Millennials’ Awareness and Approach to Social Responsibility and Investment – Case of Czech Republic

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Abstract: We live in a new era with contradictory views on the society, industries and the whole world. Raising consumerism is compensated by raising responsibility of the new generation, so called Millennials. The paper deals with the awareness of Millennials of corporate social responsibility (CSR) and their attitude to sustainable and responsible investment (SRI). The research is focused specifically on students of economically oriented higher education institutions (HEI), studying in the Czech Republic. For the purpose of general awareness of the term CSR, a sample of 1073 HEI students from different institutions was analyzed and evaluated. For the evaluation of their attitude to SRI the number of 213 respondents from Mendel University in Brno were interviewed. The research brought surprising results – bachelor’s degree students have better awareness of the term than master’s degree students. This surprising fact can be explained by the fact that CSR courses have been incorporated in studies in recent years. Another important finding from the second research is that 57% of respondents are willing to sacrifice part of their return in the case of an investment in socially responsible instruments. This fact can be used for the design of an investment strategy offered by investment institutions.

Keywords: corporate social responsibility; Millennials; sustainable and responsible investment; students

1. Introduction

“A younger generation of investors, who overwhelmingly believe that their investment decisions can make an impact, is leading the sustainable investing charge.” Morgan Stanley, the American multinational investment bank and financial services company, announced this statement in the year 2017. More investors are interested in sustainable investing and adopting its principles as part of their strategy, but Millennials are leading the charge, according to the Institute for Sustainable
Investing’s 2017 “Sustainable Signals” report. Among individual investors, 75% are interested in sustainable investing. 86% of Millennials are interested. Millennial investors are making more sustainable investing decisions, believe their investment can create positive change, want more proof of performance, but remain committed to sustainable investing. [1-3] Since Millennials are poised to receive more than $30 trillion of inheritable wealth, sustainable investments will continue to grow in demand. As a result, fund managers are increasingly allocating resources to develop products and capture this emerging client segment. [3] The awareness and development of CSR concept as a management practice started in the United States (U.S.) in 1950-1960 [4]. In the Czech Republic, authors started talking about this topic in the second half of the 90ties [5]. The same case appears with the knowledge about sustainable and responsible investing. The authors in the U.S. were aware about this term sooner than researchers, businessmen and academicians in the Czech Republic. Therefore, we decided to investigate the situation and its development in other countries than U.S., such as Czech Republic, and focused on the young generation.

The aim of this paper is to examine the awareness of the Czech Millennials of corporate social responsibility (CSR) and their attitude to sustainable and responsible investment (SRI). We base the hypotheses on the premises resulting from the literature review. Since there have not been any studies dealing with this issue among higher education students in the Czech Republic, we focus specifically on students of economically oriented higher education institutions (HEI), studying bachelor, master and Ph.D. studies in the Czech Republic. We selected this group of students because they create a huge part of CEOs, leaders and potential investors in the future (as explained later in the text) and they have the opportunity to attend courses related to CSR topic. In the future, we extend this research to students of other fields, such as technical, medicine et cetera.

2. Theoretical Background

Almost everyone today, whether students, managers, or employees, has heard something about the notion of corporate social responsibility (CSR), whether in the business community, from the media, or even within popular culture. [6] Harold Bowen is considered the founder of CSR, defining CSR in 1953 that “refers to the obligations of businessmen to pursue policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society”. [7] The Commission puts forward a definition of CSR as “the responsibility of enterprises for their impacts on society”. [8, 9] The Strategic document National Action Plan of Corporate Social Responsibility in the Czech Republic (NAP) provides this definition of CSR: “In the current approach CSR represents a coherent set of activities and practices that are an integral part of the control strategy of the organization in the social, environmental and economic area, the organization provided them beyond the legal obligations and with motivation to contribute to the improvement of conditions in the society.” [10-11] Nevertheless, a universal definition in the world remains elusive. There is a large number and diversity of the approaches to determine the CSR concept. [12-14] According to Cole (2017), this can be largely attributed to the fact that the concept has scope to mean different things to different people in different circumstances. [15] Notwithstanding this, all firms engaging with CSR are essentially pledging to conduct their business in ways that protect the interests of current and future generations and are trying to eliminate or minimize any harmful effects and maximize its sustainable beneficial impact on society. (Mohr et.al. 2001 in [16]) CSR overlaps with other concepts, including corporate citizenship, corporate sustainability, environmental management, sustainable development, triple bottom line and more recently with ‘shared value’. These terms are often used interchangeably despite the continuing debate on differentiating the terms. (Porter and Kramer, 2011 in [17]; Montiel, 2008 in [18]). It is also part of the organizational culture. [19-20]

The role and importance of CSR and business ethics is especially evident in controversial sectors of the economy, such as the pharmaceutical, tobacco, alcohol and mining industries. [21-26] The financial industry might be identified as one of these sectors too. The corporate social responsibility starts to appear more and more frequently in the area of investment. An unequal definition of what belongs under ethical investing, and what is out of its scope, is a major drawback of SRI.
parameters of ethical investing are not kept in ledgers, and are therefore very subjective. [27]. One of the definitions of SRI (socially responsible investment in USA/ethical investment in Europe) is according to Michelson at al. (2004): “...the integration of personal values, social considerations and economic factors into the investment decision.” [28] SRI is another concept that is problematic due to its lack of a consistent terminology. [29] SRI encompasses different styles of investment decisions and investor behavior such as “ethical investing”, “value-based investing”, “cleantech investing”, “impact investing”, “sustainable investing” and simply “responsible investing”. [30] European SRI Study (2016) introduces the classification of sustainable investment strategies. [31] The Forum for Sustainable and Responsible Investment broadly defines SRI as an investment process that integrates environmental, social and governance considerations into investment decision making to generate long-term competitive financial returns and positive societal impact. It is a process of identifying and investing in companies that meet certain standards of Corporate Social Responsibility. [32] We will operate with the following definition: “Sustainable and responsible investing (SRI) is an investment policy that adds a third dimension to the risk to investment return ratio, namely the social responsibility.” According to Donovan (2018), we are now living in the SRI 2.0 period, which is focused mainly on impacted investment and extension of the general awareness of responsible investing. [33] However, the idea of socially responsible investment (SRI) is not a matter of recent years. For example, in the eighteenth century, members of some churches refused to invest into companies whose activities on society had at least a controversial impact. [34] Furthermore, the idea of the socially responsible investing was highlighted, for example, after the Civil War in the United States, when society was looking for new ways to change the system, which was unable to provide enough assistance to those in need in a way other than through charity. Socially responsible principles were promoted by such figures as Andrew Carnegie and John D. Rockefeller. [35] On the main global stock exchange markets, social and ecological business responsibility indexes have been functioning for years. American Dow Jones Sustainability Indexes (DJSI) and Calvert Social Index (CSI), English / London FTSE4Good Index Series, FTSE JSE Johannesburg Stock Exchange Responsible Investment Index (RPIA), Brazilian Sao Paolo Stock Exchange Corporate Sustainability Index (ISE), Indian Standard & Poor’s India Environmental, Social and Governance Index (S & P ESG). In Poland, the RESPECT Index has been listed as the first one in the Central and Eastern Europe. [36] In the Czech Republic, currently, Česká spořitelna (Czech Savings Bank) is the first institution offering SRI funds. In 2018, the first fund called Tilia Impact Ventures, focused on companies with social impact, was founded. [37-38] Besides SRI funds, the CIJ750 index tracks the performance of 750 investment funds operating on the Czech capital market. [39]

Investment decision-making is based primarily on the risk-benefit comparison, SRI being no exception. Although the study by Professor of Corporate Finance at Tilburg University, Luc Renneboog, Finance Professor at Tias Nimbas Business School, Jenketer Horst, and Professor of Finance at Warwick Business School, Chendi Zhang, published in 2008 in the Journal of Banking & Finance, comes to the conclusion that investors within SRI are willing to accept lower returns in exchange for the socially responsible investment factor. [40] This is what the American hedge fund manager, Cliff Asness [27], points out, the former thinks that SRI is a loss matter where the investor pays one part of its profit for investment responsibility. Founder of the Conscious Capital advisory firm, Derek Tharp, also points out that people considering socially responsible investing should be prepared for the fact that their contribution to sustainable development might equal zero. [41] However, studies focused on the comparison of SRI performance and risk rate largely agree that the impact of ESG on investing is non-negative. Investors can thus invest with similar returns and risks, but into socially responsible companies. [27] Analysis of the Nuveen company of July 2017 shows that no statistically significant difference in return has been found compared to the general market benchmarks, when the most significant SRI stock indices were subject to valuation. In the long run, therefore, there was no performance penalty for socially responsible investing. [40] Trnková (2004) also states that investing into socially responsible companies is considered less risky with a possible above-average return. [42] Some studies have found no statistically significant relationship between returns of SRI funds and conventional funds [43]. The picture is complex and analysis may be
different according to the type of methodology or screening involved. Regardless of any of these opinions, the investor always has to answer one important question: Am I willing to sacrifice a part of my risk knowing that the fund is sustainable and the companies are responsible to society and the environment? The new generation of investors seems to be more open to these questions and starts thinking about it. This new generation is called the Millennials. Authors have different attitudes towards the definition of Millennials. Some believe that people born in or after 1982 belong in this group; some say Millennials were born between 1980 and 2000. According to David Foot, Millennials are people born between 1980 and 1995. He also refers to them as “Baby Boom Echo”, since Millennials are the children of the Baby Boomers (1946–1965). They are called by different names; apart from Millennials we can read about Nexters or Generation Y. Nevertheless, these authors often share an opinion on their behavior. “The age group that shows the deepest sensitivity toward ethical and CSR issues is comprised of young people, born in or after 1982, often recognized as Generation Y or the Millennial Generation (Howe & Strauss, 2000; Cone Communications, 2006; Ciemniewski & Buszko, 2009; Connell et al., 2012). The so-called Millennials share a widespread belief that their responsibility is to make the world a better place (Cone & AMP Agency, 2006).” Millennials may face three major problems in relation to management learning: lack of concentration, lack of engagement, and lack of socialization. On the other hand they have a new way of thinking including a lot of information gained online and they select the information that they consider important. Millennials are also receptive and open to trying alternative means of ownership. Millennials have: “...more concern for others and less interest in material goods [...] [are] less interested in keeping up with materialistic trends and less invested in obsessive consumerism as a way of life.” (Rifkin, 2014, p. 224 in [48]). They use this attitude in their approach to investing. According to Credit Suisse, Morgan Stanley and Ernst & Young, Millennials, as the next generation of investors, have a clear vision when it comes to investments. They want to make and see the impact. It is estimated that in the next few decades the global population under the age of 30 will inherit over USD 40 trillion. A major factor that unites this generation and differentiates them from previous generations is a sense of global connectivity combined with a feeling of collective responsibility for the well-being of the world. In terms of investments, this distinct millennial philosophy means that they do not just care about financial returns. Millennials want to see what impact their investments have and how they can do good for society or the environment.

2. Materials and Methods

2.1. Research methodology No.1: The awareness of the term CSR

2.1. The Sample

The research was realized by the authors of this paper at the Faculty of Business and Economics, Mendel University in Brno. The research was conducted among Millennials, namely students of economically oriented higher education institutions (HEI) in the Czech Republic (CR). Before the investigation of the Millennials’ attitude to sustainable investing it is important to know their awareness and knowledge of the term CSR. For this purpose a sample of 1073 HEI students from 14 different higher education institutions in CR was analysed and evaluated (from the total 48 HEI with economic field of studies). In this quantitative research the form of half-structured questionnaires was chosen and distributed online (preview of the questionnaire available here: https://umbrela.mendelu.cz/research/1640/preview#). We used the university system for questionnaire creation and elaboration available here: https://umbrela.mendelu.cz.

2.2. The data collection and analysis

The first collecting period was from September 2017 to November 2017 and the second round of data collecting was from December 2017 to February 2018. In our research we decided to confirm the validity of the premises from the literature review pointing that general knowledge of the term CSR
among Millennials was good and we wanted to find out if the level of education played a role in this fact. We asked following research questions (RQ):

RQ1: Are the students of economically oriented high education institutions familiar with the term CSR and do they know exactly what it means?

RQ2: Does the level of education influence the awareness of CSR?

We assumed that the higher the level of education of students, the better the awareness of the term CSR. This assumption was based on the experience and current study plans, that students with higher degree already attended courses related to CSR topic. We set the hypothesis $H_0$: “The higher education level (Bc.-Master-Ph.D.) achieved by the student the better awareness of the term CSR”.

We tested the awareness of this term according to the level of studies (bachelor, master, Ph.D.).

The hypothesis was tested using the Plotly library used for the multilevel program language Python available here: https://plot.ly/python/t-test/. The results were also tested by another statistical program (software) called Statistica (http://www.statistica.pro). The data were verified on two independent platforms (Plotly, Statistica). The t-test with the level of significance (p value) 0.05 was applied. The t-test (also called Student’s T Test) compares two averages (means) and tells us if they differ from each other. The t-test also presents how significant the differences are. [50]

\[
t = \frac{\mu_A - \mu_B}{\sqrt{\frac{\Sigma A^2}{n_A} + \frac{\Sigma B^2}{n_B} - 2}} \cdot \frac{1}{\sqrt{n_A + n_B - 2}}
\]

Where:

$\Sigma A^2$: Sum of data set A, squared,

$\Sigma B^2$: Sum of data set B, squared,

$\mu A$: Mean of data set A,

$\mu B$: Mean of data set B,

$\Sigma A^2$: Sum of the squares of data set A,

$\Sigma B^2$: Sum of the squares of data set B,

nA: Number of items in data set A,

nB: Number of items in data set B.

2.2. Research methodology No.2: The attitude of Millennials to sustainable and responsible investing

2.2.1. The sample

The second area of interest was the attitude of Millennials to sustainable and responsible investing. In this case we started with a study focused on the students of the Faculty of Business and Economics, Mendel University in Brno. Here we achieved 213 respondents. More than one half of respondents already have jobs (51.1%).

2.2.2. The data collection and analysis

Data collection ran from February to May 2018. The research was performed in the form of an online questionnaire survey (see Attachment No.1). The preview of the questionnaire is available here: https://umbrela.mendelu.cz/research/1612/preview#/.

The following research questions (RQ) were investigated:

RQ1: Whether or not the respondents have already considered investing their funds.

RQ2: What criteria for investment decision-making are crucial for them.

RQ3: To what extent is it important for them, when making investment decisions.

RQ4: Whether or not the instrument in which the money is invested (fund, etc.) is sustainable and socially responsible.

RQ5: Whether or not they are willing to risk more in order to achieve a higher return.
RQ6: Whether or not they are willing to sacrifice part of the return if it is an investment in socially responsible instruments.

Here we set the null hypothesis $H_0$: “There is no difference in the willingness to sacrifice part of the return in the case of an investment in socially responsible instruments between working and non-working students.”

The hypothesis was tested with the t-test using the p-value $0.099$. This part of research will be later extended on the whole Czech Republic and the aim is to find partners abroad to be able to compare the data in different countries.

The whole research is part of our project “Modelling and simulation of sustainable investment decision-making”. The aim of the project is to design, implement, and verify the model and methodology of sustainable investment (SI), taking into account ESG factors in selected sectors providing investors a framework for SI evaluation with using advanced maths, statistical and econometric methods and Web portal.

3. Results

4.1. Millennials’ Awareness of Corporate Social Responsibility

According to previously mentioned authors Millennials tend to behave more responsibly in their life and that should be reflected in their attitude towards investment. If this is true, it is good to know whether they know what the term CSR actually means. In our sample (sample and process described in the chapter Methodology) we found that only 27% (absolute frequency = 288) of respondents thought that they knew the term CSR and claimed that they knew exactly what it meant. Some of them had already heard of the term CSR (35%; absolute frequency 378) but there was still a group of students (38%, absolute frequency 407) who had never heard of the term CSR (see Figure 1).

![Figure 1. Awareness of the term CSR among Czech higher education students](image)

**Table 1.** Descriptive statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>N valid</th>
<th>Mean</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Standard deviation</th>
</tr>
</thead>
</table>
We based our hypothesis on current study plans and the assumption that students already passed courses related to CSR topic. That is why this surprising fact can be explained by the fact that CSR courses have been incorporated in studies in recent years. There has been lack of attention to, and discussion of, CSR in Czech and in relation to education. [48] According to Stonkute et al. (2018) the issues of business ethics, corporate social responsibility, and sustainability have attracted increased attention in management education in recent years, and a five-fold increase in the number of stand-alone ethics courses has been noted since 1988. [51] The same situation is observed in other courses not inherently focused on CSR, such as marketing, public relations, accounting etc. that have started to include CSR in their syllabuses in the last few years. Positive development in the higher level of involvement in CSR training modules has also been described by Adámek (2013). [52] According to his research in 2013 Corporate Social Responsibility courses were offered by 21 % of higher education institutions. According to Srpová at al. (2012) in the year 2012 the amount of such research focusing on the topic of CSR has been increasing and an award exists for the best thesis in CSR, despite the fact that courses on CSR are not widely taught in Czech universities. [53] Nevertheless, the number of conferences and specialized seminars has increased recently. Thus there is a real chance that students of master studies might possibly not attend courses oriented towards CSR and that could be one of the reasons why they do not know this term. A second reason might be that students heard about the term during their bachelor studies but they did not remember (a lot of information learned during studies, focus on one direction at master’s level etc.). Their pure knowledge is contrary to the increasing public awareness of CSR in the Czech Republic. [54] However, as stated by Berényi and Deutsch (2017) higher education shall intensify the education of the field. [55] Which is supported by the opinion of Tormo-Carbó et.al. (2018): “...it is crucial to improve the effectiveness of business ethics and corporate social responsibility (CSR) education, in terms of its impact on business students’ awareness of ethical issues.” [56] Support from institutions, business sector and the government will be crucial for future success of CSR teaching. [51]

4.2. The Attitude of Millennials to Investing

The results of our research prove that the rising generation of Millennials, in our case Czech high education students, already considers the possibilities of investing their funds (73.7%). This fact can be complemented by outcomes of the research also conducted at the Faculty of Business and Economics, Mendel University in Brno, where it has been established that these students “would like to live in a society that is more focused on the highest economic performance, technical advantages, the decisions are taken by experts, life is driven by rules (not by freedom) and they prefer modernization changes (not the maintenance of traditions). It can be summarized that the majority of students at the FBE are technological, modernizing and expert optimists.” [57]

Though the criterion of whether or not their funds are invested in socially responsible and sustainable instruments was ranked only among the last ones in investment decision-making (see Table 2), 40.8% of respondents consider this criterion very important (16) or somewhat important (71) when making decisions. On the contrary, this factor is not important for 38.5% of respondents. The rest do not know (20.4%). Nevertheless, the expected return still remains in first place in comparison with other criteria.

Table 2. Preferences of respondents in investment decision-making

<table>
<thead>
<tr>
<th>Sequence</th>
<th>Criterion</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR</td>
<td>3 357.6667 288.0000 407.0000 62.05105</td>
</tr>
<tr>
<td>Bachelor/Master/Ph.D.</td>
<td>3 357.6667 11.00000 755.0000 374.5789</td>
</tr>
</tbody>
</table>
In order to achieve a higher return, 45.5% of respondents are willing to take a higher risk, whilst 54.5% of respondents prefer a lower return with minimized risk.

An important finding is that 57% of respondents are willing to sacrifice part of their return in the case of an investment in socially responsible instruments. It can therefore be assumed that, in the case of selection of one’s own investment instrument, the expected return would still prevail over sustainability and social responsibility; however, if the SRI investment option is offered, for example, by an investment adviser, the majority of respondents would be willing to use this investment instrument even at the expense of a lower return. However, we can state that the respondents would care about the negative impact of their investment prior to the investment with positive impact on the society. That means that they would care if their investment does not cause any harm and only then would they care if their investment also contributed to the prevention of negative impact.

The Millennial generation are increasingly becoming important actors in business, and by 2025 will make up 75% of the workforce (Deloitte 2014 in [54]). 56% of Millennials were likely to refuse to work for a company after learning that it was not socially or environmentally responsible. [58-59] They need recognition, ensured work-life balance, professional development and other attributes of company/management responsible attitude. [60] They want to see the impact. This fact has been confirmed by Petr Šmíd, the head of marketing department in Google Czech Republic. [61] CSR is key here for both enhancing the view of an organization by its current employees [34], as well as attracting the best young talent. [58] While Millennials are commonly criticized for lacking in work
experience, having a weaker work ethic, and being entitled a growing number of them are already acquiring work experience during their studies. ([Twenge 2010; Ernst & Young 2014 in [58]). When observing the differences among the students in our sample, those who are already working and those who are not working, here the defined hypothesis was H0: “There is no difference in the willingness to sacrifice part of the return in the case of an investment in socially responsible instruments between working and non-working students.” In our case, this hypothesis was accepted (Table 3).

<table>
<thead>
<tr>
<th></th>
<th>t – test</th>
<th>Statistic</th>
<th>P-Value</th>
</tr>
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<tbody>
<tr>
<td>H0</td>
<td>1.6528</td>
<td>-</td>
<td>0.099</td>
</tr>
</tbody>
</table>

### 4. Discussion

SRI industry has experienced rapid growth in recent times. The importance of SRI industry is growing fast and is becoming a phenomenon that has to be taken seriously into account by both researchers and business experts. The number of investment funds that apply a social/environmental screen to company stocks is growing rapidly too. [62-65] Stocks of well-governed firms perform better than stocks of poorly governed firms. According to the conclusions in Clark et al. (2015) on the environmental dimension of sustainability, corporate eco efficiency and environmentally responsible behavior are viewed as the most important factors leading to superior stock market performance. On the social dimension, the literature shows that good employee relations and employee satisfaction contribute to better stock market performance. [65]

However, factors leading investors to choose SRI products are not still well understood. [66] Much of the effort to introduce sustainable investing has been tactical. Many guides, for example suggest that the first step is to write an investment policy that reflects ESG issues. They do not, however, offer strategies to address ways to encourage decision makers to demand a new investment policy. A good place to start in examining the individual influences on ethical decision-making is to consider some basic demographic factors, such as gender and age. For example, one common question is whether men or women are more ethical. However, overall the results have been less than conclusive, with different studies offering contradictory results, and often no differences found at all. A similar problem is present with age as with gender. [67] According to Lawrence Kohlberg the difference is not in our age but in our stage of cognitive moral development. [68] He introduced three broad levels of moral development: Level one – the individual exhibits a concern with self-interest and external rewards and punishment; level two – the individual does what is expected of them by others; level three – the individual is developing more autonomous decision-making based on principles of rights and justice rather than external influences. In our research we focused on the young generation of investors or potential investors, the Millennials.

The aim of this paper was to examine the awareness of a special group of Millennials, students of economically oriented higher education institutions, of corporate social responsibility (CSR) and their attitude to sustainable and responsible investment (SRI). The research was focused on students studying bachelor, master and Ph.D. studies in the Czech Republic. The first part of the research studied the Millennials’ awareness of CSR. The interest in the Millennial generation has increased all around the world. [69] More and more paper discuss similar issues to ours. A similar research was conducted e.g. by Berényi and Deutsch (2017) among Hungarian students. The authors did run a survey in 2014 and in 2016 about business students’ perceptions and attitudes to sustainable development and CSR. Their sample consists business students in Hungarian Higher education (various universities, n=100 from each year, random sampling). The results show a slightly increasing confidence of CSR, the attitudes of females and males seem to converge, respondent with superficial knowledge about CSR show an increasing confidence in its usefulness. In conclusion, there are significant differences between the years by gender and the level of CSR knowledge, but the pattern is scattered, the confidence in CSR did not increase clearly. A totally different results are observed in developing countries, such as Ghana, where low level of CSR awareness among university students
was observed. [70] Primary data collected via a survey of González-Rodríguez et al. (2012) in Business Schools at Universities of Spain, Poland and Bulgaria and multivariate analysis evidence that both the values’ structure and university students’ CSR perception are influenced by cross cultural factors. The results indicate students from Poland have higher perceptions on CSR compared to Bulgarian and Spanish students. This comparison and its conclusions are explaining the country differences in this High Education context and according to Schwartz’s values theory and the Triple Bottom line, the study reveals different value profiles by gender and nationality and diverse attitudes to CSR perception across European countries. Corporate social responsibility has evolved differently not only between Western and Eastern European counterparts but also within those regions. This is the reason why we intent to extend our research and plan the investigation in other countries. [71] One of the studies, investigating 7,700 Millennials from 29 countries around the globe, was presented by Deloitte in 2016 and they continue in their research. [72] These results might be used for the next evaluation of our research.

In terms of the Millennials attitude to sustainable investing it is very difficult to compare the data. There haven’t been a common research conducted in the Czech Republic. According to the survey by Morgan Stanley [1-2], 86% of Millennials are interested in sustainable investing. In our research, we found out that only 40.8% of respondents consider the criterion of whether or not their funds are invested in socially responsible and sustainable instruments, very or somewhat important when making decisions. On the other hand, 57% of respondents are willing to sacrifice part of their return in the case of an investment in socially responsible instruments. We may expect that Czech Millennials will achieve higher numbers in the upcoming years. As mentioned earlier in this paper, the development of CSR and the awareness is slower or rather “shifted” in the comparison to the United States.

During the research we faced several challenges and found certain limitations. As Williamson and Johanson (2018) mention in their book, there are disadvantages to using self-administrative questionnaires, especially major surveys, such as: 1. an adequate response rate is difficult to obtain; 2. representative responses from all groups in the population are difficult to obtain; 3. responders are unable to qualify answers or seek clarification; 4. complex questions cannot be asked; 5. supplementary observations are not available; 6. lack of control over how and when the questionnaire is answered. [73] In our case numbers 1 and 2 were the most relevant problem. Number one: The second part of research was conducted in the form of a case study, which was tested on the smaller group of students – students of the FBE, Mendel University. This study will be in the next step of our research extended on the students from the whole country, potentially other countries. Number two: Men and women are not equally represented, which is reasoned by the fact that more women study economics and management. Another limit is, of course, that we focused mainly of one certain group of Millennials – HEI students with an economic focus. The awareness of CSR and the attitude to investing would probably differ in the case of a group of non-students or students of other disciplines such as the arts, medicine, IT etc. However, this research is part of a broader research conducted at the Faculty of Business and Economics, Mendel University in Brno, so a further extension of these results is therefore expected.

According to Gulavani et. al., modern public universities should be aware of the real necessity of updating any educational program according to society’s requirements. [74] Authors of paper involve results of their research in teaching (course Corporate Social Responsibility where SRI is part of the lectures). As mentioned by Viederman (2012), the challenge to business schools and others is to address the real world of institutional investing. We need a better understanding the circumstances that will encourage the broad range of institutional investors to consider and adopt sustainable investing. [75] We believe that the connection of the research, teaching and practicing is the best way to show the real picture to the next generation of investors.

5. Conclusions

Our research was based on the premises of authors mentioned in this paper and we wanted to confirm the opinion that Millennials tend to behave more responsibly in their life and their approach...
to investment. To be able to confirm this research question on the sample of Czech higher education students, who belong to the group of Millennials, we needed to find out their knowledge of the term CSR. The results of our research show that only 27% of respondents thought that they knew the term CSR and claimed that they knew exactly what it meant. Hypothesis testing brought another surprising fact that students without any academic degree (bachelor/master/Ph.D.) studying the bachelor level of studies are aware of CSR term. In the contrary, students on the master level of studies don’t know CSR. This fact might be explained by the fact that CSR courses have been incorporated in studies in recent years. A second reason might be that students heard about the term during their bachelor studies but they did not remember it anymore. Their pure knowledge is in the contrary to the increasing public awareness of CSR in the Czech Republic. On a small sample of Millennials (students of FBE, Mendel University in Brno) we investigated their consideration of investment possibilities. 73.7% of them already consider the possibility of investing their funds. Here we tried to find out whether they think about the negative/positive consequences of such investments. 40.8% of respondents consider the criterion of social responsibility and sustainability very important. Nevertheless, the expected return still remains in the first place in comparison with other criteria. An important finding, even on such a small sample, is that 57% of respondents are willing to sacrifice part of their return in the case of an investment in socially responsible instruments. The fact if they already work or not during their studies doesn’t have any influence on their opinion. The findings of the first part of the research are very important for all teachers of CSR courses at higher education institutions and for potential employers of these young generation. The results of the second part of the research are very important for companies focusing on investments to be able to offer funds reflecting the clients’ requirements and to improve the whole responsibility and sustainability of the financial industry. To be able to see the changing behavior of this Millennial generation, their awareness and attitudes to CSR, it is important to repeat the research every year, observe how the results change in time and extend the realization of the research to more countries in the world. However, in the next research researchers have to start investigating the next generation coming after the Millennials too, the Generation Z or so called “Snow flake” generation, who’s behavior is even more different to the behavior or Generation Y (Millennials) or Generation X (= generation before Millennials). [76]

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