



GESTÃO SOCIAL E SUSTENTABILIDADE NA ESLOVÁQUIA: COMPARAÇÃO DE ABORDAGENS EM EMPRESAS E ORGANIZAÇÕES SEM FINS LUCRATIVOS NUM CONTEXTO INTERNACIONAL

Social management and sustainability in Slovakia: comparing approaches in companies and non-profit organizations in an international context

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RESUMO

Este estudo examina o desenvolvimento e a implementação da gestão social na Eslováquia, com um enfoque comparativo na Alemanha e nos países escandinavos. A gestão social, entendida como uma abordagem integradora que combina dimensões económicas, sociais, éticas e ambientais da governação organizacional, tornou-se um componente crítico do desenvolvimento sustentável tanto no setor empresarial como no setor sem fins lucrativos. A investigação tem como objetivo analisar a forma como a gestão social é conceptualizada e aplicada por empresas eslovacas e organizações não governamentais, identificar as principais diferenças em comparação com modelos selecionados da Europa Ocidental e explorar as barreiras e oportunidades que influenciam o seu desenvolvimento futuro no contexto eslovaco. O estudo utiliza um desenho de investigação qualitativo e comparativo, recorrendo à análise documental, à análise de conteúdo de relatórios de responsabilidade social empresarial (CSR) e de sustentabilidade, bem como a estudos de caso selecionados de empresas e organizações sem fins lucrativos. O enquadramento analítico assenta em conceitos teóricos fundamentais, incluindo a responsabilidade social corporativa (CSR), a teoria dos stakeholders, o triple bottom line e o quadro de reporte ESG (Environmental, Social, Governance). Estas abordagens são complementadas por referências a agendas mais amplas de sustentabilidade, em particular aos Objetivos de Desenvolvimento Sustentável (ODS) das Nações Unidas. Os resultados indicam que a gestão social nas empresas eslovacas é aplicada de forma fragmentada e menos sistemática em comparação com a Alemanha e a Escandinávia, onde está mais profundamente integrada nas estratégias organizacionais e apoiada por tradições institucionais e culturais de longa data. As empresas eslovacas tendem a concentrar-se em atividades filantrópicas e de reputação, enquanto as dimensões ambiental e de governação são integradas de forma menos consistente nos processos centrais de tomada de decisão. Em contraste, as organizações sem fins lucrativos na Eslováquia incorporam naturalmente a gestão social nas suas missões e práticas quotidianas. No entanto, a sua eficácia é limitada por recursos financeiros escassos, financiamento baseado em projetos e dependência de doadores externos. A análise comparativa destaca o papel significativo da experiência histórica, da confiança institucional, dos enquadramentos legislativos e das expectativas sociais na configuração das abordagens nacionais à gestão social. O estudo conclui com recomendações práticas dirigidas a empresas, organizações sem fins lucrativos e decisores políticos, com vista a reforçar a integração estratégica da gestão social, aumentar a transparência e o envolvimento dos stakeholders e apoiar o desenvolvimento sustentável na Eslováquia. De um modo geral, a investigação contribui tanto para o debate académico como para a prática profissional, ao contextualizar a gestão social numa economia pós-transição e num quadro europeu mais amplo de sustentabilidade.

Palavras-chave: Gestão social, Responsabilidade social corporativa, Organizações sem fins lucrativos, Análise comparativa, Sustentabilidade, ESG, ODS, Responsabilidade ambiental

INTRODUCTION

Social management is among the areas that have gained growing importance in organizational practice and academic debate. Historically, traditional management was closely associated with economic rationality, profit generation and process efficiency. This model proved functional during the industrial development of the 19th and 20th centuries, but in the 21st-century environment—characterized by globalization, digitalization, climate change and growing social inequality—it is no longer sufficient (Blažek, 2009; Matten & Moon, 2008).

New societal challenges are changing what is expected of organizations. They are no longer asked only to generate profit, but also to reflect the broader social consequences of their operations. Companies and non-profit organizations are therefore compelled to systematically consider how their decisions affect employees, communities, the environment and public trust (Kotler & Lee, 2005; Freeman, 1984). This shift from a purely economic to a multidimensional view of organizations is at the core of social management.

In Slovakia, the concept of social management began to appear more intensively only after 1989, following the transformation of society and the economy. During the 1990s, a rapidly developing non-profit sector emerged, substituting for many state functions in social assistance, community development, education, and the protection of vulnerable groups (Bútorá, 1999). At that time, companies often approached social responsibility through one-off sponsorships or donations. This philanthropic model was an important starting point, but it gradually evolved into a more systematic approach, now referred to as CSR—Corporate Social Responsibility (Nadácia Pontis, 2004).

A notable shift occurred around the turn of the millennium, when the first systematic CSR strategies began to appear in multinational companies operating in Slovakia. Companies realized that long-term competitiveness is closely linked to how the public, customers and employees perceive them. Responsibility towards society and the environment thus became part of companies' reputational capital (Kotler & Lee, 2005). In recent years, this trend has deepened further through the ESG (Environmental, Social, Governance) framework, which has become mandatory for large companies in the European Union for reporting purposes (European Commission, 2020; KPMG, 2020).

Over the last decade, sustainability has moved to the forefront as a framework that links social and environmental objectives with the long-term economic viability of organizations. In practice, this means a shift from "project-based" responsibility to the transformation of core processes—from energy and material efficiency to fair working conditions in supply chains. Agenda 2030 and the Sustainable Development Goals (SDGs) provide a shared language that helps organizations define priorities, measure impacts and communicate them to stakeholders (United Nations, 2015).

Unlike companies, non-profit organizations have a specific position: social management is embedded directly in their mission and underpins their existence. Their activities are primarily oriented towards solving social problems. Yet, they face several barriers, such as limited financial resources, short-term grant schemes and the need to continually justify their legitimacy to donors and the public (Anheier, 2014; Prusáková, 2016, Das et al., 2024).

The Slovak context is specific in this respect. Trust in institutions has long been lower in Slovakia than in Western Europe (Eurobarometer, 2022). This means that both companies and non-profit organizations must invest greater effort in building credibility and transparency. This factor differentiates Slovakia from countries such as Germany or the Nordic states, where a high level of citizens' trust is a fundamental prerequisite for the effective functioning of societal partnerships (Esping-Andersen, 1990; Midttun, 2007).

To understand the importance of social management in Slovakia, it is therefore necessary to place it in an international context. Germany represents an example of the so-called social market economy (*soziale Marktwirtschaft*), in which the social dimension of business has been firmly embedded since the post-war period (Albert, 1993; Habisch et al., 2005). Scandinavia represents a welfare-state model in which a high level of trust and citizen participation is also reflected in corporate strategies and partnerships among the private, public, and civic sectors (Midttun, 2007).

The main aim of this study is to analyze how social management is applied in Slovakia across companies and non-profit organizations, its specific features compared with Germany and Scandinavia, and the challenges and prospects to be expected in the future. The research focuses on three key questions:

- How is social management understood in companies and non-profit organizations in Slovakia?

- How does the Slovak approach differ from the German and Scandinavian models?
- What barriers and opportunities influence the development of social management in Slovakia?

Answering these questions is beneficial not only from an academic perspective but also for practice. Scientific inquiry provides a theoretical framework, while in corporate and non-profit practice it can offer inspiration for developing social management more effectively and sustainably.

2 LITERATURE REVIEW

Definition and Essence of Social Management

Social management is a concept that integrates the economic, social and ethical dimensions of organizational management. Unlike traditional management, which focuses primarily on efficiency and economic performance, social management also emphasizes an organization's impact on employees, the community and society more broadly (Blažek, 2009). According to Anheier (2014), social management is "a process in which organizational goals are linked with values of solidarity, participation and social responsibility".

This approach is gradually becoming an indispensable part of modern management. Changes in public expectations, pressure from investors and legislative requirements create new conditions within which companies and non-profit organizations must operate. Social management thus takes on the character of a systemic approach to governance that goes beyond philanthropy and focuses on sustainability (Elkington, 1997; Norman & MacDonald, 2004).

Corporate Social Responsibility (CSR)

CSR—corporate social responsibility—is one of the fundamental pillars of social management. In his well-known pyramid, Carroll (1991) defines four levels of CSR:

- Economic responsibility – a company must be profitable and financially sustainable.
- Legal responsibility – a company has a duty to comply with laws and regulations.
- Ethical responsibility – a company should act fairly and transparently, even where legislation is insufficient.
- Philanthropic responsibility – a company should voluntarily contribute to societal development.

In Slovak conditions, CSR was initially reduced mainly to charitable donations and sponsorship (Nadácia Pontis, 2004). Over time, however, it evolved into a strategic tool aligned with companies' core goals and values. Kašparová and Kunz (2013) emphasize that CSR in Slovakia is primarily incorporated into corporate strategy in large and multinational companies.

Stakeholder Theory

Stakeholder theory is an essential theoretical foundation of social management. Freeman (1984) argued that companies are accountable not only to shareholders but also to other interested parties (stakeholders). Stakeholders include employees, customers, suppliers, the community and the state. Donaldson and Preston (1995) added that taking stakeholders' interests into account is not only an ethical duty but also a prerequisite for long-term sustainability.

In the Slovak context, the implementation of a stakeholder approach remains limited. Companies often focus only on selected groups—such as customers or employees—while broader societal aspects remain marginal (Kašparová & Kunz, 2013; Cannistrà et al., 2024, Kopac et al., 2025). In Germany and Scandinavia, this approach is more developed, linked to a stronger culture of participation and trust (Habisch et al., 2005; Midttun, 2007).

Triple Bottom Line

Elkington (1997) introduced the triple bottom line (TBL) concept, emphasizing that an organization's performance should be assessed not only by economic profit, but also by social contribution (people) and environmental impact (planet). This approach became a foundation for the concept of sustainable development and significantly influenced modern understandings of social management.

In practice, this means organizations are evaluated on whether they can combine financial prosperity with social justice and environmental responsibility. Norman and MacDonald (2004), however, point out that applying TBL is often problematic because the individual dimensions cannot always be easily quantified.

ESG as a Mandatory Framework

The most recent development in the field of social management is the ESG (Environmental, Social, Governance) framework. The European Commission (2020) introduced requirements for large companies to report their performance in these three areas. ESG thus moves social responsibility from a voluntary to a mandatory domain, fundamentally changing how companies approach social management (KPMG, 2020).

In the Slovak context, this means that large companies must systematically collect and disclose data on their societal and environmental impacts. This trend also puts pressure on smaller companies that participate in global supply chains and must meet ESG standards (Gereffi, 2018).

Sustainability as a Strategic Framework (SDGs and the Circular Economy)

Sustainability represents a broader framework in which social management is linked with environmental management and with the question of an organization's long-term resilience. Rather than isolated activities, it assumes impact assessment across the whole life cycle—from resource extraction, through production and services, to consumption and waste. The TBL concept (people–planet–profit) thus takes on a practical form in strategic management, examining whether an organization creates value without shifting costs onto society and nature (Elkington, 1997; Meadows et al., 2004).

Agenda 2030 and the SDGs enable translating abstract sustainability principles into concrete topics (e.g., decent work, reduced inequalities, sustainable cities, responsible consumption and production). For both companies and non-profit organizations, this provides a foundation for setting priorities, forming partnerships, and establishing measurable goals, and naturally supports a stakeholder approach (United Nations, 2015; Freeman, 1984).

Sustainability also includes the circular economy—an effort to reduce the consumption of primary raw materials, extend product lifetimes and minimize waste. In the European context, these principles are linked to climate objectives and industrial transformation, which also require a socially sensitive approach ("just transition") to ensure that environmental measures do not deepen social inequalities (European Commission, 2019).

Critiques of CSR and ESG

Although CSR and ESG have contributed to the development of social management, they are not without problems. Critics point to the risk of so-called greenwashing—situations in which companies declare responsibility only at the marketing level, without real impact (Laufer, 2003). Banerjee (2008) argues that CSR can be misused to legitimize business practices that are not truly sustainable. Fleming and Jones (2013) even suggest that many firms use CSR mainly as a tool for reputation management.

Social Management in Non-profit Organizations

Non-profit organizations are a specific type of actor for which social management is embedded directly in the mission. Their goal is not a profiting generation, but addressing social problems, supporting vulnerable groups and developing communities (Prusáková, 2016; Konvit, Jaseckova & Vartiak, 2023).

Nevertheless, non-profit organizations face several challenges. Anheier (2014) notes that the availability of financial resources and dependence on donors limits their functioning. This often leads to project instability, which complicates long-term planning. Another problem is the need to continually legitimize their activities to the public and donors, which requires a high level of transparency.

Link to the Welfare State Concept

Social management cannot be viewed in isolation; it should be linked to the broader concept of the welfare state. Esping-Andersen (1990) distinguished three basic welfare-state models: liberal, conservative and social-democratic. Historically, Slovakia is closer to the conservative model, while Germany is its typical representative, and Scandinavia represents the social-democratic model (Vartiak & Garbarova, 2024).

These differences help explain why social management is understood differently across countries. While in Scandinavia it is naturally linked to high levels of trust and citizen participation, in Slovakia it develops in an environment of lower institutional trust (Eurobarometer, 2022).

International Context: Germany and Scandinavia

Germany is an example of a country where social management is firmly embedded in business culture. The concept of the social market economy (*soziale Marktwirtschaft*), formulated after the Second World War, was based on the belief that markets must be regulated to support not only economic growth but also social justice (Albert, 1993). Habisch et al. (2005) note that in Germany, CSR and ESG are understood as part of a social contract between companies and society.

Scandinavia is considered a global leader in sustainability. Midttun (2007) describes the Scandinavian model as a system in which business, public policy and civil society are closely intertwined. Emphasis on environmental responsibility, equality of opportunity and employee participation is taken for granted. A high level of citizens' trust in institutions creates favorable conditions for the effective functioning of social management (Putnam, 2000).

3 METHODS

Research Design

The research was designed as a qualitative comparative study aimed at analyzing and comparing approaches to social management in companies and non-profit organizations in Slovakia and placing them within a broader international framework represented by Germany and Scandinavia. The chosen design enables the identification of similarities and differences while taking into account the historical, legislative, and cultural context (Ragin, 1987).

Hypotheses

Based on the theoretical framework and previous research, three hypotheses were formulated:

- H1: Slovak companies apply social management less systematically than companies in Germany and Scandinavia.
- H2: Non-profit organizations naturally integrate social management into their mission, but a lack of resources constrains their activities.
- H3: Differences in approaches to social management result from a combination of legislative frameworks, historical experience and cultural factors.

Methods Used

Qualitative comparative analysis (QCA) was used to compare cases based on similarities and differences (Ragin, 1987). This method was selected because it helps identify patterns in the application of social management across countries with different economic and social policy models.

To collect data, content analysis was employed (Krippendorff, 2018), focusing on official sustainability reports and CSR reports of Slovak companies, as well as annual reports of selected non-profit organizations.

In the document analysis, we examined the extent to which organizations translate sustainability into measurable goals and indicators. In addition to declared activities (projects, campaigns), we also tracked systemic elements—such as the existence of a sustainability strategy, risk management, stakeholder engagement and the use of indicators in the environmental domain (e.g., emissions, energy, waste), the social domain (e.g., occupational health and safety, diversity, employee development) and the governance domain (e.g., codes of ethics, transparency):

- Categorization followed the logic of ESG and the triple bottom line (Elkington, 1997).
- CSR reports of Slovnaft (2021), Orange Foundation (2020) and ESET Foundation (2021).
- Annual reports of the non-profit organizations Človek v ohrození (2022), Úsmev ako dar (2021) and Nadácia Pontis (2021).

Case Studies

The case study method was chosen to provide an in-depth understanding of the context and practice of social management in specific organizations (Yin, 2018). This method enables the capture of the dynamics among strategy, resources, and the social environment in which organizations operate.

Slovakia was compared with Germany and Scandinavia for three reasons:

- Germany represents the social market economy model (soziale Marktwirtschaft), which systematically links business with social responsibility (Albert, 1993; Habisch et al., 2005).
- Scandinavia represents the social-democratic model in which high trust and citizen participation support effective social management (Esping-Andersen, 1990; Midttun, 2007).
- Slovakia, as a post-communist country, underwent rapid transformation and is gradually adopting international CSR/ESG standards (Bútorá, 1999; Nadácia Pontis, 2004).

Study Limitations

The study was based on an analysis of secondary sources, so the results depend to some extent on the quality and availability of the reports. It did not include primary field research (e.g., interviews with representatives of companies or non-profit organizations), which may limit the depth of insight.

4 RESULTS

Companies in Slovakia

In the Slovak environment, CSR and social management are most developed in large companies, often with an international background. A typical example is Slovnaft, which in its CSR report (2021) declares activities in the areas of supporting education, culture and environmental projects. The company funds grant programs for schools, supports sports and cultural events, and invests in environmental measures such as emission reductions and energy efficiency. Nevertheless, some authors (Kašparová & Kunz, 2013) note that Slovnaft's CSR activities are largely PR-oriented and lack a systematic link to strategic corporate management.

From a sustainability perspective, however, the key issue is whether such activities also translate into "hard" decisions—investments, innovations and process settings that reduce environmental footprints while protecting social standards. In energy- and material-intensive industries, this includes, for example, systematic decarbonization planning, more efficient resource use and transparent communication about the risks and impacts of transformation on employees and regions. It is precisely here that social management becomes a tool for a "just" green transition, not only an add-on philanthropy.

Another example is the Orange Foundation, which has supported projects in education, social inclusion and digital skills since 1999 (Orange Foundation, 2020). The foundation creates grant programs for schools and non-profit organizations and also focuses on helping disadvantaged groups. This example shows that CSR can be effectively linked to the main business activity—in this case, digitalization and technology.

The ESET Foundation is also noteworthy, positioning itself in the support of education, innovation and science. ESET supports projects focused on cybersecurity and technological development, directly linking its social initiatives to its business domain (ESET Foundation, 2021).

These examples show that Slovak companies strive to implement social management; however, their activities are often fragmented and do not reach the level of integration standard in Germany or Scandinavia (Habisch et al., 2005; Midttun, 2007).

Non-profit Organisations in Slovakia

Non-profit organizations are natural carriers of social management, since social benefit is embedded in their mission. Človek v ohrození (2022) is among the most significant Slovak non-profit organizations focusing on humanitarian aid, education and support for marginalized communities. The organization implements projects at home and abroad, but its operations depend on grants and donors, which brings the risk of instability.

The non-profit sector is increasingly confronted with sustainability in a broader sense—not only in programmed content (e.g., energy poverty, community climate adaptation, environmental education), but also in how it operates. The sustainability of non-profit organizations can therefore be understood in two ways:

- financial and organizational stability enabling long-term assistance,
- minimizing negative environmental impacts and taking a responsible approach to resources when implementing projects.

These aspects strengthen organizational credibility and facilitate cooperation with partners from the public and private sectors.

Úsmev ako dar (2021) is a non-profit organization focused on helping children from orphanages and families in crisis. Through social programs and campaigns, it seeks to improve children's quality of life and prevent social exclusion. The organization's social management is reflected in linking professional services with vigorous advocacy.

Nadácia Pontis (2021) is a vital actor in philanthropy and CSR in Slovakia. It operates as an intermediary between companies, non-profit organizations and communities, and organizes the well-known Via Bona awards, which recognize companies for socially responsible activities. The foundation also implements education and volunteer projects.

Comparison with International Practice

In Germany, CSR has a longer tradition and is closely linked with the social market economy concept. For example, Siemens systematically implements CSR through programs that support technical education, innovation, and environmental sustainability (Habisch et al., 2005). Volkswagen has long been engaged in community development and environmental measures, though it has also faced criticism over the emissions scandal, which highlighted the risk of a mismatch between declared values and practice.

In the Scandinavian context, a typical example is IKEA, which applies sustainability principles across its entire supply chain and invests in social and environmental innovation. Telenor in Norway supports digital inclusion and citizen participation, with CSR activities firmly linked to corporate strategy (Midttun, 2007).

Summary of Case Studies

The analysis suggests that:

- Slovak companies implement CSR activities that are often ad hoc and less integrated into strategy.
- Non-profit organizations have social management embedded in their mission, but their development is constrained by dependence on donors and project financing.
- In Germany and Scandinavia, social management is more systematic, supported by high public trust and a stable legislative framework.

Hypotheses H1–H3 were supported: Slovak companies apply social management less systematically than in the countries compared; non-profit organizations naturally integrate social management but have limited resources; and differences are linked to historical and cultural factors.

5 DISCUSSION

The analysis showed that the Slovak approach to social management differs in many respects from the models established in Germany and Scandinavia. These differences can be explained by a combination of historical, legislative and cultural factors shaping the environment in which organizations operate.

Social Management in Companies

Slovak companies approach social management mostly in a fragmented manner. CSR activities are often implemented as grant programs, sponsorship or support for community projects. Although these initiatives contribute to social development, they usually lack a firm link to long-term corporate strategy (Kašparová & Kunz, 2013). Compared with German companies, where CSR is firmly embedded in the culture of the social market economy (Habisch et al., 2005), and with Scandinavian companies that naturally integrate sustainability into their identity (Midttun, 2007), the Slovak approach is less systematic.

Notably, CSR in Slovakia focuses mainly on education, culture and charity, while environmental aspects are less emphasized. This contrasts with Scandinavia, where environmental sustainability is among the main pillars of corporate strategy (Esping-Andersen, 1990; Midttun, 2007). This difference can be partially explained by differences in environmental awareness across society and in public pressure on companies.

From a sustainability perspective, this shift towards environmental topics is necessary because the social impacts of business increasingly overlap with climate and ecological risks. Energy poverty, deteriorating health due to pollution or regional impacts of industrial transformation are examples where environmental and social dimensions cannot be separated. Organizations therefore need an integrated approach that links social management

with environmental management and establishes dialogue mechanisms with communities and employees, so that the transition to a "green" economy is fair and predictable.

Social Management in Non-profit Organizations

Non-profit organizations in Slovakia have social management naturally embedded in their mission. As the examples of *Človek v ohrození* and *Úsmev ako dar* show, these organizations play a key role in addressing social problems. Their main weakness, however, is their dependence on external funding sources, which leads to project instability (Anheier, 2014). In Germany and Scandinavia, non-profit organizations are more firmly anchored within the welfare-state system and benefit from more stable partnerships with the state and companies (Habisch et al., 2005).

Cultural and Historical Factors

One of the most pronounced differences between Slovakia and developed European countries is the level of trust in institutions. Eurobarometer (2022) shows that in Slovakia, trust in political and public institutions has long been low. This factor directly affects the public's willingness to trust companies' CSR activities or the work of non-profit organizations. In Scandinavian countries, where trust is very high (Putnam, 2000), social management develops more effectively because the public is more prepared to cooperate with companies and the state.

Legislative Framework

Legislative requirements are another vital factor. Since 2020, the EU has been gradually introducing mandatory ESG reporting for large companies (European Commission, 2020). This trend creates pressure on Slovak companies as well, which must align their practice with European standards. While companies in Germany or Scandinavia adapted relatively quickly, Slovak companies often perceive ESG as a bureaucratic burden rather than an opportunity for development (KPMG, 2020).

Confirmation of Hypotheses

Based on the discussion, it can be stated that:

- H1 was supported – Slovak companies implement social management less systematically than companies in Germany and Scandinavia.
- H2 was supported – non-profit organizations naturally integrate social management, but limited resources constrain their activities.
- H3 was supported – differences stem from historical experience, legislative frameworks and the level of trust in institutions.

Recommendations for Practice

Based on the findings, recommendations can be formulated for three main groups of actors—companies, non-profit organizations and the state. Each of these groups plays a different but complementary role in the development of social management.

Recommendations for Companies

Integrate social management into strategy: Slovak companies should approach social management systematically, not just as a supplement through one-off projects. CSR/ESG should be firmly anchored in strategic documents and linked to the core business (Kotler & Lee, 2005).

Increase transparency: Companies should regularly and transparently report their ESG activities in line with international standards (KPMG, 2020). Transparency is crucial for building public and partner trust.

Cooperate with the non-profit sector: Companies should develop long-term partnerships with non-profit organizations that have know-how and an understanding of community needs. Such cooperation can be more effective than standalone CSR projects (Habisch et al., 2005).

Set measurable sustainability targets and manage impacts: Beyond reporting, it is crucial to set quantifiable targets (e.g., emissions reduction, energy efficiency, occupational safety, diversity) and regularly evaluate progress.

Such an approach reduces greenwashing risk and helps link sustainability with decisions about investments, products and suppliers.

Recommendations for Non-profit Organizations

Professionalize management: Non-profit organizations should strengthen managerial capacities to plan and implement projects more effectively, including adopting modern management tools and conducting impact evaluations (Anheier, 2014).

Diversify funding sources: Dependence on a single donor or short-term grants is a risk. Non-profit organizations should seek to diversify funding by combining grants, corporate partnerships, individual giving and crowdfunding (Prusáková, 2016).

Measure social impact: To increase credibility, it is necessary not only to declare results but also to measure and evaluate them systematically. International frameworks such as SROI (Social Return on Investment) can serve as tools for assessing effectiveness (Nicholls et al., 2012).

Adopt greener operations and environmental criteria: Although social impact is often the primary goal of non-profit organizations, the importance of responsible resource use is growing (e.g., sustainable procurement, waste minimization, low-impact mobility for field work). Such measures can reduce costs, strengthen legitimacy and align social interventions with environmental goals in communities.

Recommendations for the State

Provide a stable legislative environment: The state should create a predictable legislative environment for both the business and non-profit sectors. This includes clear rules for ESG reporting, tax incentives for giving and support for transparency (European Commission, 2020).

Support partnerships: The state can act as an intermediary between companies and non-profit organizations, for example, through grant programs or public-private partnerships (Transparency International Slovakia, 2021).

Invest in education and awareness: Supporting social management also requires systematic education of managers, employees and citizens. Universities, vocational schools and training programs should include social management in their curricula.

Promote green public procurement and incentives: The state can significantly accelerate sustainable transformation by preferring products and services with lower environmental footprints and high social standards in public purchasing. It can also support investments in energy efficiency and the circular economy (e.g., via subsidy schemes and tax incentives), thereby increasing motivation for companies and third-sector partners.

Challenges and Future Trends in Social Management

Social management is evolving dynamically, reflecting changing social, technological and environmental conditions. Organizations in Slovakia and globally face increasing demands that require new approaches and innovations.

Digitalization and Artificial Intelligence

One of the most prominent challenges is digitalization. Technological progress, including artificial intelligence, fundamentally changes how people work, communicate and deliver services. According to Brynjolfsson and McAfee (2014), automation can replace many jobs, raising questions of social justice and companies' responsibility to employees. Floridi et al. (2018) highlight the need for an ethical framework for AI use that protects human rights and dignity.

For both companies and non-profit organizations in Slovakia, this implies the need to invest in digital skills, cybersecurity and inclusion. The digital divide between urban and rural areas or between different social groups can deepen existing inequalities if not managed responsibly.

Climate Change and Environmental Sustainability

The climate crisis is another key challenge. According to the European Commission's report (2019), companies will have to fundamentally transform their production processes in the coming decades to reduce their carbon footprint. Meadows et al. (2004) already warned two decades ago that without systemic change, planetary limits may be exceeded.

Companies in Slovakia still lag behind the European average in environmental management (KPMG, 2020). Most focus on partial measures such as recycling or supporting ecological projects, while more profound transformations of production processes are often absent. Non-profit organizations play an essential role in mobilizing the public and advocacy in this field, but their capacities are limited.

In the future, adaptation to climate change (e.g., extreme heat, drought, floods) and biodiversity protection will become increasingly important. For organizations, this means expanding sustainability strategies to include physical risk management, operational continuity and responsible use of land and water. In this context, social management can be applied, for example, to protect employee health, support communities affected by extreme events, and seek solutions that connect environmental measures with social resilience.

Globalization and Supply Chains

Globalization has brought new challenges related to responsible supply chains. Gereffi (2018) shows that companies bear responsibility not only for their own activities but also for the practices of their suppliers. Germany has already adopted a supply-chain law requiring companies to monitor conditions among subcontractors, including respect for human rights. This trend is gradually transferring to Slovakia through European legislation.

Risk of Greenwashing

The growing importance of ESG reporting also brings the risk of greenwashing. Companies may declare sustainability and social responsibility without real substance (Laufer, 2003). Fleming and Jones (2013) warn that CSR may become merely a reputation-building tool if a genuine commitment is missing. This challenge is particularly relevant for Slovakia, because low public trust increases the risk of skepticism towards declared activities (Eurobarometer, 2022).

Building Trust and Social Capital

Putnam (2000) emphasizes that trust and social capital are crucial for how society functions. In Slovakia, trust in institutions is low, which also weakens the potential of social management. Building trust requires long-term transparency, stakeholder dialogue, and consistent adherence to declared values.

Partnerships and Cross-Sector Collaboration

The future of social management is linked with strengthening partnerships among companies, non-profit organizations and public institutions. Midttun (2007) points to the Scandinavian model, in which cooperation among these sectors creates synergies and enhances sustainability. For Slovakia, this approach is inspiring because it helps overcome the limitations of individual actors.

Generational Change and Young People's Expectations

Another trend is generational change in the labor market. Generation Z, which is gradually entering the workforce, places greater demands on employers' values and ethics. Twenge (2017) notes that young people expect companies not only to provide economic stability but also to offer meaningful work and to engage with social issues. This implies that pressure to develop social management will grow in the future.

CONCLUSION

Social management is one of the key areas of contemporary organizational management, linking economic goals with ethical, social and environmental aspects. The analysis showed that in Slovakia, this concept is developing relatively dynamically, yet it still faces several constraints. Companies do engage in CSR activities, but their implementation is often fragmented and primarily PR-oriented rather than systematically integrated into strategy. Non-profit organizations have social management naturally embedded in their mission, but their activities are constrained by donor dependence and project instability.

The comparison with international practice highlighted significant differences. In Germany, social management is closely linked with the social market economy concept, while in Scandinavia organizations benefit from a strong tradition of participation, trust and sustainability. In these countries, integrating social and

environmental aspects into business is taken for granted—something that is still lacking in Slovak companies and institutions.

The research supported all three hypotheses: Slovak companies apply social management less systematically; non-profit organizations embed social principles in their missions but have limited resources; and differences between countries arise from historical, legislative, and cultural factors.

The future of social management will be shaped by challenges such as digitalization, climate change, globalization of supply chains, rising expectations of Generation Z and the risk of greenwashing. For Slovakia, companies, non-profit organizations and the state must learn to respond to these challenges jointly through transparency, partnerships and systematic trust-building.

At the same time, sustainability is ceasing to be a "supplementary" topic and is becoming a criterion of long-term organizational viability. For companies, this means the ability to connect social measures with reducing environmental footprints and with high-quality governance; for non-profit organizations, it means strengthening resilience and the capacity to respond to interconnected socio-environmental risks (e.g., climate-change impacts on vulnerable groups). Integrated social management can help translate European and global sustainability frameworks into credible, measurable, and understandable practice in the Slovak context.

Social management thus becomes not only an ethical duty, but also a strategic necessity. Under Slovak conditions, its development can contribute not only to strengthening corporate competitiveness but also to improving overall social cohesion and sustainability.

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