation to develop a conceptual model is that currently, CSR is treated as one of the modern standards of cluster management [PARP 2016, p. 42 and 57]. However, a lot depends on the attitudes of the cluster members themselves – principally SMEs [Rabellotti et al. 2009, p. 21]. The attitudes of entrepreneurs with regard to CSR in a cluster should be viewed from the perspective of the upper echelon theory (UET) [Hambrick and Mason 1984, p. 193], according to the view that an enterprise constitutes a reflection of its managerial staff and its values.

The attitudes of entrepreneurs with regard to CSR is also worth considering on the basis of the resource dependence theory (RDT) [Pfeffer and Salancik 1978/2003, p. 16], in that entrepreneurs should care about how others perceive them and whether others will recommend them for cooperation. A good reputation should lead to the development of a network of economic cooperation within the framework of a cluster. This is an additional motivation to develop a conceptual model because, without a good reputation and trust, it is difficult to collaborate between cluster members. A good example might be the furniture industry, in which only 1% of entrepreneurs belong to a cluster [Dyba 2017, p. 38].

This paper is of a conceptual nature, and its “focus is on integration and proposing new relationships among constructs” such as CSR and reputation [Gilson and Goldberg 2015, p. 127]. Its purpose is to present a conceptual model and research proposals relating to the attitudes and activities of cluster entrepreneurs in the field of CSR, as well as the impact of these activities on reputation building and recommendations by cluster members.

The paper has the following structure: At the beginning, there is a brief discussion about the characteristics of a cluster and the CSR concept in a cluster, including the attitudes of entrepreneurs with regard to CSR. Subsequently, there is an indication of the relationships of CSR with reputation, while also reputation with recommendations (word-of-mouth, WOM). In the subsequent sections, a theoretical model has been presented, together with research propositions. The paper comes to a close with conclusions.

Research method

The primary research method was a critical appraisal of the literature on the subject [Webster and Watson 2002], aimed at identifying CSR attitudes and activities of entrepreneurs as well as the impact of these activities on reputation building and recommendations from other cluster members. The methodology included source material search, selection, analysis and synthesis. It was used to develop a model depicting the relationship between entrepreneurs' attitudes toward corporate social responsibility (CSR) and the creation of their organization's reputation.

The subjects of critical evaluation were articles from databases such as: Ebsco, Web of Science, Scopus, and Google Scholar. More than 120 different studies were collected for initial evaluation, which were then screened (based on selected keywords, abstracts and titles). Finally, more than 90 articles were classified for in-depth analysis. The synthesis of the collected research material made it possible to identify the research gap and propose a comprehensive model and research proposals relating to corporate social responsibility (CSR) attitudes and activities in clusters.

Literature review

Clusters and realization of the concept of CSR in clusters

A cluster is an agglomeration of enterprises in a particular geographical area, in which there are economic and social ties between them [Porter 1998, p. 78]. These ties are of a vertical and horizontal nature. The first type of ties relates to the supplier-client chain, whereas the latter relates to, for example, benefiting from joint channels of distribution, or offering complementary goods [Porter 1998, p. 79]. Enterprises cooperate with each other in order to reduce costs as well as to improve product quality and competitive position [Nadvi 1999, Gorynia and Jankowska 2009, p. 287, Wyrzykowska 2015, p. 140]. Clusters enable the flow of ideas amongst cluster participants, leading to an accelerated learning process which, "together with the emergence of global pipelines of knowledge communication, creates a set of advantages not available for cluster outsiders" [Żmuda 2017, p. 104].

Cooperation in a cluster is based on formal and informal contacts [Kładź-Postolska 2013, p. 100], which create social capital as follows: binding and bridging [Czernek-Marszałek 2020, p. 230]. The former is created by close acquaintances, friends, or family. Bridging capital is created by acquaintances, members of societies and external entities with respect to each other [Czernek-Marszałek 2020, p. 231]. Voluntary relationships between enterprises are one of the important aspects of a cluster [Skawińska and Zalewski 2009, p. 175].

Clusters should realize the CSR concept as one of the standards of good management of a cluster [PARP 2016, p. 48]. CSR is defined as "the responsibility of enterprises for their impacts on society" [European Commission 2011, p. 7]. It is a multidimensional concept that embraces economic, social and environmental dimensions [Yáñez-Araque et al. 2021 p. 582]. The economic dimension includes ethical management of the business,

safe and good quality products and improvement of production processes, while the social dimension refers to the creation of employment, hiring people in danger of social exclusion, enhancing the professional development of employees, protecting their health and safety, and avoiding discrimination [Martin Castejón and Aroca López 2016, p. 22]. The environmental dimension includes actions a company undertakes to diminish its negative impact on nature [Martin Castejón and Aroca López 2016, p. 22].

Because clusters consist mainly of SMEs [Rabelotti et al. 2009, p. 21], it is worth mentioning the term small business social responsibility (SBSR). It is defined “as those activities of smaller organizations that result in positive social change” [Soundararajan, Jamali and Spence 2017, p. 934]. The other term is socially responsible management practices, which are defined as “aiming at the achievement of commercial success in ways that honor ethical values and respect people and communities” [Hammann et al. 2009, p. 39]. However, to avoid confusion, we are going to use the term CSR with regard to clusters like other authors [cf. Battaglia et al. 2010, p. 133, Lund-Thomsen et al. 2016, p. 9, Zaleśna and Predygiel 2021, p. 31]. CSR is defined as “the process by which managers within an organization think about and discuss relationships with stakeholders as well as their roles in relation to the common good” [Basu and Palazzo 2008, p. 127]. CSR is manifested in organizational practices [Glavas and Kelley 2014, p. 171] and means doing no harm to others [Campbell 2007, p. 951].

In the context of a cluster, CSR appears in, among other areas, the appropriate selection of partners/trading partners, in such a way as for the raw materials and other materials delivered to be derived from trusted sources [Carrigan et al. 2017, p. 690]. CSR also appears in the realization of environmental management practices [Battaglia et al. 2006, p. 1], ensuring employee health and safety [Battaglia et al., 2010, p. 136], while also educating and building social awareness of the subject of ecological products [Cieślak 2015, p. 50], labor standards and social upgrading [Lund-Thomsen and Pillay 2012, p. 568]. The application of the CSR concept in a cluster is based on the networking approach [von Weltzien Høivik and Shankar 2011, p. 187]. Cooperation and social capital play a key role in the formalization of CSR policies and practices for small companies [Battaglia et al. 2010, p. 133]. It is recommended that cluster members should introduce ISO 26000 as a CSR standard as well as the Eco-Management and Audit Scheme (EMAS) and ISO14001 [von Weltzien Høivik and Shankar 2011, pp. 185–191, PARP 2016, p. 57].

Attitudes of cluster entrepreneurs toward CSR

UET [Hambrick and Mason 1984, p. 195] assumes that the values of managers have an impact on their choices and decisions with regard to enterprises. The attitudes of entrepreneurs towards CSR in a cluster may be varied. Some argue that it is pleasant, yet nobody has to apply it in practice [Carrigan et al., 2017, p. 690]. However, others engage themselves in CSR in accordance with their own values [Hemingway and MacLagan 2004, p. 33, Hammann et al. 2009, pp. 48–49]. Others engage themselves in CSR in order to gain access to the resources of the cluster members.

Research confirms that owner-managers of SMEs know the term CSR [Bojar and Kwietniewska-Sobstyl 2013, p. 49], and even if they do not know this term, they are involved in CSR – it applies to 73% of SMEs (n = 500) according to the “CSR w MŚP”

report [EFL 2019, p. 20]. They identify social responsibility areas in an informal manner [Sokołowska-Durkalec 2019, p. 142].

The attitudes of cluster members toward CSR may also be varied because of the various stages of cluster development. According to PARP, clusters in the embryonic phase rarely implement CSR [PARP 2016, p. 29 and 37]. At this stage, entrepreneurs start to cooperate with each other and pursue common goals. The members of clusters in the development phase are interested in CSR and want to implement CSR standards [PARP 2016, p. 42]. They may enact new common innovative projects of environmentally friendly products. For example, entrepreneurs from the boiler cluster in Pleszew (Stowarzyszenie Klaster Kotlarski, Poland) have implemented the most ecological boilers in Poland – their boilers are compliant with PN-EN 303.5:2012 and with EU ECODESIGN 2020 [Klaster Kotlarski 2018]. However, some clusters in the development phase have not undertaken CSR activities so far [PARP 2016, p. 49]. In general, CSR is the obligatory standard for clusters in the development phase, while it is optional for clusters in the embryonic phase [PARP 2016].

A cluster constitutes power, thanks to which SMEs become capable of competing in foreign markets [Porter 1989, p. 78, Nadvi 1999, p. 82,]. Likewise, a cluster also constitutes moral strength by safeguarding honest business interests and excluding dishonest trading partners [Carnevali 2011, p. 909]. This affects, in particular, cluster members that are part of the supply chains of internationally branded firms in Western Europe and North America [Lund-Thomsen and Pillay 2012, p. 572]. These companies want to reduce the risk of potential consumer boycotts and, therefore, expect cluster members to join CSR initiatives. If cluster members do not comply with codes of conduct, they may be excluded from these supply chains [Lund-Thomsen and Pillay 2012, p. 572]. This is also why, in this paper, the assumption is adopted that some entrepreneurs really wish to look good in the eyes of the remaining cluster members. Exclusion signifies the loss of access to valuable information, foreign markets, support and the possibilities of participation in important undertakings.

CSR, reputation and word-of-mouth recommendations

CSR has an impact on the organizational reputation [Saeidi et al. 2015, p. 341], namely, “a collective assessment of a company’s attractiveness to a specific group of stakeholders relative to a reference group of companies with which the company competes for resources” [Fombrun 2012, p. 100]. There are a few mechanisms for reputation formation [Ravasi et al. 2018, p. 574]. It might be formed through signaling processes when a company invests in CSR. It might also be formed through social influence. Reputation reflects broad sets of interactions, including inter-group “spill-overs” [Boutinot et al. 2015, Ravasi et al. 2018].

Reputation has two dimensions – the reputation for capabilities and the reputation for character [Mishina et al. 2012, pp. 460–463]. The former is the result of professionalism and competencies, and it accounts for “what the organization can do (i.e., its abilities and resources)” [Mishina et al. 2012, p. 460], whereas the latter is the result of the perception of the firm regarding ethical norms, rights and values respected by the stakeholders. It specifies “what the organization would like to do, i.e., its goals and behavioral

intentions)” [Mishina et al. 2012, p. 460]. This type of reputation facilitates the assumption of what the behavior of the enterprise would be in the case of moral hazard problems [Mishina et al. 2012, p. 461].

The honest treatment of business partners by entrepreneurs should favor the building of a reputation of character shaped by socially responsible actions. Likewise, Agarwal, Stackhouse and Osiyevskyy [2018, pp. 890–891], in analyzing reputations, take account of societal ethicality alongside the quality of the product and services, as well as market prominence.

The good reputation of the organization fosters company trust and may encourage positive behavior on the part of clients, such as sharing a positive opinion and presenting recommendations to other people [Agarwal et al. 2018, p. 902, Mitreęa and Dewalska-Opitek 2018, p. 205]. Such behavior among the clients simultaneously encourages others to utilize the offer of a specific enterprise [Mitreęa and Dewalska-Opitek 2018, p. 206]. The same should go for the cluster members.

Although there is extensive literature on word-of-mouth recommendations [Luo, Baker and Donthu 2019, p. 247], an investigation of this issue in the context of industrial clusters is scarce. However, it is of importance, as providing recommendations reflects altruism and fosters cooperation between cluster members [Gerke et al. 2017, p. 61].

Research results: Conceptual model and research propositions

UET [Hambrick and Mason 1984, p. 195] is based on the assumption that the behavior of the firm constitutes a reflection of its top managers. RDT [Pfeffer and Salancik 1978/2003, p. 15] assumes that the dependency on resources from the environment has an impact on the actions of entrepreneurs. On the basis of both theories in this paper, it is assumed that the individual cluster members care about a positive reputation among the remaining cluster members and the acquisition of recommendations from them; thus, the cluster members will also undertake CSR actions.

Up to now, in the literature in the context of clusters, the relations between CSR, reputation and recommendations have not been analyzed from the viewpoint of the remaining cluster members. In the further sections of the paper, a conceptual model has been presented (Fig. 1), as well as four research propositions (they are marked as P1–P4 in Fig. 1). Figure 1, with boxes and arrows, provides a clear depiction of how these aforementioned constructs are related. Its visual representation clarifies the author’s thinking [Whetten 1989, p. 491]. The analysis for causal relationships has been conducted on a micro-level with reference to individual entrepreneurs, while also on a meso-level with reference to the relations between the cluster members [cf., von Weltzien Høivik and Shankar 2011, p. 186].

When faced with strong competition, the SME owner-managers must fight for survival and development. Therefore, in relation to this, they must have access to the appropriate human resources and information, as well as financial and material resources. They are dependent on the resources provided by others [Pfeffer and Salancik 1978/2003, p. 15]. This issue may be related to a cluster, in which, according to the definition of a cluster, social ties exist [Rabellotti et al. 2009, p. 20].

Interpersonal networks are important for the creation of inter-organizational networks [Chetty and Agndal 2007, p. 180]. By means of frequent interactions, the cluster members

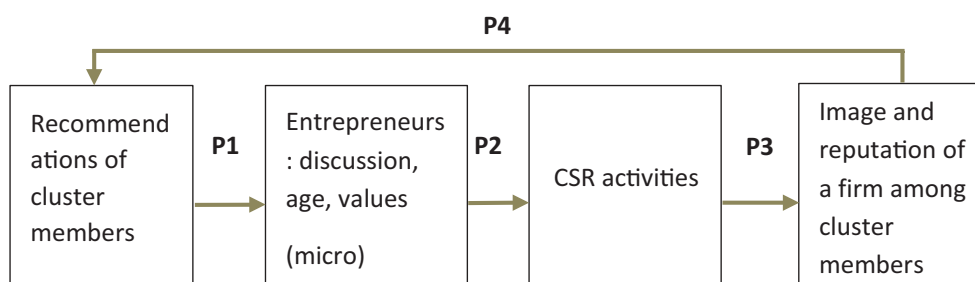


Figure 1. A conceptual model of undertaking CSR activities by entrepreneurs of cluster members
 Rysunek 1. Konceptualny model podejmowania działań CSR przez przedsiębiorców członków klastra

Source: own analysis.

know the history of the particular organization and practices applied there. If the experience of the cluster members in terms of cooperation with the particular entrepreneur is positive, they may recommend them to others. They may encourage others to utilize the offer of the given entrepreneur [Mitreęa and Dewalska-Opitek 2018, p. 206]. Put in a nutshell, trust and reputation are important, especially when passed on through word-of-mouth in an owner-manager's social network [Watts, Wood and Wardle 2005/2017, p. 118]. Hence, it is also possible to accept the view that the recommendations of other cluster members would be an important incentive for SME owner-managers to consider and discuss the way of treating stakeholders in the firm [Basu and Palazzo 2008, p. 125], especially since they should recognize the importance of interpersonal relationships [Battaglia et al. 2010, p. 134]. When the owner-manager's firm has a higher dependence on stakeholders for resources, then such an owner-manager would rather not engage in socially irresponsible activities [Tang, Qian, Chen and Shen 2015, p. 1370]. Thus, the research proposition below reads as follows:

Proposition 1: The recommendations of other cluster members are positively connected with the discussions of the owner-managers on the subject of CSR.

According to Basu and Palazzo [2008, p. 125], managers make CSR activities meaningful in an enterprise by means of what they think and say and what actions they take in the sphere of CSR. In order for such discussions and the appropriate socially responsible actions to take place in the enterprise at hand, its managers and owners should have a positive stance towards CSR.

The attitudes of the managers and owners of enterprises towards CSR may be varied. Some are skeptical in their approach. This also happens among some members of a mature cluster, as happened in the case of a jewelry cluster in Birmingham, England, where one of the cluster members claimed, "It's all very nice, but nobody actually needs to be pushing this" [Carrigan et al. 2017, p. 690].

The attitudes of people are derived from their core values [Mikuła and Pietruszka-Ortyl 2007, p. 53] and may be of significance with reference to CSR [Hemingway and Mclagan 2004, p. 33]. Moreover, the values professed by managers change with time and work experience. For instance, the unity with nature constitutes greater value for

managers with work experience exceeding 21 years (mean = 4.35) than for managers with work experience up to 10 years (mean = 3.13) [Bartkowiak and Brzozowski 2014, pp. 245–246]. In accordance with UET [Hambrick and Mason 1984, p. 195], the values professed by managers have an impact on both the perception of the situation and the strategic choices made by them.

It is possible to accept the assumption that CSR will take place in enterprises in which the owners and managers openly announce pro-social and pro-ecological values. Furthermore, in the realization of the CSR concept and the attainment of benefits from this by an enterprise, the approach from within to the external environment is more necessary than the reverse approach [Tang, Hull and Rothenberg 2012, p. 1292]. Otherwise, CSR is treated like an object. In the approach from within to the external environment, the managers firstly implement their actions with regard to the employees by gradually expanding the scope of CSR activities to include activities that support the local community (e.g., sponsoring) and pro-environmental activities [Al-Amin et al. 2021, p. 160]. Hence, the discussions of managers with regard to CSR provide the impulse to take action in this area.

Taking the aforementioned deliberations and literary reports into consideration, it is possible to adopt the following research propositions:

Proposition 2a: The discussions of the owners and managers are positively connected with the activities of CSR in an enterprise, particularly when managers display pro-social and pro-ecological values.

Proposition 2b: The discussions of the owners and managers are positively connected with the activities of CSR in an enterprise, particularly when the owners and managers are older.

Entrepreneurs decide to enter a cluster mainly due to the possibility of exchanging views and making informal contacts [Lis and Lis 2014, p. 173]. A further reason is the possibility of conducting joint marketing and promotion campaigns, while also presenting a joint offer on the market [Lis and Lis 2014, pp. 173–174]. In the case of entrepreneurs, this signifies the desire to “use the identity, renown and scale of the cluster” [Lis and Lis 2014, p. 174]. It is necessary to rely on each other for joint activities and the common good.

It is possible to accept that the social and cultural environments in a cluster [Rabellotti et al. 2009, p. 38] facilitate the building of bridging capital and gaining access to other entrepreneurs by means of their network. This is possible thanks to trust, which is built on solid foundations on the basis of adherence to certain social norms that are professed by the partners [Czernek-Marszałek 2020, p. 241]. In this manner, the reputation of the entrepreneur emerges, or in other words, the evaluation of their attractiveness on the basis of past activities. As Fombrun [2012, p. 102] puts it, organizational reputation emanates from prior stakeholder experiences and perceptions of a company.

Reputation is shaped by good quality and solid partnerships while also keeping to obligations [Szwajca 2014, p. 92]. This signifies conducting a business in a socially responsible manner [Campbell 2007, p. 946]; otherwise, dishonest business practices lead to a bad reputation and discourage the desire for cooperation [Szwajca 2014, p. 97]. It is worth adding that sectoral societies may be a source of moral strength in excluding disho-

nest members from the organization [Carnevali 2011, p. 923]. Exclusion means the loss of access to information and the resources of partners [Carnevali 2011, p. 924]. Hence, in accordance with RDT by Pfeffer and Salancik [1978/2003], entrepreneurs as cluster members should take care of their reputation that evolves in the minds of the stakeholders [Szwajca 2014, p. 90]. Entrepreneurs play a significant role in the development of company reputation for SMEs [Dutot 2017, p. 365]. The aforesaid deliberations lead to the formulation of the proposition that entrepreneurs as cluster members take care of their reputation by undertaking socially responsible actions.

Proposition 3: The relation between the attitude (discussions) of an entrepreneur as a cluster member and their reputation is mediated by the means of action in the area of CSR in their enterprise.

CSR has an impact on building the reputation of an enterprise [Saeidi et al. 2015, p. 347]. CSR also enhances the attractiveness of an organization as an employer [Jones, Willness and Madey 2014, p. 384]. Likewise, clients have a positive view of CSR [Saeidi et al. 2015, p. 347] and are ready to allocate donations on behalf of a non-profit organization that is supported by the enterprise at hand [Lichtenstein et al. 2004, p. 26]. With relation to the cluster, the question arises as to whether the reputation of the entrepreneur [Mishina et al. 2012, p. 416] has an impact on the attitudes of other cluster members in such a manner as to want to cooperate with them and to recommend them to others (clients, potential candidates for work, cluster members).

Generally speaking, a good reputation generates positive recommendations [Walsh and Beatty 2007, p. 138]. This is an example of civic behavior which is displayed by, e.g., clients [Mitreęa and Dewalska-Opitek 2018, p. 206]. Civil behavior has only been analyzed recently, which includes recommendations at an inter-organizational level [Gerke et al. 2017, p. 55]. It is possible to suppose that the good reputation of entrepreneurs among cluster members would encourage favorable behavior, such as word-of-mouth recommendations, while simultaneously strengthening the values that are held in esteem in the cluster. According to Boutinot et al. [2015], peer reputation, i.e., reputation with other producers in the industry, is pivotal, spilling over on market reputation (with potential customers). Hence, a further research proposition reads as follows:

Proposition 4: A good image of a cluster member is positively associated with the recommendations of other cluster members.

Discussion with research results

Although CSR issues have recently become an interesting area of academic discourse, there is a lack of comprehensive research dedicated to CSR issues in the context of industrial clusters. This paper contributes by synthesizing the literature on CSR, reputation and word-of-mouth recommendation in relation to cluster SMEs. These matters in cluster SMEs are under-researched compared to large companies, even compared to non-cluster SMEs [Graafland 2018, Kucharska and Kowalczyk 2019]. In this paper, it is assumed that an entrepreneur may care about becoming a cluster member due to the fact that with combined effort [Nadvi 1999, p. 82], it is possible to achieve a greater level

of competitiveness than with individual effort. The key to cooperation is trust. A lack of trust is a barrier to the cluster growth [Strojek 2018, p. 126]. Thus, an entrepreneur undertakes actions to build their reputation among the cluster members. The means of attaining this aim may be CSR. Simultaneously, it is assumed that these actions will be undertaken by entrepreneurs who hold pro-social and pro-ecological values dear [Hemingway and Maclagan 2004, p. 33, Hammann et al. 2009, p. 39, Bartkowiak and Brzozowski 2014, pp. 245–246].

The four research propositions presented are in accordance with research that illustrates the impact of CSR practices on reputation [Saeidi et al. 2015, p. 347], as well as the impact of reputation on recommendations [Walsh and Beatty 2007, p. 138, Mitreğa and Dewalska-Opitek 2018, p. 214]. Simultaneously, a review of literature indexed in the databases of Ebsco, Web of Science and Scopus revealed a research gap in relation to the extent to which recommendations from the other members of the cluster have an influence on the attitudes of entrepreneurs with regard to CSR. This aspect is significant, particularly due to the fact that the attitudes of some cluster members towards CSR are unfavorable [Carrigan et al. 2017, p. 690], which in turn hinders the realization of CSR in the cluster as a whole.

The paper provides the proposed framework (Fig. 1) for future empirical investigation. The recommended method of research for the verification of the propositions is the individual or multiple case studies [Yin 2015, p. 88]. The advantage of this method is the fact that the research is conducted in the natural environment of the particular case study [Yin 2015, p. 145], which simultaneously facilitates the profound analysis of this interesting phenomenon. The verification of the hypothetical ties requires the collection of data from a multitude of sources: from owner-managers of enterprises, the employees employed in them, and the cluster members cooperating with the particular enterprise. The triangulation of data facilitates the acquisition of the image of how the socially responsible activities of entrepreneurs are positively perceived by the cluster members and how willing they are to recommend the particular firm to potential clients for this very reason.

Given the life cycle stages [Cieślak 2015, PARP 2016], it would be of special interest to verify these proposed relationships in clusters in the embryonic phase as well as in the development phase. Here, multiple case studies would be useful. In addition, with reference to clusters in the development phase, it would be worth discovering why some accept the networking approach to CSR [von Weltzien Hoivik and Shankar 2011, p. 187], while others do not apply CSR activities, although CSR is an obligatory standard for them [PARP 2016, p. 49].

CSR activities that are undertaken by an individual entrepreneur also bring consequences for the realization of CSR concepts in a cluster [von Weltzien Hoivik and Shankar 2011, p. 188]. Understanding the relation on a micro and meso-level may be of significance for the coordinator of the cluster, who should pay attention to the attitudes of entrepreneurs with regard to CSR. Promoting CSR on the part of the cluster coordinator may constitute an additional incentive and moral strength [Carnevali 2011, p. 918] in order for the cluster members to accept this modern standard of cluster management [PARP 2016, p. 29]. The literature research conducted indicates the need for continued work on these issues.

Conclusions, limitations and suggestions for further research

This paper encourages the undertaking of research and deliberation on the subject matter of the role of the particular cluster members in the realization of CSR as the modern standard of cluster management. Empirical testing is required to validate the propositions made in this paper. This testing might be carried out through surveys as well as qualitative interviews and case studies to gain a better understanding of how cluster SME owner-managers are concerned with CSR and reputation building and how it impacts word-of-mouth recommendations from other cluster members.

The present study is not without limitations. Among the shortcomings of this chapter is the research method adopted by the author. In the presented review, the author used selected databases: Ebsco, Web of Science, Scopus, and Google Scholar. However, this article is unlikely to be exhaustive in its explanation of the mechanisms of reputation building of cluster SMEs through CSR. Further research would apply a more nuanced approach to reveal differences between SMEs in clusters that are CSR-concerned from the start [Cieślak 2015, p. 50] and clusters that embrace CSR when faced with the negative effects of their activities, such as pollution problems [Porter 1998, p. 84]. Another research area could be the study of SME clusters that participate in global value chains.

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