

Barriers of access to law in small and medium enterprises in Poland – description for the general public

Our research is about reasons why do Polish small and medium enterprises (SMEs) not use law to achieve their business aims in many situations where doing so would be feasible. We will give a diagnosis of the situation as it is today and provide explanations. According to us, studying this problem is important because more than 99% of Polish businesses are SMEs, and we know too little about how they resolve their legal problems. We also believe that knowledge on the barriers they experience in using law could be used in policy making and help increase the availability of legal services. Yet another reason is that in the light of law in force, the size of enterprise does not influence its legal status. While many small businesses are simply self-employed individuals, they are often treated by law in the same way as firms who employ hundreds of employees. The law simply assumes that they should have same skills and abilities, but it is clear that this is not the case.

We start our research by saying that a natural element of any business is solving problems. The reason for this is that market conditions, actions of public administration, and demands of clients are often hard to predict for small business owners or managers. We also know that in many problems encountered by enterprises law can help a great deal. It can help to avoid conflicts and resolve them as well as coordinate different expectations. A well-drafted contract can, for instance, help avoiding many possible problems, and mediation procedure is a good way to resolve disputes.

However, law is also complicated. If the entrepreneur lacks particular skills or resources, he/she might have problems using law. For instance, many people simply do not know that a problem they have can be resolved by using law, and some are just afraid to see a lawyer. Many cannot afford that and yet others believe they can resolve their problems informally or just on their own. We suspect that this can be the case also with many small businesses.

We also believe that even for very competent users, the law can create much confusion. Sometimes even a good contract does not guarantee avoiding business problems, public officers seem to do what they please, and lawyers are not able to predict what will be the outcome of doing a particular thing. We agree with some sociologists who say this is a general problem all people have. In our lives we use different tools (like law) to make the world simpler for us, but sometimes instead of helping us, they complicate things even further. We call this uncertainty and believe that it cannot be avoided in today's complex society.

For these reasons in our research we would like to check three things. First, we want to know if SMEs in Poland indeed rarely use the law and instead seek for informal solutions or behave passively. Second, we think this is likely, and we would like to explain why is that so. We begin by thinking that contrary to the popular belief not using law isn't all about money. In our view the biggest barrier to using law is in how businesspeople in Poland's smaller firms got to think about law and their own problems, what competences do they have in legal matters, and how their firms are organised. Third, we think that SMEs aren't all the same when it comes to using law. Whereas small enterprises may behave similarly to common people in their private lives with respect to resolving legal problems, the larger among small businesses may be closer to big enterprises.

We will learn about all this by doing a survey, interviewing business owners and managers and conducting case studies. We'll write a book about our findings, and six academic papers. Two people will work on the project for three years.