

ZARZĄDZANIE PUBLICZNE PUBLIC GOVERNANCE

1 (51) / 2020

Editorial Board

Editor-in-Chief

Stanisław Mazur

Thematic Editors

Marek Ćwiklicki – management science

Tomasz Geodecki – political economy, economics

John E. Jackson – economics, political science

Jacek Klich – political science, economics

Lukasz Mamica – economics

Stanisław Mazur – political science

Michał Możdżeń – political economy

Karol Olejniczak – management science

Steven Saxonberg – political science, economics

Dawid Sześciło – law

Pasquale Tridico – economics

Mariusz Trojak – economics

Marcin Zawicki – public policy science

Language Editor

Marta Olsak

Statistical Editor

Andrzej Sokolowski

Managing Editor

Anna Chrabąszcz

Database Editors

Urszula Cieraszevska

Marek Oramus

Online Content Editor

Marcin Kukielka

Programme Board

President

Jerzy Hausner – Cracow University of Economics, Poland

Alain Alcouffe – Université Toulouse 1, France

Ash Amin – University of Cambridge, United Kingdom

Andrzej Bukowski – Jagiellonian University, Poland

John L. Campbell – Dartmouth College, USA

Bernard Chavance – University of Paris Diderot, France

Robert Delorme – CEPREMAP, France

Dagmir Długosz – Center for Public Administration

Assessment, Chancellery of the Prime Minister, Poland

Marius D. Gavriletea – Babes Bolyai University, Romania

Anna Giza – University of Warsaw, Poland

Jarosław Górniak – Jagiellonian University, Poland

Jan Herbst – University of Warsaw, Poland

Hubert Izdebski – University of Warsaw, Poland

Dag Ingvær Jacobsen – University of Agder, Norway

Robert Jessop – Lancaster University, United Kingdom

Janusz Koczanowski – Cracow University of Economics,
Poland

Tadeusz Kudłacz – Cracow University of Economics, Poland

Adam Leszkiewicz – Grupa JD, Poland

Ove K. Pedersen – Copenhagen Business School, Denmark

Victor Pestoff – Ersta-Sköndal University College, Sweden

Grażyna Skąpska – Jagiellonian University, Poland

Jacek Szlachta – Warsaw School of Economics, Poland

Magdalena Środa – University of Warsaw, Poland

Jan Jakub Wygnański – The Unit for Social Innovation
and Research ‘Shipyard,’ Poland

Janusz Zaleski – Wrocław University of Technology, Poland

Content in this issue is licensed under a Creative Commons Attribution 4.0 Licence



Copyright © by Malopolska School of Public Administration, Cracow University of Economics, 2021

The original version of the magazine is its printed version. The magazine is available in the following databases: CEEOL, CEJSH, BazEkon, BazHum, EBSCO (Business Source Corporate Plus, Ultimate Business Source), ERIH Plus, ICI World of Journals/ICI Journals Master List, ProQuest

ISSN 1898-3529

e-ISSN 2658-1116

Cover Design – *Agata Lankowska*

<http://publicgovernance.pl>

Publisher

Malopolska School of Public Administration

Cracow University of Economics

ul. Rakowicka 27, 31-510 Kraków

phone: + (48) 122 937 560

www.msap.uek.krakow.pl

Publishing Partner

Scholar Scientific Publishing Company

ul. Oboźna 1, 00-340 Warsaw

phone: + (48) 22 692 41 18, 22 826 59 21, 22 828 93 91; Sales Department: ext. 108

e-mail: info@scholar.com.pl; www.scholar.com.pl

Typesetting: WN Scholar (*Jerzy Lazarzski*)

Printing and binding: www.druk-24h.com.pl

Circulation: 200 copies

Table of Contents

Marcin Kautsch

A Dual Approach to Exercising Statutory Supervision over Hospitals in Poland 5

Piotr Rajfur, Joanna Rajfur, Katarzyna Hys

The Analysis of Births and Household Poverty Levels with the Consideration
of the Material Effect of the ‘Family 500 Plus’ Programme 18

Małgorzata Dec-Kruczkowska, Filip Grzegorzczak

The New Polish Remuneration Model for Managers: A Discussion
of the New Remuneration Act 30

Marek Ćwiklicki, Kamila Pilch

Understanding Public Value Through Its Methods 44

Brian Phillips, Magdalena Frańczuk

Access to Weapons: A Comparative Analysis Between Poland
and the United States 59

Marcin Kautsch

A Dual Approach to Exercising Statutory Supervision over Hospitals in Poland

Abstract

Objectives: The paper aims to describe the current model of supervision over public hospitals in Poland.

Research Design & Methods: The paper is based on a scoping review and content analysis of applicable legislation, their resumes, and pertinent data sourced from the Internet, including articles, reports, and dedicated websites. The sourced data was identified with the aid of the Google search engine. All assembled source materials were subsequently filtered out in terms of their suitability for the subject matter under scrutiny, and assessed in line with the key assumptions of the agency theory, whereby an agent is entrusted by the principal with the task of managing an organisation.

Findings: Polish hospitals operate either as the so-called autonomous public healthcare units, or as commercial companies. Both forms are publicly owned and invested with identical scope of statutory tasks, whereas their supervision remains subject to different statutory regulations. However, the organisational models presently in place do not actually provide for an effective securing of the key supervisory objectives.

Implications / Recommendations: A general structural overhaul is therefore postulated, with a view to introducing more effective, in-house-developed supervisory solutions, especially with regard to autonomous public hospitals.

Article classification: research article

Keywords: hospitals, Poland, supervision, regulation, supervisory bodies

JEL classification: I180

Marcin Kautsch, Jagiellonian University Medical College, Faculty of Health Sciences, Institute of Public Health; ul. Skawińska 8, 31-066 Kraków; e-mail: marcin.kautsch@uj.edu.pl; ORCID: 0000-0002-4520-3560.

Introduction

Technologically-induced changes – in particular the development of out-patient care, modern advances in diagnostics, and the introduction of e-health – have contributed to the altering of the positioning of hospitals within any nationwide healthcare system (Saltman et al., 2011). That being said, they still remain the keystone of the system itself, with some authors arguing that their contributory role is, in fact, on the rise (Lee et al., 2004). According to the EUROSTAT (2019) data, hospital expenditure in Europe makes the highest proportion within overall healthcare spending. The plans of the Polish public payer, i.e. the National Health Fund (NFZ), indicate that expenditure to be incurred on hospital treatment alone in 2020 is expected to account for 52% of public spending allocated to healthcare services (Narodowy Fundusz Zdrowia, 2020). It should be noted at this juncture that hospitals also provide a wide scope of other services (e.g. outpatient specialist care, physical rehabilitation, diagnostics, primary care, etc.).

The present paper describes the current model of supervision over public hospitals in Poland (although the above-referenced term also applies to all public service providers; for the sake of semantic simplification, though, the author has opted for making use of the term “hospital” further below). The non-existence of effective supervision paradigms precludes/hinders any monitoring of the processes entailed as well as any changes taking place within respective hospitals. This, in turn, deprives the supervisory authorities of the factual grounding for their decision-making process in undertaking pertinent interventions, which might potentially improve routine operational functioning of these hospitals, so crucial for the entire public healthcare system. Problems with maintaining effective supervision have been plaguing the system since the very onset of the democratic changes initiated in Poland in 1989. As far back as 1996, Tymowska et al. (1996) highlighted that there were no systemic solutions in place to facilitate the effective

monitoring of the organisational changes taking place in hospitals in Poland.

The issue at hand appears to be invested with a lot of pertinence, as the ongoing public debate on the healthcare system is liberally seasoned with postulates to have public spending on healthcare urgently boosted, as by far the most favoured remedy for having the present status quo rectified. Pushing for improvements in overall operational efficiency is not being considered as an effective means of reforming the system, though. Admittedly, however, the non-availability of adequate and readily operational supervisory instruments calls into question the very reasonableness of the proposed boosting of public expenditure on healthcare. If there is no way of establishing whether the supervision currently in place is effective and, consequently, to what extent the hospitals themselves are effective, why push for financial boosting? Likewise, one could also challenge the assertion that current spending is perfectly sufficient. What is beyond doubt, though, is the fact that public hospitals are now heavily debt-burdened, and this burden is steadily growing (Ministerstwo Zdrowia, n.d.).

The above arguments make creating a coherent system of supervision over hospitals urgently necessary – a system which would make it possible to ensure that they function properly and effectively. The issue of exercising supervision over hospitals is addressed in international publications (Kirkpatrick et al., 2013; Saltman et al., 2011; Weiner & Alexander, 1993). In terms of supervisory prerogatives, however, what essentially matters are the actual legal regulations in place, structured specifically for respective countries. It is these regulations that actually determine what is to be the subject of supervision and how it is going to be ensured and implemented. The legal status of the healthcare units subject to supervision is yet another essential matter to be taken on board.

This paper aims to address the issue of exercising supervision over hospitals in Poland, especially with regard to the scope of supervisory duties separated from the control procedures, but still invested with

a potential to appreciably affect the way hospitals are run. Bearing in mind the legally complex nature of Polish public hospitals, addressing the issue of adequate terminology proved of primary importance, i.e. how a hospital should be conceived in terms of its legal constraints as well as its actual positioning within the national healthcare system.

Method

The paper is based on a scoping review providing an overview of the available research evidence without producing a summary answer to a discrete research question (Arksey & O'Malley, 2005), which is useful for answering broad questions (Munn et al., 2018). The content analysis of applicable legislation was performed [primarily the Act on Healthcare Units (Ustawa, 1991), the Act on Medical Activity (Ustawa, 2011), and the Polish Commercial Companies Code (Ustawa, 2000) – see below their resumes and pertinent data sourced from the Internet, including articles, reports, and dedicated websites]. The sourced data was identified with the aid of the Google search engine. The search made use of the combination of the following keywords and terms: “supervision”, “corporate governance”, “hospital”, and “healthcare”. The content of all the assembled source materials was subsequently analysed, filtered out in terms of their suitability for the subject matter under study, and assessed in line with the key assumptions of the agency theory, whereby an agent is entrusted by the principal with the task of managing an organisation.

Results

This article points to the fact that the analysed topic had not enjoyed the interest of researchers before, and there has been few works on supervision in healthcare. Works on supervision by public authorities over the State Treasury or municipal enterprises are more numerous. With these constraints in mind, based on the collected material, the results of the research were presented

in the following way: definitions related to understanding who medical service providers are (and their characteristics) as well as definitions related to supervision and issues with applying it in healthcare. Then, problems of supervision in terms of the agency theory were discussed, the legal framework for supervision in Poland was presented, and the role of social and supervisory boards was elaborated on.

The service providers – definitions and characteristics

Understanding the specific model of supervision as the one currently applied in Poland requires that the actual entities subject to supervision be adequately defined.

The units providing healthcare services have long been named in Poland the “health care units” (Polish – ZOZ). In line with the provisions of the Act on Healthcare Units (no longer in force), they had been defined as “organisationally autonomous groups of personnel and material assets, established and maintained for the purpose of providing a scope of healthcare services, and pursuit of general health-promoting activities” (Ustawa, 1991). Briefly speaking, throughout the two decades of the above-referenced Act remaining in effect, they were divided into autonomous public (Polish – SPZOZ) and non-public (Polish – NZOZ) healthcare units. Both types of healthcare units boast the corporate status and are fully liable for their commercial decisions. The non-public ones are managed like commercial companies, whereas the autonomous public ones are similar to the Foundation Trusts in the British National Health Service (NHS).

The above-referenced division into public and non-public entities appears quite misleading, though. Apart from the truly private, non-public units, owned either by companies or natural persons, there are also those which are operated as commercial companies by public authorities, which actually grants them the non-public status. This particular legal solution is a rather challenging notion to comprehend, as it accounts for a situation

in which one county hospital (run in the form of an autonomous public hospital) is classified as a public unit, whereas a neighbouring hospital (run as a commercial company) is classified as a non-public one. In fact, it is possible for some public bodies to own both types of such healthcare units at the same time, with both of them tasked with an identical scope of statutory duties.

The above-mentioned definition of a healthcare unit (“a group of personnel and assets established and maintained, with a view to providing a scope of healthcare services...”) indicated that profit was not intended as the key objective of such an organisation, even though its coming into play at some stage was never ruled out, either. The very term “maintained” might well be construed as a form of discouragement against generating any profits whatsoever, or, in the most extreme case, as an actual incentive to operate at low efficiency, or even incur debts.

The reference to the Act on Healthcare Units, no longer in force, was made in view of the need to have a better appreciation of the challenge consisting in defining an entity subject to supervision, as well as considering the actual nomenclature used in naming respective hospitals, still retained, despite successive alterations in their legal status having been implemented. In 2011, the Act on Healthcare Units was superseded by the Act on Medical Activity (Ustawa, 2011). It defined “an entity pursuing a scope of medical activities” / “a medical entity” – as a health service provider. The Act on Medical Activity introduced several categories of such medical entities, differentiating between them in terms of the actual scope of the activities pursued. It also defined the very concept of medical activity.

Medical entities embrace the previously referenced autonomous public healthcare units and entrepreneurs, as construed in line with the provisions of the Act on Entrepreneurs (Ustawa, 2018), with the latter ones also comprising the above-referenced non-public hospital units owned by public bodies. The legislators stated directly (i.e. Article 6 of the Act at issue) that public authorities might

manage a medical entity in the form of a commercial company, a state-owned unit, or an autonomous public healthcare unit¹.

It is worth mentioning that it was only the Act on Medical Activity which provided a definition of a hospital and (in its original wording) which stipulated that a hospital was an “enterprise of a medical entity, whereby that entity pursues a scope of medical activities such as hospital services” (Ustawa, 2011).

The wording of somewhat dubious intelligibility, i.e. “enterprise of a medical entity”, has now been replaced by “a medicinal establishment in which a medical entity pursues therapeutic activities, e.g. a scope of hospital services”. In turn, that medical establishment had been defined as “a set of material assets by means of which a medical entity pursues a specific type of therapeutic management”. The latter definition is much clearer in terms of what a hospital unit actually is and where its specific prerogatives lay. It also repeals the provisions on “maintaining” (providing for the upkeep) such healthcare units, thus effectively dispelling any doubts about the need for such an entity to pursue prudent financial management. Therefore, despite the difference in nomenclature (enterprise/company; non-public vs. autonomous public units), the basic managing principle applicable to all such entities is the same. Both types of entities cover their operating expenses and settle liabilities out of their own resources and generated revenues. It seems only prudent, then, to have the legal status of the above-referenced organisations defined more precisely, as several different classifications of hospitals as public healthcare units can be encountered in Polish publications on the subject.

In his typology of organisations, Bielski (2004) distinguishes between economic, public utility, administrative, state-managed, and local-government, military and police, social, and

¹ In view of a smaller number of such entities, further on in the paper no references are made to the state-owned units, research institutes, or any units subordinate to the Ministry of Internal Affairs and the Ministry of National Defence.

religious organisations in terms of their specific functions. The key objective of commercial organisations consists in generating profit, while public utility organisations usually operate on a non-profit basis. Bielski puts hospitals in the latter category.

Lichtarski and Bąk-Grabowska (2017) defined public hospitals as public, non-profit organisations, juxtaposing them against private hospitals. In the latter case, the authors were most likely referring to the entities owned by companies/entrepreneurs from the private sector, and not to those that boast the status of non-public healthcare facilities and are owned by public bodies. The proposed legal status of private hospitals is not to be construed as the one precluding contracting their services with the public payer (which is, after all, an established practice in many countries). Hence, in specific areas of their activity, private hospitals also perform public functions. The above-referenced authors also defined the municipal enterprises – i.e. state-owned companies – as public commercial organisations. Applying these criteria of division, non-public hospital facilities owned by public bodies should be allocated to the latter category. This, however, would result in establishing, while twisting the logic, the two categories of entities differing in both their legal status and names, yet held within the same ownership structure, making use of the same resources, and pursuing the same functions within the public healthcare system.

Kocowski (2018) offers a clarification of the problem at issue, saying that state-owned entities

invested with a corporate status are, *inter alia*, autonomous public healthcare units. Other state-owned, corporate entities, established in pursuance of separate legal acts with a view to pursuing a scope of public tasks – excluding, *inter alia*, commercial companies – are invested with a public corporate status, but are not state-owned entities, though.

When addressing the issue of defining what public hospitals as commercial companies actually are, one should also refer to the Polish Commercial Companies Code (Ustawa, 2000), in pursuance of whose provisions the above-referenced entities operate. Securing profit is essential for every company. On the other hand, commercial companies managed by public entities may also be construed as specific instruments meant to achieve certain public objectives as well as render a scope of public services. Consequently, they are not meant to generate profit for their holders. Excessive profit may even prompt a reduction in the prices of services offered by such companies (Klimek, 2018).

In the light of the differentiation proposed by Bielski, it seems that the best way to reflect what hospitals owned by the public owner have been established for is to have both types of entities allocated to the category of public organisations / public utility organisations. This would mean that (assuming that the entities in question pursue public functions/provide public services, being the publicly-owned entities) generating profit does not fall within their primary objectives. It can be assumed that public hospitals are what Saltman

Table 1. The characteristics of public hospitals

Key attribute	SPZOZ	NZOZ
<i>Polish name</i>	<i>Autonomous public healthcare unit</i>	<i>Non-public healthcare unit</i>
<i>Scope of activities</i>	identical (provision of medical services)	
<i>The owner (i.e. founding entity)</i>	identical (local government body, ministry, medical university)	
<i>Applicable legislation regarding supervisory prerogatives</i>	the Act on Medical Activity	the Act on Medical Activity and the Polish Commercial Companies Code

Source: own study

and von Otter (1992) called “public firms”. They boast their own specifics, as well as may operate in line with different legal formulas. Nevertheless, they are establishments that have (public) owners and provide a scope of socially essential services, while their owners are legally bound to exercise proprietary supervision over them and required to take care of public property, as set by law (Ustawa, 2016).

The key attributes of public hospitals are presented in Table 1.

The definition of supervision

Irrespective of numerous definitions present in Polish publications on the subject, Kocowski (2018) claims that neither exercising supervision nor controlling prerogatives is rigidly (i.e. with due precision) defined in legal usage, legal parlance, or colloquial speech. In the available publications, though, supervision is commonly acknowledged as a concept broader than exercising control, which is also inclusive of a potential for imposing a certain influence over a subordinate entity through an occasional executive intervention. This is essential in the sense that pertinent legal acts regulating supervision seem to address such executive prerogatives (power) as a side issue. Whilst addressing the issues of supervision, they focus primarily on control prerogatives, even when they specifically make use of the term “supervision”. Hence, the above-referenced Kocowski’s assertion seems quite helpful in explaining problems with addressing the issue of supervision (see further below).

The above-referenced arguments regarding the problems faced when attempting to have public hospitals classified prompt the need to be clear as to which specific concepts should form the actual basis that the supervision of these entities should be structured around. As Kocowski (2018) points out, “The provisions of the Act of 27 August, 2009, on Public Finance (Ustawa, 2009) provided for the establishment of new, state-owned, corporate entities, with a view of carrying out a scope

of public tasks when duly invested with a corporate status upon being entered into the National Court Register of Entrepreneurs, thus effectively becoming entrepreneurs in legal terms”. Both public and non-public entities are included in the said Register of Entrepreneurs. This clearly indicates that even though only one of the two types of entities is formally construed as an enterprise (commercial company), it would seem only prudent to apply the concept of supervision intended specifically for the enterprises, whilst making a direct reference to a pertinent body of praxis. This is going to be done in terms of the agency theory.

In the light of the arguments set out above, supervision may be construed in terms of corporate governance. In line with the OECD (2005) definition, it is construed as “procedures and processes according to which an organisation is directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among the different participants in the organisation – such as the board, managers, shareholders and other stakeholders – and lays down the rules and procedures for decision-making.” The above-referenced term is addressed in the publications on the subject in terms of expanded theories of enterprise. Occasionally, the term “corporate governance” (Polish – *nadzór korporacyjny*) is used interchangeably with “ownership supervision” (Polish – *nadzór właścicielski*) (Walczak, 2014), even though some authors are quick to point out that corporate governance is an appreciably broader concept than ownership supervision. Corporate governance is exercised both by the shareholders and by other stakeholders, who are not owners, but are nevertheless keenly interested in the overall effectiveness of the company management. Ownership supervision is exercised either by the owners or by a group of them (shareholders, stockholders) (Wawrzyniak, 2000).

As the principal focus of the present paper rests on the Polish public entities, further on it would be expedient to refer to the concept of supervision as construed in line with the definition available

on the Polish Parliament's website, deriving from the study of Zalega (2003) and a group of other authors, i.e. Colley et al. (2005), limited exclusively to owner supervision. The cited source asserts that "Ownership supervision is a system of legal and economic institutions covering issues related to the rights of shareholders to their assets entrusted to the staff managing the company" (Smolkowska, n.d.).

The issues of supervision in Poland have not been addressed with sufficient precision in applicable legislation, suffering from excessively generalised treatment. The Ministry of Treasury recommends that public organisations apply the guidelines developed by the Organisation for Economic Cooperation and Development (OECD) – described in the OECD Principles of Corporate Governance (OECD, 2004), further developed in another study of 2019 (OECD, 2019). This document addresses the key prerogatives and objectives of exercising supervision, such as protection of the owners' interests, risk minimisation, and ensuring adequate returns on investment.

Problems of supervision in terms of the agency theory

The agency theory describes the contractual relationships between a company owner (principal) and an individual (agent) hired to perform a certain scope of services on behalf of the former, including the delegation of powers to make sovereign decisions (Jensen & Meckling, 1976).

Considering that a contract is concluded by two parties, there is a potential for some differences to arise between the objectives of the principal and the agent, as well as the ones pertaining to a notion of business risk (Eisenhardt, 1989) and its sharing. The delegation of prerogatives usually makes it difficult and expensive for the principal to monitor the agent's activities, causing asymmetry of pertinent information between the parties,

especially when the shareholding structure is dispersed (Jeżak, 2012) (in the case of public hospitals, there is no such dispersion of shareholding structure). This informational asymmetry can account for multiple implications. For instance, an agent might undertake some activities that are not in line with the expectations or even business interests of the principal, including opportunistic endeavours aimed at pursuing one's own business interests (Eisenhardt, 1989). There is also some potential for moral hazard, construed as a failure to implement a specific scope of activities stipulated in the contract, or an insufficient diligence in pursuing them (Eisenhardt, 1989), and adverse selection, i.e. misleading the principal as to the actual scope of business skills possessed by the agent (Eisenhardt, 1989).

All of the above prompts the need to put in place some supervision instruments so that the principal can have a way of minimising the adverse effects of hiring an agent whilst maximising the attendant benefits (e.g. making use of the agent's body of knowledge and business prowess). The introduction of such instruments contributes to the emergence of supervision costs which cannot be avoided. The principal instrument consists in the contract itself (Postuła, 2013) comprising a set of specific mechanisms aimed at motivating the agent to act in line with the principal's business interests, as well as a process of monitoring their implementation with the aid of pertinent indicators. In order to put such instruments in place, however, the principal must define the expectations towards the organisation at issue (i.e. map out the key directions of its business development). Obviously, it is hard to foresee all possibilities that might take place during the agent's management of the organisation at issue, which means that the actually concluded contracts remain, in fact, incomplete (Mesjasz, 2000). Consequently, the principal is unable to fully protect their business against the agent's undesirable actions.

Supervision held over medical entities – the legal framework

A review of the legal regulations pertaining to the supervision of hospitals in Poland indicates that the legislators were primarily focused on securing control over them. None of the non-control aspects of supervision is addressed in much detail, though.

The provisions comprised in the chapter “Control and Supervision” of the Act on Medical Activity (Ustawa, 2011), referring to both public and non-public entities, relate primarily to control, which is exercised by the minister in charge of health (four out of five articles of the said chapter), and not by the hospital proprietor. The article (no. 121) addressing supervision also focuses to a large extent on the control issues. It stipulates that supervision is exercised by the so-called “founding entity” (the owner) and it is aimed at ensuring full compliance of a scope of activities pursued by a medical facility with the legislation in place, its articles of association, and organisational regulations, as well as its originally designated purpose, business efficacy, and overall reliability.

In line with the provisions of the above-referenced article, subject to control (in particular) are the following elements: implementation of tasks specified in the organisational regulations and in the articles of association, overall availability and quality of health services provided, effective property management, prudent use of public funds, and overall financial management. In the event of detecting any illegal activities pursued by the hospital’s manager, the founding entity steps in and, within the scope of its authority, orders that any such activities be discontinued immediately, whilst at the same time obligating the manager to remedy the situation accordingly. In the event of the manager’s failure to comply with the said instructions within an appointed time frame, the founding entity may resort to terminating the manager’s employment or a management contract. The chapter at issue also stipulates that in the event of any control activities being pursued

by government administrative agencies that happen to be the founding entities of the medical units, pertinent provisions on control in the government administration should prevail (Ustawa, 2011a).

As already mentioned, medical entities operating in the form of commercial companies are also subject to pertinent regulations governing commercial companies (Ustawa, 2000). Also in this case, the chapters addressing supervision in various types of companies (and entitled “Supervision”) refer primarily to the issue of control, although in this particular instance the non-control components of supervision are given a little more attention. Only two out of sixteen articles – and three out of twelve articles in the above-referenced chapters (referring to limited liability companies and public limited companies, respectively) – are not limited to the control issues. These articles address the role and prerogatives of the supervisory boards, their potential for tangible influence, including e.g. the suspension of the members of management board and the delegation of own representatives to that board. In both chapters, the legislators also indicated that the company’s articles of association may be instrumental in having the scope of their prerogatives expanded, as required.

The quality and effectiveness of the legal regulations may not be assessed by the number of articles referring to the notions at issue, but by the actual content of those articles instead. In both cases (public and non-public entities), it may be inferred that limited provisions on supervision address the potential for intervention invested in the supervisory boards/founding entities, although without offering more detailed guidelines as to how these objectives should be implemented. These guidelines, set forth at the ordinance level, address the control issues only (Rozporządzenie, 2012). This implies that the founding bodies need to map out their own ways of exercising supervision over their subordinate entities or, alternatively, try to have the existing arrangements in other sectors effectively adapted to suit their specific requirements, e.g. the OECD Recommendations. Bearing those in mind, they

should develop specific solutions that would allow them to have their subordinate entities not only effectively “controlled”, but also “directed”, to quote the OECD’s definition of supervision again. These measures are intended to safeguard the “stockholders’ rights to their assets”, as defined by the Polish Parliament (Smołkowska, n.d.).

Supervision over medical entities in terms of applicable legislation – supervisory and advisory bodies

The supervisory boards operating in the non-public hospitals managed as commercial companies might actually offer a working solution, much in line with prevalent practice in other sectors of the national economy. On the other hand, in the case of the public hospital units (SPZOZ-es), trustee-like bodies are established, generally referred to as civic councils (Polish – *rada społeczna*). However, the actual prerogatives of a supervisory board (Polish – *rada nadzorcza*) operating within a hospital unit (NZOZ) are no different from the ones invested in such bodies exercising supervision over any other commercial companies. The supervisory board exercises permanent supervision over the company’s activities in all areas of its activity. It may examine all documents of the company, demand reports and explanations, audit the company’s assets, suspend management board members, and delegate a supervisory board member to the management board. A civic council is a body of rather limited prerogatives, more of a consultative/advisory nature. It presents the founding entity and the CEO of the public hospital with conclusions and opinions, analyses complaints and applications submitted by patients, and gives opinions on conclusions regarding the temporary cessation of medical activity.

There are also significant differences with regard to the personal spectrum of their respective membership. Admittedly, there are no studies available on who actually sits on the supervisory boards in the hospitals run as companies, although these individuals are subject to the very same

statutory requirements as the ones imposed on the members of the supervisory boards of public commercial companies. The Act on Medical Activity (Ustawa, 2011) states that members of a supervisory board representing public bodies are appointed from among the individuals meeting the statutory requirements, as specifically set out in the provisions of Article 19 of the Act on the Principles of State Property Management (Ustawa, 2016), i.e. they must meet the requirements set out for board members in other sectors of the national economy, whereby the state holds shares in some commercial companies.

The scope of professional expertise that the members serving on such civic councils ought to have is not specified in any way, although the actual appointment process is clearly set. Potential candidates are nominated by the representatives of the founding body, but also, depending on the type of a particular hospital unit, by a district council of physicians, a district council of nurses and midwives, a university’s senate, or a scientific council, government agency, a local government body, governor, municipal council / county council, the Supreme Medical Council, the Supreme Council of Nurses and Midwives. There are no specific regulations or guidelines, however, indicating what sort of professional qualifications the members of such civic councils should hold to their credit.

The very existence of such a broad representation of various interest groups within a civic council fits in well with the concept of corporate governance, which envisages that the relations between a commercial entity and a wide range of stakeholders should be subject to specific regulations, as referenced in the above-cited OECD document (OECD, 2004). That being said, such a broad representation of different interests may not be construed as fully representative of all the interest groups that could/should be represented within this body (e.g. hospital staff have no reps there). It is also far from clear what specific qualifications are held by the members; furthermore, the council itself is not invested with any specific discretionary powers.

Table 2. The characteristics of public hospitals' attendant supervisory structure

Key attribute	SPZOZ	NZOZ
Scope of non-control supervisory prerogatives	Practically none	Relatively minor
The body tasked with statutory oversight	Civic council	Supervisory board
Scope of prerogatives vested	Advisory	Supervisory
Requirements regarding members' professional expertise	None specified	Statutorily regulated, as is the case with all supervisory boards
Appointment of members	Multiple organisations and institutions, and the owner	Owner
Potential for the owner's direct intervention in routine management policies	None	Delegation of an owner-appointed member of the supervisory board to the hospital's management board

Source: own study.

The review of the way in which the supervisory boards and civic councils operate – in conjunction with addressing their overall relevance in hospital facilities – clearly indicates that a scope of activities pursued by the civic councils appears to offer appreciably less to hospitals in terms of attendant benefits than that of the supervisory boards. Moreover, the civic councils are rated appreciably worse by hospital managers than the supervisory boards (Kautsch, 2015).

The key issues of exercising supervision over hospital units by the bodies discussed here are comprehensively presented in Table 2.

Discussion

As stated above, the supervision of hospitals is of little interest to researchers. The problems related to the supervision of other public companies are indicated by documents related to the State Treasury or municipal enterprises (Mesjasz, 2000; Mesjasz 2007; Postuła, 2013; NIK, 2017). Due to the specificity of the sector, the above-mentioned problems are different from that of hospitals. The conducted research shows that the supervision of hospitals faces a number of problems of different nature, ranging from defining the objects which are to be supervised, different legal acts

regulating the supervision of different legal forms of hospitals, or including significant differences concerning bodies which exercise this supervision. Additionally, the above-referenced legal acts regulating the issue of supervision do not precisely indicate the instruments which might be applied in the supervision of hospitals. On the other hand, they do differentiate the type of supervision exercised over the hospitals, depending on their respective legal status. Commercial companies are slightly better “centred for” in terms of available options for the purpose. Supervisory boards (as the representatives of the owner) boast a more direct way of exercising their prerogatives over non-public facilities (e.g. by delegating a representative to serve on the management board) than a founding entity (owner) with respect to its own public one. Civic councils, however, are not invested with any legal means whatsoever in this respect.

Therefore, the question arises about whether the legislators actually subscribed to the view that commercial companies (in comparison to the autonomous public hospital units) would be less efficiently managed as a rule and consequently exposed to much greater risks. Would this translate into the supervisory boards being invested with more prerogatives to be exercised with regard to overall functioning of hospitals boasting such a legal

status? The regulations in force seem to indicate that this is, actually, the belief of the legislators. It should also be noted at this juncture that hospitals managed as commercial companies are subject to a “double-edged supervision”, as they are regulated both by the Act on Medical Activity, and the Polish Commercial Companies Code. Should this also be interpreted as the legislators’ conviction that there is appreciably lesser potential for being plagued by problems / errors in judgement / non-compliance with applicable regulations in the case of an autonomous public healthcare unit? Again, the regulations in force seem to confirm such a belief of the legislators. Are the above-addressed differences to be interpreted as allocating excessive care to the non-public entities, or showing not enough prudence in handling the public ones in terms of attendant statutory instruments? The latter would readily be corroborated by the results yielded through the above-referenced research on both the civic councils and the supervisory boards operating in hospitals.

In view of the much criticised status of the civic councils, it would only seem prudent to give some consideration to having their role statutorily boosted in order to appreciably improve overall supervision exercised over the public hospitals, or, alternatively, to have such a supervision regulated to a much greater extent by means of introducing (putting in place) some other legal instruments. Should such a solution prove non-feasible, though, this would naturally beg a question as to whether there is any point whatsoever in retaining civic councils in public hospitals, or, following this reasoning a bit further on, whether it is at all reasonable to maintain autonomous public hospitals in their present legal status. Of course, such a decision could be made after a detailed analysis of the functioning and effectiveness of both of the legal forms of hospitals.

With regard to exercising supervision over hospital facilities, an even more pertinent question springs to mind, though. Is there any point in having them regulated? What could – and actually should – be subject to specific regulations, and what should

merely be grounded in good practice, or governed by liberal application of common sense? This, in turn, gives rise to yet another question, i.e. a necessary level of legal regulations as such (i.e. what should actually be regulated by applicable legislation and to what extent?). Conclusions drawn from the theory of the firm clearly indicate appreciable potential for adversity when the “outsiders” (i.e. not company owners) are hired (outsourced) to manage the company. This actually highlights how essential it is to establish (regulate) a frictionless relationship between the managing executive and the company owner. It is not an easy task, altogether, as it is simply not feasible to safeguard against all circumstances that might potentially affect overall functioning of the organisation (cf. the already cited ‘incompleteness’ of management contracts). Since the issues of exercising supervision over different types of organisations are not – and may not – be subject to the central regulation, their owners must develop pertinent supervision instruments on their own, even though the specific OECD guidelines might be adapted for the purpose and aid them in their efforts effectively.

Nevertheless, it should be noted at this point that any adaptation of those guidelines to the specific requirements of a particular hospital of limited size (several hundred beds) should be carried out with due caution and plenty of common sense, never through thoughtless copying. While making a reference to the agency theory, it is worth highlighting that in view of the above-referenced informational asymmetry in favour of the agent, there is also an asymmetry of power; this time round, however, it is slanted in favour of the principal (Saam, 2007). Consequently, it is the principal that is in a position to put in place such contractual provisions that would ensure securing the most desirable results to their benefit, or at least to effectively secure their vital business interests. This, in turn, requires that a precise definition of what these business interests actually are – as well as what specific objectives are set forth with regard to the entity subject to supervision – be put in place. This should be presented by the owners of public

hospitals in their health strategies and translated into goals set by them for their subordinate hospitals.

Concluding remarks

Putting the Polish healthcare system under closer scrutiny makes it possible to realise that it is not so much the issue of supervision as a rather excessively developed control system that we are actually dealing with. It would appear that the legislators' rigid focus on the control issue – although without any allowances made for due appreciation of the actual commanding prerogatives of the principal – does not really work. It may seem a rather feeble excuse on the part of the owner's agencies for not implementing proper supervision over the entities entrusted to their care. Quite likely, the planning domain can also suffer some undue neglect as a result. The lack of a coherent, nationwide health strategy may also be instrumental in giving rise to a diversity of problems with supervision.

A control system alone, even an extensively developed one, cannot substitute other functions of management or governance. The establishment of a system of supervision is essential in that – as indicated throughout the present paper – in recent years the way a hospital unit is construed has been subject to fundamental alterations. There are ongoing debates on how the issue of public hospitals should be approached best. Two entities have been established, invested with different legal statuses and subject to differently structured regulations, yet pursuing the same scope of activities. Regulations concerning an autonomous public healthcare unit definitely seem to be insufficient, and civic councils turn out to be redundant. Therefore, the existing system of supervision over public hospitals in Poland indubitably requires a major boost.

References

- Arksey, H., & O'Malley, L. (2005). Scoping Studies: Towards a Methodological Framework. *Int J Soc Res Methodol*, 8(1), 19–32. doi: 10.1080/1364557032000119616
- Bielski, M. (2004). *Podstawy teorii organizacji i zarządzania*. C.H. Beck.
- Colley, J.L., Doyle, J.L., Logan, G.W. & Stettinius, W. (2005). *Ład korporacyjny*. K.E.LIBER.
- Eisenhardt, K. M. (1989). Agency Theory: An Assessment and Review. *Acad Manag Rev.*, 14(1), 57–74.
- EUROSTAT (2019). Healthcare expenditure statistics. https://ec.europa.eu/eurostat/statistics-explained/index.php/Healthcare_expenditure_statistics#Healthcare_expenditure_by_provider, Accessed 24 August 2019.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial agency costs and ownership structure. *J Financial Econ*, 3(4), 305–360.
- Jeżak, J. (2012). Ład wewnątrz korporacyjny w świetle różnych teorii a wyzwania współczesności. *Zeszyty Naukowe Uniwersytetu Szczecińskiego. Finanse, Rynki Finansowe, Ubezpieczenia*, 51, 789–799.
- Kautsch, M. (2015). Rady społeczne i nadzorcze w opinii dyrektorów szpitali, *Zarządzanie Publiczne*, 2, 54–66. doi: 10.15678/ZP.2015.32.2.05
- Kirkpatrick, I., Bullinger, B., Lega, F., & Dent, M. (2013). The Translation of Hospital Management Models in European Health Systems: A Framework for Comparison. *Br J Manag*, 24, 48–61.
- Klimek, D. (2017). Spółka komunalna – ekonomiczne i społeczne aspekty zarządzania. *Studia Ekonomiczne. Zeszyty Naukowe Uniwersytetu Ekonomicznego w Katowicach*, 322, 32–41.
- Kocowski, T. (2018). Przedsiębiorcy państwowi pod rządem nadzoru właścicielskiego. In Korczak J. (Ed.). *Cywilizacja administracji publicznej. Księga jubileuszowa z okazji 80-lecia urodzin prof. nadzw. UW dr hab. Jana Jeżewskiego. Prace Naukowe Wydziału Prawa, Administracji i Ekonomii Uniwersytetu Wrocławskiego*, 115, 203–215.
- Lee, S. Y. D., Chen, W. L., & Weiner, B. J. (2004). Communities and hospitals: Social capital, community accountability, and service provision in US community hospitals. *Health Serv Res.*, 39(5), 1487–1509.
- Lichtarski, J., & Bąk-Grabowska, D. (2017). Zarządzanie publiczne – rozważania o granicach. *Zarządzanie Publiczne*, 7–16. 10.15678/ZP.2017.40.2.01.

- Mesjasz, C. (2000). Kontrakty i problem przedstawicielstwa w teorii nadzoru nad przedsiębiorstwem. *Zeszyty Ekonomiczne Akademii Ekonomicznej w Krakowie*, 544, 61–76.
- Mesjasz, C. (2007). Problemy nadzoru korporacyjnego w Polsce w warunkach transformacji gospodarczej. *Zeszyty Naukowe Akademii Ekonomicznej w Krakowie*, 727, 41–57.
- Ministerstwo Zdrowia (n.d.). Zadłużenie SPZOZ, <https://www.gov.pl/web/zdrowie/zadluzenie-spzoz>, Accessed 24 May 2019.
- Munn, Z., Peters M., Stern, C., Tufanaru, C., McArthur, A., & Aromataris, E. (2018). Systematic review or scoping review? Guidance for authors when choosing between a systematic or scoping review approach. *BMC Med Res Methodol*, 18, 143. doi: 10.1186/s12874-018-0611-x PubMed
- Narodowy Fundusz Zdrowia (2020). Plan finansowy NFZ na 2020 r. stanowiący załącznik do zarządzenia nr 130/2020/DEF Prezesa Narodowego Funduszu Zdrowia z dnia 25 sierpnia 2020 r. w sprawie zmiany planu finansowego Narodowego Funduszu Zdrowia na 2020 rok, <https://www.nfz.gov.pl/bip/finanse-nfz/>, Accessed 2 September 2020.
- NIK (2017). Informacja o wynikach kontroli Nadzór nad spółkami z udziałem Skarbu Państwa Departament Gospodarki, Skarbu Państwa i Prywatyzacji, KGP. 430.018.2017 Nr ewid. 168/2017/P/17/017/KGP
- OECD (2004). OECD Principles of Corporate Governance, <https://www.oecd.org/daf/ca/corporategovernanceprinciples/31557724.pdf>, Accessed February 15, 2019.
- OECD (2019). OECD Corporate Governance Factbook 2019, www.oecd.org/corporate/corporate-governance-factbook.htm, Accessed 15 July 2019.
- OECD (2005). Glossary of statistical terms, <https://stats.oecd.org/glossary/detail.asp?ID=6778>, Accessed 15 July, 2019.
- Postuła, I. (2013). Nadzór urzędniczy jako szczególny instrument nadzoru korporacyjnego (corporate governance) spółek Skarbu Państwa. *Organizacja i kierowanie*, 4, 64.
- Rozporządzenie Ministra Zdrowia (2012) z dnia 20 grudnia 2012 r. w sprawie sposobu i trybu przeprowadzania kontroli podmiotów leczniczych, Dz.U. poz. 1509
- Saam, N. C. (2007). Asymmetry in information versus asymmetry in power: Implicit assumptions of agency theory? *The Journal of Socio-Economics*, 36, 825–840.
- Saltman, R. B., Durán, A., & Dubois, H. F. W. (Eds.). (2011). *Governing Public Hospitals: Reform strategies and the movement towards institutional autonomy*. European Observatory on Health Systems and Policies.
- Saltman, R. B., & von Otter, C. (1992). Reforming the Swedish health system in the 1990s: The emerging role of public firms. *Health Policy*, 21, 143–154.
- Smółkowska, U. (n.d.). Nadzór właścicielski, <http://www.sejm.gov.pl/Sejm8.nsf/BASLeksykon.xsp?id=89F08EBB1D128E4DC1257A680032CD6F&litera=N>, Accessed 10 February 2019.
- Tymowska, K., Malin, V., & Alaszewski, A. (1996). *System umów w opiece zdrowotnej w Anglii i w Polsce*. Centrum Edukacji i Rozwoju Biznesu: 119.
- Ustawa (1991) z dnia 30 sierpnia 1991 r. o zakładach opieki zdrowotnej, Dz.U. 1991 Nr 91 poz. 408 z późn. zm.
- Ustawa (2000) z dnia 15 września 2000 r. Kodeks spółek handlowych, Dz. U. 2000 Nr 94 poz. 1037.
- Ustawa (2009) z dnia 27 sierpnia 2009 r. finansach publicznych, Dz. U. z 2016 r. poz. 1870, z późn. zm.
- Ustawa (2011) z dnia 15 kwietnia 2011 r. o działalności leczniczej, Dz. U. 2011 Nr 112 poz. 654 z późn. zm.
- Ustawa (2011a) z dnia 15 lipca 2011 r. o kontroli w administracji rządowej, Dz.U. 2011 Nr 185 poz. 1092
- Ustawa (2016) z dnia 16 grudnia 2016 r. o zasadach zarządzania mieniem państwowym, Dz. U. 2016 poz. 2259
- Ustawa (2018) z dnia 6 marca 2018 r. – Prawo przedsiębiorców, Dz. U. z 2018 r. poz. 646, 1479, 1629 i 1633
- Walczak, W. (2014). Standardy nadzoru korporacyjnego w spółkach komunalnych. *Kwartalnik Nauk o Przedsiębiorstwie*, 2, 89.
- Wawrzyniak, B. (2000). Nadzór korporacyjny: Perspektywy badań. *Organizacja i Kierowanie*, 2, 17–38.
- Weiner, B. J., & Alexander, J. A. (1993). Corporate and philanthropic models of hospital governance: A taxonomic evaluation. *Health Serv Res*, 28(3), 325–355.
- Zalega, K. (2003). *Systemy corporate governance a efektywność zarządzania spółką kapitalową*. Wydawnictwo SGH.

Piotr Rajfur, Joanna Rajfur, Katarzyna Hys

The Analysis of Births and Household Poverty Levels with the Consideration of the Material Effect of the ‘Family 500 Plus’ Programme

Abstract

Objectives: The objective of the article is to assess the performance of the Polish government’s family policy programme known as the ‘Family 500 Plus’ programme, with special consideration of the material effect. In this study, the authors attempt to assess the performance of the ‘Family 500 Plus’ programme (Journal of Laws of 2016, item 195 as amended) in the first years of its operation, answering the question about whether the implementation of the government’s family policy programme has contributed to an increase in births and a decrease in the level of poverty in households in Poland.

Research Design & Methods: The authors conducted research on the chosen indicators, using the method of incomplete induction based on inductivism and verificationism. The study relies on the literature review and desk research. The analysis made use of statistical data provided by the Central Statistical Office (GUS). In the preparation of this article, legal acts placed on the Website of the Sejm of the Republic of Poland – as well as relevant scientific publications – were used.

Findings: Since the launch of the ‘Family 500 Plus’ programme, the number of births has clearly been gradually increasing. In the analysed period, we have also observed positive birth changes within large families. The developmental trend of births showed an upward tendency in the first two years of the Act in force and changed in 2018. This clear change can be observed in the area of extreme poverty in households in 2015–2018. In households with at least two children up to the age of 18, there was a change in the extent of extreme poverty by almost 50%, which was approaching the extreme poverty line in a given year in Poland.

Implications & Recommendations: In view of the changes in trends in the number of births observed since 2018 as well as the extent of extreme poverty in households, the authors recommend further observation and analysis of the indicators presented in this study.

Contribution / Value Added: The presented analysis of the indicators and the observation of development trends will allow for a proper adjustment of family policy. In the future, this might make it easier for the public authorities to take appropriate decisions concerning family policy.

Article classification: research article

Keywords: social policy, family policy, births, birthrate, poverty

JEL classification: I38, J11, J18

Piotr Rajfur (corresponding author), WSB University in Dąbrowa Górnicza, Poland; 1C Ciepłaka Street, 41-300 Dąbrowa Górnicza, Poland; e-mail: p.rajfur@upcpoczta.pl; phone: 0048505215469; ORCID: 0000-0001-8269-5771.
Joanna Rajfur, Faculty of Health Sciences, University of Opole, Poland; 11a Copernicus Square, 45-040 Opole; e-mail: jrajfur@wp.pl; phone: 0048504834267; ORCID: 0000-0003-0804-1301. **Katarzyna Hys**, Faculty of Production Engineering and Logistics, Opole University of Technology, Poland; 76 Prószkowska Street, 45-758 Opole, Poland; e-mail: k.hys@po.edu.pl; phone: 0048698609829; ORCID: 0000-0003-0800-2804.

Introduction

Family policy is a significant element of social policy, which creates an important area of activity for every public authority. There is no common definition for family policy, as the area of interest that it covers is extensive and difficult to limit within clearly defined boundaries. Family policy can be considered within different contexts, from the perspective of objectives, through taking into account the environment, or through the lens of its functions.

Kurzynowski (1991) considers family policy to be part of social policy, defining it as social policy with respect to the family. He describes family policy as the whole activity of the state (creation of legal norms, mobilisation of resources, and undertaking actions) which aim at constructing appropriate living conditions for families: its establishment, its proper functioning, and its fulfilling of all significantly social functions (Kurzynowski, 1991, p. 96). Sobociński, in turn, defines family policy as a direct action of the state to reimburse the costs of maintaining multi-child families, as well as activities related to facilitating the combining of professional life with childcare and creating effective mechanisms for establishing and enlarging families (2016, p. 1). And then, Auleytner and Głąbicka define family policy in the context of social welfare, acknowledging that the activity of state authorities, whose aim is to develop the family regardless of its material status, is family policy (2000, p. 178).

The aforementioned definitions are part of the family policy objectives of the state, which can be characterised in terms of conditions for the creation, development, and satisfaction of the living and cultural needs of the family (Kurzynowski, 1991, p. 96). Thus, the role of the state authorities is to shape such living conditions so as to enable a comprehensive family development. Therefore, this postulate is viewed in an inclusive manner as providing the possibility to implement the model chosen by the family itself in terms of the quality of life and the fertility rate of the family. Such

a model is socially expected nowadays, because it gives grounds for ensuring the biological development of society (Kotowska, 1999). Hence, one of the important problems faced by the family policy of the state is the demographic challenge.

Another challenge of the family policy of the state concerns the material and economic status of the family. A concern for the material and economic status of the family obliges the state authorities to take actions aimed at protecting the family against poverty and social exclusion by means of making it possible, among other things, to earn money and develop new forms of employment and professional activity in society (Durasiewicz, 2017, p. 17).

Poverty is one of the reasons for social exclusion; it happens through a complete elimination or hindrance of the participation in social life (Maj-Waśniowska & Stabryła, 2020, pp. 95–112). Its consequences are experienced by the entire society (Ulman & Ćwiek, 2014).

The notion of poverty is associated with categories such as social minimum and subsistence level. It expresses the lack of possibility to fulfil specific needs on a satisfying level (Panek, 2011, pp. 5–20). Poverty is also defined as a disruption of the balance between the determined system of needs (in axiological terms – values) and the level of their fulfilment (Lipski, 1993, pp. 27–34). Perceiving poverty through the prism of having sufficient income and/or wealth results in understanding poverty as a factor that limits the ability to fulfil life functions (Ulman & Ćwiek, 2014).

It is also necessary to mention the axiological challenges, which differ in the scope of interest of family policy, and which are related to the considerations regarding the preservation of family values and their importance in today's changing post-industrial society (Durasiewicz, 2017, p. 18).

Direct family policy is implemented through economic, institutional, and legal instruments. One of the instruments by which the state authorities influence the material and economic status of families in Poland is the one adopted by the Polish Parliament in 2016, namely the Act on State Aid

in Child Rearing (Journal of Laws of 2016, item 195 as amended), commonly known as the 'Family 500 Plus' programme.

In 2019, the Polish government decided to modify the aforementioned Act, removing the income threshold, thus extending the scope of benefits to all children under eighteen years of age. The amendments to the Act became an incentive to evaluate the hitherto existing 'Family 500 Plus' programme.

The aim of this article is to attempt at answering the question about whether the implementation of the government's family policy programme (the so-called 'Family 500 Plus' programme) has contributed to an increase in births and a decrease in the level of poverty in households in Poland.

The idea behind the introduction of the 'Family 500 Plus' programme

Family benefit payments are one of the basic instruments of family policy (Głąbicka, 2009, p. 58). Introducing the Act on State Aid in Child Rearing in 2016, the Polish government used an instrument of family policy which is targeted towards the family (explicitly). It directed particular actions, aimed at achieving specific family goals (Drejer, 2011, pp. 244–245).

In the justification to the aforementioned Act on State Aid in Child Rearing, one can read, above all, that as a result of its implementation, families bringing up children receive financial aid from the State, which will result in a reduction in the costs borne by families when raising children. Later in the justification, the Government states that the role of the introduced legal act is to counteract the demographic decline in Poland by granting a new childcare benefit to families. The aim of the new legal regulation is to encourage families to fulfil their fundamental social role and choose the model of a multi-child family.

Research into the danger of poverty shows that an extensive range of risks occur in big family households (Ulman & Cwiek, 2014). Poverty in large families has many aspects. On

the one hand, it restricts the possibilities of both obtaining a better education by children from large families and retaining good health; on the other, it constitutes a barrier in access to, among other things, cultural property, which may be an obstacle for development. It can affect the possibilities of finding suitable employment and improving the living conditions in adulthood. This leads to a situation in which young married couples decide against having many children, which negatively affects the socio-economic state of the country (Ulman & Cwiek, 2014).

The Education Law Act (Journal of Laws of 2020, item 910, consolidated text) defines a large family as a family raising three or more children. And then, the Statistics Poland defines a large family as a family in which there is a bond between parents and children (not necessarily a biological one), and in which there are at least three children (Statistics Poland, Poverty in Poland in 2015 and 2016). Hence, the number of children is the primary criterion defining the structure of a family.

The number of large families in Poland is systematically decreasing, which is visible in the data included in census lists from the year 2002 and 2011. In 2002, there were 8001.1 thousand families in total in Poland, including 944.5 thousand families with three children and 428.3 thousand families with four or more children. In 2011, the total number of families amounted to 8130.9 thousand, including 732.5 thousand families with three children and 273.3 thousand families with four or more children (Statistics Poland, Households, Demographic characteristics, 2011 National Population and Housing Census). In the last decade, the number of large families decreased by nearly 387 thousand.

Changes in birth occurring in 2005 according to the order of the birth are presented in Figure 1. According to the birth order, a systematic decline in the birth of living children – especially concerning the third child and consecutive children – has been observed since 2009. Thus, it can be concluded that the number of large families is still decreasing.

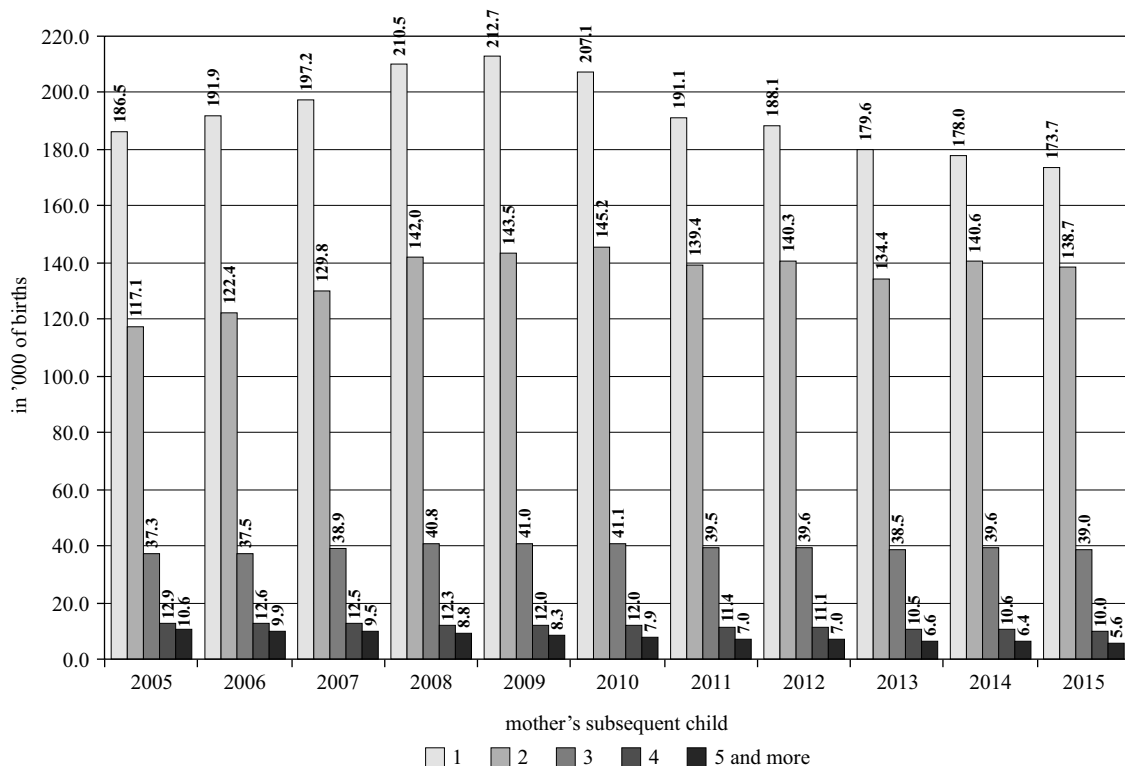


Figure 1. Live-birth order of mothers in Poland between 2005 and 2015

Source: own study based on the Statistics Poland data, *Demographic Yearbook of Poland* 2008, 2010, 2013, 2014, 2015 (www.stat.gov.pl).

In 2015, in the period when the discussion on the Act on State Aid to Child Rearing (Journal of Laws of 2016, item 195 as amended) had been started, 370.4 thousand children were born in Poland (including 369.3 thousand live-born children and 1.1 thousand stillborn children) (Statistics Poland, 2017, p. 258). For the given data, births can be classified by the order of birth of a mother's child (Table 1).

In 2015, 173.7 thousand children were born as the mother's first child, 138.7 thousand children were born as the second child, and 39.0 thousand children were born as the third child. Less than 10.0 thousand (9.995) children were born in 2015 as the mother's fourth child, while 5.6 thousand children were born as the fifth child or the next

ones. To a much lower extent, mothers choose to have more children if they already have two, three, or more children. The birth of the third child and the next children is much less popular than the birth of the second one; the birth rate in this range is falling dramatically. In 2015, around 45% of mothers (out of the number of live births) chose to give birth to their first child, less than 38% to the second child, while less than 15% decided to have the third child or the next children. The main decision factor in this case is of economic character.

The financial aid introduced under the 'Family 500 Plus' programme in the form of a child-rearing allowance was intended to eliminate economic barriers, especially among families with short

Table 1. Order of birth of a mother's children (2015)

Number of children in the family (in thousands)				
the first child	the second child	the third child	the fourth child	the fifth child and over
173.7	138.7	39.0	10.0	5.6

Source: Statistics Poland, *Demographic Yearbook of Poland 2017*, Statistical Publishing Establishment, Warsaw 2017, p. 263.

marital experience when they decided to have more children. The government argued that families with children are at a greater risk of poverty than those without children¹. Considering types of households, families without children or those with one child are less at risk of poverty than families with at least three children.

Consequently, the second objective – apart from increasing the fertility rate, thus improving the demographics in Poland and counteracting the ageing of the population – was to protect and improve the economic status of households with children who are at risk of poverty.

The 'Family 500 Plus' programme established financial support for the second child and the next children in the household up to the age of eighteen at the amount of 500 PLN, and was not contingent on the financial status of the family. Financial conditions were established for support for the first child. Households could apply for financial support for the first child after meeting the income criteria of 800 PLN per person in the family, or 1200 PLN if there was a child with disabilities in the family.

In 2015, the extreme poverty rate of households, including households raising children up to eighteen years old (% of people in households) was 5.3% for families with one child; 8.1% for families with two dependent children; 16.7% for families with at least three children; while for households without children – 3.7% (Statistics Poland, 2017, *Poverty in Poland in 2015 and 2016*, pp. 11–12). The

poverty rate among households raising at least one child under sixteen with a disability certificate was 10.7% (Statistics Poland, 2017; *Poverty in Poland in 2015 and 2016*, p. 15). The extreme poverty line in 2015 was 6.5% (Statistics Poland, 2017, *Poverty in Poland in 2015 and 2016*, p. 9).

Research and materials

In order to answer the research question, the authors studied the mentioned factors, employing an incomplete induction method based on inductionism and verificationism (Lisiński, 2016, pp. 23–46).

The statistical data with regard to the factors – including the number of live births according to the order of mother's births and the range of extreme poverty of households in Poland in the period assumed for analysis – was provided by the Statistics Poland in the said period.

The order of mother's childbirth should be understood as the number of infants that the mother gives birth to in a given year, taking into account all previous live- and stillborn children (Statistics Poland, terms used in official statistics).

In the classic approach, poverty is measured by means of the analysis of income and the total equivalent income of households. When analysing welfare, researchers tend to move towards an approach whereby total expenses which concern prices are connected with the living standard and, therefore, reflect the level of "real income" (Slesicki, 1998, pp. 2108–2165; Atkinson et al., 2003; Szulc, 2007, pp. 131–163; Kot, 2008).

Hence, the analysis includes the factor of extreme poverty range, which refers to the level

¹ The justification for the bill on state aid in raising children: <https://legislacja.rcl.gov.pl/docs//2/12279566/12326791/12326792/dokument199001.pdf> (accessed: 28.04.2020).

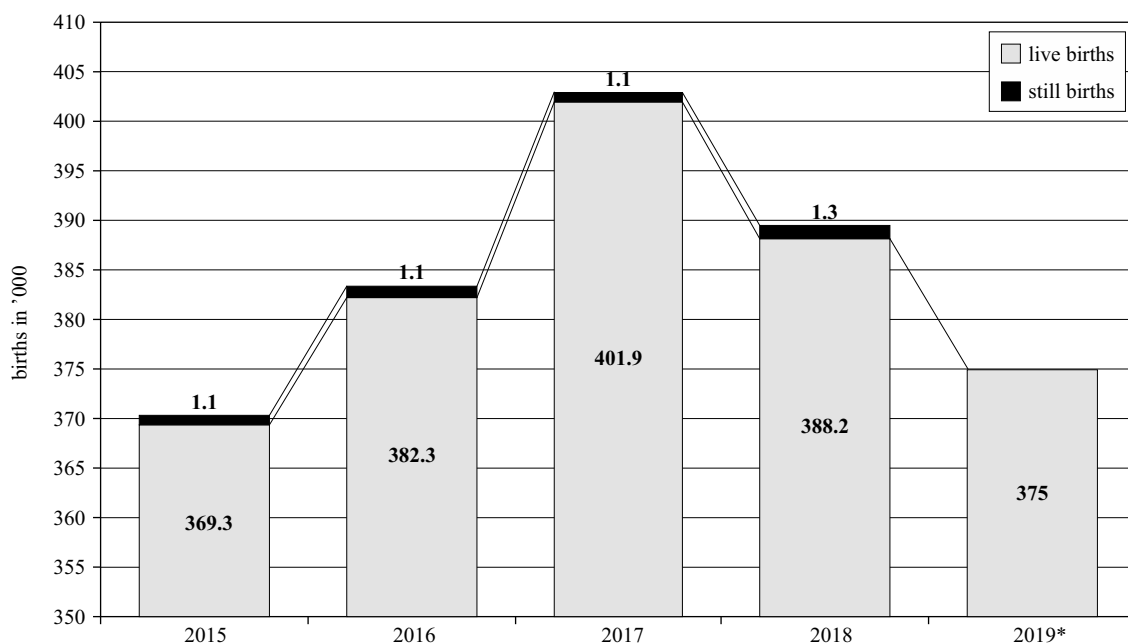
of household expenses in relation to the extreme poverty border – a minimum of subsistence – determining the level of fulfilment of needs. A biological threat to life and psychophysical development of a human being occurs below this level, which is congruent with the above-mentioned notion of poverty. The minimum of subsistence calculated by the Institute of Employment and Social Affairs for a household of one employed person is then multiplied by the number of people in the household according to the original OECD equivalence scale (Statistics Poland, terms used in official statistics). It is the starting point for determining the borders of extreme poverty.

Changes in the level of indicators during the ‘Family 500 Plus’ programme

During the three years in which the ‘Family 500 Plus’ programme was running (from 2016 to

2018), payments of childcare benefits under this programme alone amounted to 62.4 billion PLN (Statistics Poland, 2019, Concise Statistical Yearbook of Poland, p. 156; Statistics Poland, 2018, the range of extreme poverty in Poland in 2018, p. 5). The first childcare benefits were paid to families on April 1, 2016.

In 2016, the birth rate increased by over 3.5% compared to 2015 (Statistics Poland, 2018, Branch Yearbooks, *Demographic Yearbook of Poland 2018*, p. 256). The year 2017 brought a significant increase in births, i.e. almost 5.1% compared to 2016; compared to the base year, i.e. 2015, the birth rate increased by over 8.82%. In 2018, there was a decrease in the number of births compared to the previous year. The percentage of births in comparison with 2017 decreased by 3.41%. Nevertheless, in 2018, there were 5.11% more children born than in the base year 2015 (Statistics Poland, 2019, Branch Yearbooks, *Demographic*



* year 2019 – data based on the Statistics Poland data, the Statistical Bulletin 03/2020, Yearbook Volume LXIV, Warsaw 2020, p. 44 (www.stat.gov.pl).

Figure 2. Births in Poland between 2015 and 2018

Source: own study based on the Statistics Poland data, Demographic Yearbooks of Poland 2017 and 2018 (www.stat.gov.pl).

Yearbook of Poland 2019, p. 250). According to the preliminary data of the Statistics Poland, in 2019 the number of births decreased again by 3.4% compared to the previous year (Statistics Poland, 2020, *Statistical Bulletin* 03/2020, p. 44).

The stillbirth rate is evenly distributed and does not affect birth-rate conversions. Changes in births during this period are shown in Figure 2.

Taking into account live births in 2016, 175.9 thousand mothers gave birth for the first time (it was their first child), 146.9 thousand mothers gave birth to their second child, and 42.5 thousand mothers gave birth to their third child, while for 10.7 thousand mothers who gave birth at that time, it was their fourth child, and 6.0 thousand mothers saw the birth of their fifth child or the next one (Statistics Poland, 2018, *Demographic Yearbook of Poland 2018*, pp. 256, 265). In 2017, on the other hand, 172.6 thousand children were born as a mother's first child, 161.3 thousand as a mother's second child, 49.9 thousand as a mother's third child, while for 11.9 thousand mothers it was

the fourth child, and 6.2 thousand mothers saw the birth of their fifth child or the next one (Statistics Poland, 2019, *Demographic Yearbook of Poland 2019*, p. 255). Compared to 2015, there was an increase of 8.1% in births of a mother's second child in 2016 and almost 16.3% in 2017, while for mothers for whom it was the third child, the birth rate increased by 9% in 2016 and by 26.4% in 2017. A relatively large increase in births was also recorded for mothers for whom it was the fifth child and the next one. The percentage of births compared to 2015 in this group of mothers increased by 20% in 2016 and 24% in 2017. The observed changes are presented in Figure 3.

The extent of extreme poverty in families with children in the analysed period improved significantly. This is particularly noticeable in families with two or more children, as well as in families with a child with disabilities. Depending on the number of children in a given household, the number of households living below the poverty line raising children up to the age of eighteen

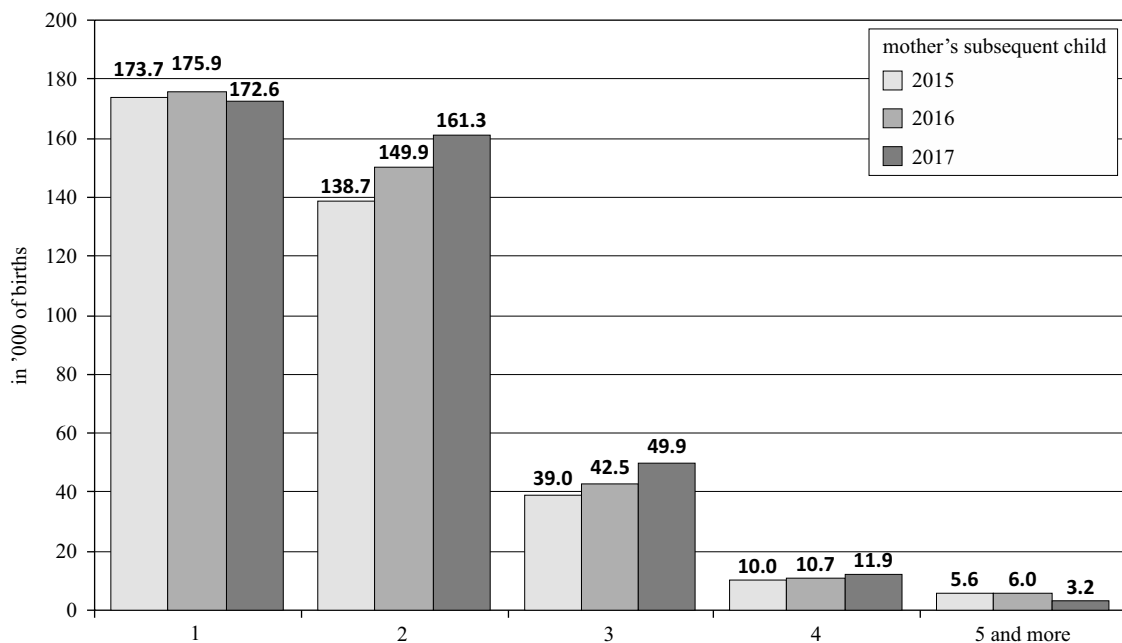


Figure 3. Live-birth order of mothers in Poland between 2015 and 2017

Source: own study based on the Statistics Poland data, *Demographic Yearbooks of Poland 2017 and 2018* (www.stat.gov.pl).

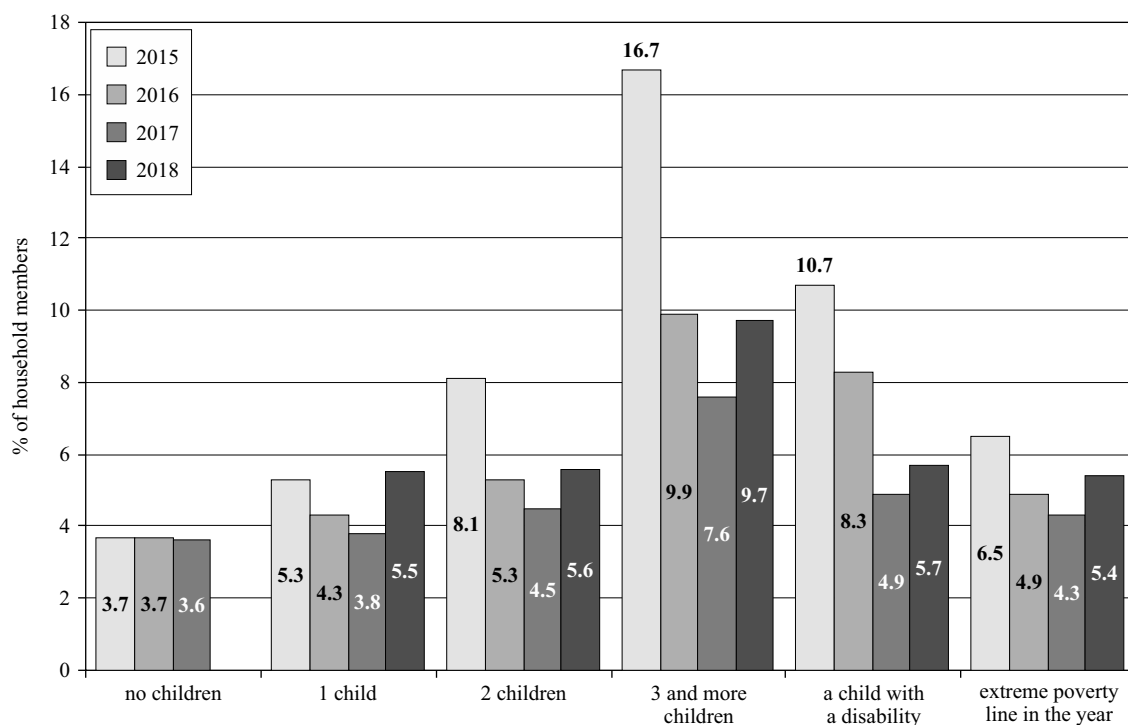


Figure 4. Extent of extreme poverty in households with and without children as well as those with children with a disability certificate in Poland between 2015 and 2018

Source: Own study based on the Statistics Poland data, Poverty in Poland in 2015 and 2016 and Scope of Economic Poverty in Poland in 2018 (www.stat.gov.pl).

(for households raising at least one child up to the age of sixteen with a disability certificate) is presented in Figure 4.

In 2016, the extent of extreme poverty in households raising children at the age of up to eighteen years old compared to the base year, i.e. 2015, decreased by 1 percentage point for families with one child, by 2.8 percentage points for households with two children, and by 6.8 percentage points for households with at least three children. Meanwhile, for households with at least one child with a disability certificate, the extent of extreme poverty was reduced by 2.4 percentage points. The percentage of households living in extreme poverty in Poland that year was 4.9 percent (Statistics Poland, 2017, Poverty in Poland in 2015 and 2016, pp. 9–12).

Another reduction in the scale of extreme poverty was recorded in 2017. During this period, there was a 1.5 percentage-point decrease in the extreme poverty rate in comparison to 2015 in households with one child, while in the group of households with two dependent children, a 3.6 percentage-point decrease was recorded. For households with at least three children, the scale of extreme poverty was reduced by 9.1 percentage points. The extent of extreme poverty among households with at least one child with a disability certificate decreased by 5.8 percentage points. A reduction in the scale of extreme poverty was also recorded in comparison with the preceding year, i.e. 2016. During this period, the greatest reduction was recorded in households with at least three children, i.e. 2.3 percentage points, as

well as in households with at least one child with a disability certificate – 3.4 percentage points. The level of extreme poverty in Poland in 2017 was 4.3% (Statistics Poland, 2018, the range of extreme poverty in Poland in 2018, p. 5).

The year 2018 also brought a change in the level of extreme poverty in households raising children in comparison with previous years, but there was a clear increase in the level of extreme poverty in households raising children when compared to 2017. However, comparing the data from 2018 and 2015, one can observe a decrease in the scope of extreme poverty only in households with at least two dependent children. In the group of households with two dependent children, the reduction in the scope of poverty was by 2.5 percentage points, while for households with at least three children, the reduction was by 7 percentage points in comparison to 2015. A reduction in the extent of extreme poverty was also recorded in households with at least one child with a disability certificate. The reduction in this group of households was by 5 percentage points. The level of extreme poverty in Poland in 2018 was 5.4% (Statistics Poland, 2018, the range of extreme poverty in Poland in 2018, p. 5).

The analysis of changes in the indicators of the adopted goals of the ‘Family 500 Plus’ programme

When analysing the birth rates, one can see that since the launch of the ‘Family 500 Plus’ programme, there has been a clear increase in births. Individual years in relation to the base year 2015 each time brought an increase in births, where in 2017 there was an increase by 8.83 percentage points. In 2018, despite the increase in the number of births in comparison to 2015, for the first time since the introduction of the ‘Family 500 Plus’ programme, there was a decrease in the number of births in comparison to the previous year. Another decrease in the number of births took place in 2019 (when analysing the results year by year). However, the birth rate in relation to 2015 was still

higher (5.7 thousand more children were born). In the analysed period, one can also observe positive changes in births in multi-child families, where more mothers chose to have another child. Positive changes can also be observed among families that had had only one child; more mothers decided to have the second child. However, in the case of mothers who gave birth for the first time, in the analysed period there was no noticeable change in the number of births and the percentage of changes was within the range of 0.5%.

The developmental trend of births – which in the first two years of the duration of the Act (Journal of Laws of 2016, item 195 as amended) showed an upward trend – changed in 2018. It can be simultaneously observed that the increase in births occurred within multi-child families. Compared to the year 2015, there was a clear increase in live births in the birth order for mothers with at least two children. In each analysed period, there was a marked increase in the number of births and the developmental trend maintains an upward tendency. In the case of mothers who gave birth for the first time, the developmental trend in each analysed year is constant. Year after year, the percentage of births in mothers with one and another child increased.

A visible change could be seen in the extent of extreme poverty in households between 2015 and 2018. While for households without children the change is insignificant, namely by 0.1 percentage point, there were significant changes in the extent of extreme poverty in households with children. In households with at least two children up to the age of eighteen, there was a change in the extent of extreme poverty by almost 50%, and it was approaching the extreme poverty line in a given year in Poland. Also, in the case of households where at least one child had a certified disability, the level of extreme poverty was clearly reduced and came significantly closer to the level of poverty (the extreme poverty rate, in this case, was 0.3% higher than the extreme poverty line in Poland).

The analysis of the indicators of the set objectives clearly demonstrates that the introduction of the 'Family 500 Plus' programme was a stimulus for the occurrence of favourable changes in the intended area (multi-child families and the eradication of poverty). Although no clear boundaries (numerical goals at which the legislative authority was aiming) were given, in many cases the state financial support had a positive impact on decisions concerning the family model of many households. The financial support produced the intended effect of bringing about a change regarding poverty in families with many children, which had an influence on the view of the long-term family model, where having and bringing up children was connected with significant financial sacrifices and limitations on the part of the remaining members.

Summary

On the basis of the analysis of the indicators presented in the comparative period in question, we can conclude that there has been a positive change in the form of the clearly noticeable material effect of the 'Family 500 Plus' programme in the first years of its operation.

It can be observed that the objectives of the 'Family 500 Plus' programme were achieved in all three categories, i.e. an increase in fertility rate, an increase in multi-child families, and a reduction of extreme poverty in families with many children. Therefore, the use of an instrument of family policy – addressed to families in the form of the Act on State Aid in Child Rearing, which initiated specific and targeted actions – was the right move.

The subject of our considerations was the material effect of the 'Family 500 Plus' programme. The analysis of the number of births, including births in multi-child families, as well as the observation of changes in the poverty level of households with children, shows the effects of the implementation of the state family-policy programme ('Family 500 Plus' programme) over time. Taking into account the objectives set by the public authorities, it was observed that the extent of extreme poverty

in households with children (multi-child families) significantly decreased and came closer to the level of poverty in Poland. This is the result of the material support of the 'Family 500 Plus' programme, which was addressed precisely to these households (such were the original objectives of the Act).

The introduction of material support by public authorities also resulted in an increasing number of births among multi-child families (multi-child family model). The number of births in multi-child families significantly increased, while among mothers who gave birth for the first time, the numbers remained at the same level. Hence the conclusion that the results of births recorded in the years 2016–2018 were influenced by the financial support obtained by mothers, or a lack thereof. It should be recalled that according to the provisions of the Act (Journal of Laws of 2016, item 195 as amended), introduced in 2016, financial support was available for the second child and the next ones, whereas in order to receive financial support for the first child, income conditions had to be met, namely the average amount of income per family member had to be lower than that referred to in the Act. An amendment to the Act, implemented in 2019, established financial support for every child without imposing income conditions. Therefore, in the future, a favourable change in the number of births can also be expected among those mothers who give birth for the first time. The decision to have a child will be easier, at least from the economic point of view.

The obtained results confirm the research carried out earlier, in which it had been found that the introduction of government programmes, including the 'Family 500 Plus' programme, reduces the scope of poverty, especially among large families (Maj-Waśniowska & Stabryła, 2002, pp. 95–112).

The continuation of the 'Family 500 Plus' programme and the removal of financial criteria for the support of the first child will have a positive impact also on reducing the extent of poverty among households with one or more children. Only misguided political decisions – as well as a failure

of the public authorities to react to the amount of support (a change in the amount of the childcare benefit, which undergoes devaluation when, with time, its purchasing power weakens) – may neutralise the effects of the ‘Family 500 Plus’ programme, as the financial resources of households are closely linked to their development.

The observed increase in the birth rate does not improve the demographic picture of Poland; it is still unfavourable. The visible trend of a decrease in the number of births, seen in 2018 and also present in 2019, is even more worrying.

The indicators related to birth rates and the extent of extreme poverty in households with children should continue to be monitored and analysed, as financial factors have a significant impact on the planned – and actually employed – family model. The analysis of the presented indicators over a longer period of time will enable the evaluation of the ‘Family 500 Plus’ programme. Such analyses can also be used by those in power for modifying the objectives of the ‘Family 500 Plus’ programme accordingly, i.e. by adjusting this economic instrument of family policy to the changing reality.

References

- Atkinson, T., Cantillon, B., Marlier, E., & Nolan, B. (2003). Social Indicators: The EU and Social Inclusion. *Oxford Scholarship Online*, November 2003.
- Auleytner, J., & Głąbicka, K. (2000). *Polityka społeczna pomiędzy opiekuńczością a pomocniczością*. Wydawnictwo WSP TWP.
- Drejer, F. (2011). Polityka rodzinna prowadzona w środowiskach lokalnych. *Wychowanie w Rodzinie*, 3, 244–245.
- Durasiewicz, A. (2017). *W kierunku rozwoju polityki rodzinnej w Polsce*. Wyższa Szkoła Pedagogiczna im. Janusza Korczaka w Warszawie.
- Głąbicka, K. (Ed.). (2009). *Biuletyn Informacyjny, Wiadomości Społeczne*. Polskie Towarzystwo Polityki Społecznej.
- Statistics Poland. *Terms used in official statistics*. (<http://www.gus.gov.pl>)
- Statistics Poland. (2008). *The Demographic Yearbook of Poland 2008*. Warsaw, p. 294. (www.stat.gov.pl).
- Statistics Poland. (2010). *Branch Yearbooks, The Demographic Yearbook of Poland 2010*. Warsaw, p. 266. (www.stat.gov.pl).
- Statistics Poland. (2013). *Branch Yearbooks, The Demographic Yearbook of Poland 2013*. Warsaw, p. 289. (www.stat.gov.pl).
- Statistics Poland. (2014). *Branch Yearbooks, The Demographic Yearbook of Poland 2014*. Warsaw, p. 305. (www.stat.gov.pl).
- Statistics Poland. (2015). *Branch Yearbooks, The Demographic Yearbook of Poland 2015*. Warsaw, p. 267. (www.stat.gov.pl).
- Statistics Poland. (2017). *Branch Yearbooks, The Demographic Yearbook of Poland 2017*. Warsaw, p. 258. (www.stat.gov.pl).
- Statistics Poland. (2018). *Branch Yearbooks, The Demographic Yearbook of Poland 2018*. Warsaw, pp. 256, 261. (www.stat.gov.pl).
- Statistics Poland. (2019). *Branch Yearbooks, The Demographic Yearbook of Poland 2019*. Warsaw, pp. 250, 255. (www.stat.gov.pl).
- Statistics Poland. (2014). *Households, Demographic characteristics, 2011 National Population and Housing Census*. Warsaw, pp. 46, 47. (www.stat.gov.pl).
- Statistics Poland. (2017). *Poverty in Poland in 2015 and 2016, Statistical Publishing Establishment*. Warsaw, pp. 9–12, 15. (www.stat.gov.pl).
- Statistics Poland. (2018). *Benefits for the family in 2018*. Cracow, p. 5. (www.stat.gov.pl).
- Statistics Poland. (2018). *The range of extreme poverty in Poland in 2018*. Warsaw, pp. 1, 5. (www.stat.gov.pl).
- Statistics Poland. (2019). *Concise Statistical Yearbook of Poland, Statistical Publishing Establishment*. Warsaw, p. 156. (www.stat.gov.pl).
- Statistics Poland. (2020). *Statistical bulletin 03/2020*. Rocznik Volume LXIV, Warsaw, p. 44. (www.stat.gov.pl).
- Kotowska, I. E. (1999). Drugie przejście demograficzne i jego uwarunkowania. In Kotowska, I. E. (Ed.). *Przemiany demograficzne w Polsce w latach 90. w świetle koncepcji drugiego przejścia demograficznego*. Wydawnictwo AGH.
- Kot, S. M. (2008). *Polaryzacja ekonomiczna – teoria i zastosowanie*. Wydawnictwo Naukowe PWN.
- Kurzynowski, A. (1991). *Problemy rodziny w polityce społecznej*. Ośrodek Badań Społecznych.
- Lipski, A. (1993). Ubóstwo poza sferą konieczności egzystencjalnej. In Frąckiewicz, L. (Ed.). *Ubóstwo*

- jako problem polityki społecznej*. Wydawnictwo Uniwersytetu Ekonomicznego w Katowicach, pp. 27–34.
- Lisiński, M. (2016). Procedury naukowe indukcji zupełnej i niezupełnej w metodologii nauk o zarządzaniu. *Zeszyty Naukowe Uniwersytetu Ekonomicznego w Krakowie*, 6(954), 23–46.
- Maj-Waśniowska, K., & Stabryła, K. (2020). Wpływ wydatków budżetowych na zmniejszanie ubóstwa w Polsce. *Zeszyty Naukowe SGGW w Warszawie: Polityki Europejskie, Finanse i Marketing*, 23(72), 95–112.
- Panek, T. (2011). *Ubóstwo, wykluczenie społeczne i nierówności. Teoria i praktyka pomiaru*. Oficyna Wydawnicza Szkoły Głównej Handlowej.
- Slesicki, D. T. (1998). Empirical approaches to the measurement of welfare. *Journal of Economic Literature*, 36, 2108–2165. [http://darp.lse.ac.uk/PapersDB/Slesnick_\(JEL98\).pdf](http://darp.lse.ac.uk/PapersDB/Slesnick_(JEL98).pdf) (accessed: 20.09.2020).
- Sobociński, M. (2016). Polska polityka rodzinna w latach 1989–2015. Próba podsumowania. *Infos BAS*, 8(212), 1.
- Szulc, A. (2007). Dochód i konsumpcja. In Panek, T. (Ed.), *Statystyka społeczna*. Polskie Wydawnictwo Ekonomiczne, pp. 131–163.
- Ulman, P., & Cwiek, M. (2014). Ubóstwo gospodarstw domowych ze względu na ich typ biologiczny w ujęciu wielowymiarowym. *Proceedings of the 8th Professor Aleksander Zeliński International Conference on Modeling and Forecasting of Socio-Economic Phenomena*. https://www.pliki.konferencjazakopiarska.pl/postepowanie_2014/pdf/Ulman_Cwiek.pdf (accessed: 20.09.2020).
- The Act of February 11, 2016, on State Aid in Bringing Up Children (Journal of Laws of 2016, item 195, as amended). <https://isap.sejm.gov.pl> (accessed: 20.09.2020).
- The Act of December 14, 2016, on Educational Law (Journal of Laws of 2020, item 910, consolidated text). <https://isap.sejm.gov.pl> (accessed: 20.09.2020).
- Justification for the Bill on State Aid in Raising Children. <https://legislacja.rcl.gov.pl/docs//2/12279566/12326791/12326792/dokument199001.pdf> (accessed: 28.04.2020).

Małgorzata Dec-Kruczkowska, Filip Grzegorzczuk

The New Polish Remuneration Model for Managers: A Discussion of the New Remuneration Act¹

Abstract

Objectives: The main goal of this paper is to provide a short assessment of the new regulation on the remuneration of managers in order to answer the question of whether the new Act is effective and accepted.

Research Design & Methods: The article is based on the analysis of the relevant literature and legislative acts. There is also the analysis of the annual statements of listed companies with respect to the application of remuneration principles and the remuneration paid by selected companies in which the State Treasury had a shareholding in Poland, as well as the analysis of the resolutions of general meetings in terms of the determination of remuneration.

Findings: The new Act has significantly changed the philosophy of determining remuneration in accordance with the existing corporate governance rules, at the same time eliminating abuse and pathologies, and implementing a mechanism for rewarding active managers who effectively create company value.

Implications / Recommendations: The remuneration systems used to motivate management board members of companies, including their method of determination and the principles of the payment of the basic salary and performance bonus. It also had an impact on the managers' motivation, affecting the companies' financial results. Every new regulation should take into consideration a modern, comprehensive, and motivational model of remuneration for managers, one which complies with corporate governance rules and the constitutional principles of social justice.

Contribution / Value Added: The conclusions from this paper can be used for academic and business purposes, enabling an in-depth understanding of the current remuneration model and the reasoning behind the implemented solutions, and facilitating the translation of the provisions of the Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 2016 into the business realities of companies.

Article classification: research article

Keywords: remuneration for managers, managerial contracts, remuneration models, pay systems, management by objectives, awards and bonuses, corporate governance

JEL classification: G3, H7, J3, K4, L2, L5, M5

Assoc. Prof. Filip Grzegorzczuk, Ph.D., Cracow University of Economics, Department of Public Law, ul. Rakowicka 27, 31-510 Cracow, Poland; fgrzegor@uek.krakow.pl; ORCID: 0000-0002-5094-2771. **Małgorzata Dec-Kruczkowska, Ph.D.**, Warsaw School of Economics, al. Niepodległości 162, 02-554 Warsaw, Poland; dec.kruczkowska@icloud.com; ORCID: 0000-0002-1811-0430.

¹ This paper was written as part of an MBA thesis titled *The Remuneration Model for Managers: The Assessment of the New Polish Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies*, prepared by the authors during the Executive Master of Business Administration studies (Cracow University of Economics, Cracow School of Business and École de Management de Normandie, AESE Business School).

Introduction

Remuneration for managers, constituting the remuneration systems used to motivate persons managing companies and including their method of determination and the principles of payment of the salary and performance bonuses, is an interesting academic and practical issue. The adopted remuneration model affects the motivation of employees and plays a significant role in business practice, because the appropriate motivation of managers affects the financial results of companies. Of course, in the case of monopolistic entities or companies performing public services, other factors should also be taken into account when evaluating performance against objectives as regards the provision of service or completion of tasks, but here we are primarily interested in remuneration models.

The question of managerial remuneration can be studied from a number of perspectives, yet perhaps the key one seems to be its connection with the companies' financial results and performance. This is related to enterprise value and its changes for the owners/shareholders (the companies' financial standing translates into both their ability to pay dividends and their valuation or the value of their shares). It is important to indicate that contemporary corporate social responsibility requires that information about the interests of employees be provided alongside data concerning the company's social and environmental impact. Profits, employees, society, and the environment should be perceived as equal parts of companies' responsibilities (Scott, 2019, p. 251).

On the other hand, the perspective of social and political acceptance for the current remuneration schemes is equally important. Both the public and politicians in various countries regularly express indignation at the levels of managerial remuneration, especially when the enterprise in question has experienced a financial crisis or has been threatened by bankruptcy. Moreover, the discussion on managerial remuneration and the impact of short-time decisions (stock options)

on company value is an ongoing one, where the media and the public criticise executive pay for its disproportionate level in relation to other sources of remuneration (Willey, 2019, p. 115; Thomsen & Conyon, 2019, p. 340; Aronson & Kim, 2019, p. 134).

Polish lawmakers have a long-term experience in introducing mechanisms affecting the remuneration of managers. This is a consequence of the long-lasting significant presence in the Polish economic landscape of companies in which the State Treasury holds shares – companies that were created as a result of the political and economic transformation from the central command (planned) economy to the market economy. In 1990, there were over 8,000 state-owned enterprises in Poland (Ownership Transformations of State-Owned Enterprises 2015) which were privatised, commercialised (i.e. converted into companies governed by the regulations of the Commercial Code and subsequently the Commercial Companies Code) or liquidated. In 2017, the State Treasury still had a shareholding in over 400 companies (according to The Ordinance of the Council of Ministers of 3 January, 2017) and there were almost 4,000 companies in total in the 'public domain' (entities in which the State Treasury or local government units or other 'state-run' entities held shares, either directly or indirectly).

The Act on the Remuneration of Persons Managing Certain Legal Entities of 3 March, 2000 – which had been in effect before the most recent election and determined the remuneration model for presidents and members of the management boards of companies – had been amended almost 20 times before 2016. Nevertheless, it should be noted that the aforesaid act, colloquially referred to as 'the Salary Cap Act', regulated the principles and the amount of remuneration only at companies in which the State Treasury had a majority shareholding as well as the companies in which the local government units had a majority shareholding, or companies in which the majority of shares were held by the aforesaid two types of companies.

The purpose of The Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 9 June, 2016, was to fundamentally change the approach to the principles of determining remuneration at commercial companies in which the State Treasury, local government units, and their associations (as well as state-owned and municipal legal persons) held shares. The change of approach in remuneration principles was, in turn, intended to enhance the effectiveness of the management of the companies and, as a result, improve their returns. Companies that generate better financial results build a stable economy and, in consequence, become reliable and good employers; that is why a change in the pay system might have an impact on both micro- and macroeconomic indicators as a result of the domino effect.

The guiding principle in the process of drafting the new law was the need to find the appropriate balance between ensuring a flexible remuneration system that would be, to the greatest possible extent, in line with the rules commonly followed on the market and the need to implement the constitutional principles of social justice. The new Act was also intended to effectively protect the new pay system from potential abuse and pathologies.

Literature review

The literature on this subject tackles a number of questions relating to remuneration models and their tools. It is worth beginning this review by linking the adopted remuneration model and its impact on motivation to the financial results of companies. The financial results of companies – or, more generally speaking, their performance – determines the creation of enterprise value. On the other hand, an increase in the value of the companies' shares and their ability to pay dividends are the main purposes of capital investment.

Nehring (2002, p. 139) points out that the quality and level of motivation of the management team has a decisive impact on the achievement of effects by companies run by managers. This means that

a direct link is established between the qualifications of managers, their willingness to run and develop a business, and the financial results achieved by the enterprise. Remuneration systems for managers, including their motivational elements, affect the quality of the performance of tasks by managers who have a direct impact on the work performed by operational employees and, in consequence, on the enterprise's results. On the other hand, Tyson and Bournois (2005, p. 19), while supporting a claim that in order to conduct business successfully it is necessary to offer remuneration that will attract and retain professional managers, indicate that enterprises should avoid paying excessive remuneration. Naturally, it may be asserted that a higher degree of effectiveness requires higher remuneration. This is because the connection between effectiveness and a company's revenues is one of the key relations in market economy. Therefore, it may be logically concluded that in order to ensure higher revenues, one has to offer higher remuneration. This means that managers at companies that achieve above-average results should receive higher remuneration (Urbanek, 2006, p. 66). The incentive scheme used in such a case rewards the efficiency and effectiveness of operations. Moreover, it is indispensable that the scheme be transparent, extensive, and rigorously applied (Scott, 2018, p. 249).

It should also be noted that this is advantageous from the point of view of the enterprise's owners – higher revenues resulting from the increase in productivity translate into enterprise value and, at the same time, can serve as the source of financing for an incentive scheme (dividing profits between owners and managers).

Durham and Bartol (2009, p. 217) argue that a carefully designed remuneration system that makes remuneration conditional on efficiency leads to better results. The mechanisms used in pay-for-performance systems improve managers' motivation in terms of objectives and, what is of importance to the organisation, help to attract and retain managers.

Remuneration serves as a motivational factor properly if a part of the remuneration depends on the achievement of objectives, i.e., in fact, on the effects of the performed work. The literature terms this element of remuneration in a number of ways: as a variable component, variable element, bonus, award, etc. Dymitrowski and Małys (2017, p. 135) assert that a bonus, as a component of the remuneration system, contributes to the effective fulfilment of the cost-related and income-related function of remuneration. Elaborating on that claim, one should add that the effectiveness of a bonus scheme depends on its alignment with the company's current financial standing, perspectives for its growth, and its current strategy – the mission and vision of the company. Thus, one of the fundamental principles of the operation of remuneration systems is the continuous assessment, evaluation, and adjustment of awards to the changing conditions (Gembalska-Kwiecień, 2017, p. 85). This is confirmed in a publication by Borkowska (2012, p. 36), where the author argues that there is a need for the periodic verification of remuneration policies in terms of their adequacy to the enterprise's goals, given that those goals change over time. Naturally, there are short- and long-term goals, and they may arise from changes in the environment of an economic entity as well as shifts in the scope of business, the owners' expectations, the organisational requirements, or the broader financial situation. The objectives should be set in accordance with the SMART rule, i.e. they should be **s**pecific, **m**easurable, **a**chievable, **r**elevant, and **t**ime-bound (Latham, 2009, p. 171).

Armstrong (1997, pp. 255–256) emphasises that, apart from the consistency, fairness, and transparency of the bonus scheme, it is important that the reward be worth competing for, and individual persons should be able to expect an appropriate reward for a specific behaviour. Therefore, a competitive remuneration scheme is significant for attracting, retaining, and motivating competent managers (Mallin, 2007, p. 171; Thomsen & Conyon, 2019, p. 340).

Managerial remuneration comprises of a fixed portion (the so-called basic remuneration, basic pay, salary, etc.) and the aforementioned motivational component, i.e. a variable portion. Niedbała (2008, p. 160) proposes a division into three elements:

- a fixed portion, which is the salary for the position and represents approximately 40–60% of the total amount;
- variable portion I (bonus), which is based on the variable scope of responsibilities and represents circa 40% of the total remuneration;
- variable portion II (additional bonus), which is a pay for personality, based on a regular appraisal of the potential and the attitude of the person concerned, and as such represents approximately 20% of the total remuneration.

Depending on the period after which the effects are achieved, the elements of remuneration paid as variable remuneration can be divided into the following (Borkowska, 2012, p. 20; Das, 2019, p. 149):

- STI short-term incentives (effects achieved within a period of no more than one year), e.g. commissions, bonuses, profit-sharing schemes and awards;
- LTI long-term incentives, deferred remuneration (effects achieved within a period of more than one year, usually 3–5 years) – they are characterised by a deferral of payments, e.g. shares, share options, cash in the form of deferred bonuses. The aforesaid instruments differ in nature, i.e. they include, among others, ownership, savings, or insurance instruments.

Long-term incentives, reasonably prepared, have emerged as particularly important after a number of financial scandals (such as Enron in 2000). These are meant to prevent managers from pursuing short-term goals, which will lead to losses for shareholders in the long run (Thépot, 2019, p. 150).

As asserted by Ogilvie (2006, p. 141), enterprises also offer their employees, as part of non-monetary benefits, time off and holidays as well as 'family-friendly' benefits, including kindergartens in enterprises, flexible working

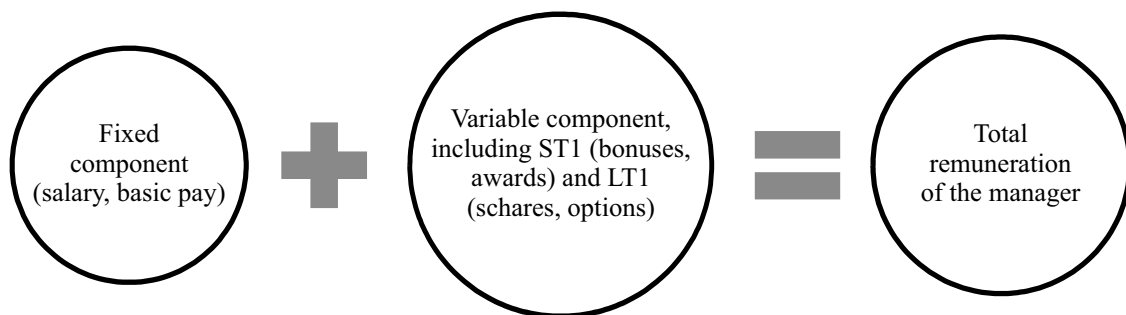


Figure 1. Components of managerial remuneration

Source: own study.

time, and the division of work in such a way as to make it easier for their employees to fulfil their family obligations. In some companies, tailored package systems can be implemented for senior positions (Nankervis, Baird, Coffey, & Shields, 2020, p. 171).

The goal, the hypothesis, and the research methods

The main goal of this paper is to provide a short assessment of the Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 2016, and the essence of such an assessment is the answer to the question about whether the new Act is effective and accepted. Additional analyses are required with respect to detailed goals, and these should provide answers to the following questions:

- to what degree does the new Act comply with theoretical models or good practices, and to what extent are its provisions in line with the reasons why the previous law was amended?
- how did the level of managers’ remuneration at the companies in which the State Treasury holds shares change in practice? (using as an example the remuneration of the presidents of management boards of selected companies in which the State Treasury has a shareholding and the management objectives established by their general meetings of the shareholders).

The answer to the first question requires the presentation of the OECD Guidelines on Corporate Governance of State-Owned Enterprises (2015 edition). From among a large number of recommendations, it is worth mentioning the one that asserts that the state is essentially responsible for the development of clear remuneration policies for the authorities (boards) of state-owned enterprises that foster the long- and medium-term interests of the enterprise and can attract and motivate qualified professionals. In addition, it is assumed that state-owned enterprises, with due regard to the capacity and size of the enterprise, should disclose financial and non-financial information, including the remuneration of members of state-owned bodies (boards). Good practice calls for the authorities (boards) of a state-owned enterprise to effectively carry out their duties with respect to strategy development and the monitoring of management based on a broad mandate and the goals set by the government. They should determine the levels of remuneration for management board members that foster the long-term interests of the enterprise. The crucial elements of those good practices are implemented by the listed companies in which the State Treasury holds shares.

On the other hand, “The Good Practices for Companies Listed on the Stock Exchange 2016”, published by the Warsaw Stock Exchange, includes a set of corporate governance rules and

principles of conduct that affect the relations developed between listed companies and their market environment. Similarly to the international regulations, good practice calls for a company to implement policies on remuneration for the members of the company's governing bodies as well as key managers, which will, in particular, specify the form in which they will receive the remuneration as well as the principles according to which it will be determined and paid. A company strategy is the primary document that determines, among others, the remuneration policies. The short- and long-term goals of the corporate strategy should be reflected in the targets determining the payment of the variable component or awards/bonuses. The long-term creation of value and financial performance in the long run, as well as the stability of the operation of an enterprise, should be the priority in designing the remuneration system and an incentive plan. Persons with the requisite competencies to properly manage and supervise a company should be appropriately motivated and also understand the goals of the company. Therefore, remuneration should be set at a level that, on the given market and in the given sector, will allow the company to attract, retain, and motivate such persons.

Another reference to international solutions is the company's obligation to include a remuneration policy report in its statement on the company's operations. The remuneration policy report should contain, among others, a description of the remuneration system, information on the terms and level of the remuneration of the management board members (including a division into the fixed and variable components), the principles of determining the remuneration, and the principles of the payment of severance pay – both for the parent company in the group and for the subsidiaries. The report should also disclose the non-financial components of the remuneration. The key elements, with the exception of remuneration based on shares or derivative instruments, were taken into account in the Act on the Principles of Determining the

Remuneration of Persons Managing Certain Companies of 2016.

The research methods, apart from the analysis of the relevant literature and legislative acts, included an analysis of the annual statements of listed companies with respect to the application of remuneration principles and the levels of remuneration issued at selected companies in which the State Treasury had a shareholding in Poland. There was also an analysis of the resolutions of general meetings connected with the determination of remuneration.

The conclusions from this paper can be used for both academic and business purposes, enabling an in-depth understanding of the current remuneration model and the reasoning behind the implemented solutions as well as facilitating the translation of the provisions of the Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 2016 into the business realities of companies.

An analysis of systemic solutions concerning managerial remuneration and their impact on the economic reality

The structure of the new Act has significantly changed the philosophy of determining remuneration in accordance with the existing corporate governance rules. This is because the legislator imposed obligations arising from the Act on the entity representing the State Treasury, i.e., in fact, on the shareholder and not on the company itself. The entity exercising the owner's supervision over the shares owned by the State Treasury is obliged to ensure that the principles of remuneration for the management body and supervisory body members are determined and followed at the company, adequately to the possibilities arising from the corporate governance system of the company in question. Thus, it is the obligation of the shareholder representing the State Treasury to ensure, using corporate methods, that the general meeting of the company adopts resolutions

establishing the remuneration principles for the members of the management body and members of the supervisory body of the company. The Act states that all the actions taken by the shareholder and the general meeting must comply with the Commercial Companies Code. Such a solution fully complies with the constitutional principle of the protection of property and the inviolability of the rights of other shareholders, and at the same time it also enables an effective influence on entities in which the State Treasury has a minority interest and yet which are in fact controlled by the State Treasury. It also ensures the equal treatment of the companies on the operation of which the State Treasury has an influence, which, in practice, takes place in particular in listed companies in which the State Treasury's shareholding does not exceed 50%.

According to the Act, the principles of determining the remuneration of management board members specified in the resolutions of the general meeting of the company in question are to be disclosed to the public by means of publishing the information on the remuneration principles and the justifications required by the Act on the Website of the relevant entity in the Public Information Bulletin. This is in line with market practice and constitutes a necessary element of the overall picture of the company's performance, serving as a way in which the managers are held accountable for their actions before the shareholders and other stakeholders (Borkowska, 2012, p. 75; Kowalska-Napora, 2014, p. 55). The scope of information that does not have to be published includes detailed data on the management objectives, the weights of those objectives, and the criteria for their achievement and assessment. This is because the indicators used to measure the objectives usually constitute business secrets, as they are key integral elements of the annual plans and long-term strategies or performance plans.

The new approach to the determination of remuneration is revolutionary in a way, since it introduces a clear-cut division between the sphere of 'imperium' and the sphere of 'dominium'

(a division between regulatory actions and ownership-related actions), while at the same time eliminating abuse or pathologies. The Act in question considerably changes the concept of determining the level of remuneration for managers in all companies, introducing a mechanism that makes the amount of the fixed component of the managerial remuneration dependent on objective measures, i.e. on the size of the company measured by the value of its assets, its revenues and employment level, i.e. the scale of its operations and, in consequence, the managers' responsibility. The total remuneration of a management body member consists of a fixed component, expressed as an amount and constituting their basic monthly remuneration, and a variable component constituting supplementary remuneration for the company's financial year. For the largest companies that meet at least two out of three prerequisites in at least one of the last two years (i.e. employing over 1,251 employees or recording an annual turnover of over 250 million EUR or having assets in excess of 215 million EUR), the reference level of fixed remuneration may reach the amount equal to 15 times the average monthly remuneration in the Polish economy, i.e. currently approximately 830,000 PLN (194,000 EUR) per year. Thus, depending on the current standing of the company, its size, and the scale of operations, the remuneration of management board members will change accordingly.

The Act introduces a mechanism for rewarding managers who are active and who create company value effectively. The variable component of the remuneration, which is motivational in nature, represents up to 50% of the basic remuneration, and in the case of the largest companies and companies listed on the Warsaw stock exchange – it is up to 100% of that base. The variable portion of the remuneration of management board members depends on their performance against management objectives. The supplementary remuneration can be paid after the management board's report on the company's operations and the company's financial statements for the preceding financial

year are approved and the fulfilment of duties is acknowledged by the general meeting. Thus, for the largest companies, the total remuneration can amount to 1,660,000 PLN (388,000 EUR) per year, assuming that the incentive portion is paid to the maximum amount. It is worth emphasising again that the payment of supplementary remuneration can be partly deferred for even up to 36 months, which is defined by a resolution of the general meeting, which also specifies what circumstances must arise that affect the achievement of management objectives set out in the contract, in particular causing the loss of the right to receive the supplementary remuneration in whole or in part.

The Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 9 June, 2016, became the answer to a number of weaknesses and irregularities. The key changes introduced by the Act can be divided into two groups:

- pro-market changes:
 1. making the fixed component of the remuneration dependent on objective conditions that can be summarised as the enterprise's scale of operation;
 2. introducing a variable component of the remuneration correlated with the company's results, its performance, and the achievement of set objectives; in addition, the maximum level of the variable portion can be no higher than 50% (and in the case of the largest companies and public companies – 100%) of the fixed portion;
- changes preventing pathologies:
 1. eliminating the potential to receive remuneration for holding office in the governing bodies of subsidiary companies;
 2. limiting the notice period to a maximum of three months;
 3. making the right to severance pay conditional on having worked for at least a year as well as limiting the maximum level of severance pay to the amount equal to three times the fixed monthly remuneration;

4. limiting the term of post-termination non-compete clause to no more than six months.

The regulation in question also had another significant effect, namely savings with respect to the payment of remuneration to the management and supervisory personnel.

The Regulatory Impact Assessment (May 10, 2016) indicates that – based on the analysis conducted in a group of 169 companies in which the State Treasury holds shares and which are supervised by the Minister of State Treasury (as of the end of November 2015) – the estimated annual amount of savings with respect to the remuneration of management body members that can be made in consequence of the enactment of the Act will be approximately 59 million PLN. It may be assumed that the actual total amount of savings for the entities covered by the Act might be higher, even by many times. Such an assumption is justified by the total number of entities governed by that regulation, i.e. almost 4000 companies in which share rights are exercised by the State Treasury, state-owned legal persons, local government units, local government legal persons, or companies belonging to the same groups of companies as the above companies.

In order to demonstrate the potential for a reduction in remuneration, the salaries of the presidents of the management boards (CEOs) of all companies listed on the Warsaw Stock Exchange with the State Treasury as one of the shareholders were reviewed with the aim of confirming the application of the remuneration principles and the amounts of remuneration paid a year after the implementation of the new law.

A comparison of the remuneration of the CEOs of entities operating in the power sector in the years prior to the enactment of the Act with the remuneration after its enactment shows a total drop of 49%, which resulted in total annual savings of approximately 4 million PLN.

Following the new regulations, the power sector has become a leader in terms of savings, but positive effects were also observed in other industries. For instance, following the enactment

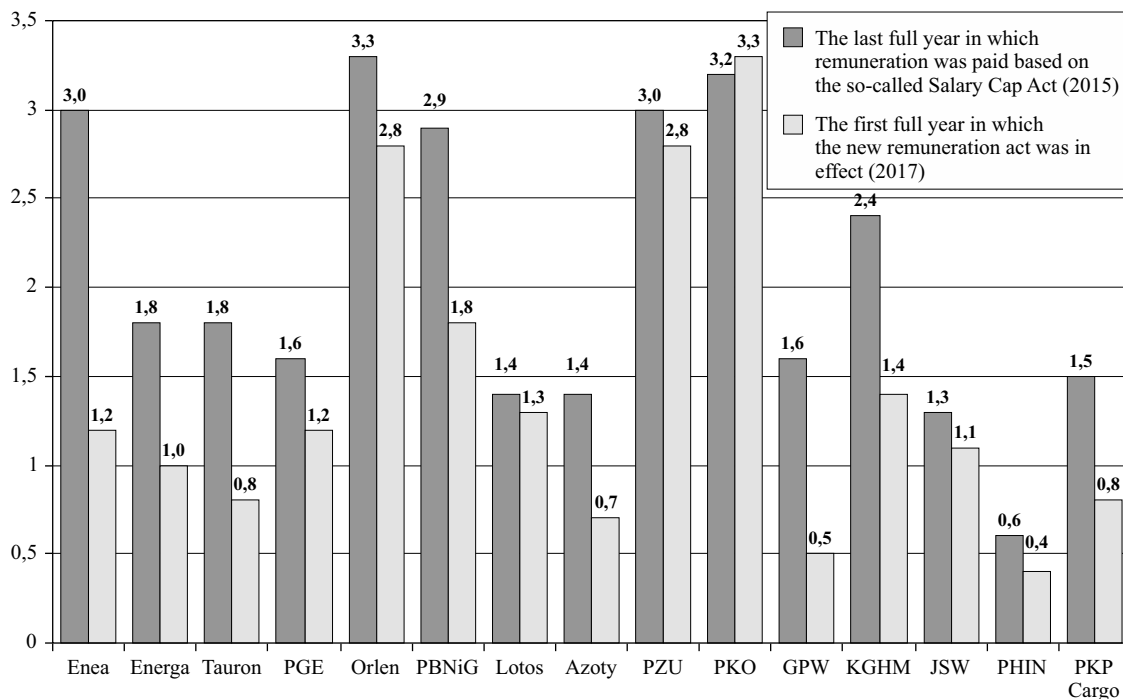


Figure 2. Remuneration of the presidents of the management boards of State Treasury companies listed on the stock exchange

Source: own study.

of the new regulations, the remuneration of CEOs in the chemical sector (Orlen, PGNiG, Grupa Azoty, Lotos) dropped by a total of 27%, which resulted in total annual savings of approximately 2.4 million PLN.

Data presented by other listed companies in which the State Treasury holds shares (PZU, KGHM, GPW, PKP Cargo, PHN) also indicates savings regarding the remuneration of the presidents of management boards (CEOs) made as a result of the new regulations. The amount of paid remuneration has fallen by 35%, resulting in total annual savings of approximately 3.2 million PLN.

In the case of the JSW (the mining sector), a decrease in remuneration is discernible, but due to the fact that there were changes in the management board in each of the presented years, including a temporary delegation of a member of the supervisory board to the management board,

the sum of all the components of the remuneration is not fully representative.

An increase in remuneration was only observed in the case of the PKO BP – including short-term employee benefits, other received long-term benefits, and the received payments as well as those due at the end of the year based on cash-settled shares. It can be assumed that the Act did not significantly affect the bank’s remuneration policy.

After the new Act came into effect, the remuneration of the presidents of the management boards (CEOs) dropped by more than one-third as compared to the period when the Salary Cap Act was in force. It is worth emphasising that the generated savings amounted to almost 10 million PLN and were only related to fifteen persons managing public companies. These savings are funds that can be allocated, among others, to:

- new investment projects;
- the modernisation of the existing means of production;
- research and development;
- remuneration for other employees.

Proceeding to the question of the implementation of the Act in companies in which the State Treasury holds shares, it should be stressed that in each of the cases under review the general meeting of the shareholders adopted a resolution on the principles of determining the remuneration of management board members. According to the provisions of those resolutions, a contract for the provision of management services is established with a management body member for the period in which that member holds office; that contract contains an obligation for such a member to perform the services in person, irrespective of whether that member operates within the scope of the conducted

business. The provisions of that contract are determined by the supervisory board every time.

The resolutions in all companies under scrutiny introduced a division of the total remuneration into a fixed and a variable component, at the same time defining the acceptable remuneration range; in principle, for the listed companies it was from seven to fifteen times the average monthly salary in the enterprise sector, excluding the profit bonuses paid in the fourth quarter of the preceding year, as published by the President of the Central Statistics Office. The resolutions specified a general list of management objectives – the examples of such objectives for the power, gas, oil, and insurance sectors are presented below.

In order to ensure the implementation of the Act in the groups' subsidiaries, the resolutions provided additional objectives that had to be met for the entire variable portion to be paid. These included, first,

Table 1. Examples of general lists of management objectives set by the general meetings of shareholders in 2016–2017

Company name	Examples of general lists of management objectives set by the general meetings of shareholders
PGE	<ol style="list-style-type: none"> 1) EBITDA for the PGE Group at the level specified in the approved works and expenditures plan for the given financial year; 2) meeting the covenants arising from loan agreements (Net debt/EBITDA); 3) the time availability indicator for power plants; 4) achievement of specific milestones for the mega-project (Opole, Turów) – in effect until the completion of the mega-project; 5) improvement of customer service quality indicators (e.g. no invoice/invoice indicator), effective customer experience management, continuous growth of sales of new products (sales of products containing energy and products that are synergistic with respect to electricity and gas); 6) adaptation to the essence of structural changes in the sector (introduction of the process/task structure, correspondence system of technical support); 7) development of structural approach to marketing, product, and process innovation; financing research and development work, pilot projects and launches; and the creation of an ecosystem for innovation at the PGE Group, assuming the effective use of funds allocated for that purpose; 8) development of a structural approach to brand-building, product marketing, and sponsorship of cultural, sports, and social initiatives.
PGNiG	<ol style="list-style-type: none"> 1) achievement of the consolidated EBITDA by the Group, 2) number of newly attracted customers, 3) implementation of the Group's strategy, 4) timely completion of investment projects, 5) annual replenishment of domestic resources of natural gas and oil.
PZU	<ol style="list-style-type: none"> 1) increase in Company value, 2) improvement of economic and financial indicators.

Source: own study on the basis of the resolutions of the general meetings of shareholders of the companies.

the application of the remuneration principles concerning members of the management and supervisory bodies in accordance with the provisions of the Act in all of the groups' subsidiaries as well as, second, the consideration of the determination of the composition of supervisory boards in all of the groups' subsidiaries so that their members could be authorised to serve as supervisory board members. Supervisory boards were authorised to define more detailed aspects of the management objectives and the weights of those objectives, as well as determine the objective and measurable criteria for their achievement and assessment (KPI – key performance indicators). It allowed for the implementation of new objectives while taking into account different groups of stakeholders, especially the customers and the local community (e.g. effective customer experience management; sponsorship of cultural, sports, and social initiatives; domestic resources of natural gas and oil). The lack of references to environmental issues indicates that these obligations of companies are treated as less important than the company's core business; in each of these cases they are included in the CSR reports, but are not related to managerial remuneration.

Concluding Remarks

The remuneration systems used to motivate management board members in companies, including the method of their determination and the principles of the payment of a basic salary and a performance bonus, which has an impact on managers' motivation, which, in turn, affects the financial results of the companies. The Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies, which was passed in Poland in 2016, introduced a comprehensive pay system for managers, placing a significant emphasis on the integration of the level of earnings and the principles of their payment with the growth of the value of companies for their shareholders. It introduced consistent and transparent principles for all the companies, irrespective of their shareholding structure. The

level of the fixed component of the managerial remuneration depends on the size of the company – measured by the value of its assets, its revenues, and the employment level – and the scale of its operations, and, in consequence, the responsibility of the managers. On the other hand, the principles of rewarding those managers who are active and who create company value effectively are based on the management-by-objectives method.

Respecting the Commercial Companies Code and the corporate governance rules, the intention was that the Act should govern the entities exercising the owner's rights in companies in which the State Treasury, local government units and their associations, state-owned and municipal legal persons held shares. Those changes were not aimed at the companies themselves; as a result, the hitherto separate legal regime for companies in which the State Treasury held shares was eliminated from the economic environment. This constitutes a change in the approach to the implementation of remuneration models in companies, ensuring compliance with the constitutional principle of the protection of property and the inviolability of the rights of other shareholders, as well as equal treatment of companies. It should be emphasised that had such a single act not been drafted, it would have led to the application of various principles, depending on the company's supervising entity, generating unreasonable and inconsistent standards regarding managerial contracts.

The new Act complies with theoretical models, good practices, and international experience. The regulation takes into consideration the conclusions that can be drawn from the literature on the subject, together with the relevant guidelines and good practices. As a result, it imposes the obligation to formulate a remuneration policy, link the amount of remuneration to the size and the performance of companies, divide the remuneration into a fixed and a variable portion, ensure the possibility of limiting the maximum amount of the variable component of the remuneration, and deferring the payment of the variable component.

The structure of the new regulation ensures transparency, guaranteeing that the principles and levels of the remuneration of managers in companies in which the State Treasury holds shares are disclosed to the public, which is something which sets it apart from the Salary Cap Act. A disclosure of remuneration principles and levels of remuneration of the companies' governing authorities' members is an effective mechanism preventing potential abuse in that respect.

The Act also introduced a number of other solutions in response to the weaknesses of the previous system; in particular, it clearly indicated that a management body member will not receive remuneration for serving as a member of a governing body at the company's subsidiaries within the group, which eliminated the possibility for presidents (CEOs) and members of management boards to earn 'extra' money. This is important due to the fact that the social perspective and the political acceptance of the existing remuneration systems determines the legal and business solutions that are in use. Eliminating the criticised practices that stemmed from the Salary Cap Act, the current Act is broadly approved of and its intentions seem to be socially understandable.

It was indicated that the amount of annual savings with respect to the remuneration of management body members that had been estimated when drafting the Act was almost 60 million PLN, but the scale of those savings might be underestimated when taking into account the number of entities included in the conducted analysis as part of the regulatory impact assessment and the total number of companies in the public sphere. One might consider whether an act whose main purpose was supposed to ensure transparent and consistent principles of determining the remuneration of management bodies' and supervisory bodies' members² should, in effect, bring savings to

companies. When analysing this question, it is worth taking into consideration the political and social aspects of such regulations. Undoubtedly, in a situation where the CEOs of the largest listed companies that are not 100% private-sector companies earn thirty or even sixty times more than the average annual remuneration in Poland – and the public perceives their appointments as connected with political changes – questions arise regarding the justifiability of the existing remuneration policies. It is also worth noting that in some cases there were no market benchmarks that would enable those levels to be compared to competitive private-sector companies, and the supervisors of entities representing the State Treasury included, among others, monopolistic entities. On the other hand, the Act did not reduce remuneration in all companies. It is very likely that the total annual remuneration increased in some of the large entities that were not listed on the stock exchange, and in those there had been a maximum limit of six times the average remuneration before. On the other hand, in the case of the smallest companies, the potential reduction in remuneration did not bring significant savings at large, and that drop was fully justified by the marginal scale of their operation. Naturally, the question can be asked whether it is reasonable from the owner's point of view to keep such entities in existence. Therefore, it can be asserted that in order to attract managers with a high degree of competence, appropriate processes will be initiated to consolidate small entities operating in the public sphere, which will lead to a significant increase in the scale of their operations and, as a consequence, in managerial remuneration.

After the new Act came into effect, the remuneration of the presidents of the management boards (CEOs) at selected companies in which the State Treasury held shares and which were reviewed for the purpose of this paper dropped by more than one-third when compared to the period in which the Salary Cap Act had been in effect. Nevertheless, the level of remuneration at those entities remains high and, more importantly, the variable

² This also refers to the selected provisions of contracts established with members of management bodies in commercial companies in which the State Treasury and other entities held shares.

component was introduced as a mandatory element of the remuneration system. This enables the integration between the pay system and those KPIs that are of importance to the company and its owners, such as the growth of net profit or the EBITDA, growth of sales/revenues, the implementation of a strategy or a restructuring plan, or the completion of an investment project.

Due to the introduction into the Act of a comprehensive and motivational model of remuneration for managers that is in compliance with corporate governance rules, the regulation under review can be considered as the most advanced set of corporate solutions, one which supports company growth and value creation.

References

- Aronson, B., & Kim, J. (2019). *Corporate Governance in Asia: A Comparative Approach*. Cambridge University Press.
- Armstrong, M. (1997). *How to Be a Better Manager*. Dom Wydawniczy ABC.
- Borkowska, S. (2012). *Skuteczne strategie wynagrodzeń – tworzenie i zastosowanie [Effective Remuneration Strategies: The Development and Implementation]*. Oficyna.
- Das, S.C. (2019). *Management Control Systems: Principles and Practices*. Phi Learning Private Limited.
- Durham, C.C., & Bartol, K.M. (2009). Pay for Performance. In E.A. Locke (Ed.), *Handbook of Principles of Organizational Behavior* (pp. 217–238). WILEY.
- Dymitrowski, A., & Małys, Ł. (2017). *Koncepcje biznesowe i strategie rozwoju w branży wydobywczej [Business Concepts and Development Strategies in the Mining Industry]*. Advertiva.
- Gembalska-Kwiecień, A. (2017). Instrumenty pobudzania motywacji [Instruments of Stimulating Motivation]. *Support Systems in Manufacturing Engineering – Technology Systems Engineering*, 6, pp. 79–89.
- Kowalska-Napora, E. (2014). *Uwarunkowania funkcjonowania nowoczesnej organizacji [The Conditionings of the Operation of a Contemporary Organisation]*. Wydawnictwo Marek Derewiecki.
- Latham, G.P. (2009). Motivate Employee Performance through Goal Setting. In E.A. Locke (Ed.), *Handbook of Principles of Organizational Behavior* (pp. 161–178). WILEY.
- Mallin, C. (2007). *Corporate Governance*. Oxford University Press.
- Nehring, A. (2002). Wynagrodzenie kadry kierowniczej [The Remuneration of Managerial Staff]. *Research Bulletin*, 570, pp. 139–143, Cracow Academy of Economics – Department of Economics and Enterprise Organisation.
- Nankervis, A., Baird, M., Coffey, J., & Shields, J. (2020). *Human Resource Management: Strategy and Practice*. Cengage Learning Australia Pty Limited.
- Niedbała, B. (2008). *Controlling w przedsiębiorstwie zarządzanym przez projekty [Controlling in an Enterprise Managed by Projects]*. Wolters Kluwer Polska.
- Ogilvie, J.R. (2006). *CLEP Principles of Management: The Best Test Preparation for the CLEP*. Research & Education Association.
- Scott, P. (2018). *Introduction to Management Accounting*. Oxford University Press.
- Thépot, F. (2019). *The Interaction Between Competition Law and Corporate Governance: Opening tee ‘Black Box’*. Cambridge University Press.
- Thomsen, S., & Conyon, M. (2019). *Corporate Governance and Board Decisions*. Djof Publishing.
- Tyson, S., & Bournois, F. (2005). *Top Pay and Performance: International and Strategic Approach*. Elsevier Butterworth-Heinemann Linacre House.
- Urbanek, P. (2006). *Wynagrodzenia w spółkach kapitałowych [Remunerations in Companies]*. Polskie Wydawnictwo Ekonomiczne.
- Willey, K.M. (2019). *Stock Market Short-Termism: Law, Regulation and Reform*. Palgrave Macmillan / Springer Nature Switzerland AG.

Official Documents

- The Act on the Remuneration of Persons Managing Certain Legal Entities of 3 March 2000, Journal of Laws 2000 No. 26 item 306.
- The Act on the Principles of Determining the Remuneration of Persons Managing Certain Companies of 9 June 2016, Journal of Laws of 2017 item 2190.
- The Commercial Companies Code Act of 15 September 2000, Journal of Laws of 2000 No. 94 item 1037.
- The ordinance of the Council of Ministers of 3 January 2017 on the list of companies in which rights attached to the State Treasury’s shares are exercised by members of the Council of Ministers other than the Prime Minister, Government representatives

or state-owned legal persons, *Journal of Laws of 2017* item 10.

Internet sources

“Good Practices for Companies Listed on the Stock Exchange 2016”. Retrieved from https://www.gpw.pl/pub/GPW/files/PDF/GPW_1015_17_DOBRE_PRAKTYKI_v2.pdf.

OECD Guidelines on Corporate Governance of State-Owned Enterprises (2015). Retrieved from <http://www.oecd.org/corporate/guidelines-corporate-governance-soes.htm>.

Ownership transformations of state-owned enterprises 2015. Retrieved from <https://bip.msp.gov.pl/bip/raporty-analzy/przekształcenia-wlasnos/10245,stan-na-dzien-31-grudnia-2015-roku.html>, accessed on 27.9.2018.

The Prime Minister, Regulatory Impact Assessment (2016, May 10), RM-10-44-16. Retrieved from [http://orka.sejm.gov.pl/Druki8ka.nsf/0/B01DAD1EA8F6EA04C1257FB5002FA61C /%24File /514.pdf](http://orka.sejm.gov.pl/Druki8ka.nsf/0/B01DAD1EA8F6EA04C1257FB5002FA61C/%24File/514.pdf), accessed on 27.9.2018.

Marek Ćwiklicki, Kamila Pilch

Understanding Public Value Through Its Methods

Abstract

Objectives: The article has two main purposes. On the one hand, it shows how public value is defined and through what management tools it is created. On the other hand, it presents how representatives of various scientific disciplines describe the desired features of instruments creating public value and, based on this, how they evaluate the existing tools.

Research Design & Methods: We apply multiple factor analysis (MFA) on data collected from scholars from different scientific disciplines. The dimensions of various groups of methods described by the respondents made it possible to reveal the similarities and differences in their perceptions.

Findings: The study demonstrates that a scientific disciplinary background can influence perceptions of the benefits of management methods to deliver public value. Knowledge of background can make public managers aware of prejudices towards particular tools as well as it helps identify the most adequate one for each dimension of public value.

Contribution / Value Added: Our paper contributes to the body of knowledge of public value by showing how different perspectives can be integrated and helpful for describing diversified sets of tools. We outline how the respondents perceive the delivery of public value through management methods and, from this perspective, how they evaluate various tools.

Article classification: research article

Keywords: public value, management methods, instruments, multiple factor analysis, public value creation

JEL classification: H11, H83, C38

Professor Marek Ćwiklicki, Cracow University of Economics, ul. Rakowicka 27, 31-510 Kraków, Poland; e-mail: marek.cwiklicki@uek.krakow.pl; ORCID: 0000-0002-5298-0210. **Kamila Pilch, M.A.**, Cracow University of Economics, ul. Rakowicka 27, 31-510 Kraków, Poland; e-mail: kamila.pilch@uek.krakow.pl; ORCID: 0000-0002-6491-8385.

Introduction

The practical implementation of guidelines derived from the public value theory is associated with activities performed in a certain way and using certain means. Public managers seeking to create public value have to select the right tools for the right jobs, which raises the question of choosing the correct instrument. Scholars who have analysed the meaning of the term “public value” have concluded that it is somewhat ambiguous and vague, and that it is applied in various contexts and described in very general terms (Meynhardt, 2009; Rhodes & Wanna, 2007; Rutgers, 2015; Van der Wal, Nabatchi, & de Graaf, 2015). It is thought that the idea makes it possible to connect a number of points of view arising from fields such as public policy, management, economics, and political science (Smith, 2004, pp. 68–69). Yet, to understand it intuitively is insufficient for the needs of operationalisation, both with regard to research design and measures directed at creating public value. This paper contributes to the body of knowledge of public value by showing how different scientific disciplinary perspectives can be integrated and helpful for describing a diversified set of methods used to deliver public value. It is our view that the contexts of political science, public policy, public administration, management studies, and place marketing are natural and obvious perspectives from which to understand public value. The objective of this study is to describe an impact of the perception of the representatives of different scientific disciplines on the delivery of public value through management methods. In order to show this, we apply a mixed approach that includes multiple factor analysis performed on data collected from academics working in the above-mentioned disciplines.

The article begins by presenting analyses linked to the existing definitions of the term “public value” in the subject literature. It then explains the assumptions behind the typologies of methods related to the creation and management of public value that were adopted as the basis for

the conducted analyses. The article concludes by presenting the findings about the expected impact of particular public management method groups.

Literature review

Understanding public value – a review of the definitions

In order to identify the public value management method, it is required to describe main features of the pivotal term, i.e. public value. Looking through its key dimensions allows for searching for more specific spots, enabling the authors to link a management tool with a given component. The presented literature review aims at identifying the main interpretation of PV and examining what the researchers consider as the most relevant papers.

It was Mark Moore (1995) who first attempted to explain what ‘public value’ is. It is worth mentioning, though, that he paid more attention to its implications for managers of public organisations than to elucidating a precise definition of the concept. What he emphasised, therefore, was that the fundamental goal of the work undertaken by public managers is to create public value. By this he meant achieving outcomes valuable to society that meet citizens’ needs and expectations, such as keeping the streets clean, ensuring that people feel safe and secure, and providing education, while at the same time explaining and justifying the resources allocated this way (Moore, 1995, pp. 29, 52). In his explanation of public value, Moore referred to the experiences of the private sector, which led to the conclusion that it corresponded with private value in the private sector (Benington, 2015, p. 41). Thus, rather than providing a strict definition of public value, Moore left the concept open to interpretation from diverse points of view, making it possible to form its definition in terms of paradigms, models, theories, narratives, and tools, which is what Rhodes and Wanna point out (2007, p. 408). This confusion results from Moore’s lack of clarity when he talks about public value, seemingly identifying it with public goods, but also

with non-rivalrous and non-excludable services or public interest (Meynhardt, 2009, p. 195).

Table 1 contains a review of the definitions of public value that appear in the literature. The analysis of the meaning of the term ‘public value’ in publications from the years 1969–2012 revealed that few authors provide a definition of it (Van der Wal et al., 2015). Furthermore, the number of uses of the terms suggests the dissipated and fragmentary nature of public value research (Van der Wal et al., 2015, p. 24). Nevertheless, attempts are being made

to systematise and synthesise our understanding of public value. For this reason, the terminology proposed by Meynhardt (2009) and Rutgers (2015) should be noted. Their definitions derive from an analysis of the existing meanings and they are among very few authors who have conducted an analysis while specifying the meanings of the words “public” and “value” separately.

The work that Jørgensen and Bozeman (2007) carried out to clarify the scope of the concept of public value in academic literature led to

Table 1. Selected definitions of public value

Author/s	Definition
(Kelly et al., 2002, p. 4)	Public value refers to the value created by the government through services, regulation of laws, and other actions.
(Blaug et al., 2006)	Public value is what the public values.
(Meynhardt, 2009, pp. 204, 206)	Public value is about values characterising the relationship between an individual and ‘society,’ defining the quality of this relationship. Public value is what impacts values about the ‘public’.
(Coats & Passmore, 2007, p. 4)	Public value is the analogue of the desire to maximise shareholder value in the private sector.
(Bozeman, 2007, p. 13)	A society’s ‘public values’ are those providing normative consensus about (a) the rights, benefits, and prerogatives to which citizens should (and should not) be entitled; (b) the obligations of citizens to society, the state, and one another; and (c) the principles on which governments and policies should be based.
(Try & Radnor, 2007, p. 658)	[T]he contribution made by the public sector to the economic, social, and environmental well-being of a society or nation; can be generally defined as what sacrifices of money and freedom the public is willing to make.
(Mendel & Brudney, 2014, p. 29)	The holistic, full, positive, long-term consequence of doing good for a larger community.
(Rutgers, 2015, p. 40)	Public values are enduring beliefs in the organisation of – and activities in – a society that are regarded as crucial or desirable (positively or negatively) for the existence, functioning, and sustainability of that society. They can be instant or distant (the well-being of its members), direct or indirect, and present and/or future, e.g. in reference to an (implicit or explicit) encompassing normative ideal of the human society (the Good Society, the Common Wealth, the General Interest). All of these give meaning, direction, and legitimation to collective action, as they function as arguments in the formulation, legitimation, and evaluation of such collective actions, be it merely proposed or actually executed.
(Benington, 2015, p. 39)	Public value can be thought of in two main ways: First, what the public values; Second, what adds value to the public sphere.
(Papi, Bigoni, Bracci, & Deidda Gagliardo, 2018, p. 3)	[T]he public administration’s ability to achieve and maintain an equilibrium between the satisfaction of a community’s needs (e.g. a decrease in unemployment) and the public administration’s needs (i.e. balanced revenues and expenditures), as mediated by political priorities.

Source:

the emergence of a number of groups of values associated with:

- 1) the public sector's contribution to society, which is expressed in ideas of the common good and of the public interest, altruism, sustainability and the voice of the future, and regime dignity (of the public authorities);
- 2) the transformation of interests into decisions, which encompasses values associated with majority rule, democracy, and the protection of individual rights and the rights of minorities;
- 3) the relationship between public administrators and politicians: the former carry out tasks in accordance with political decisions and they are accountable and responsive as well as display political loyalty;
- 4) the relationships between the public administration and its environment, which are connected with openness, neutrality, and cooperation;
- 5) the intra-organisational aspects of political administration, which concerns robustness, innovation, and productivity;
- 6) the behaviour of public-sector employees, e.g. with regard to their accountability and professionalism;
- 7) the relationships between public administration and the citizen as expressed through legality, equity, dialogue, and user orientation.

This overview reveals the thematic content of public value. It can be divided into two groups. The first one comprises a set of public values related to the environment and to society, while the second one is linked with a public sector entity itself, its organisation, personnel, leadership, and contact with users.

In the analyses of the concept of public value, a direct reference is made to axiology and psychology (due to the needs theory) when considering its subjectivity (Meynhardt, 2009). A good example in this context is the definition adopted by British researchers who state that "public value is what the public values" (Blaug, Horner, Lekhi, & Kenyon, 2006). The meaning of public value adopted by Moore is also defined as

"a combination of efficiency, social effectiveness, politically-sanctioned outcomes, and fairness and honesty in the context of democratic governance" (Bryson, Crosby, & Bloomberg, 2015, p. 3). Yet, because public value is defined by deliberative democracy, its contents cannot be unequivocally determined (Alford & Hughes, 2008, p. 131). Though in most cases public value is produced by a public sector organisation, it is, in fact, consumed collectively by society, which decides whether a value is public or not (Alford & Hughes, 2008, p. 131).

The stakeholder theory addresses the question of the disparate expectations formulated by different groups of people from the perspective of organisation management. As Kelly, Muers and Mulgan note (2002), value arises as a response to the expectations of residents and citizens; the authors also take into account the fact that citizens offer something in return. The examples they give include disclosing personal data in exchange for more personalised information or services, or the time citizens might give up to serve as school governors. This is not, however, a view that is widely accepted in the subject literature.

Public value is created by the work of public organisations, which mainly means services, but also legal regulation (Kelly et al., 2002). For example, Kalamokidis (2014) discusses its creation through tax policy. We are, therefore, referring to operations management which, in the context of public organisations, concerns the management of public services. In a broader context, public value is also created by businesses and non-governmental entities, whose opportunities to be included in this process depend on public leaders (Benington, 2015).

Moore argued that the key role in the contribution made by public sector entities to providing public value is played by their leaders. The basic premise for the development of this idea was an attempt to combine two critical issues for public managers: the goals to be achieved and the tools, such as money or authority, that could be used to attain them. Closer analyses have shown that

it is middle-level managers who are responsible for creating public value (Diefenbach, 2011). Public managers are responsible for carrying out the policies that had been approved and adopted in their operational areas. Moore drew on case studies of employees working in public libraries, municipal cleaning, youth services, housing offices, environmental protection agencies, and for the police. However, the range of posts he took into account was relatively broad, which is emphasised in the literature (Rhodes & Wanna, 2007). One of Moore's criteria was that of influence on the actions of government (1995, p. 2), by which it is implicit that, although they possess no formal remit to carry out public tasks for a specific organisation, the leaders of interest groups, judges, and even leaders of private companies performing public tasks are also to be recognised as public managers. Philanthropic leaders should also be included in this group (Mendel & Brudney, 2014).

In the above-mentioned division of values, politicians are also mentioned. This division can be described as follows: politicians define what needs to be done and public managers concentrate on putting it into effect under changing conditions. In other words, the former decide what actions are appropriate and proper, and the latter put them into effect accordingly. It was with these categories in mind that Moore devised the strategic triangle as an aid to everyday operations and as a tool to guide their efforts. It should be added that public value as an idea that focuses attention and action could also be useful to local communities and public-service providers (Smith, 2004). The latter do not have to be a part of the state or local government. Instead, they can act on behalf of these institutions as NGOs contracted to provide particular services.

In order to summarise the existing state of knowledge on the interpretation of the term 'public value' in the academic discourse, let us return to the analysis of the very words that are its constituent parts, i.e. 'public' and 'value'. In line with the adopted axiological interpretation, value is expressed in the preferences of individuals and entities, which underlines its subjective nature.

If value is located outside the organisation, it is the customers or users who decide what it is. Yet, the public element involves the collective perception of value, which is then expressed as the sum of individual expectations or preferences, but is also a generalisation of them. As a consequence, that which is valuable arrives *post factum* once the product or service has been used or consumed. In this vein, Spano explains that only satisfying the needs of citizens creates value, and the more this is done, the greater is the amount of public value created (2009, p. 330). The question of user participation in value assessment is about taking them into account not so much as consumers but, rather, as active participants in the creation process. This issue is the focus of a distinct field of enquiry in the subject literature (Bryson, Sancino, Benington, & Sørensen, 2016; Farr, 2016; Osborne, Radnor, & Strokosch, 2016).

In Moore's formulation, value is a conceptual category developed primarily for managers and, therefore, explicitly designed for reasons of pragmatism rather than research. It was of greater importance to him to specify the matters to which public managers should attend. For this reason, he devised the strategic triangle, which comprises organisational capacities, the implementation environment, and the authorising environment. The concept of public value makes it possible for public managers to describe and better understand the environment they operate in, to build a narrative of management initiatives, and to forge the rhetorical tools to justify them. Furthermore, it serves as a base for assessing the effectiveness of initiatives that is used in models for measuring public value.

The versatility of public value, which can be employed in the pursuit of disparate objectives, lends it considerable potential when applied to the requirements of the theory and practice of managing public organisations. The link between public value and other types of value is important in this regard. In the above-mentioned argument, the adjective 'public' is tantamount to society as a whole, but also, and more precisely, to the users of public services. The picture is incomplete,

however, if this identification is with the public sector alone. The guiding principle that makes it possible to attribute the feature of ‘publicness’ to value is that it is shaped by a group of people. Taking their perspective into account by introducing different management methods makes it possible to distinguish between contemporary systems for delivering public goods and services. These are characterised by the inter-organisational and interactive provision of public services, which is marked by a process-based and systemic approach (Osborne, Radnor, & Nasi, 2013). From the management standpoint, this means a focus on strategy, the marketing of services, coproduction, and operations management (Osborne, Radnor, & Nasi, 2013). It should be recalled that public values are also understood in the subject literature as good governance criteria, which differs from the concept discussed here (Alford, Douglas, Geuijen, & ‘t Hart, 2017; Bozeman, 2007; Nabatchi, 2018).

The interpretive approaches discussed in this section of the article demonstrate the complexity of the idea of public value management. The conducted analyses achieved their aim of identifying the main elements of the management of public value from the public manager’s point of view as its creator. They follow from the strategic triangle, whose components formulate the respective management fields: public services, the environment (internal and external), and results. Each of these domains can be investigated independently, i.e. in isolation from the other two and as a distinct management focus. However, it is taking account of these domains together that makes the management of public value possible. This also means that the effects of the methods applied in each domain are felt in the other domains, too. Other public value frameworks in terms of measurement are discussed elsewhere by one of the co-authors of this article (Ćwiklicki, 2016).

Assumptions behind the typology of public value management methods

The set of methods that could be suitable for inclusion in a description of a given field of public value management is not only broad, but also, and more importantly, open-ended. This makes it difficult to unambiguously assign a given method to a group, because the individual tools can be applied to other areas. Aside from problematising the formulation of a typology of the main dimensions of the strategic triangle of public value, it leads to separate, partial analyses corresponding to the given domains. The diversity of interpretations of public value – such as the plurality of actors involved in public value creation – leads to specific management areas, e.g. stakeholder management and external communications. Yet, an approach of this kind confronts researchers or public managers with the difficulty of assigning a method to a field, which may affect the adequacy of its application, i.e. the best fit between the tool and the nature of the problem being solved. In order to avoid this awkwardness, this article references not specific methods, but groups of methods, which are named after fields of study. This way, it is possible to distinguish ten groups of public value management methods described in Table 2. The conceptualisation of these groups results directly from the strategic triangle dealing with three main topics: service management and operational capacity, operating environment (service delivery), and supporting environment (legitimacy for action). The assignment of groups of methods refers to the strategic triangle and the definitional dimensions described in the previous section. Based on the strategic triangle’s parts, one can consider these three main groups as: (1) public-services-focused management methods; (2) environment-focused management methods; and (3) results-

based management methods (see Table 3). The proposed typology is a general approximation of classification based on the affinity of tools and a common purpose. However, overlapping can be observed as well as the boundaries are not clear-cut.

The above-mentioned methods are included in our analysis. We investigate how the respondents perceive delivering public value through the prism of the methods and whether there are differences in both the definition of a method's features and the assessment among representatives of different academic disciplines.

Public value management can be conceived of in three dimensions according to Moore's strategic triangle: public value, legitimation and support, and operational capabilities. Public value refers to the implementation environment and can be connected with ideas of public service management, while legitimation and support are linked to the legitimising environment and as such refer to environment-focused management. Meanwhile, operational capabilities is a category associated with the ideas of results-based management. This classification makes it possible to distinguish

Table 2. Description of public management methods

Group of methods for/of:	Description	Examples
examining user expectations of public services	Mainly linked to studies about service quality, as quality expresses the coherence of the services provided with customers' (citizens') expectations.	SERVQUAL, SERVPERF, Mystery Client
co-production of public value	An approach where a citizen is strengthened in service creation, design, production or initiation.	self-service, customer engagement, crowdsourcing
external communication	Refers to information exchange via different communication channels, with external entities being able to influence the realisation of public organisations' mission.	public relations, media relations, sponsoring, social communication by electronic means (e.g. online meetings), traditional media (e.g. printed newsletter), direct (e.g. press conference), and indirect (e.g. press office)
operations management	Focuses on resources and process management, performance management, decision-making for increasing effectiveness.	business process management, change management, benchmarking, capacity management, lean government
political management	Refers to political marketing and election marketing, periodically performed.	campaign management, entrepreneurial advocacy, negotiations, public deliberation, public relations, lobbying
organisational politics	Focuses on achieving the maximisation of own benefits by employing power and influence.	negotiation techniques, internal communication tools, influencing
managing relationships with stakeholders	Refer directly to the stakeholder relations management.	stakeholder analysis, power-interest matrix
planning for results	Refers to strategic management focusing on analysing the organisation and its environment.	stakeholder analysis, project cycle management, Critical Path Method, foresight, SWOT
monitoring for results	Similar to performance measurement, based on qualitative and quantitative measures.	public value scorecard, balanced scorecard, performance benchmarking, Citizen's Charter
evaluating for results	Evaluates policies with reference to the initial goals and assumption; evidence-based policy.	a variety of research methods used in social sciences, SWOT, mind mapping, desk research, Cost-Benefit Analysis

Source: Authors' own work.

Table 3. Characteristics of the major groups of public service management methods

	Groups of public service management methods	Field of public value	Dimension of Moore's strategic triangle	Field of impact
M1	Research methods for user expectations	Public service management	Public value	Implementation environment
M2	Methods of coproduction of public value			
M3	Methods of external communication			
M4	Methods of operations management			
M5	Methods of political management	Environment-focused management	Legitimation and support	Authorising environment
M6	Methods of organisational politics			
M7	Methods of managing relationships with stakeholders			
M8	Methods of planning for results	Results-based management	Operational capabilities	Organisation
M9	Methods of monitoring for results			
M10	Methods of evaluating for results			

Source: Ćwiklicki, 2019, p. 108.

between three groups of methods – each related to a particular component of the strategic triangle – and to assign public value management methods to various groups (Table 3).

Methodology¹

Preparation of the study and collection of primary data

The entire study was based on an interpretive-constructionist paradigm and involved integrated qualitative research and quantitative data analysis. The data was elicited in a purposive sample of academics of a variety of scientific disciplines and sub-disciplines, who thus shared the same professional background. Because public value can be considered from a variety of disciplinary perspectives, especially from that of public management and its associated fields, representatives of the following disciplines were

included in the study: (1) economics; (2) public policy; (3) political science; (4) administrative law; (5) management; and (6) place (territorial) marketing. One representative from each of these disciplines was invited to participate in the study. Our aim was to present how they describe features that management methods should possess in order to create public value, and how they perceive their effectiveness. Holding a habilitation degree and having experience in conducting academic research were both adopted as additional selection criteria. The choice of academics for the respondents was dictated by several reasons. First of all, solutions developed at universities are very often the basis for the operation of companies. On the other hand, the activities of enterprises are subject to academic critical analysis. Designed research makes it possible to present how professional background influences the perceptions and, in consequence, the choice of a given public value management method.

The criteria for the typology of public value management methods were established on the basis of answers to the following question: “From the point of view of your discipline, what features

¹ The data comes from a previous work of one of the co-authors (cf. Chapter 5 in Ćwiklicki, 2019). The current paper synthesises the results and develops the discussion of the findings.

should management methods (tools, instruments) possess so that they are conducive to the creation and delivery of public value?” It was explained in a note that this concept should be understood as the value created for society through the work of public organisations (services, legal regulations). Reference was thus made to the definitions discussed above. The responses were given by way of free association and were recorded in the course of the interview. They were then shown to – and discussed with – the respondent, which made it possible to determine the features that methods applied in public service management should have. This allowed for an exploration of the perception of – and ways to define – the characteristics of management methods that deliver public value.

It was the task of the respondents in the second stage of the study to assess the above-mentioned groups of methods (Table 3) on a seven-point scale in terms of the features they had spoken of in their responses to the said question. In other words, the respondents were deciding on the extent to which a given group of public value management methods satisfies – or is characterised by – a particular feature. This made it possible to tabulate the individual evaluations of the representatives of the said six disciplines for each group of methods. Six sets of data in a tabular form with different numbers of columns according to the number of features mentioned by the respondent in their response to the question – and ten rows corresponding to the various groups of methods – were obtained from the individual interviews. As a consequence, differences and similarities between the respondents’ assessments could be captured. The data was collected between 25 November, 2018, and 7 December, 2018, in the form of direct individual interviews with each member of the purposive sample of representatives of the six disciplines. The average duration of the interviews was forty-five minutes. The calculations were made, and the graphs drawn, with the aid of the XLSTAT software.

The method of analysis

Multiple factor analysis (MFA), which was devised in the 1980s, was selected to investigate the data. The analysis consisted of three parts:

- 1) distinguishing the main factors by means of which it is possible to describe particular groups of methods; the factors were recognised on the basis of free associations provided by the respondents;
- 2) examining how particular methods are located by the respondents in the previously created space of factors;
- 3) examining the similarities and differences between the opinions of individual respondents.

The MFA makes it possible to perform a factor analysis on several datasets (variables) combined in a global matrix, and to identify the hidden variables in datasets that have the greatest number of colligations. The different measurement levels produce tables of variables, which are integrated by means of examining their interdependencies. This involves analysing the structure both within and between tables. As part of the procedure, the data is normalised so that it can be compared. This, in turn, involves dividing all of the elements of the table by what is known as the first singular value, which is the equivalent of the standard deviation for the matrix (Abdi & Valentin, 2007). The first singular value is the square root of the first singular value (eigenvalue) of the principal component analysis matrix. These values are then combined in a single, common matrix, on which a principal component analysis is performed again. The data for each of the cases is then projected onto the global space. This way, it is possible to compare the similarities and differences between them. The reason for using this particular method is positive verification in studies of the perception of certain phenomena, in which assessments are made by a number of respondents. The essence of the method is to integrate the interviewees’ differing opinions so that they can be shown on

a single plane. Furthermore, in multiple factor analysis calculations are performed on data obtained from different sources on the theme of different groups of methods, for which the respondents formulate their own criteria (Abdi, Williams, & Valentin, 2013). The use of this method allowed the authors to identify factors based on the characteristics provided by individual respondents.

As a result, the analysis, which was carried out around three groups of methods (see Table 3), identified the major factors, differentiating between the individual methods for each of the three groups and explaining the variance of the variables. The MFA was performed for each of the groups of the distinguished methods. This, in turn, made it possible to identify the dimensions created by the given characteristics, to locate the methods on the plane of these dimensions in accordance with the respondents' evaluations, and to investigate the differences in the interviewees' perceptions of the various methods.

Results

The characteristics of the principal components

The analysis distinguished the principal components based on the characteristics and attributes provided by the respondents, which could help describe the groups of methods. All the characteristics formulated by the respondents were discussed with them during the survey. This allowed for a better understanding of the statements

and enabled us to name their expressed points of view as factors. The principal components analysis for *public service management methods* established three explanatory factors. Out of these, two can be described as major explanatory factors. They explain 73% of the entire variation, with F1 accounting for 39% and F2 accounting for the remaining 34%. The analysis of *environment management methods* identified two explanatory factors for the investigated methods. The first one (F1) explained 63% of the variation and the second one (F2) explained the remaining 37%. The results of the analysis distinguished two factors for the *results-based management methods group*. The first one (F1) explained 74% of the variation and the second one (F2) explained the remaining 26%. The results are presented in detail in Table 4.

When attempting to define a set of features with high loading (above 0.863) for the various groups of methods, the first major factor for *public service management* would be 'providing justified benefits to society' or, more succinctly, 'delivering significant social benefits'. This set comprises the following features: productivity, fact-based use case, offering measurable benefits, taking symbolic action, naming, values, attractive to society, dependent on the environment, simplicity of use. After the selection of loadings above 0.844, the right term for the second major factor is 'comprehensive efficiency', which is to be understood not only in the narrow sense of economic effectiveness, but also as denoting holistic solutions. The set for the second factor comprises characteristics such as: the option to select contractors, systems thinking,

Table 4. Eigenvalues for the public-service-management-methods groups

	Public Services			Environment		Results-based	
	F1	F2	F3	F1	F2	F1	F2
<i>Eigenvalue</i>	4.027	3.577	2.797	5.216	3.043	5.484	1.950
Variation (%)	38.716	34.396	26.889	63.154	36.846	73.771	26.229
Cumulative (%)	38.716	73.111	100.000	63.154	100.000	73.771	100.000

Source: Authors' own work.

efficiency, and effectiveness. These terms will be used in the remaining sections of the analysis.

In the case of the group of methods associated with *environment-focused management*, the first factor can be defined as ‘an efficient tool enabling rapid action’. Values above 0.974 have the following features: economic efficiency, sustainability of value delivery, strong tool multiplier, and speed of the delivery of effects. Two sets of features with very high (above 0.9) or slightly lower (above 0.8) loading can be used to describe the second factor. The first group comprises the following features: value carrier, creating a framework for value delivery, identification of needs and wants, environmentally-dependent, and short time of value delivery to user. The second group comprises productivity, adequacy with regard to needs, and low number of veto players. Both supplement the context of ‘rapid creation and delivery of value appropriate to the social needs identified’.

Referring to the *results-based management methods group*, an analysis of the loadings makes it possible to describe the first factor as ‘effectiveness in delivering value appropriate for society’. We selected features with loadings above 0.990: creating a framework for value delivery, economic efficiency, formal justification of use, efficiency, effectiveness, sustainability of value delivery, user engagement, and understanding social needs.

Meanwhile, the second factor can be described as the ‘overall relevance of value delivery’. We were guided by the highest loadings (above 0.860) when selecting features, which were: the relevance of intervention, the selectivity of measures, and a holistic understanding of the problem.

The analysis enabled us to distinguish the main factors in relation to particular groups of methods by which the respondents described the desired characteristics for public value management tools.

Evaluation of the groups of methods from the perspective of the principal components

The next step in the analysis was to map the various methods identified within the framework of each of the three major groups onto their corresponding principal component spaces. The results are presented in Figure 1.

The first dimension in the public value management methods group differentiated most clearly the methods focused on the environment of the organisation – i.e. researching user expectations (M1), coproduction of public value (M2), and external communication (M3) – from the operations management methods group (M4). The second dimension, however, differentiated all the methods to an equal degree. Figure 1. demonstrates that methods of external communication (M3) attracted high assessments on both axes and that

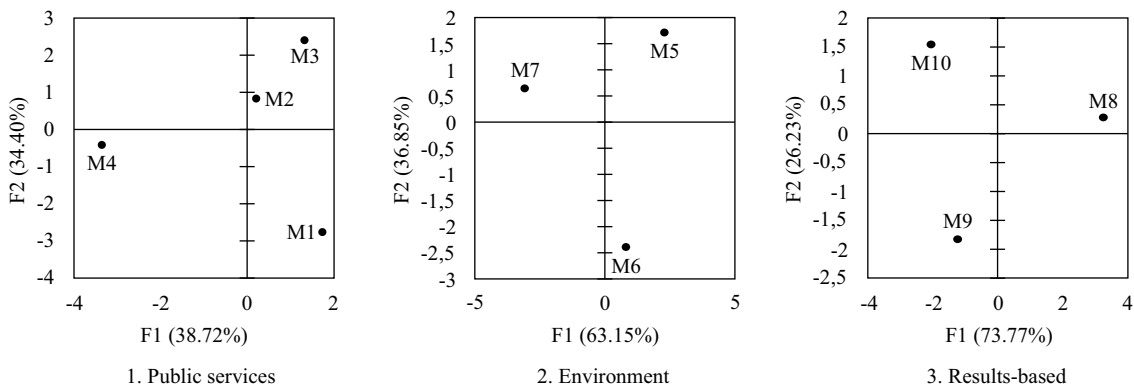


Figure 1. Groups of public value management methods in the global principal component analysis space

Source: Authors’ own work.

the evaluations of this method and the coproduction of public value (M2) were similar. It was researching user expectations (M1) that stood out the most from other methods in this group. This difference is explained by the second factor, i.e. the holistic efficiency of the method, which in the case of researching user expectations is without doubt lower when compared to the remaining methods. However, the positioning of methods with regard to the ‘delivering significant social benefits’ factor adequately reflects the nature of operations management, where the emphasis placed on this aspect is weaker than in other methods.

The analysis conducted for the group of methods associated with environment-focused management indicated that both factors, i.e. the efficiency of the method applied and the delivery of value in accordance with expectations, fully reflect and describe – in the opinions of the respondents – the specificity of political management (M5). The first factor, however, corresponded with the methods of organisational politics, while the second one corresponded with the methods of managing relationships with stakeholders. It can be concluded that the respondents evaluate the methods of political management and the methods of organisational politics as more effective, while they see the methods of political management and the management of relationships with stakeholders as enabling the swift creation as well as the delivery of value relevant to the diagnosed social needs.

In the results-based management methods group, the factor associated with the effective delivery of value for society differentiated methods of planning for results from methods of implementation and evaluation. However, the second of the factors explaining the variation in the presented dataset, namely the relevance of overall value delivery, highlighted the differences in perception between methods of planning and evaluation for results on the one hand and methods of monitoring for results on the other.

As has been presented above, such an approach allowed us to examine the perception of individual

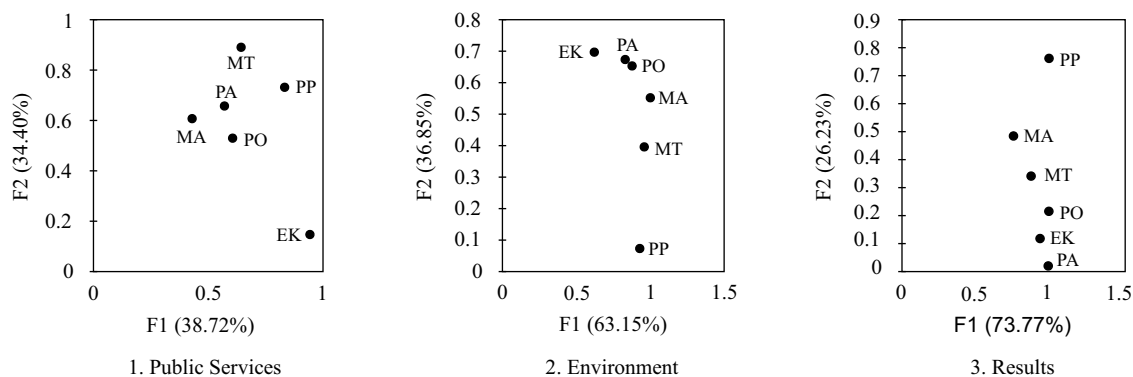
methods in the space of dimensions that were identified in the first part of the analysis. We emphasised that one of our objectives was to investigate how the represented academic discipline affected the perception of creating public value. In the next section, we present how the opinions of individual respondents were similar to each other and how they differed with regard to the subject under scrutiny.

Comparison of the respondents’ evaluations

Based on Figure 2, it is possible to specify the degree of convergence of the respondents’ evaluations in relation to the various groups. Especially with the second factor taken into account, namely holistic efficiency, economists diverged the most in their statements on the management of public services. The evaluations made by the exponents of management, political science, and administrative law were relatively similar.

Based on the results of the analyses concerning environment-focused management, it can be stated that this group of methods best reflects the evaluations of the exponents of management, political science, and administrative law. While the presence of management and political science raises no major doubts with regard to the environment-focused methods, the evaluation of the representative of administrative law is interesting. This can be explained by the fact that, out of the features he indicated, the strongest association was with the second factor – i.e. adequacy with regard to requirements – which fully corresponds with the feature indicated by the representative of place marketing, i.e. the identification of needs and wants.

With respect to the results-based management methods group, we can conclude that the evaluations of all the respondents were relatively similar due to the ‘efficient tool’ factor. This similarity can be explained by a comparatively similar understanding of the effectiveness of the application of the tool. In this group of assessed methods, it is, nevertheless, necessary to point out that



Legend: representatives from: economics (EK), administrative law (PA), place marketing (MT), public policy (PP), political science (PO), and management (MA).

Figure 2. Projection onto the global space of the data tables of various respondents for groups of methods of public value management

Source: Authors' own work.

the evaluations of the public policy representative were noticeably different.

It is also worth noting that the obtained results and differences in perception may result from a conflict of interest. This can be the case in connection with various goals of activity as well as values which are most important from the point of view of the disciplines represented by the respondents.

Concluding remarks

With respect to both the respondents' evaluations and the groups of methods, the use of MFA made it possible to collectively capture the obtained results. The analysis shows that in the respondents' perception, the public service management group of methods delivers significant social benefits and holistic effectiveness, and that this group is best described primarily by the features formulated by the representative of public policy. The second group, i.e. that of environment-focused management methods, is characterised by the effective application of tools enabling rapid action as well as the swift creation and delivery of value relevant to the identified social needs. The features that

fit this group most fully are those formulated by the representative of management sciences. The final group of methods – results-based management – is characterised by the effectiveness in delivering value appropriate for society and the relevance of overall value delivery. As in the case of the first group, the strongest concordance here was shown in the evaluation made by the representative of public policy discipline. The representative of management sciences occupied second place in this respect.

What the analysis made possible to assess was the extent to which the various groups of methods display the characteristics – or meet the expectations – articulated in the assessments that had formed the base for the dimensions describing the various groups. In the public-service-management-methods group, then, the methods of external communication were evaluated as characterising the delivery of social benefit and effectiveness to the greatest extent. In the environment-focused management methods group, the methods of political management were assessed as most associated with, first, the effective application of tools to facilitate a productive action and, second, the delivery of value appropriate to

the identified needs. In the results-based group, in turn, planning for results was evaluated as the method most likely to deliver a comparatively relevant value appropriate to society.

As noted in the introduction, the term ‘public value’, and thus the management of public value, can be defined in a number of ways. The dimensions the respondents used to describe the various groups of methods made it possible to recognise the similarities and differences in the perceptions. Therefore, it became apparent that taking into account the perspectives of different disciplines results in a different perception of the methods used to manage public value. We should emphasise that using MFA allowed us to present an integrative view of public-value tools. However, as this paper shows, only a researcher’s/scholar’s point of view and empirical perspective can be valuable.

The limitations of the study and recommendations for future research

This article focuses on one of the interpretations of PV referring to the active role of public manager without including the civic engagement stream. The reason for this results from thematic public value management methods, which are associated with public managers. Also, we discuss in a rather limited manner the mandate of public managers in terms of their possibilities to create public value in different administrative arrangements. Moreover, it should be noted that this is an exploratory analysis and, as a consequence, the obtained results cannot be treated as representative in the statistical sense for the problem under investigation. It should furthermore be stressed that although all of the respondents were chosen as part of a purposive sample, they all work for the same university. Therefore, it would be cognitively and methodologically stimulating to conduct research among respondents from different universities and research institutes in order to demonstrate differences in understanding the meaning of public-value tools. Moreover, the inclusion of scholars from abroad would make it possible to capture

the differences in the perception and definition of the investigated term in a variety of national contexts. Additionally, a new line of enquiry would be to investigate actual public managers, i.e. persons who are more practice-oriented. It would enable researchers to, first, confront academics’ point of view with the individuals’ professional experience and, second, acquire data about the actually used and preferable public-value-management tools. Additionally, as was noted, a conflict of interest may arise due to the different values and ways of acting that are considered as the most important in the public value creation process by representatives of different disciplines. It would be cognitively interesting to design research that would focus on this issue, too.

References

- Abdi, H., & Valentin, D. (2007). Multiple Factor Analysis (MFA). In N. Salkind (Ed.), *Encyclopedia of Measurement and Statistics* (pp. 657–663). Sage.
- Abdi, H., Williams, L. J., & Valentin, D. (2013). Multiple factor analysis: Principal component analysis for multitable and multiblock data sets: Multiple factor analysis. *Wiley Interdisciplinary Reviews: Computational Statistics*, 5(2), 149–179. <https://doi.org/10.1002/wics.1246>
- Alford, J., Douglas, S., Geuijen, K., & ‘t Hart, P. (2017). Ventures in public value management: Introduction to the symposium. *Public Management Review*, 19(5), 589–604. <https://doi.org/10.1080/14719037.2016.1192160>
- Alford, J., & Hughes, O. (2008). Public Value Pragmatism as the Next Phase of Public Management. *The American Review of Public Administration*, 38(2), 130–148. <https://doi.org/10.1177/0275074008314203>
- Benington, J. (2015). Public Value as a Contested Democratic Practice. In J. M. Bryson, B. C. Crosby, & L. Bloomberg (Eds.), *Creating Public Value in Practice: Advancing the Common Good in a Multi-Sector, Shared-Power, No-One-Wholly-in-Charge World* (pp. 29–48). CRC Press.
- Blaug, R., Horner, L., Lekhi, R., & Kenyon, A. (2006). *Public value and local communities*. The Work Foundation.
- Bozeman, B. (2007). *Public Values and Public Interest Counterbalancing Economic Individualism*.

- Georgetown University Press. Retrieved from <http://public.eblib.com/choice/publicfullrecord.aspx?p=547786>
- Bryson, J. M., Crosby, B. C., & Bloomberg, L. (2015). Introduction. In J. M. Bryson, B. C. Crosby, & L. Bloomberg (Eds.), *Creating Public Value in Practice: Advancing the Common Good in a Multi-Sector, Shared-Power, No-One-Wholly-in-Charge World* (pp. 1–28). Boca Raton: CRC Press.
- Bryson, J. M., Sancino, A., Benington, J., & Sørensen, E. (2016). Towards a multi-actor theory of public value co-creation. *Public Management Review*, 1–15. <https://doi.org/10.1080/14719037.2016.1192164>
- Coats, D., & Passmore, E. (2007). *Public Value: The Next Steps in Public Service Reform*. The Work Foundation.
- Ćwiklicki, M. (2016). Comparison of public value measurement frameworks. *Zarządzanie Publiczne*, 1(35), 20–31. <https://doi.org/10.15678/ZP.2016.35.1.02>.
- Ćwiklicki, M. (2019). *Metody zarządzania wartością publiczną*. Scholar.
- Diefenbach, F. E. (2011). *Entrepreneurship in the public sector: When middle managers create public value* (1st ed). Gabler.
- Farr, M. (2016). Co-Production and Value Co-Creation in Outcome-Based Contracting in Public Services. *Public Management Review*, 18(5), 654–672. <https://doi.org/10.1080/14719037.2015.1111661>
- Kalambokidis, L. (2014). Creating Public Value with Tax and Spending Policies: The View from Public Economics. *Public Administration Review*, 74(4), 519–526. <https://doi.org/10.1111/puar.12162>
- Kelly, G., Muers, S., & Mulgan, G. (2002). *Creating Public Value: An Analytical Framework for Public Service Reform*. The Cabinet Office Strategy Unit, United Kingdom.
- Mendel, S. C., & Brudney, J. L. (2014). Doing Good, Public Good, and Public Value: Why the Differences Matter. *Nonprofit Management and Leadership*, 25(1), 23–40. <https://doi.org/10.1002/nml.21109>
- Meynhardt, T. (2009). Public Value Inside: What is Public Value Creation? *International Journal of Public Administration*, 32(3–4), 192–219. <https://doi.org/10.1080/01900690902732632>
- Moore, M. H. (1995). *Creating public value: Strategic management in government*. Harvard University Press.
- Nabatchi, T. (2018). Public Values Frames in Administration and Governance. *Perspectives on Public Management and Governance*, 1(1), 59–72. <https://doi.org/10.1093/ppmgov/gvx009>
- Osborne, S. P., Radnor, Z., & Nasi, G. (2013). A New Theory for Public Service Management? Toward a (Public) Service-Dominant Approach. *The American Review of Public Administration*, 43(2), 135–158. <https://doi.org/10.1177/0275074012466935>
- Osborne, S. P., Radnor, Z., & Strokosch, K. (2016). Co-Production and the Co-Creation of Value in Public Services: A suitable case for treatment? *Public Management Review*, 18(5), 639–653. <https://doi.org/10.1080/14719037.2015.1111927>
- Papi, L., Bigoni, M., Bracci, E., & Deidda Gagliardo, E. (2018). Measuring public value: A conceptual and applied contribution to the debate. *Public Money & Management*, 1–8. <https://doi.org/10.1080/09540962.2018.1439154>
- Rhodes, R. A. W., & Wanna, J. (2007). The Limits to Public Value, or Rescuing Responsible Government from the Platonic Guardians. *Australian Journal of Public Administration*, 66(4), 406–421. <https://doi.org/10.1111/j.1467-8500.2007.00553.x>
- Rutgers, M. R. (2015). As Good as It Gets? On the Meaning of Public Value in the Study of Policy and Management. *The American Review of Public Administration*, 45(1), 29–45. <https://doi.org/10.1177/0275074014525833>
- Smith, R. (2004). Focusing on public value: Something new and something old. *Australian Journal of Public Administration*, 63(4), 68–79. <https://doi.org/10.1111/j.1467-8500.2004.00403.x>
- Spano, A. (2009). Public Value Creation and Management Control Systems. *International Journal of Public Administration*, 32(3–4), 328–348. <https://doi.org/10.1080/01900690902732848>
- Try, D., & Radnor, Z. (2007). Developing an understanding of results-based management through public value theory. *International Journal of Public Sector Management*, 7(20), 655–673.
- Van der Wal, Z., Nabatchi, T., & de Graaf, G. (2015). From Galaxies to Universe: A Cross-Disciplinary Review and Analysis of Public Values Publications From 1969 to 2012. *The American Review of Public Administration*, 45(1), 13–28. <https://doi.org/10.1177/0275074013488822>

Brian Phillips, Magdalena Frańczuk

Access to Weapons: A Comparative Analysis Between Poland and the United States

Abstract

Objectives: In this article, we attempt to answer the following question: is there a need to liberalise policies and laws to allow the Polish citizens to have a greater access to weapons? We compare the Polish and the American regulations in this area. In our attempts to understand possible ramifications for Poland's greater access to weapons, we review the American experience with firearms with emphasis on ownership history, the current debates, a comparative analysis of other dangers, and policy implications. In the conclusion, we employ the culture theory of risk to highlight the debates. The article draws attention to aspects meaningful in the context of shaping the policy of access to weapons and the direction of possible changes in legal regulations in this area.

Research Design & Methods: The methods used in this article revolve round literature reviews of the debates, statistical data, a survey analysis, and an analysis of legal regulations.

Findings: Restrictions on the access to weapons in Poland may not be desirable. They can limit civic rights and prevent a potential net gain of financial revenue. On the other hand, too liberal access to weapons can be potentially dangerous for the safety and well-being of the citizens.

Implications / Recommendations: We believe that more research in this area needs to be conducted with a greater focus on the culture theory of risk as well as other paradigms which employ the latest statistics for a broader social-research agenda. We observe a lack of research and literature in this area.

Contribution / Value Added: Given the current social and economic climate in Poland and in the United States, we find this research study to be both timely and important. Specifically, on December 14, 2019, new arms regulations entered into force in Poland. On the other hand, President Joe Biden has recently positioned himself on taking a more rigorous approach to firearm violence.

Article classification: research article

Keywords: guns, permit, violence, regulations, civil rights

JEL classification: K14, K19

Brian Phillips Ph.D., Professor of Sociology, Department of Sociology; Grand Valley State University, 2155 Au Sable Hall, 1 Campus Drive, Allendale, MI USA 49401; phone: 616-331-3727; e-mail: phillipb@gvsu.edu; ORCID: 0000-0002-2087-7905. **Magdalena Frańczuk**, Professor at the Cracow University of Economics, College of Economy and Administration, Department of Regulatory Policies; ul. Rakowicka 27, 31-510 Kraków; phone: 12 293-74-73; e-mail: franczum@uek.krakow.pl; ORCID: 0000-0002-6899-6292.

Introduction

In this article, we address the question: is there a need to liberalise laws to allow Polish citizens to have greater access to weapons? In answering this question, we first identify the legal regulations that make it possible for Poles to access weapons; then we move to the opinions that Polish people have on the right to keep and bear arms. It must be mentioned that the number of issued gun permits in Poland is low when compared to other European countries. The number of crimes involving the use of weapons is also very low. We argue that if there is a connection between more guns and more crime, access to weapons should not be liberalised. If, however, the connection between guns and crime is more ambiguous, i.e. more guns equals less crime (or there are no crime increases due to firearm availability), then we argue that greater access to weapons could be facilitated with little fear that the number of crimes associated with weapons will increase. Typical arguments for stringent gun control revolve around the potential for an increased risk of crime (e.g. homicides) and, to a lesser extent, accidental shootings and the principle of state monopoly on violence. What is commonly mentioned among the arguments against restricting access to weapons is the right to self-defence, the potential decline in crime, and, to a lesser extent, the potential constitutional obligations to the defence of nation.

In our attempts to understand possible ramifications for Poland's greater access to weapons, we review the American experience with firearms with emphasis on ownership history, the current debates, a comparative analysis of other dangers, and policy implications. As Wiśniewski indicates, for the proponents of the libertarian approach to access to weapons, the model should be the United States of America and the legal regulations that exist at least in some states of this country. In the widespread belief, the U.S. is regarded as a country of many civil rights and freedoms, one that boasts of skilful and practical protection of these rights. In the history of this country,

the right to own a weapon manifested itself in many aspects and is recognised, at least by some, as one of the foundations on which the nation was established (Wiśniewski, 2016, p. 312). Wiśniewski says that – as is the case in the United States of America – also locally we can distinguish two different views on this issue. The supporters of the first one believe that in Poland access to firearms should be easier and regulations more liberal. The adversaries say that any possession of such lethal weapons must be strictly regulated and controlled by appropriate state services (Wiśniewski, 2016, p. 313).

Also, in terms of the debates on the American gun control, we surmise that we cannot be sure if more guns equals more crime, or if more guns equals less crime. As a result, in conclusion we bring the debate of gun control to the culture theory or risk. The casting of the gun debate should include not only the quantification and qualification of empirical studies, as has been done in this paper, but also a social historical context. This is not an innovative way of viewing the issue of 'more guns or less guns', but there is a need for the continuation of the argument for the future development and for countries considering the acquiring of firearm ownership.

We find this article both timely and important. Over the past few years, pro-defence organisations in Poland have been lobbying the government to allow citizens to have greater access to weapons (Flis & Gielewska, 2019). This policy can be seen in the activities of the Polish Ministry of National Defence. In 2019, the Polish Ministry of National Defence announced the "Shooting range in the district" competition. The purpose of the competition is: a) to expand the infrastructure of shooting ranges in Poland, including the construction of shooting ranges that are outside the resources of the Armed Forces of the Republic of Poland; b) to enable a shooting training for students of schools that conduct didactic and educational activity in the field of state defence (the so-called military classes); c) to activate non-governmental organisations interested in shooting;

d) to enable a shooting training of soldiers, using the infrastructure of shooting ranges outside the military resources; and e) to select and co-finance the best offers of local government units for the construction of shooting ranges that would enable a shooting training among children and youth, members of non-governmental organisations conducting activities for the defence of the state, and soldiers of the Armed Forces of the Republic of Poland (see: Polish Ministry of National Defence). However, due to budgetary reasons, some local governments withdrew from the programme.

The current legal regulations concerning gun ownership in Poland – overview

The first Polish legal act restricting access to firearms was a decree of the Chief of State of January 25, 1919, which punished those illegally possessing firearms, ammunition, or military material with a year in prison and a fine. The current statutory regulations also limit the citizens' access to weapons. According to the Arms and Ammunition Act of 1999, a permit for a weapon can be obtained when the applicant does not pose a threat to themselves, public order, or security, and will present a good reason for having a gun.

The cultural conditions and historical events, different from that of America, have clearly left their mark on the Polish law. This resulted in a completely different approach of the legislator to the issue under scrutiny. In Poland, the most important legal act concerning weapons is the Act on Weapons and Ammunition of 21 May, 1999, which has been amended many times, most recently in 2019 (consolidated text: Journal of Laws from 2019, positions 284, 1214) and in 2020 (consolidated text: Journal of Laws from 2020, position 955). The Act on Weapons and Ammunition enumerates types and characteristics of devices as well as tools that can be included in the 'weapon' category. Within the meaning of the Act, each portable barrel weapon which is intended for throwing – or can be adapted for throwing – one or more bullets or substances as a result of the material

propellant is a firearm (Art. 7). In Poland, as in many other countries, access to such weapons is subject to significant restrictions resulting from the Law on Weapons and Ammunition, and requires obtaining a state licence for weapons. Pursuant to the legal regulations, firearms and ammunition can be kept on the basis of a gun permit issued by the Provincial Police Chief, and in the case of professional soldiers – the proper Commandant of a Military Gendarmerie unit. Permission for weapons may be given to an adult, who: is mentally healthy, is not addicted to drugs, has no criminal record, and only when it is not suspected that they might use a weapon unlawfully. Therefore, arms permits will not be given to persons convicted for intentional crimes (including fiscal offences) and unintentional crimes against life and health, or a crime against communication security, committed e.g. in a state of intoxication or under the influence of drugs. Permits will not be given also to people with mental disorders, with a significantly reduced psychophysical fitness, showing significant psychological disorders, or addicted to alcohol or psychoactive substances. This results in the obligation to undergo appropriate medical and psychological tests. It is necessary to pass an exam consisting of a theoretical part (including knowledge of regulations) and a practical one (including the service of the weapon). As stated in the law on arms and ammunition, a permit for weapons is issued in particular for the purposes of personal protection, protection of persons and property, hunting, sports, historical reconstructions, collector's goals, commemorative aims, and training. The application should make it clear that the weapon will be used only for a specific purpose. For example, in the case of applying for a gun for personal protection, a permanent, real, and above-average threat to life, health, or property must be demonstrated.

The Gun and Ammunition Act sets out a number of obligations in a strict and understandable manner; these rest on the legal holder and buyer of the weapon. When acquiring a weapon, the buyer is obliged to register it with a competent

police authority within five days from the date of the acquisition. On the other hand, the holder of a weapon must notify the police or Military Gendarmerie in case of a loss of the weapon, and must do so immediately, but no later than within twenty-four hours after acknowledging the loss. Moreover, the holder of a gun permit is obliged to notify in writing about any change of permanent residence and must do so within fourteen days after the change. Then, any export of weapons and ammunition abroad by Polish citizens requires a proper consent of a police body. Furthermore, weapons and ammunition should be stored and carried in a way that prevents access to them by unauthorised persons. Next, a weapon capable of affecting targets at a distance may be used for training purposes and sports only at shooting ranges. Then, the holder of a gun permit is obliged to abide by the prohibition of lending the weapon to an unauthorised person. More than this, a person with a weapon permit issued for the purpose of personal protection (or protection of the safety of other persons or property) is required (once in five years) to provide an appropriate valid medical and psychological reports issued by authorised doctors and psychologists to the police authority.

Currently, psychological examination seems to be of utmost importance in granting a gun permit. Some of the most spectacular crimes involving firearms are committed by people with mental disorders. Such crimes happen not only in the USA, but in Europe as well, e.g. the Breivik case in Norway. As reported in the media, following his arrest, Breivik was examined by court-appointed forensic psychiatrists. They diagnosed him with paranoid schizophrenia and they ruled that at the time of the attacks he was criminally insane and psychotic. Another example is the man who was accused of killing twenty-two people in Walmart in El Paso, Texas, in August 2019; he was diagnosed with some type of mental disorder and it was believed that part of his life had been influenced by hate speech. As the BBC announced, that shooting came just a few hours

before a mass shooting in Dayton, Ohio. These events sparked a wide debate across the US on gun laws, with the Republicans pointing out that checks on the identity of buyers should be tightened up. Former President Donald Trump and President Joe Biden committed to seriously considering the introduction of new gun control measures in order to strengthen buyers' background checks. The media highlighted that the El Paso suspect had legally purchased an assault rifle and brought it unhindered to Walmart due to the state's open carry-firearms regulations.

In the light of the above atrocities, one can only speculate what might happen if we liberalise gun laws in Poland. It is possible that Poland may not witness such atrocities, since other nations have access to weapons with no such horrendous acts occurring. However, there is also a possibility that liberal regulations would instil threat in people who have no weapons.

Polish citizens and their opinion on the right to keep and bear arms – the statistics

The Polish National Police Headquarters have released the latest statistics on the number of people who have the power to use weapons. For several years, these numbers have been published on the Police website. As can be seen, there are more and more people willing to own a gun.

Until 31 December, 2019, the number of people with the right to own a gun amounted to over 224,651 people (cf. with 2018 – 215,000 people). More than half of them have guns for hunting purposes, i.e. up to 129,347 (in 2018 – 127,768). Other categories include personal protection – 33,528 (2018 – 36,499), sports – 35,045 (2018 – 30,792), collector's items – 24,031 (2018 – 18,064), commemorative goals – 1,727 (2018 – 1,668), training – 723 (2018 – 575), others – 173 (2018 – 163), historical reconstructions – 68 (2018 – 64), and protection of persons or property – 9 (2018 – same amount). In 2019, the police issued 6,181 (in 2018 – 6,522) permits for a collector's goal, 4,822 for

a sporting purpose (2018 – 5,172), 3,901 for hunting purposes (2018 – 4,966), 151 for a training purpose (2018 – 162), 144 for personal protection (2018 – 121), 14 for a commemoration purpose (2018 – 16), 4 for historical reconstruction, and 5 for other purposes (2018 – 3 and 10 respectively). In 2019 in Poland, 224,651 people received a permit (the number of people in 2018 was 215,602), while 551,410 weapons were registered in the country (see: Police Statistics – Pozwolenia [Permits]) (the previous year it was 505,429 – this is 41,661 more than in 2017, when the number of weapons registered by gun licence holders was 463,768. By contrast, the mere number of gun permits in 2018 increased by 9,481 since 2017) (see: *Ile osób...?*¹). As can be seen, there is a difference.²

Arguments for the right to keep and bear arms

Most of the supporters of gun ownership raise arguments for the defence of individuals and/or for the defence of their nation. People who are against gun ownership say that possession of weapons makes potential accidents, crime, and violence easier. Accidental shootings in Poland are very rare³ and according to the Polish Police's statistics, in 2019 there were 659 crimes with the use of firearms, in 2018 – 768, in 2017 – 874, and in 2016 – 996 (see: *Offences Using Weapons*, Police Statistics). Therefore the trend of crimes with firearms is downward. Poland has more guns and

more gun permits issued between 2017 and 2019, but generally crime went down. Such a trend allows us to say that there is probably no need to fear that in the current state of legal regulation crime with the use of weapons will be more common.

Pawlaczyk says that almost all information in the media about incidents with the use of weapons opens discussions about the citizens' right to possess a firearm. The supporters of a liberalisation of regulations claim that free access to firearms should be a constitutional right of every Polish citizen. Possession of weapons, they believe, will increase their sense of security and enable an effective defence against an attacker. The opponents of free access to firearms argue that a weapon itself is a threat to human life and health, and its possession by individuals significantly increases the potential risk of its use for criminal purposes. Therefore, access to it should be limited (Pawlaczyk, 2016, p. 168).

According to the author, it is worth emphasising that the discussion on civil rights to a free disposal of firearms is limited to the sphere of individual security and concerns primarily the protection of the individual's life, health, and property against possible attacks. It does not consider access to firearms in the context of national security. In fact, each citizen has a constitutional obligation to defend their homeland (Pawlaczyk, 2016, p. 168). Citizens' constitutional obligation to defend their homeland results from Art. 85 of the Polish Constitution. Some authors, including Pawlaczyk, link this obligation with the right to own a gun. In this context, easy access to weapons also facilitates the 'defence of the nation' argument. A widespread military mobilisation is more possible now that firearms are kept at home (and there is the ability to use them); it is also more prevalent, which supports Poles' constitutional right to defend their nation. This is one of the arguments for making access to firearms easier.

The CBOS (Public Opinion Research Centre) indicates similarly, i.e. in the discussion on access to firearms, a lot of attention is devoted to the issue of the citizens' sense of security. Poles' sense

¹ Some official statistics which show the number of people who have been granted a gun permit until the end of December 2018 can also be seen in: *Offences Using Weapons*, Police Statistics.

² At the time of writing this paper, newer data (i.e. from 2020) was not available yet.

³ There is very little information on the TV, the radio, or the Internet about accidental shootings in Poland; one can hardly hear of such cases. Police statistics also show a low amount of gun-related crimes among all crimes. Accidental shootings usually occur on a hunt in the forest or as a result of a police pursuit, during which an innocent person got hurt by mistake.

of security has been at a high level for a long time. When the CBOS last researched this issue in 2017 (see: CBOS, Research report No. 137/2017, pp. 2–5), it was found that 89% of the respondents said that Poland was a safe place to live, and 95% rated their immediate vicinity as a safe place. Currently, only 4% of the respondents admit that they have personal contact with firearms; they possess them or use them at work, at a shooting range, or while hunting. Among the rest of the interviewees, only over a quarter (29%) personally know someone who owns a weapon.

Most of the respondents indicated that it was currently quite difficult to obtain a permit for a weapon in Poland: more than half (53%) of the respondents take this view, with one-fifth (20%) saying that it is definitely difficult. Only 16% consider it easy. A significant number of the respondents (31%) have no opinion on this issue, while the vast majority (84%) of Poles believe that access to firearms should be strictly limited. Only every ninth respondent (11%) is in favour of a liberalisation of the regulations in the current situation. Men, as well as younger respondents (under 35 years of age) are clearly more for the facilitation of access to firearms than women are. This postulate is also more often supported by those who themselves have direct or indirect contact with firearms (21% of them support the access and 75% support strict limitation). Interestingly, the sense of threat of crime does not affect the opinion on this matter.

According to the CBOS's opinion poll from 2017, most of the respondents (90%) believe that a widespread use of firearms would increase the number of accidents. Slightly fewer respondents (83%) believe that the number of killings would increase. A much smaller percentage of the respondents predict positive effects of the possible spread of firearms, i.e. 30% believe that it would increase a sense of security of the citizens and 21% believe that it would reduce crime.

The legality and history of gun ownership in the United States – overview

The legal right to keep and bear arms has been a debatable topic in the US for many years. The issue is reflected in the Second Amendment of the American Constitution, which reads as follows: “A well-regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed” (Hauenstein Center, 2014, p. 32). Many debates revolved around the meaning of “a well-regulated Militia.” Some believed this to mean that only military personnel (including law enforcement) have the right to keep and bear arms, while others interpreted it as all people's right to keep and bear arms (Carbide, 2017). The historical precedent aside, two Supreme court cases moved this discussion to a conclusion. In the District of Columbia vs. Heller 2008 case, the court held that the Second Amendment protects the rights of individuals to possess a firearm regardless of service in a militia, and to use that firearm for lawful purposes, such as self-defence at home (Supreme Court, 2008). In the Supreme court case McDonald ET AL. vs. the City of Chicago, Illinois, ET AL. 2010, the court reversed the law(s) of Chicago that ban handguns for private citizens, thus upholding Heller 2008 and, in effect, giving the right to keep and bear arms to private citizens in all states (Supreme Court, 2010).⁴

The regulation of firearms is still conditioned by the federal and state law. The National Firearms Act⁵ bans certain guns from ownership, such as short

⁴ Also found in Heller is the statement that “the requirement that any lawful firearm in the home be disassembled or bound by a trigger lock makes it impossible for citizens to use arms for the core lawful purpose of self-defense and is hence unconstitutional” (Supreme Court, 2008, p. 3).

⁵ There are many other Federal Acts which regulate matters connected with firearms, including – but not limited to – the type of firearm, the condition of ownership, the sale, the transportation, the licensing, the importation, and the storage.

barrelled shotguns and rifles as well as machine guns and silencers. Also, this act regulates the commercial sales of firearms. The Brady Handgun Violence Prevention Act bans certain individuals from possessing guns (e.g. a convicted felon, those convicted of domestic violence, those adjudicated as mentally ill, etc.). At the federal level, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) enforce the ownership and sale of firearms under these federal laws (FindLaw, 2019).

Also, each of the fifty states of the United States regulates firearms on their own, and these laws can have considerable variance with regard to restrictions.⁶ Some states allow citizens the right to carry a weapon without a permit, while other states can have very restrictive ‘right to carry’ laws (either openly carried where visible, or concealed). Generally, states can be divided into four categories:

- those which allow guns to be carried without a permit;
- those which allow guns to be carried ‘openly’ (i.e. where the firearm is visible) only with a permit;
- those which allow guns to be carried ‘openly’ (i.e. where the firearm is visible), but where local governments can be more restrictive;
- those which ban carrying a gun ‘openly’ or make it legal in strict circumstances, e.g. while hunting (FindLaw, 2019).

Several explanations have been put forth to explain Americans’ interest in firearms. Some believe that our basic right to freedom, namely our citizenship, was founded on firearms, specifying that the Revolutionary War was fought and won by guns, although those guns were considered hunting rifles at that time, and were also used in sport (Yamane, 2017, p. 2). For the early settlers in North America, in turn, the introduction of the gunsmith as a profession was welcomed for the survival of colonists in the wilderness (Bellesiles, 2000).

⁶ Generally speaking, state law cannot be *less* restrictive than federal law, but state law can be *more* restrictive. In any case, state law cannot violate the Constitution.

Recognising this, the founding fathers drafting the Constitution may have believed that guns were an important part of not only the defence of the nation, but also the survival and defence of American settlers. In fact, during the late 15th and early 16th centuries, the early years of America being colonised, European firearms were a part of the colonists’ means of survival (History, 2018). By 1689, the English Bill of Rights hardened the right to bear arms for self-defence and/or revolution. It later reinforced the idea that gun ownership was tied to being an American (McCain, 2007)⁷.

The gun debate in the United States

Many Americans feel very strongly, if not even emotional, about guns in society. On the one hand, there are those who believe that the American citizens should not be allowed to carry or even own guns, since guns have no socially redeeming quality⁸. They often cite the number of available guns, accidents associated with guns, and the number of mass shootings or the level of gun violence (Mark, 2018). On the other hand, there are those who believe that everyone should own a gun for protection⁹ or, if nothing more, for sport. They cite the same reasons – the number of mass shootings and the amount of gun violence (Riley, 2015).

Obviously, most Americans fall somewhere in between these extreme views. In a recent poll conducted by the NBC News and *Wall Street Journal*, just over five out of ten Americans indicated that gun ownership increased safety. In fact, the multitude of the respondents support gun control organisations (Murray, 2018). In a 2013 poll,

⁷ During the early years of the colonisation of America, gun ownership by the British was seen as necessary due to the threat of invasion by the Dutch. Afterwards, guns were used to remove Native Americans from their land and, subsequently, to enforce slavery.

⁸ This would include guns used for hunting purposes only.

⁹ Protection against criminal individuals, the criminally insane or those adjudicated as unstable, criminal gangs, and/or a tyrannical government.

50% of Americans said the nation needed to “control gun ownership”, while 46% said the nation needed to “protect the right of Americans to own guns” (Walker, 2015, p. 256). In terms of mass shootings, 47% say that the nation would have fewer mass shootings if it were harder to obtain guns legally, while 46% argue that it would make no difference (Gramlich, 2018).

Opposing guns

As of 2018, it has been estimated that the United States has over 393 million firearms¹⁰ in civilian possession (Karp, 2018). This figure outnumbers the number of Americans living in the United States. Also, nearly 42% of Americans live in a household with a gun and approximately one-third of Americans report owning one or more guns (Igielnik & Brown, 2017).

Frequently cited in the gun debate is the fact that gun violence is greater in the United States than in any other industrialised democracy¹¹ (Collins et al., 2017). In terms of the number of mass shootings in the United States, between 2015 and 2019 (February), there were approximately thirty-nine mass shootings with 327 fatalities. In the estimated twenty-two out of the thirty-nine mass shootings, the weapon(s) used was/were either a handgun or a handgun and rifle combination, and not necessarily an “assault type” weapon (Follman, Aronsen, & Pan, 2019). In 2016, the number of homicides with firearms was 14,415¹² (CDC, 2018). In a review of the literature, Hepburn and Hemenway (2004) find that households with firearms are at a higher risk of homicide and that there is no net beneficial effect of firearm ownership.

The opponents of firearms argue that increases in firearm ownership lead to more homicides

and that guns in the United States are involved in roughly 70% of all homicides (Duggan, 2001). Evidence suggests that the most common way to purchase a weapon used for a crime is to either steal the weapon or obtain it through an illegal transfer¹³ (Collins et al., 2017). Hemenway and Nolan (2017) collected the opinions of firearm researchers (public health researchers, sociologists/criminologists) to determine if there were any congruencies between the scientific evidence on firearms and firearm violence. They conclude that more guns, coupled with weaker gun regulation, cause socially significant problems, such as a deteriorating public health. In fact, stricter gun access laws can improve safety and public health, both of which would diminish any benefits of gun ownership. Stroebe (2016) finds that not only is there no effective protective effect, but also gun owners are more likely to be murdered (see also Siegel et al., 2014).

The right to carry (RTC) a weapon in public (either concealed or openly) is a highly contested topic (Giffords Law Center, 2019). Using panel data regression analysis, Donohue et al. (2018) find that RTC laws are associated with a 13–15% increase in violent crime rates over ten years and that “the average RTC state would need to roughly double its prison population to offset the increase in violent crime caused by RTC adoption” (Donohue, Aneia, & Weber, 2018, p. 1). A study conducted by Siegel et al. (2017) with the use of data from fifty states during a 25-year period from 1991 to 2015 reveals that RTC laws lead to substantially more homicides. Citing Siegel et al. (2017) and correcting any potential errors, Donohue (2017) supports the finding that RTC laws increase firearm homicides.

In contrast to the belief of some gun enthusiasts that RTC laws reduce crime, Duggan (2001) finds that those states which have seen an increase

¹⁰ With the majority being handguns as opposed to rifles and shotguns. This number might include the guns for sale.

¹¹ In fact, data from international studies shows that high-income countries with more firearms are at a higher risk of firearm homicides (Hepburn & Hemenway, 2004).

¹² In 2017, the estimated increase was to 14,542.

¹³ Purchasing the weapon ‘on the street’ or having someone legally buy a gun for the sole purpose of selling the weapon to someone who is not able to legally purchase the gun (a straw purchase).

in allowing their citizens to carry weapons do not have reduced crime rates. In fact, Donohue (2018) argues that some of the statistical studies that have shown a reduction in crime due to RTC laws have suffered from methodological imperfections (see also Ayres & Donohue, 2009). Donohue (2018) finds evidence that, in fact, RTC laws increase the crime rate. He adds that when one takes into consideration the estimated 100,000 guns per year that are stolen from individuals who possess concealed-carry permits, this increases the crime rates not only in these particular RTC states, but also in states that have more restrictive RTC laws (Donohue, 2018, p. 78).

Pro-guns advocates

Over the last ten years, the Firearms and Ammunition Industry's growth has been unprecedented. Companies that manufacture, distribute, and sell firearms and hunting equipment employ over 149,000 people and generate another 162,000 jobs within the supplier chain. The average pay and benefits are around \$50,400 per year. In 2018, the industry generated over \$52 billion in the economic activity in the United States and paid over \$6.8 billion in taxes (National Sporting Goods Foundation, 2019).

Spearheading gun advocacy in the United States is the National Rifle Association (NRA). Founded in 1871 "to promote and encourage rifle shooting on a scientific basis", the association has nearly 5 million members and offers firearms training to citizens and police officers as well as self-defence programmes and training courses¹⁴. It also lobbies for the right to keep and bear arms (NRA, 2019). In 2017, the NRA reported \$98 million in contributions and \$128 million in membership dues with \$312 million in total income. Their political advocacy branch, the Institute for Legislative Action, spent about \$27 million for political initiatives (Markay, 2018). Echoing what many

NRA members might believe, the Executive Vice President and CEO of the NRA Wayne LaPierre is claimed to have said that "[t]he only way to stop a bad guy with a gun is a good guy with a gun" (CBS DC, 2012).

In the light of the above statement, more than a half of gun owners report that they own a gun for self-protection and that guns make them and their households feel safer (Hauser & Kleck, 2013). In fact, some 58% of Americans are worried about their safety and fear being robbed on the street, assaulted by a stranger, or murdered (Singleton, 2019). Pro-gun enthusiasts have maintained that their right to keep and bear arms comes from their right of self-defence. In a review of the literature, Hsiao and Bernstein (2016) find that laws permitting people to carry concealed weapons reduce the murder rate. Furthermore, twenty peer-reviewed studies have confirmed that right-to-carry laws reduce murders and rapes. In fact, those states with restrictions on carrying a concealed weapon saw higher murder rates than other states (Hsiao & Bernstein, 2016, p. 296). In support of the above, Shi and Lee (2018) find that right-to-carry laws show medium-term decreases in the murder rate. In fact, pro-gun advocates have argued against the claim made by the supporters of gun control that gun control measures will lower the crime rate. As Wright, Rossi, Daly, & Weber (1983) show, research

[c]riticizes the arguments of "progressive" thinkers who recommend much stricter gun control measures as a deterrent to violent crime, showing that evidence does not support this deterrent effect. (p. 1)

As an example, in 1975, the District of Columbia (Washington, DC) banned handguns (with certain exceptions) until it was repealed in 2008 with the *Heller vs. District of Columbia* case (as noted above). During the time the ban was in force, the American Conference of Mayors claimed the law had reduced firearm and handgun crime. However, other research shows that other cities had had a greater reduction of gun-related crime without

¹⁴ The NRA is involved in a vast array of gun-promoting Second Amendment freedoms.

the benefit of gun control during the same time period. After a review of all the studies of the DC gun ban, the National Academy of Sciences found “no conclusive evidence” of the effectiveness of the gun ban. In fact, between 2008 and 2012, when the DC ban was lifted, homicides fell by half (Walker, 2015, p. 260).

More recent research adds that the connection between higher rates of gun ownership and higher crime rates is weak, and evidence shows that a higher percentage of gun ownership does not increase the crime rate (Kleck, 2015). In fact, gun bans are more likely to reduce gun ownership for non-criminals than for criminals, which might affect homicide rates now that non-criminals are not able to protect themselves (Kovandzic, Schaffer, & Kleck, 2013). Pro-gun advocates have noted that those in opposition to guns frequently cite international data in attempts to indicate how dangerous the society is due to the number of guns available. However, Kates and Mauser (2007) find that:

The burden of proof rests on the proponents of more guns equal more death and fewer guns equal less death.... But those correlations are not observed when a large number of nations are compared across the world. (p. 693)

Continuing with the ‘more guns equals less crime’ argument, the pioneering work of Lott and Mustard (1997) – where the authors use cross-sectional time series data for American counties from 1977 to 1992 – concludes that allowing citizens to carry weapons reduces violent crime and does not increase accidental death. Furthermore, states that would have allowed citizens to carry guns would have seen a reduction in murders, rapes, robberies, and aggravated assaults. If states had adopted concealed-carry gun laws, the estimated financial gain in 1992 could have been \$5.74 billion.

Since the publication of the 1997 work by Lott and Mustard, several debates have developed around the statistical strength of their work. Citing those in opposition to the findings, Moody and Marvell (2008) find that concealed-carry laws are,

in fact, beneficial and that their research attempts to “neutralize” the ‘more guns equals more crime’ debate (Moody & Marvell, 2008, p. 270). The debate on ‘more guns equals less crime’ or/and ‘more guns equals more crime’ arguments is still ongoing (see Moody, Lott, Marvell, & Zimmerman, 2012; Moody & Marvell, 2018).

A comparative analysis of other dangers and policy implications

In terms of the cited research, we cannot be sure if more guns really equals more crime or if more guns really equals less crime. Creditable research has been presented by both sides. Obviously, if guns are introduced in a society which does not have guns, it stands to reason that deaths and injuries will happen, and laws will be broken with guns. Accordingly, we could prevent many of the 32,000 deaths and 2 million injuries that are associated with car accidents each year (CDC, 2016) by requiring people to wear helmets (Miller, 2015) while in the vehicle¹⁵, or by outlawing cars and increasing public transportation. In fact, we know of no public discourse on the need to pass laws that would require people to wear helmets while in the vehicle.

Also, in 2016, over 38,000 people died of firearm-related injuries and over 35,000 people died of falls (falling down) in the United States (Xu et al., 2018, pp. 12, 14). Both ways are tragic. As presented in this article, we are aware of the vast and increasing amount of public discussions on the number of firearm deaths and injuries, and the need to strengthen firearms laws. Unfortunately, we are not aware of a single public discussion on falling down¹⁶. In the light of the reported

¹⁵ In fact, according to a 2006 study, some 280,000 people each year in the U.S. received a motor-vehicle-induced traumatic brain injury (Miller, 2015). Motor vehicle accidents are the second principal cause of traumatic brain injury (Mayo Clinic, 2019).

¹⁶ Falls are the primary cause of all traumatic brain injuries (Mayo Clinic, 2019) and the principal cause of all non-fatal emergency room visits for all ages

evidence, as stated above, should not many of us be engaged in the public discourse for the need to strengthen our laws against falling down? It is not our intent to sound facetious, but, rather, to show within the public realm how emotional positions, attached to varying degrees of evidence, can override other concerns for public health and safety.

In the light of the discussion, there is public support for gun policies for both gun owners and those who do not possess a weapon to strongly advocate measures to strengthen American gun laws. A survey conducted in January 2017 by the American Public Health Association found that there was support for universal background checks, greater accountability for legal gun dealers, higher safety training for concealed-carry holders, improved record-keeping for mental illness background checks, gun prohibition for persons convicted of domestic violence, and gun-violence restraining orders (Barry et al., 2018). We would add the need for a national gun registry for all sales and transfers of firearms, mandatory gun safes to lock up all firearms when homeowners are away, national education and safety training firearms courses, and the removal of states' rights on gun ownership.

One important factor associated with gun crime is the number of illegal guns in the US. The Federal Bureau of Investigation (FBI) reports that between 2012 and 2015, nearly half-a-billion-dollars worth of guns were stolen, amounting to an estimated 1.2 million guns (Parsons & Vargas, 2017). In fact, when state-prison inmates are asked where they had obtained their weapons, 40% indicated illegal means, over 37% indicated a sale through a family member, and only 7.3% made the purchase through a licenced gun retailer (Walker, 2015, p. 265). Khalil's study (2017) shows that an increase by 1% in illegal firearms contributes to a 0.15% increase in aggravated assaults as well as modest gains in homicides and firearm robberies. The author concludes that more efforts should be

directed at solving the illegal-firearms-market problem than at efforts to regulate new legal firearms purchases (Khalil, 2017, p. 357).

The Culture Theory of Risk

As mentioned before, the empirical analyses of the gun debate – 'more guns equals more crime' or 'more guns equals less crime' – offers little explanation as to the direction that gun control should take or, in this case, the adoption of gun regulations allowing the Polish citizens the right to own firearms or not. As a result, we move the discussion to Braman, Kahan, & Grimmelmann (2005); Kahn (2003); Kahn & Braman (2003), who use the culture theory of risk. Similarly to the culture theory of environmental risk, they argue that the gun debate is seen as a competition between those who believe that it is too great a risk and that people will be harmed by owning guns, and those who argue that too many people will be unable to defend themselves without guns. These positions are more of cultural character than about gun control risks, as they revolve around what a country ought to be; they present orientations towards egalitarianism and communitarianism vs. hierarchy and individualism (Kahan, 2003, pp. 6–8; Kahan & Braman, 2003). Hence, Braman, Kahan and Grimmelmann (2005) argue that people's positions on gun control derive, in fact, from their cultural world views. We emphasise their position in our paper.

Accordingly, as Esposito and Finley (2014) point out, in efforts to reduce gun violence, we may want to address the way many view firearms. The American culture seems to link hyper-individualism and masculinity with the idea of a romantic view of an 'old West', the go-it-alone approach, the rugged individualism mentality, which is coupled with the 'Smithian' dangers of the big government. Here, the world is seen as a dangerous place with dangerous people, and where everyone is stranded. Guns are needed to protect good people from bad people. As Esposito and Finley (2014) state, we need to move beyond the issue of gun

combined in 2017 (National Center for Injury Prevention and Control: Centers of Disease Control, 2019).

control and challenge the ideological forces that encourage the survival-of-the-fittest attitude, which might be adding to gun violence.

Different historical trajectories of Poland and the United States may have influenced different views on gun ownership. Between the late 1700s and the year 1918, no truly Polish state had existed; Poland was divided between Russia, Prussia, and Austria. Lacking a preeminent domination of a historically capitalistic economy, Poles were less focused on ‘hyper-individualism’ and the ‘old West and go-it-alone mentality’, so readily seen in the American history. As a result, cooperation between Poles was at a maximum, as they had to build the Polish state, whereas in America the mode was to get ahead at any cost in line with the ‘every man for themselves’ approach. The countries’ different historical trajectories may have influenced Poland to work more cooperatively for a united nation (with no emphasis on the need for guns¹⁷), while the USA is perceived by many as a dangerous place where one needs to defend themselves against other people. Lacking this ‘hyper-individualism’ and the ‘go-it-alone’ mentality, Poland could increase gun ownership without the associated costs of crime and violence such as the those seen in the United States (as claimed by the opponents of firearms).

For both Poland and the United States, at some point we must review what is in the best interest of the public good compared with an individual’s right to own or carry a weapon. In terms of personal safety, we agree that the weak should not fear the strong, nor should women be afraid of men, nor should the physically challenged be afraid of those who have no such conditions. People’s security and their sense of safety is undeniably important. But how does one measure the actual or real danger that one is in at a given time? And

¹⁷ The Polish government may have an interest in the Polish citizens being able to defend their nation against foreign invaders, hence an interest in the defence-of-the-nation argument cited earlier in this paper. Correspondingly, the defence-of-the-nation argument also holds true for the history of the United States.

also, how does one measure the level of importance of their ‘sense of security’ when they own or carry a weapon? At what point are the best interests of the collective good threatened by more people owning and carrying guns either in order to protect themselves from real (or imagined) dangers, or for their sheer enjoyment of guns?

Conclusion

Poland and the United States have completely different legislative solutions regarding access to weapons. It seems that the discussions of both systems are interesting, but this dissimilarity makes for difficult comparisons. That being the case, we find that on the one hand, too hard restriction of access to weapons in Poland is not desirable, because it limits civic rights. On the other hand, too liberal access to weapons can be potentially dangerous for the safety of citizens. One compromise solution could take into account both these aspects – civic rights and safety.

We are also aware of the idea that ‘trends’ or greater amounts of ‘evidence’ with regard to any of the sides of the debate can influence decision-making. Our research has uncovered the position that it is quite ‘trendy’ (at least within the field of academia) to oppose firearms. To what extent has that ‘trend’ aided decision-making towards an anti-gun stance?

If liberalising access to weapons is a desired goal, the issuing of weapon permits should continue to be subject to compliance by the applicant with a number of requirements, such as psychological testing, as noted in this paper. Also, it would be important to train Polish citizens in their shooting skills and raise awareness of the legal situations in which firearms can be used, and when the use of weapons is abusive or even constitutes a criminal offence.

In terms of personal safety, we find that the majority of Poles have a strong sense of personal security and they see Poland as a safe place to live. As many as 89% of Poles call their place of residence peaceful and safe, as the CBOS research from April

2013 showed. This record-high result of the sense of security, the best one since 1987, closely correlates with the decline in crime, both serious (against life and health) and socially burdensome, e.g. petty theft (see: Policja.pl). In 2019, the belief that the vicinity of the respondents' place of residence can be called safe and peaceful was almost universal, i.e. shared by 98% of Poles (see: CBOS, Research Communication, No. 72/2019). The Polish view of personal safety is quite different from the American experience, as over 50% of Americans are worried about their personal safety and fear being robbed, assaulted, or murdered. Since Poles have a strong sense of personal safety, it might be the case that an increase in weapons would not foster the use of weapons as a potential means of self-defence. And, as already mentioned, we have also uncovered an important association. In Poland, over the past few years, there was a rise in gun permits as well as an increase in registered guns, but a reduction in gun crimes. We make no inference as to the cause and effect ('more guns equals less crime'), but merely state that the rise in gun availability did not necessarily increase gun crimes.

In this paper, we have uncovered the fact that in 2018, the firearms industry in the United States created over 300,000 jobs up and down the supplier chain; the country saw an increase in economic activity, namely by \$52 billion, and by over \$6.8 billion in tax revenue. If Poland were to allow a greater access to weapons, what would the associated financial costs and benefits be? Although this is beyond the scope of this paper, the net gain in benefits of job growth and increased economic activity (along with tax gains) need to be weighed against the net financial loss due to health care injuries as well as police personnel needed for the increased access to weapons. We feel that a greater access to weapons might bring a net gain of financial revenue in Poland. We believe that more research in this area needs to be conducted.

In concert with the aforementioned polices to strengthen American gun laws, we feel that if

Poland had greater access to weapons, we could draw on the American experience to elaborate on what Poland might want to do, namely:

- mitigate an illegal gun market by requiring that all gun transfers have state permit to both sell and buy firearms, making sure that all gun transfers are conducted through state actors;
- strictly comply with the principles of the Act of May 21, 1999, about weapons and ammunition:
 - continue to restrict Right-to-Carry, where applicants must 'show a cause' to state officials;
 - continue to require mental health evaluations for all gun owners, as currently structured in Poland;
 - continue to restrict access to those convicted of drug crimes or violent crimes;
- conduct very restrictive exams on the principles and skills of using weapons.

References

- Ayres, I., & Donohue, J. (2009). Yet another refutation of the more guns, less crime hypothesis-with some help from Moody and Marvell. *Economic Journal Watch*, 6(1), 35–59.
- Barry, C., Webster, D., Stone, E., Crifasi, C., Vernick, J., et al. (2018). Public support for gun violence prevention policies among gun owners and non-gun owners in 2017. *American Journal of Public Health*, 108(7), 878–891. DOI:10.2105/AJPH.2018.304432.
- Bellesiles, M. (2000). Disarming Early American History. *Common-Place*, 1(1). www.commo-place.org.
- Braman, D., Kahan, D., & Grimmelmann, J. (2005). Modeling facts, culture and cognition in the gun debate. *Social Justice Research*, 18(3), 283–304. DOI: 10.1007/s11211-005-6829-0
- CBOS, Research Communication, No. 72/2019, May, *Opinions of Poles about safety in the country and the surrounding area*, p. 2, https://cbos.pl/SPISKOM.POL/2019/K_072_19.PDF
- CBOS, Research report No. 137/2017, *Poles about access to firearms*, October 2017.
- CBS DC. (2012). NRA: 'Only way to stop a bad guy with a gun is a good guy with a gun.' *CBS DC*, 21, December. Retrieved from: <https://washington>.

- cbslocal.com/2012/12/21/nra-only-way-to-stop-a-bad-guy-with-a-gun-is-with-a-good-guy-with-a-gun/.
- CDC. (2018) Centers of Disease Control and Prevention. *Assaults and Homicides*. Retrieved from: <https://www.cdc.gov/nchs/fastats/homicide.htm>
- CDC. (2016). Centers of Disease Control and Prevention: Motor vehicle crash deaths: How is the US doing. *Vital Signs*, July.
- Carbide, K. (2017). The second amendment and “The People”: Who has the right to bear arms? *John Marshal Law Review*, 51(1), 199–223.
- Collins, M., Parker, S., Scott, T., & Wellford, C. (2017). A comparative analysis of crime guns. *Journal of Social Sciences*, 3(5), 96–127. DOI:10.7758/RSF.2017.3.5.05
- Donohue, J., Aneja, A., & Weber, K. (2018). Right to carry laws and violent crime: A comprehensive assessment using panel data and state-level synthetic control analysis. *National Bureau of Economic Research*. Working Paper 23510. Retrieved: <http://www.nber.org/papers/w23510>
- Donohue, J. (2018). More gun carrying, more violent crime. *Economic Journal Watch*, 15(1), 67–82.
- Donohue, J. (2017). Laws facilitation gun carrying and homicide. *American Journal of Public Health*, 107(12), 1864–1865. DOI: 10.2105/AJPH.2017.304144
- Duggan, M. (2001). More guns, more crime. *Journal of Political Economy*, 109(5), 1086–1114. URL: <http://www.jstor.org/stable/10.1086/322833>
- Esposito, L., & Finley, L. (2014). Beyond gun control: Examining neoliberalism, pro-gun politics and gun violence. *Theory in Action*, 7(2), 74–104. DOI:10.3798/tia.1937-0237.14011.
- FindLaw, (2019). Gun Laws. <https://injury.findlaw.com/product-liability/gun-laws.html>.
- Flis, D., & Gielewska, A. (2019). Pro defense organizations want real guns. *Vsquar*, 21 January. <https://vsquare.org/pro-defense-organizations-want-real-guns/>
- Follman, M., Aronsen, G., & Pan, D. (2019). US Mass shootings, 1982–2019: Data from Mother Jones’ Investigation. Retrieved from: <https://www.motherjones.com/politics/2012/12/mass-shootings-mother-jones-full-data/>.
- Giffords Law Center (2019). Open carry. See: <https://lawcenter.giffords.org/gun-laws/policy-areas/guns-in-public/open-carry/>.
- Gramlich, J. (2018). Seven facts about guns in the U.S. Fact Tank, Pew Research Center, December 27. <https://www.pewresearch.org/fact-tank/2018/12/27/facts-about-guns-in-united-states/>
- Hauenstein Center (2014). *The Declaration of Independence and Constitution of the United States of America*. Hauenstein Center, Grand Valley State University. Grand Rapids, MI.
- Hauser, W., & Kleck, G. (2013). Guns and fear: A one-way street. *Crime and Delinquency*, 59(2), 271–291. DOI: 10.1177/0011128712462307
- Hemenway, D., & Nolan, P. (2017). The scientific agreement on firearms issues. *Injury Prevention*, 23, 221–225. DOI:10.1136/injuryprev-2016-04246.
- Hepburn, L., & Hemenway, D. (2004). Firearm availability and homicide: A review of the literature. *Aggression and Violent Behavior*, 9, 417–440.
- History (2018). Firearms. 28, February. (<https://www.history.com/topics/inventions/firearms>).
- Hsiao, T., & Bernstein, C. (2016). Against moderate gun control. *Libertarian Papers*, 8(2), 293–310.
- Igielnik, R., & Brown, A. (2017) Key takeaways on Americans’ views of guns and gun ownership. Retrieved from <http://www.pewresearch.org/fact-tank/2017/06/22/key-takeaways-on-americans-views-of-guns-and-gun-ownership/>.
- Ile osób...?* See: <https://tech.wp.pl/ile-osob-ma-pozwolenie-na-bron-w-polsce-policja-pokazuje-statystyki-6354390906288257a>.
- Kahan, D. (2003). The gun control debate: A culture-theory manifesto. *Washington and Lee Law Review*, 60(1), 3–12.
- Kahan, D., & Braman, D. (2003). More statistics, less persuasion: A cultural theory of gun-risk perceptions. *University of Pennsylvania Law Review*, 151(4), 1291–1327.
- Karp, A. (2018). Estimating Global Civilian-Held Firearms Numbers (Briefing Paper). Small Arms Survey. Geneva, Switzerland. <http://www.smallarmssurvey.org/weapons-and-markets/tools/global-firearms-holdings.html>.
- Kates, D., & Mauser, G. (2007). Would banning firearms reduce murder and suicide? *Harvard Journal of Law and Public Policy*, 30(2), 649–694.
- Khalil, U. (2017). Do more guns lead to more crime? Understanding the role of illegal firearms. *Journal of Economic Behavior & Organization*, 133, 342–361. <http://dx.doi.org/10.1016/j.jebo.2016.11.010>.
- Kleck, G. (2015). The impact of gun ownership rates on crime rates: A methodological review of the evidence. *Journal of Criminal Justice*, 43, 40–48.

- Kovandzic, T., Schaffer, M., & Kleck, G. (2013). Estimating the causal effect of gun prevalence on homicide rates: A local average treatment effect approach. *Journal of Quantitative Criminology*, 29(4), 477–541.
- Lott, J., & Mustard, D. (1997). Crime, deterrence, and the right-to-carry concealed handguns. *Journal of Legal Studies*, 26(1), 1–68.
- Mark, M. (2018). How Americans really feel about gun control. *Business Insider*, 15 Feb. 2018 (see: <https://www.businessinsider.com/americans-gun-control-beliefs-las-vegas-shooting-polls-surveys-2017-10>).
- Markay, L. (2018). The NRA just reported losing \$55 million in income. *Daily Beast*. 27 November. Retrieved from: <https://www.thedailybeast.com/the-nra-just-reported-losing-dollar55-million-in-income>.
- Mayo Clinic (2019). Traumatic brain injury: Symptoms and causes. See: <https://www.mayoclinic.org/diseases-conditions/traumatic-brain-injury/symptoms-causes/syc-20378557>
- McCain, R. (2007). “Shooting for the truth: History of guns in America detailed in new book.” *Washington Times*, 27 Mar, p. A02.
- Miller, J. (2015). Wear a helmet while driving a car. *Lesswrong*. 30 July. See: <https://www.lesswrong.com/posts/a3a3HcmPw7bbah8TD/wear-a-helmet-while-driving-a-car>.
- Moody, C., & Marvell, T. (2018). The impact of right-to-carry laws: A critique of the 2014 version of Aneja, Donohue and Zhang. *Economic Journal Watch*, 15(1), 51–66.
- Moody, C., Lott, J., Marvell, T., & Zimmerman, P. (2012). *Trust but verify: Lessons for the empirical evaluation of law and policy*. Available at <https://ssrn.com/abstract=2026957> or <http://dx.doi.org/10.2139/ssrn.2026957>
- Moody, C., & Marvell, T. (2008). The debate on shall-issue laws. *Economic Journal Watch*, 5(3), 269–293.
- Murray, M. (2018). Poll: 58 percent say gun ownership increases safety, but gun-control organizations remain popular. *NBC News*. 23, March. Retrieved from: https://www.nbcnews.com/news/amp/nc-na859231?_twitter_impression=true
- National Center for Injury Prevention and Control: Centers of Disease Control. (2019). 10 leading causes of nonfatal emergency department visits, United States, 2017. See: <https://webappa.cdc.gov/sasweb/ncipc/nfilead.html>
- National Sporting Goods Foundation (2019). Firearms and ammunition industry economic impact report 2019. *National Sporting Goods Foundation*. Retrieved from: <https://www.nssf.org/government-relations/impact/>.
- NRA (2019). What is the NRA? *National Rifle Association*. Retrieved from: <https://membership.nra.org/FAQ>.
- Offences Using Weapons*, Police Statistics, <http://statystyka.policja.pl/st/wybrane-statystyki/bron/bron-przestepstwa/50844>, *Przestepstwa-przyuzyciu-broni.html*
- Parsons, C., & Vargas, E. W. (2017). Stolen guns in America: A state by state analysis. *Center for American Progress*. July 25.
- Pawlaczyk, B. (2016). Theoretical and practical problems of access to firearms to the views of young poles. *Ante Portas – Security Studies*, 2(7), 167–185.
- Police Statistics – Pozwolenia [Permits]. <http://statystyka.policja.pl/st/wybrane-statystyki/bron/bron-pozwolenia/186394>, *Bron-pozwolenia.html*
- Police Statistics – Przestępstwa [Crimes]. <https://statystyka.policja.pl/st/wybrane-statystyki/bron/bron-przestepstwa/186393>, *Przestepstwa-przyuzyciu-broni.html*
- Policja.pl, Record sense of security of Poles in the place of residence, 13.06.2013, <https://www.policja.pl/pol/aktualnosci/87685>, *Rekordowe-poczucie-bezpieczenstwa-Polakow-w-miejscu-zamieszkania.html*
- Polish Ministry of National Defence, Competition for Offers „Shooting range in the district” No. 2/2019 / WWzS, <https://www.gov.pl/web/obrona-narodowa/konkurs-ofert-strzelnica-w-powiecie-nr-22019wwzs>, Offer competition „Shooting range in the district 2020” No. 3/2019 / WWzS, <https://www.gov.pl/web/obrona-narodowa/konkurs-ofert-strzelnica-w-powiecie-2020-nr-32019-wwzs>
- Riley, R. (2015). Every man, woman and child in the U.S. should carry a gun. *Detroit Free Press*, 17 Oct., 2015 (see: <https://www.freep.com/story/news/columnists/rochelle-riley/2015/10/17/everyone-in-america-should-carry-gun/74041934/>).
- Shi, W., & Lee, L. (2018). The effects of gun control on crimes: a spatial interactive fixed effects approach. *Empirical Economics*, 55, 233–263. Retrieved from <https://doi.org/10.1007/s00181-017-1415-2>
- Siegel, M., Ziming, X., Ross, C., Sandro, G., & Bindu, K. (2017). Easiness of legal access to concealed firearm permits and homicide rates in the United States. *American Journal of Public Health*, 107(12), 1923–1929. DOI:10.2105/AJPH.2017.304057.

- Siegel, M., Negussie, Y., Vanture, S., Pleskunas, J., Ross, C., & King, C. (2014). The relationship between gun ownership and stranger and non-stranger firearm homicide rates in the United States, 1981–2010. *American Journal of Public Health, 104*(10), 1912–1919. DOI:10.2105/AJPH.2014.302042.
- Singleton, S. (2019). National study from SafeWise reveals majority of Americans feel unsafe: Violent crime, property crime and digital security rank highest for concern among Americans across all regions of country. *Globe Newswire*, 4 March. See: <https://www.globenewswire.com/news-release/2019/03/04/1746218/0/en/National-Study-from-SafeWise-Reveals-Majority-of-Americans-Feel-Unsafe.html>.
- Stroebe, W. (2016). Firearm availability and violent death: The need for a culture change in attitudes toward guns. *Analyses of Social Issues and Public Policy, 16*(1), 7–35.
- Supreme Court (2008). Supreme Court of the United States (syllabus) District of Columbia ET AL. vs. Heller see (<https://www.supremecourt.gov/opinions/07pdf/07-290.pdf>).
- Supreme Court (2010). Supreme Court of the United States (syllabus) McDonald ET AL. vs. City of Chicago, Illinois, ET AL. see (<https://www.supremecourt.gov/opinions/09pdf/08-1521.pdf>).
- Walker, S. (2015). *Sense and Nonsense About Crime, Drugs, and Communities: A Policy Guide*. Wadsworth Publishing.
- Wiśniewski, B. (2016). *Access to weapons, law or privilege?*, Scientific Circle of Constitutional Law Faculty of Law, Administration and Economics University of Wrocław, http://repozytorium.uni.wroc.pl/Content/79137/13_B_Wisniewski_Dostep_do_broni.pdf
- Wright, J., Rossi, P., Daly, K., & Weber, E. (1983). *Under the Gun: Weapons, Crime and Violence in America*. Aldine Publishing.
- Xu, J., Murphy, S., Kochanek, K., Bastian, B., & Arias, E. (2018). Deaths: Final Data for 2016. *National Vital Statistics Report* (Centers of Disease Control and Prevention), July, *67*(5), 1–76.
- Yamane, D. (2017). The Sociology of U.S. gun culture. *Sociology Compass, 11*(7), 1–10. <https://doi.org/10.1111/soc4.12497>

Public Governance / Zarządzanie Publiczne

Aims and scope

Public Governance / Zarządzanie Publiczne is a quarterly published since 2007. It is intended for experts and researchers who specialise in public issues, including political decision-makers and students. It offers a forum for debates between academics and practitioners interested not only in the theoretical foundations of public governance but also in the opportunities for its practical application. The quarterly is international in scope, which is reflected in the nature of research issues (they involve matters of interest to academic circles worldwide), the contributing authors (a significant proportion of them comes from different countries), and the composition of its Programme Board as well as the make-up of the team of reviewers (it includes international research and academic centres).

The mission of *Public Governance / Zarządzanie Publiczne* is to publish advanced theoretical and empirical research in public management, governance, public policy analysis and evaluation, public sector economy as well as strategic management, which reflects new developments in the methodology of social sciences. The editors select papers with an original theoretical background and those that discuss the results of pioneering empirical research. We are also eager to promote the interdisciplinary and comparative approaches based on qualitative, quantitative, and experimental studies that provide new insights into the construction of theoretical models along with the methodological concepts in the field of public management.

In our journal, we adopt a unique approach to specific issues inherent in the sphere of public governance. The originality of our approach consists in the selection of both research areas and research methodologies.

A significant proportion of texts published by our journal is devoted to the analysis of the mechanisms of public governance at national and regional government levels (respectively), relevant to the administrative culture predominant in Central and Eastern European countries with a particular focus on the programming, implementation, and evaluation of public policies. The texts:

- a. focus on problems occurring in post-transition countries which build their own public governance institutions and mechanisms, including the sphere of good governance;
- b. represent attempts at a creative transposition and adaptation of international achievements in developing original solutions in the field of public governance in post-transformation countries.

The distinguishing features of the research methodologies preferred by our journal include:

- a. a strongly established interdisciplinary approach to the study of public governance, combining research and analyses in the areas of economics, political science, management, public policy, sociology, and psychology;
- b. the published texts are firmly rooted in social science theory.

Author Guidelines

Basic rules

Before submitting your article, please read and apply the following rules:

- EASE Guidelines for Authors of Scientific Articles to be Published in English (version of November 2018) explaining in detail how to compose a scientific article according to international standards:
 - in English (https://www.ease.org.uk/wp-content/uploads/2018/11/doi.10.20316.ESE_.2018.44.e1.pdf)
 - in Polish (https://www.ease.org.uk/wp-content/uploads/2018/11/doi.10.20316.ESE_.2018.44.e1.pl_.pdf)
- APA Style Manual (7th edition, 2020) explaining in detail how to use and cite references and how to apply linguistic rules while writing in English.
- Technical Guidelines for Authors explaining in detail how to prepare articles in accordance with our requirements – see our website (www.publicgovernance.pl).
- During the submission process you must provide us with your ORCID number; otherwise we will not proceed your submission.
- Provide us with the Subject classification – JEL classification in the OJS.

Ensuring Blind Review

To ensure the integrity of the blind peer review for submission to our journal, every effort should be made to prevent the identification of the authors and reviewers. This involves the authors, editors, and reviewers (who upload documents as part of their review) checking to see if the following steps have been taken with regard to the text and the file properties:

- The authors of the document have deleted their names from the text, with “Author” and year used in the references and footnotes, instead of the authors’ name, article title, etc.
- With Microsoft Office documents, author identification should also be removed from the properties for the file (see under File in Word), by clicking on the following, beginning with File on the main menu of the Microsoft application: File > Save As > Tools (or Options with a Mac) > Security > Remove personal information from file properties on save > Save.
- With PDFs, the authors’ names should also be removed from Document Properties found under File on Adobe Acrobat’s main menu.

Article length and format

All submitted manuscripts should not exceed the recommended size in accordance with established rules: 30 000 – 40 000 characters, including abstract, keywords, tables, figures, references, etc.

No article submission or article processing fees are charged. Nevertheless, the fee for each additional 1 800 characters (exceeding 40 000 characters) is 20€. The payment will be transferred to the Publisher’s bank account after the article’s approval for publication.

Only editable formats of text can be sent (doc or docx). We do not accept uneditable formats (e.g. pdf).

Language

1. Papers should be presented in clear, concise English. Articles written in poor English will be rejected immediately (and will not be accepted even for the review process).

2. We prefer British English (e.g. ‘behaviour’, not ‘behavior’), this is why we strongly ask authors to use British English.

OJS system

We use the OJS system for submissions. After having finished your article, when your files are ready, visit the online submission website.

You will need to log into the system:

- If you know your login details, use your user ID and password to log in.
- If you do not know your login details, check to see if you are already registered by clicking on the ‘Forgot your password?’ button and following the on-screen instructions.
- If you are not registered yet, you can register by clicking on the ‘Register’ link on the login screen and following the on-screen instructions.

Please remember that you should register as ‘Author’, although we advise you to register also as ‘Reviewer’. If you do not mark ‘Author’ status, you will not be able to submit your article.

Submission Preparation Checklist

As part of the submission process, authors are required to check their submission’s compliance with all of the following items, and submissions may be returned to authors that do not adhere to these guidelines.

- The submission has not been previously published, nor is it under consideration in another journal (or an explanation has been provided in Comments to the Editor).
- The submission file is in OpenOffice, Microsoft Word, or RTF document file format.
- Where available, DOI numbers or URLs for the references have been provided.
- The text is single-spaced; uses a 12-point font; employs italics rather than underlining (except for URL addresses); and all illustrations, figures, and tables are placed within the text at the appropriate points rather than at the end.
- The text adheres to the stylistic and bibliographic requirements outlined in the Technical Guidelines for Authors.
- ORCID number was provided on the first page of the article and was provided in the OJS system.
- Subject classification according to EconLit Subject Descriptors-JEL codes was provided in the OJS during the submission process.
- The instructions in Ensuring Blind Review have been followed.
- The article will be checked for antyplagiarism by CrossCheck.

The Editorial Board approves only original papers, previously unpublished in any other periodicals or books, and not being subject of evaluation in other journals. The articles must be prepared in accordance with our technical requirements and taking our academic ethics code into account. We will reject submissions not prepared according to our requirements.

Reviewing Policy and Procedures

The Editorial Board will make a preliminary decision to either accept the paper for further review or reject the paper (desk rejection) if the submitted article does not meet our editorial requirements or

is beyond our aim and scope. The author will be notified of the decision no later than 10 days from the date of submission. In certain situations, this decision will be made following consultation with a member of the Editorial Board specialising in a given area of research.

1. The reviews are prepared by at least 2 independent reviewers indicated by the Editorial Board. Reviewers are not associated with the author's parent institution (reviewers external to the author).
2. Reviews are prepared to use a double-blind peer review. This process is based on the rule that the reviewer does not know the identity of the author and vice versa.
3. Each review is issued in written form (later revealed to the Author) and ends with a recommendation for or against publication.
4. Evaluation criteria: clarity of the stated objective, originality of research issues, theoretical background, quality of empirical research, originality of conclusions, significance for the research area aligned with the scientific profile of the quarterly, quality of language, comprehensibility, punctuation, and appropriate source selection. Each review ends with an unambiguous recommendation:
 - the paper can be published as submitted,
 - the paper can be published pending minor modifications and inclusion of additional relevant information,
 - the paper can be published pending substantial revision and re-review,
 - the paper is unsuitable for publication.
5. In addition to the recommendations made by reviewers, the Author may receive additional editorial suggestions from:
 - **the Editorial Board**, only in urgent cases,
 - **a layout editor** for technical and editorial comments,
 - **a statistical editor** if the paper contains statistics.
6. The Author must reply to all comments and suggestions (a special form is required to be filled in and to be sent back).
7. The Author should be familiar with the following forms and evaluation criteria:
 - **Internal Review Form – Checklist of the Article** (*.docx),
 - **External Review Form** (*.docx),
 - **Author's Statement after the Reviews** (must be attached to the revised article),
 - **Statement by Author** (must be signed before publishing).
8. Before publishing each article is proofread by a linguistic editor (a native speaker or a bilingual speaker). Authors are obliged to apply all necessary changes, however they can negotiate special terminology use.
9. Prior to publishing, the Corresponding Author must sign and submit the Statement by Author, otherwise we will not be able to publish the given article.
10. Each Author must follow the principles of transparency and best practices in scholarly publishing (see our website for details). Editors and the Publisher will be documenting all forms of scientific misconduct and malpractice, particularly violations of ethics and science principles. Any such cases will be reported to the employer of the Author and to the relevant public and state institutions.

Submissions from Programme Board and Editorial Board members are handled in the same way as those from other authors.

Publication Ethics and Malpractice Statement

The author's statement including the copyright notice as well as the statement on ethics and good practice in science (including financial disclosure, ghost-writing firewall, guest authorship firewall) must be submitted alongside the manuscript according to the form provided (see our website) as well as to be mentioned on the article title page.

The detailed information on Ethics and Malpractice is available in the guidelines established by the Ministry of Science and Higher Education of the Republic of Poland: Scientific Research and Articles Solidity and Intellectual Rights Respect.

We use the following guidelines (extract from Scientific Research and Articles Solidity and Intellectual Rights Respect):

1. Articles must be original and cannot include borrowings from other works, which could result in liability of the publisher. Papers cannot infringe any third-party rights.
2. Articles must reveal the contribution of all individual authors in the creation of publications (with their affiliations and contributions, such as information about who is the author of concepts, principles, methods, protocol, etc. used in the preparation of publications).
3. Articles cannot display any signs of 'ghost-writing', that is not to disclose the names of authors who have made a significant contribution to the publication of, or otherwise contributed to its creation.
4. Articles cannot display any signs of 'guest authorship', i.e. assign a person who did not contribute to the creation of publications.
5. Articles must include complete information concerning sources of funding, the contribution of research institutions, associations, and other entities ('financial disclosure').
6. Editors and the Publisher will be documenting all forms of scientific misconduct and malpractice, particularly violations of ethics and violations in science. Any such cases will be reported to the employer of the author and to the relevant public and state institutions.

COPE | Committee on Publication Ethics

We follow Core Practices of COPE including Code of Conduct and Best Practice Guidelines for Editors.