CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN SMALL TO MEDIUM ENTERPRISES IN ZIMBABWE

BY

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A thesis submitted in fulfilment of the requirements for the degree of
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DECLARATION

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ABSTRACT

The corporate social responsibility (CSR) movement has become a strategic issue in small and medium enterprises (SMEs) in Zimbabwe. However CSR practices by SMEs in Zimbabwe are currently unknown. It is against this background that this study investigated corporate social responsibility practices in small to medium enterprises in Zimbabwe. This study sought to (a) gain an understanding of the meaning attached to CSR by SMEs in Zimbabwe, (b) have an insight into the impact of CSR practices on the operations of SMEs in Zimbabwe, (c) establish the legal, economic and ethical factors that motivate SMEs to engage in CSR practices, (d) highlight the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe and (e) examine the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe.

The literature on CSR showed that the following areas have not been explored: 1) the meaning attached to CSR by SMEs in Zimbabwe is currently unknown, 2) the impact of CSR on SMEs is currently unknown, 3) the legal, economic and ethical factors that motivate SMEs to engage in CSR are currently unknown, 4) the legal, economic and ethical activities of SMEs are currently unknown, and 5) the legal, economic and ethical barriers to CSR are currently unknown.

Data was collected through 274 questionnaires and six semi-structured and open-ended interviews with owner-managers of SMEs in the Harare Region of Zimbabwe. The systematic random sampling method was used to select respondents for quantitative research while the purposive method was used to select respondents for qualitative research. The SPSS (version 20.0) was used to analyse quantitative data while the reduction method was used for qualitative data. Findings reveal that there is no standard meaning for CSR in Zimbabwe. SMEs consider CSR as having no quantifiable benefits. Legal, economic and ethical factors motivate SMEs to engage in CSR. SMEs in Zimbabwe engage in legal, economic and ethical CSR activities. Money, weak legislation and managerial attitudes are major barriers to CSR practice by SMEs in Zimbabwe.

Key words: Corporate social responsibility (CSR); small to medium enterprises (SMEs); CSR practices; legal, economic and ethical CSR; managerial attitudes; quantifiable benefits and Zimbabwe.
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CHAPTER ONE:
AN OVERVIEW OF THE RESEARCH PROBLEM

1.0 INTRODUCTION

This study focuses on corporate social responsibility (CSR) practices by small and medium enterprises (SMEs) in Zimbabwe. It should be noted from the onset that countries define the concept of SMEs with respect to their political economic and social contexts (Berisha and Pula, 2015: Rahman, 2011 and Nurn and Tan, 2010). The background of the study, the statement of the problem, the objectives of the study and the research questions are given and explained in detail in this chapter in order to provide a conceptual foundation through which the research problem for this study can be understood. The purpose of the study, the significance of the study and the assumptions of the study are presented and described. The delimitation of the study and the limitation of the study are given and discussed. Key concepts of the study are defined and the structure of the study is spelt out.

1.1 BACKGROUND TO THE STUDY

The relationship between business and society has been a subject of many debates for decades (Carroll and Bucholtz, 2012). All forms of business, big or small, have been blamed in one way or the other for failing to address the political, social and economic concerns of society (Carroll and Bucholtz, 2012). The new thinking today is that the relationship between business and society should be based on practices known as corporate social responsibility (Jenkins, 2009; Carroll et al, 2010). Historically, the primary concern of business was to produce goods and services for society (Carroll, 2006b; Carroll, 2009).

The business sector has now been given a new set of responsibilities, namely, to comply with national laws in their pursuit of profit and ultimately to adopt corporate social responsibility (CSR) activities based on legal and ethical considerations (Carroll, 2009: Visser, 2006). Bowen (1953:6) spelt out the new relationship that should exist between business and society, in his definition that CSR “refers to the obligation of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of those objectives and values of our society”.

The history of CSR shows that it was normal in the past to expect the big firm to adopt CSR practices (Jenkins, 2009), whereas the small firm was considered to be too small to
meaningfully engage in CSR practices (Jenkins, 2009; Porter, 2014). Statistically, SMEs are the largest business sector on the global map and are capable of employing between 50% – 60% of the world’s labour force (Lund Thomsen, 2013: 602). The SMEs sector is the largest employer of labour in the European Union and in China, and the largest output of economic products is attributed to the activities of the SMEs sector (Morsing and Perrini, 2009; Tyagi, 2012). In the United States of America, SMEs have created almost fifty-percent of the jobs in the private sector (Tyagi, 2012). The economy of Great Britain is heavily supported by the SMEs sector (Ward and Rhodes, 2014).

The African continent has greatly benefitted from the activities of SMEs in many ways (Ijeoma and Ezejiofor, 2013). The SMEs sector in Africa creates employment opportunities for the rural people who for a long time were marginalized by the formal sector of the economy (Ijeoma and Ezejiofor, 2013). SMEs in Africa provide indigenous entrepreneurs who are not only innovative but also risk-takers (Ijeoma and Ezejiofor, 2013). SMEs bring about an array of business initiatives in the provision of products and services in the economy (Ijeoma and Ezejiofor, 2013). Ijeoma and Ezejiofor (2013) maintain that SMEs “employ more than 70% of labour force” in Africa.

1.2 THE OTHER SIDE OF SMEs

Analysts have reported that the business activities of SMEs globally are responsible for the production of harmful substances that are capable of endangering the lives of people, animals and plants alike (Blackman, Kennedy and Quazi, 2006). Environmental problems caused by the operations of SMEs have been quantified by numerous environmental experts (Stokes et al., 2007; Hillary, 2004; Revell and Rutherford, 2003; Smith and Kemp, 1998; Marshall, 1998; Nguyen et al., 2009 and Sandhu et al., 2012). It is estimated that the collective activities of SMEs globally, account for 60%-70% of the land, air and water pollution (Hillary, 2004; Smith and Kemp, 1998; Berends et al., 2000 in Rasi et al., 2012: 2555). Reisinger et al. (2009) in Rasi et al. (2012:2555) further point out that the SMEs sector is responsible for the production of “high levels of lead, mercury, cadmium, sulphur and carbon dioxide.” Environmental experts concur that the negative activities of SMEs in the environment “have not attracted much attention” from the public (Wills, 2002:5; Condon, 2004; Luetkenhorst, 2004). Researchers have also shown that the SMEs sector in the United Kingdom (UK) generates more solid waste and unclean gasses compared to bigger companies.
(Marshall, 1998; Strokes and Rutherfoord, 2000; Seidel, 2009; Grant, 2010). There is need therefore for national governments, particularly those in developing countries, to encourage SMEs to adopt responsible behaviour in environmental management in order to participate fully in CSR activities (Condon, 2004; Luetkenhorst, 2004).

1.3 THE VALUE OF CSR ADOPTION

Studies on the relationship between CSR and SMEs have confirmed that the benefits that accrue to SMEs as a result of adopting CSR practices are enormous (Nurn and Tan, 2010; Zafar and Farooq, 2014). Militaru and Ionescu (2006) posit that companies that adopt CSR practices benefit in terms of increased product, recognition, financial performance and worker loyalty. Some of these benefits include “increased reputation, trust, motivation, attracting better employees, cost reduction and increased revenues” (Zafar and Farooq, 2014: 2276). Unfortunately, most SMEs in developing countries do not engage in CSR activities and those who adopt CSR practices do so to avoid the wrath of the law (Jaffe et al., 1995 in Nguyen Phurong Mai, 2013:72). Insyiranui et al (2013) argue that CSR programmes help SMEs to improve the morale of workers. Sharma and Tyagi (2010) explain that employee who work in companies that practise CSR are prepared to recommend friends and relatives to work for the same company. However, Aguilera et al. (2007) argue that CSR has no tangible benefits to SMEs as the practice cannot be used to change the behaviour and attitudes of employees in any way. Saxena and Kohli (2012), Siegel and Vitaliano (2007), Braon et al. (2009), Haepner et al. (2010), and Lev et al. (2010) argue that studies on the relationship between CSR practices and firm performance do not give conclusive results and that not all firms that engage in CSR activities register positive financial gains.
1.4 THE ZIMBABWE CASE

In Zimbabwe, SMEs are defined as organisations that employ not more than one hundred people, are registered and have an annual sales turnover of less than US$830 000 (SEDCO, 2010; Government of Zimbabwe, 2008 and Onias et al., 2014). The development of the SMEs sector in Zimbabwe can be attributed to a number of factors, such as, the Economic Structural Adjustment Programmes (ESAPs) introduced by the International Monetary Fund (IMF) (Murisa, 2010). The growth of the SMEs sector in Zimbabwe reached its peak in the period between 1991-2000 following the adoption of ESAPs by government (Murisa, 2010 and Mzumara, 2012). In the period 2000–2003 many White farmers were dispossessed of their farms with the result that many farm workers were rendered jobless and the ensuing economic failures experienced by the country motivated potential investors to leave the country (Richardson, 2013). The resultant continued closure of companies forced the government to adopt cost-saving measures on the national purse, such as, massive retrenchments of labour in the public service, removal of subsidies, commercialisation and privatisation of parastatal organisations and the abolition of free education and user-fees in the health sector (Zhou and Zvoushe, 2012). The devastating effects of massive company closures, the HIV/AIDS pandemic and the infamous land reform programme forced people to start their own businesses in order to survive (Zhou and Zvoushe, 2012).

1.5 STRATEGIES TO PROMOTE SMES

The government of Zimbabwe has since adopted a number of strategies to encourage the growth and survival of small business in the country (Government of Zimbabwe, 2008). The introduction of the Zimbabwe Conference for Reconstruction and Development (ZIMCORD) and the Transitional National Development Plan (TNDP) enabled the government to achieve two objectives, namely, encouraging the rural people to form small businesses through cooperative ventures and to allow more and more people to participate in the national economy (Government of Zimbabwe, 2008). The Small Enterprise Development Corporation (SEDCO) was created by government to finance SMEs (SEDCO, 2008). Zindiye et al(2012) argues that the economic problems being experienced by the government of Zimbabwe made it difficult for adequate financial support to be channelled to the development of SMEs. In 2006 the Reserve Bank of Zimbabwe(RBZ) created the “Financial Inclusion Framework”(FIF) in order to increase the funding of SMEs(Government, 2014). The
Government of Zimbabwe created many other support services for the development of SMEs and some of these support services included, business advisory services, insurance services, capacity building services, and managerial services (Government, 2014).

1.6 CSR IN SMES

Corporate Social Responsibility (CSR) is slowly becoming a strategic issue in small to medium enterprises (SMEs) in all national economies including Zimbabwe (Morsing and Perrini, 2009). It is argued that all businesses are products of society and that their growth and existence is dependent on society (Inyang, 2013). Pressure is mounting on SMEs in both the developed and developing countries to adopt CSR practices (Nielsen and Thomson, 2009 and Fassin, 2008). Some authors argue that the CSR activities of SMEs in developing countries are not well documented (Jenkins, 2006; Spence, 2007). Spence (2007) argues that the knowledge of CSR in SMEs is critical for the development of effective business relationships in international trade.

SMEs are expected by larger firms to adopt CSR practices as a condition of their participation in the ‘supply chain’ (Spence, 2007). SMEs always find themselves at a disadvantage when it comes to ‘managing supply chain relationships’ because bigger companies wield more power to formulate and implement rules and policies for SMEs (Spence, 2007). The approaches used by SMEs to adopt and implement CSR activities are poor (Jenkins, 2006 in Spence, 2007). Most of the SMEs do not have any clear knowledge about the strategies that can be used to enhance their CSR activities (Spence, 2007).

Studies on CSR in developing countries lack detailed information on socioeconomic problems that affect SMEs when it comes to adopting CSR activities (Morsing and Perrini, 2009). It is not clear whether the benefits that accrue to larger companies also accrue to SMEs as a result of engaging in CSR activities (Morsing and Perrini, 2009). Furthermore, there is no standard meaning attached to CSR particularly by SMEs in developing countries (2007). Although CSR has become important in the world of business, very little research has been done to support the development of CSR in SMEs in developing countries (Lepoutre and Heene, 2006; Fassin, 2008; Blomback and Wigren, 2009 in Moyeen and Courvisanos, 2012). It is also reported that SMEs in developing countries (including Zimbabwe) engage in some form of CSR although their activities are not officially documented in either the print or the electronic media (Moyeen and Courvisanos, 2012). Legal, economic and ethical CSR
practices by SMEs in Zimbabwe are currently unknown. It is against this background that this study wishes to gain deeper insights into the nature of CSR practices by SMEs in Zimbabwe.

1.7 STATEMENT OF THE PROBLEM

Although much has been written about the significance of CSR in SMEs not much research has been done to establish both the role and nature of CSR in SMEs in a developing country like Zimbabwe (Schaper and Savery, 2004 in Moyeen and Courvisanos, 2012). The literature on CSR in SMEs has shown that “there is an important lack of research on the impact of CSR tools on SMEs” (Karen Delchet-Cochet and Linh-Chi Vo, 2012). It is also believed that “academic work on social responsibility in small firms is limited” (Spence, 2007). Many authors think that CSR in SMEs is not well implemented (Jenkins, 2006 in Spence, 2007). An analysis of the literature on CSR in SMEs in a developing country like Zimbabwe shows that the following areas have not been explored: 1) the meaning attached to CSR by SMEs; 2) the impact of CSR practices by SMEs; 3) the legal, economic and ethical factors that motivate SMEs to engage in CSR practices; 4) the legal, economic and ethical CSR activities of SMEs; and 5) the legal, economic and ethical barriers to CSR practices by SMEs (Schaper and Savery, 2004 in Moyeen and Courvisanos, 2012). In a nutshell, CSR practices by SMEs in Zimbabwe are currently unknown. It is therefore the aim of this study to close this gap in knowledge. This study will be the first of its kind to explore an area where little is known.
1.8 OBJECTIVES OF THE STUDY

This study was guided by the following objectives:

a) To gain an understanding of the meaning attached to CSR by SMEs in Zimbabwe.

b) To have an insight into the impact of CSR practices on the operations of SMEs in Zimbabwe.

c) To establish the legal, economic and ethical factors that motivate SMEs to engage in CSR practices.

d) To highlight the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe.

e) To examine the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe.

1.9 RESEARCH QUESTIONS

The study aimed to answer the following research questions:

a) What meaning is attached to CSR by SMEs in Zimbabwe?

b) What is the impact of CSR practices on the operations of SMEs in Zimbabwe?

c) What are the legal, economic and ethical factors that motivate SMEs to engage in CSR practices?

d) What are the legal economic and ethical CSR activities undertaken by SMEs in Zimbabwe?

e) What are the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe?
1.10 PURPOSE OF THE STUDY

The purpose of this sequential explanatory study was to investigate the legal, economic and ethical CSR practices by SMEs in Zimbabwe, and this was achieved by mixing both quantitative and qualitative research approaches. The study made use of multiple data collection instruments in order to achieve maximum results. Therefore the study would gain new insights into the CSR practices by SMEs in Zimbabwe by exploring:

1) The meanings attached to CSR by SMEs in Zimbabwe,
2) The impact of CSR on the operations of SMEs in Zimbabwe,
3) The legal, economic and ethical factors that motivate SMEs to engage in CSR practices,
4) The legal, economic and ethical activities undertaken by SMEs in Zimbabwe, and
5) The legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe.

The questionnaire approach was used to collect quantitative data which was subsequently used to establish the link between CSR and firm performance, CSR and employee satisfaction, and CSR and customer satisfaction. The interview guide was also used to collect data on CSR practices by SMEs in Zimbabwe. The qualitative approach was used to gain deeper insights into the nature of CSR practices by SMEs in Zimbabwe. The study was carried out in Harare, the capital city of Zimbabwe and all the research participants (SMEs owners/managers) were drawn from Harare.

1.11 THE SIGNIFICANCE OF THE STUDY

The value of this study can be measured in terms of its social and scientific significance to the study of CSR in SMEs in developing countries (Weimer, 1995). The concept of social significance refers to the ability of the study to address economic, social and legal CSR problems, whereas the concept of scientific significance refers to the ability of the study to generate new insights, theories and models in the CSR literature. The concept of social significance in this study arises from the argument that SMEs are quantitatively the largest business sector on the global map and are capable of employing between 50% - 60% of the world’s labour-force (Lund Thomsen, 2013: 602). SMEs, by virtue of their statistical dominance in all national economies produce the needed goods and services, and help in
alleviating poverty (Storey, 1994; Madsing, 1997; Amin and Banerjee, 2007). African countries (including Zimbabwe) are characterised by poor foreign direct investment inflows, glaring poverty and massive unemployment (Visser, 2006: 37-38; Commission for Africa, 2005).

CSR has become an important business model for the implementation of corporate governance in developing countries (Visser, 2006). Good corporate governance is key to economic growth (Uddin and Joya, 2007: 15). Countries that practice good corporate governance are able to eliminate poverty and improve the quality of life for the citizens (Uddin and Joya, 2007: 15). Good corporate governance practices guarantee the growth and survival of SMEs and ensure continuous inflows of capital into the country (Sanusi, 2003 in Oso and Semill, 2012: 2). Poor corporate governance is one of the contributing factors to ailing economies in the majority of African countries (Uddin and Joya, 2007: 15).

It is also worth noting that CSR is a new concept in Africa (Amponsah Tawiah and Dartey–Baar, 2011). CSR has been considered to be a business model for bigger firms (Kechiche and Soparnot, 2012: 97). Therefore CSR in bigger firms has been extensively investigated (Lindgreen and Swaen, 2010: 5 in Moyeen and Courvisanos, 2012: 370). Some authors believe that CSR in SMEs is silent and never reported (Fassin, 2008 in Moyeen and Courvisanos, 2012: 370). SMEs are closer to their stakeholders compared to the bigger firms and this quality enables them to align their CSR activities to the needs of their clients (Moyeen and Courvisanos, 2012: 370). The literature on CSR has shown that SMEs do not know the value of engaging in CSR practices (Tilley, 2000; Hitchens et al, 2005). This study therefore brings new insights into the CSR activities of SMEs in Zimbabwe. Furthermore, the meanings attached to CSR, the impact of CSR in SMEs and the barriers to CSR adoption by SMEs in Zimbabwe are explored in detail. Therefore this study contributes significantly to the literature on CSR in SMEs. This is a scientific significance.
1.12 ASSUMPTIONS OF THE STUDY
This study was guided by the following assumptions:

a) SMEs in Zimbabwe attach varied meanings to the concept of CSR.
b) CSR practices have an impact on the operations of SMEs in Zimbabwe.
c) Legal, economic and ethical factors motivate SMEs to engage in CSR.
d) SMEs in Zimbabwe are engaged in legal, economic and ethical CSR practices.
e) Legal, economic and ethical factors act as barriers to the adoption of CSR practices by SMEs in Zimbabwe.
f) Research participants would provide honest and truthful answers to the questionnaire on CSR in SMEs in Zimbabwe.
g) It would be possible to generalise the results of this study to other populations in Zimbabwe given that the study adopted the mixed research approach.

1.13 THE DELIMITATION OF THE STUDY
The study was delimited to CSR practices in small to medium enterprises in Zimbabwe. The study was conducted in the Harare province of Zimbabwe. Zimbabwe has ten provinces. Since the study was limited to Zimbabwe, the generalisation of the results would be limited to the same populations in Zimbabwe’s ten provinces. Studies of CSR in bigger firms were not included in this study. Furthermore, this study was delimited to the five objectives of the study.
1.14 DEFINITION OF KEY TERMS

a) **Small to medium enterprises (SMEs).** In this study SMEs refer to organisations that are registered and that employ less than one hundred permanent employees (Government of Zimbabwe, 2003; SEDCO, 2003). This definition has been adopted for this study.

b) **Corporate social responsibility (CSR).** Carroll (1979: 500) gives the following definition of CSR: “The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organisations at a given point in time” (Carroll, 1979: 500). This definition has been adopted for this study.

c) **Society.** Carroll and Bucholtz (2009:6) define society as “a community, a nation, or a broad grouping of people having common traditions, values, institutions, and collective activities and interests” (Carroll and Bucholtz, 2009:6). This definition has been adopted for this study.

d) **Stakeholder.** In this study the concept refers to “an individual or a group that has one or more of the various kinds of stakes in the organisation” (Carroll and Bucholtz, 2009: 84). The way the business is operated has an effect on stakeholders and in the same vein stakeholders are capable of changing the way a business is operated (Carroll and Bucholtz, 2009: 84). This definition has been adopted for this study.

e) **Corporate public policy.** In this study the term refers to “a firm’s posture, stance, strategy, or position regarding the public, social, global, and ethical aspects of stakeholders and corporate functioning” (Carroll and Bucholtz, 2009: 154). In this case corporate public policy refers to an SME company’s position on corporate social responsibility (CSR). This definition has been adopted in this study.

f) **Corporate governance.** In this study the term refers to “the system by which companies are directed and controlled” (Cadbury, 1992 in Ijeoma and Ezejiofor, 2013: 163). Corporate governance refers to the relationships that exist between the board of directors and the shareholders who happen to be the investors. Corporate governance is also the process in which the board of management achieves the objectives of making profit for shareholders and at the same time manages stakeholder interests (Rezall, 2009 in Ijeoma and Ezejiofor, 2013: 163). Therefore the definition of corporate governance given by Cadbury (1992) has been adopted for this study.
g) **Organisational culture.** It is “a pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (Schein, 2004, 17). This study adopted this definition.

h) **Customer satisfaction.** Customer satisfaction “is an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfilment of some needs, goals or desire” (Hansemark and Albinson, 2004 in Angelova and Zekiri, 2011: 233). This definition has been adopted for this study.

i) **Family business.** It is a “business in which ownership and/or policymaking are dominated by members of an emotional kinship group” (Carsrud, 1994: 40). This definition was adopted for this study.

j) **Organisational performance.** In this study it refers to “a set of financial and non-financial indicators which offer information on the degree of achievement of objectives and results”. (Lebans and Euske, 2006: 71) This definition was adopted for this study.

### 1.15 STRUCTURE OF THE STUDY

Chapter One gives the background to the study, statement of the problem, research objectives, research questions, purpose of the study, justification of the study, assumptions of the study, delimitations of the study, limitations of the study, definition of key terms, structure of the study and conclusion.

Chapter Two has two sections. Section one focuses on the theoretical underpinnings of CSR while section two focuses on the review of related literature. The Three Domain Model of CSR is presented and analysed for the purpose of confirming the legal, economic and ethical CSR practices by SMEs in Zimbabwe The meaning attached to CSR by SMEs is explored. The impact of CSR to SMEs is explained. The legal, economic and ethical factors that motivate SMEs to engage in CSR practices are established. The legal, economic and ethical activities of SMEs are described. The legal, economic and ethical barriers to CSR adoption by SMEs are examined.
Chapter Three presents the methodology adopted in this study. Therefore the research philosophy, the research approaches and the research designs appropriate for this study are presented and discussed. The sampling process, data collection methods, the population for this study, quality control issues and data analysis procedures are given and described in detail.

Chapter Four is all about analysis and presentation of results. Data analysis procedures are fully utilised. The results generated by both quantitative and qualitative research are presented in tabular form.

Chapter Five presents the discussion of the results generated from the study. It discusses the results from the five research questions.

Chapter Six is the final part of the study where the conclusions and recommendations for the study are presented and explained.

1.16 OVERVIEW OF THE RESEARCH METHODOLOGY

The mixed research methodology was adopted for this study. This methodology was adopted because the major goal of this study was two-fold; to test hypotheses on the relationships between CSR practices by SMEs and the operations of SMEs in Zimbabwe, and to confirm and build up theories concerning the management and implementation of CSR in SMEs. The research designs adopted by this study were the descriptive and the exploratory research designs and both positivism and interpretive research paradigms were also used in this study. To that end primary data was gathered using both questionnaires and face to face interviews. The target population for this study consisted of all SMEs that were registered and that employed more than five employees and less than one hundred employees. Sample sizes of 274 for quantitative data and six for qualitative data were selected using the systematic sampling method and purposive sampling methods respectively. Quantitative data was analysed using linear regression statistics, graphical statistics, inferential statistics and descriptive statistics. Qualitative data was analysed using the reduction method. The items on the questionnaire were further measured and analysed using the Cronbach’ alpha to establish statistically the consistency of the items and the relationship between them.
1.17 CONCLUSION

This study focused on corporate social responsibility practices (CSR) by small and medium enterprises (SMEs) in Zimbabwe. The background of the study, the statement of the problem, the objectives of the study and the research questions were given and explained in detail. This was done in order to provide a conceptual foundation through which the research problem for this study could be understood. The purpose of the study, the significance of the study and the assumptions of the study were presented and described. The delimitation of the study and the limitation of the study were given and discussed. Key concepts of the study were defined, the structure of the study was spelt out and an overview of the research methodology was given.
CHAPTER TWO:

THE THEORETICAL UNDERPINNINGS OF CSR

SECTION ONE

2.0 INTRODUCTION

Chapter two is divided into two sections. The first section undertakes to build up a theoretical background of this study by using the Three Domain Theory of CSR. This is done to clearly demonstrate the nature of CSR practices in SMEs in the context of Zimbabwe. Eisenhardt (1989) in Colquitt and Zapata-Phelan (2007: 1281) explain that the importance of theory is found in “the richness of its account, the degree to which it provides a close fit to empirical data, and the degree to which it results in novel insights”. Wacker (1998) in Daniel Udo-Akang (2012: 89) believes that the value of theory in research is three-fold in that “(a) it provides a framework for analysis, (b) it provides an efficient method for field development, and (c) it provides a clear explanation for the pragmatic world”. This study was guided by the Three Domain Theory of Schwartz and Carroll (2003), as it clearly explains in detail the three constructs of legal, economic and ethical considerations in CSR practices by SMEs in Zimbabwe. There are many other theories of CSR, such as, stakeholder theory, social capital theory, institutional theory and signalling theory. These theories were not adopted for this study because they do not talk about the legal, economic and ethical dimensions of CSR. To that end the proponents of CSR theory are presented in tabular form first. Secondly, the concerns of the authors are analysed and discussed. Finally the Three Domain Model of Schwartz and Carroll (2003) is presented and explained in detail.
<table>
<thead>
<tr>
<th>Author</th>
<th>Context for CSR practice</th>
<th>CSR objective</th>
<th>Proposed CSR Pyramid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nalband and Kelabi (2014: 237)</td>
<td>Saudi Arabia and other Asian countries</td>
<td>To propose a new model of CSR that is relevant to Saudi Arabia (Nalband and Kelabi, 2014:236).</td>
<td>Universal Model of CSR. It is based on four dimensions of Philanthropy, Ethical CSR, economic CSR and Legal CSR. Legal CSR is given the highest value in Saudi Arabia (Nalband and Kelabi, 2014: 237-236)</td>
</tr>
<tr>
<td>Zabin (2013)</td>
<td>Bangladesh and other developing countries</td>
<td>To implement a four-part CSR Pyramid for Bangladesh and other developing countries (Zabin, 2013).</td>
<td>Model of CSR in Bangladesh based on four CSR dimensions, namely Philanthropic CSR, Environmental CSR, Legal CSR and Economic CSR. Economic CSR is the most valued (Zabin, 2013:78).</td>
</tr>
<tr>
<td>Kwasi Dartey-Baah and Kwesi Aponsah Tawiah (2011)</td>
<td>The African continent.</td>
<td>Exploring the limits of Western CSR Theories in Africa (Kwasi Dartey-Baah and Kwesi Aponsah Tawiah 2011: 126).</td>
<td>CSR Pyramid for Africa. At the top of the Pyramid there is Ethical CSR, followed by legal CSR, then Philanthropic CSR and at the bottom there is economic CSR. Economic CSR is the highest priority (Kwasi Dartey-Baah and Kwesi Amonsah Tawiah 2011: 126).</td>
</tr>
<tr>
<td>Nochai and Nochai (2014)</td>
<td>Singapore</td>
<td>To find out the CSR dimension that has an effect on consumers’ buying behaviour in Bangkok (Nochai and Nochai, 2014).</td>
<td>Findings revealed that Legal CSR is the most important in Singapore and has an impact on the buying behaviour of consumers (Nochai and Nochai, 2014). The CSR Pyramid of Carroll (1979) is adopted.</td>
</tr>
<tr>
<td>Barde and Garba (2015)</td>
<td>A research study conducted in the Nigerian construction</td>
<td>To find out those CSR dimensions that have an impact on the financial performance of listed companies in</td>
<td>Economic, Legal and Ethical CSR have a positive impact on the financial performance of firms in the Nigerian Construction Industry. The CSR Pyramids of</td>
</tr>
<tr>
<td>Study</td>
<td>Country</td>
<td>Focus</td>
<td>Adoption</td>
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<tr>
<td>Olajide (2014)</td>
<td>Nigeria</td>
<td>To examine CSR practices and stakeholder expectations in Nigeria</td>
<td>Adopted the CSR Pyramid of Carroll (1979; 1991). Nigerian stakeholders consider Economic CSR, Legal CSR and Ethical CSR to be more important.</td>
</tr>
<tr>
<td>Uddin et al. (2008)</td>
<td>Bangladesh</td>
<td>To report on the significance of Economic CSR, Social CSR and Environmental and ecological CSR</td>
<td>The four-part CSR Pyramid of Carroll (1979; 1991) is not adopted. The Three-part model is adopted but with bias to social and environmental issues (Uddin et al., 2008: 204).</td>
</tr>
<tr>
<td>Rahim et al. (2011)</td>
<td>Malaysia</td>
<td>To examine the influence of CSR on the buying behaviour of Malaysian consumers</td>
<td>The CSR Pyramid of Carroll (1979; 1991) is adopted. Economic CSR remains the most valued CSR responsibility of SMEs. There is a positive relationship between CSR activities and consumer buying behaviour (Rahim et al., 2011:119).</td>
</tr>
<tr>
<td>Carroll (1991)</td>
<td>America. A paper on the four-part Pyramid of CSR.</td>
<td>To show that the CSR agenda is based on a variety of duties, namely, Economic, Legal, Ethical and Discretionary or Philanthropic CSR (Carroll, 1991).</td>
<td>The Pyramid of CSR has four dimensions, namely, Philanthropic CSR, Ethical CSR, Legal CSR and Economic CSR (Carroll 1991: 39-48).</td>
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<tr>
<td>Carroll (1979)</td>
<td>America: a paper on the four-part Pyramid of CSR.</td>
<td>To show that the CSR agenda covers a wider spectrum of duties, namely, economic, legal, ethical and discretionary (Carroll, 1979: 500).</td>
<td>The Pyramid of CSR has four dimensions, namely, Philanthropic CSR, Ethical CSR, Legal CSR and Economic CSR (Carroll 1991: 39-48; Carroll, 1979).</td>
</tr>
</tbody>
</table>

**Sources:** Visser (2006); Nalband and Kelabi (2014); Zabin (2013); Kwasi Darre-Baah and Kwesi Ampomsah Tawiah (2011); Nochai and Nochai (2014); Barde and Garba (2015); Olajide (2014); Uddin et al. (2008); Rahim et al. (2011); Carroll (1991); Carroll (1979); Schwartz and Carroll (1991); Carroll (1979); Schwartz and Carroll (2003) and Aviva Geva (2008).

**Table 2.1** shows that CSR theory has been adopted and adapted widely to the needs and problems affecting people globally. In Africa the CSR theory has been used to increase the economic activities of SMEs in order to complement government efforts to provide a better economic infrastructure. In Asia CSR theory has been used to create strategies to counter the effects of floods and other natural disasters.
2.1 THE POSITION OF AUTHORITIES ON CSR THEORY

Nalband and Kelabi (2014: 237) proposed a new Model of CSR that is relevant to Saudi Arabia. The model is called the “Universal Model of CSR” (Nalband and Kelabi, 2014: 237), as shown in Figure 2.1 below. The model is based on four dimensions of CSR, namely, Philanthropic CSR, Ethical CSR, Economic CSR and Legal CSR (Nalband and Kelabi, 2014: 237). The Universal Model of CSR is structured in such a way that legal CSR is at the bottom of the pyramid and considered the highest CSR responsibility in Saudi Arabia (Nalband and Kelabi, 2014: 237). Nalband and Kelabi (2014: 237) further elaborate that:

Hence-forth in this Universal Model of CSR contrary to Carroll’s CSR pyramid model, legal responsibility is viewed as a basic responsibility. In the present context even to start the business one needs to comply with the law of the country. In many countries CSR expenditure has to be disclosed in its annual reports, it is mandatory (Nalband and Kelabi, 2014: 237).

Nelband and Kelabi (2014:237) proposed a new idea of CSR which they named, “The Universal Model of CSR,” as shown in Figure 2.1:

<table>
<thead>
<tr>
<th>PHILANTHROPIC CSR</th>
<th>ETHICAL CSR</th>
<th>ECONOMIC CSR</th>
<th>LEGAL CSR</th>
</tr>
</thead>
</table>

**Figure 2.1 The Universal Model of CSR**

**Source:** Arabia (Nalband and Kelabi, 2014:236).

*Figure 2.1* shows that Nalband and Kelabi (2014: 237) proposed a new model of CSR that is relevant to Saudi Arabia. It is based on four dimensions of Philanthropy, Ethical, economic and Legal CSR. Legal CSR is given the highest value in Saudi Arabia (Nalband and Kelabi, 2014: 237-236). CSR practices are heavily legislated against and SMEs are required to formalise their CSR practices.
Visser (2006: 37) proposes a new CSR pyramid called “Africa’s CSR pyramid” based on four CSR dimensions of Ethical CSR, Philanthropic CSR, Legal CSR and Economic CSR. In fact, the CSR pyramids of Carroll (1979; 1991) are adopted by Visser (2006) with incremental changes. Africa’s CSR Pyramid of Visser (2006: 37) regards Economic CSR as the most valued CSR responsibility in Africa. Visser (2006: 37-42) argues that Africa, as a continent, is characterised by massive unemployment, poverty, lack of foreign direct investment (FDI), the menace of disease and poor corporate governance. However, Visser (2006) and Nalband and Kelabi (2014:237) do not agree on the significance of Legal CSR to the business fraternity in Africa:

In Africa, legal responsibilities have a lower priority than in developed countries. This does not necessarily mean that companies flaunt the law, but it is far less of a pressure for good conduct. There are several reasons for this. Firstly, in much of Africa, the legal infrastructure is poorly developed and often lacks independence....

Zabin (2013: 78) proposed a new model of CSR in the context of Bangladesh and is based on the four dimensions of Philanthropic CSR, Environmental CSR, Legal CSR and Economic CSR, as shown in Figure 2.2 below:

![Figure 2.2 The new CSR pyramid for Bangladesh](Image)

*Source: Zabin (2013: 78)*
Figure 2.2 presents Zabin (2013: 78) arguments that Environmental CSR in the new CSR Pyramid for Bangladesh is very important. Environmental CSR has been necessitated by the constant problems caused by oceanic floods. Zabin (2013) argues that CSR practices by SMEs in Bangladesh must be guided by the Environmental CSR hence its inclusion in the CSR pyramid. Zabin (2013:78) has this to say about environmental CSR:

In this model, we include environmental responsibilities as domain, because protection over environment is also a firm’s corporate social responsibility. The world’s climate is changing and it affected the developing countries in horrible ways, Bangladesh is the most vulnerable nation due to global climate change in the world according to German Watch’s Global Climate Risk Index (CR1) of 2011……

The Bangladesh model of CSR proposed by Zabin (2013) has strong links with the Three-Part Model of CSR proposed by Uddin et al. (2008: 204). However, the Three-part model of Uddin et al. (2008: 204), focuses on Economic CSR, Social CSR and Environmental and Ecological CSR as shown in Figure 2.3:

![Figure 2.3: The three part model of Uddin](Source: Uddin et al. (2008: 204))

Figure 2.3 shows that Uddin et al. (2008: 207) make several assertions concerning the relevance of Environmental and Ecological CSR in Bangladesh. Uddin(2008) is also concerned about ecological problems affecting Bangladesh. According to Uddin (2008) environmental CSR should be placed at the bottom of the pyramid to signify the importance placed on the need to protect the citizens of Bangladesh from the floods.
Uddin has this to say about the need to adapt the CSR theory to the problems in Bangladesh:

Corporate activity may have many types of effects on the environment. Usually environmental impact refers to the negative effects occurring in the surrounding natural environment due to business operations. Such impacts may include: overuse of natural, non-renewable resources of energy, pollution, wastage, degeneration of biodiversity, climate change, deforestation…….

Nochai and Nochai (2014) and Rahim et al. (2011) adopted the CSR Pyramids of Carroll (1979; 1991) as shown in Figure 2.4:

![CSR Pyramid of Carroll](image)

**Figure 2.4 The CSR pyramid of Carroll**

**Source:** Nochai and Nochai (2014:45)

**Figure 2.4** shows that Nochai and Nochai (2014) carried out a quantitative study to investigate the effect of the CSR dimensions on consumers’ buying behaviour in Bangkok. The findings revealed that only the Legal CSR and Ethical CSR have an effect on consumers’ buying behaviour (Nochai and Nochai, 2014: 45). Economic CSR and Philanthropic CSR do not have any positive relationship with consumers’ buying behaviour (Nochai and Nochai; 2014: 45).
Rahim et al. (2011) carried out a similar study to investigate the influence of CSR dimensions on the buying behaviour of Malaysian consumers. Figure 2.5 presents the conceptual framework of Rahim et al. (2011: 127).

Figure 2.5 The conceptual framework of Rahim

Source: Rahim et al. (2011: 127)

Figure 2.5 shows that CSR theory has the power to influence consumer behaviour. Rahim et al (2011) goes further to show that economic CSR, legal CSR, ethical CSR and philanthropic CSR can be used by SMEs to positively change the behaviour of consumers. Unfortunately the literature on CSR shows that CSR practices have no effect on consumer behaviour.

Rahim et al. (2011: 131) used multiple linear regressions to establish the relationship between CSR dimensions and consumers’ behaviour. The results showed that all the CSR dimensions affect consumers’ buying decisions. A similar study by Nochai and Nocahi (2014) showed that only two CSR dimension (Legal and Ethical) have an impact on consumers’ buying behaviour (Nochai and Nochai, 2014: 45). In other related studies, ethical CSR was found to be the only CSR dimension that influenced consumers’ buying behaviour (Greyer and Ross, 1997 in Rahim et al., 2011: 126). In the African continent, Economic CSR is considered to have the greatest impact on consumers’ buying decisions (Visser, 2006: 37-40; Rahim et al, 2011: 126; Sen and Bhattacharya, 2001; Brown and Dacin, 1997; Ellen, Webb and Mohr, 2000). However, Carrigan and Attalla (2001) in Anim and Cudjoe (2015: 10) argue that CSR

---

**Figure 2.5** The conceptual framework of Rahim

---

**Economic CSR**

**Legal CSR**

**Ethical CSR**

**Philanthropic**

**Consumer Behaviour**
dimensions do not affect consumers’ buying behaviour at all. According to Ali et al. (2010) in Safi and Ramay (2013: 196) there are no consistent results concerning the effect of CSR on consumers’ buying behaviour?

Barde and Tela (2015: 87) conducted a study in the Nigerian construction industry to investigate the CSR dimensions that influence the financial performance of firms. Their findings revealed that Economic CSR, Legal CSR and Ethical CSR have a positive impact on the financial performance of firms (Barde and Tela, 2015: 91). However, Orlitzky, Schmidt and Rhynes (2003) in Barde and Tela (2015: 89) “failed to establish any link between CSR and financial performance.” Studies conducted by Barnet and Solomon (2003) in Barde and Tela(2015: 89) showed “that the relationship between CSR and financial performance remains in dispute.” Barde and Tela (2015) adopted the CSR Pyramid of Carroll (1994) with all the four CSR dimensions of Philanthropic CSR, Ethical CSR, Legal CSR and Economic CSR, as shown in Figure 2.6:

<table>
<thead>
<tr>
<th>PHILANTHROPIC CSR</th>
<th>ETHICAL CSR</th>
<th>LEGAL CSR</th>
<th>ECONOMIC CSR</th>
</tr>
</thead>
</table>

**Figure 2.6 Carroll pyramids of four dimensions**

*Source: Carroll (1994)*

**Figure 2.6** shows that Barde and Tela (2015: 89) concur with Nochai and Nochai (2014); Visser (2006); and Zabin (2013) that Economic CSR remains the highest CSR priority in Africa. Kwasi Dartey–Baah and Kwesi Amponsah-Tawiah (2011: 126) argue that models of CSR are not compatible with the culture of the people in Africa as they were developed in America:
Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah (2011: 126) believe that the colonisation of African countries facilitated the adoption of CSR models “to African business practice,” and the authors have this to say about CSR theory:

CSR practice in Africa is thought to be adopted from Western business theories although there is evidence to suggest that Western CSR theories are not totally applicable in Africa. This is due to differences in drivers or causes of CSR in the West and in Africa, as well as cultural and managerial traits in Africa.


- CSR in Africa is less formal and does not follow any rules (Kwasi Dartey–Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).
- Only big companies have the capacity to do CSR (Kwasi Dartey–Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).
- Small companies (SMEs) do not engage in CSR (Kwasi Dartey–Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).
- CSR in Africa is characterised by the activities of donor agencies (Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).
- Economic CSR is the most valued in Africa (Kwasi Dartey–Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).
- The practice of CSR in Africa is guided by the concept of “ubuntu” (Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah, 2011: 130; Visser, 2005).

Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah (2011: 132) elaborate further on the concept of “ubuntu” and its link with the practice of CSR in Africa:

A person with Ubuntu is open and available to others, affirming of others, does not feel threatened that others are able and good, for he or she has a proper self-assurance that comes from knowing that he or she belongs in a greater whole and is diminished when others are humiliated or diminished, when others are tortured or oppressed…The word comes from the Zulu and
Xhosa languages. A rough translation in English would be “humanity towards others”…

Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah (2011: 131-134) agree with Visser (2005) on the CSR Pyramid that should be used in Africa. At the top of the Pyramid is Ethical CSR, followed by Legal CSR, then Philanthropic CSR and at the bottom is Economic CSR (Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah, 2011: 135). In Africa “economic responsibilities still get the most emphasis”(Kwasi Dartey-Baah and Kwesi Amponsah-Tawiah, 2011: 131).

Olajide (2014: 18) adopted the CSR Pyramid of Carroll (1979: 1991) based on the four dimensions of CSR, namely, Philanthropic CSR at the top of the Pyramid, followed by Ethical CSR, followed by Legal CSR, with Economic CSR at the bottom. Olajide (2014: 24) goes further to show the ranking that is accorded to the four CSR dimensions (Philanthropy, Ethical, Legal and Economic) by the Nigerian stakeholders:

<table>
<thead>
<tr>
<th>Table 2.2 Economic, Philanthropy, Legal and Ethical CSR ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CSR Dimension</strong></td>
</tr>
<tr>
<td>Economic CSR</td>
</tr>
<tr>
<td>Legal CSR</td>
</tr>
<tr>
<td>Ethical CSR</td>
</tr>
<tr>
<td>Philanthropy CSR</td>
</tr>
</tbody>
</table>

Source: Olajide (2014: 24)

Table 2.2 shows that Economic CSR is still highly prized in Africa. Visser (2006; 2005) Kwasi Dartey–Baah and Kwesi Amponsah–Tawiah (2011); Barde and Tela (2015) and Rahim et al. (2011) concur with Olajide (2014) that Economic CSR is the most important duty of firms in Africa. However Barnett (2007) in Olajide (2014: 18) stresses the point that Economic CSR is not always the most important CSR responsibility in Africa.

In conclusion, this section of the study, has provided deep insights into the extend to which CSR has been adopted and adapted to solve CSR problems of the people in Africa, Asia and Europe. In Africa CSR has been used to increase the economic activities of SMEs by creating employment and producing quality goods and services for people. In Bangladesh CSR theory has been used to create public policies that protect the people from the oceanic floods. In Europe CSR theory has been used to create more job opportunities for the unemployed. In
this part or the study CSR theory has four dimensions, namely, economic, legal, ethical and philanthropic.

2.2 THE THREE DOMAIN MODEL

Carroll (1979) came up with four grades of CSR, namely, legal, economic, ethical and philanthropic, to illustrate the relationship that exists between companies and the social world and also to demonstrate the kind of CSR decisions that managers/owners of companies make. However, the four construct approach faced sharp criticism by some authors resulting in the development of the three-domain approach (Schwartz and Carroll, 2003; Carroll, 1979). Therefore the essence of the three-domain approach can only be understood by explaining the CSR thinking that existed before the construction of the three-domain approach. Thus the four-part model of Carroll (1979) is analysed first.

Carroll (1979:500) defined the responsibilities of the firm (big or small) in terms of four dimensions, namely, economic, legal, ethical and discretionary. The order in which these four dimensions are placed is decided by the history of business (Carroll, 1979:500). The four responsibilities of business as suggested by Carroll (1979:500) are then used to define corporate social responsibility (CSR) as follows:

The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time (1979:500).

Crane and Matten (2004) in Visser (2006b:33) admit that the “four-part conceptualization” of Carroll (1979:500) attracted the attention of researchers and has been widely used in literary works. In this model, economic CSR is considered the most important responsibility of the firm. Carroll (1979:500) in Zabin (2013:76) argues that companies wishing to engage in CSR must “have, (a) a basic definition of CSR; (b) an understanding of the issues for which a social responsibility existed; and (c) a specification of the philosophy of responsiveness to the issues”.

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In a nutshell, the three domain theory is developed from the four part theory of Carroll(1979). The four part theory of Carroll(1979) has four dimensions, namely, economic, legal, ethical and philanthropic. The three domain theory of Schwartz and Carroll (2003) merges the ethical and the philanthropic dimensions of CSR to make it one. The argument is that both ethical and philanthropic CSR do not have clear differences. Ethical CSR can be used to solve philanthropic CSR problems hence the need to merge the two into one dimension of CSR.

2.3 ANALYSIS OF THE FOUR DIMENSIONS

Carroll (1991: 40–42) gives the economic and legal functions of companies in table form.

Table 2.3 The features of Economic and Legal CSR

<table>
<thead>
<tr>
<th>ECONOMIC CSR</th>
<th>LEGAL CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. It is important to perform in a manner consistent with maximizing earnings per share.</td>
<td>1. It is important to perform in a manner consistent with expectations of government and law.</td>
</tr>
<tr>
<td>2. It is important to be as profitable as possible</td>
<td>2. It is important to comply with various federal, state and local regulations.</td>
</tr>
<tr>
<td>3. It is important to maintain a strong competitive position.</td>
<td>3. It is important to be a law-abiding corporate citizen.</td>
</tr>
<tr>
<td>4. It is important to maintain a high level of operating efficiency.</td>
<td>4. It is important that a successful firm be defined as one that fulfils its legal obligations.</td>
</tr>
<tr>
<td>5. It is important that a successful firm be defined as one that is consistently profitable.</td>
<td>5. It is important to provide goods and services that at least meet minimal legal requirements.</td>
</tr>
</tbody>
</table>


Table 2.3 shows that economic CSR is all about creating value on investment. It is about making profits and being competitive in the business environment. It is also about achieving both strategic and financial objectives. Economic CSR can benefit society when companies produce quality goods and services for the citizens. Legal CSR is mainly about meeting government expectations about complying with national laws. It is about respecting government laws on pricing, labour issues and protecting the environment.
Carroll (1979: 500) views legal CSR as a contract between government and SMEs, in which SMEs undertake to follow and respect government regulations, policies and pronouncements. The government has a duty to ensure that the citizens of the country and the natural environment are protected from harm and misuse by companies (Carroll, 1979: 500). Companies are also expected by society to perform ethical and philanthropic CSR (Carroll, 1979; Carroll, 1991).

Table 2.4 The features of Ethical and philanthropic CSR

<table>
<thead>
<tr>
<th>Ethical CSR</th>
<th>Philanthropic CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. It is important to perform in a manner consistent with expectations of societal mores and ethical norms.</td>
<td>1. It is important to perform in a manner consistent with the philanthropic and charitable expectations of society.</td>
</tr>
<tr>
<td>2. It is important to recognise and respect new or evolving ethical moral norms adopted by society.</td>
<td>2. It is important to assist the fine and performing arts.</td>
</tr>
<tr>
<td>3. It is important to prevent ethical norms from being compromised in order to achieve corporate goals.</td>
<td>3. It is important that managers and employees participate in voluntary and charitable activities within their local communities.</td>
</tr>
<tr>
<td>4. It is important that good corporate citizenship be defined as doing what is expected morally or ethically</td>
<td>4. It is important to provide assistance to private and public educational institutions.</td>
</tr>
<tr>
<td>5. It is important to recognize that corporate integrity and ethical behaviour go beyond mere compliance with laws and regulations.</td>
<td>5. It is important to assist voluntarily those projects that enhance a community’s “quality of life”.</td>
</tr>
</tbody>
</table>


Table 2.4 shows that there is a strong similarity between ethical CSR and philanthropic CSR. Ethical CSR speaks about the need to recognise the beliefs, norms, values, assumptions, philosophies, and problems of society through CSR. At the same time philanthropic CSR talks about donating to charity. Ethical CSR talks about the need to put into practice proper business ethical standards while philanthropic CSR speaks about improving the lives of people through the production of quality goods and services. Therefore ethical CSR and philanthropic CSR is one and the same thing.
2.4 CRITICISM OF THE FOUR-PART MODEL

Schwartz and Carroll (2003: 5007) question the relevance of philanthropic CSR. Philanthropic CSR cannot be used to evaluate the attitudes of management and employees towards CSR and therefore the philanthropic dimension should be erased from the CSR approach (Schwartz and Carroll, 2003: 507). Philanthropic CSR is just as good as economic CSR in that all CSR activities are done to improve the concerns of the organisation, such as, corporate reputation, good governance, profits, sales, customer satisfaction and employee satisfaction (Shaw and Post, 1993: 748; Yankee, 1996: 9-10; Schwartz and Carroll, 2003: 507; Bronn and Vrioni, 2001: 209). According to Schwartz and Carroll (2003:506) the difference between Ethical CSR and Philanthropic CSR is confusing as all humanitarian work or “giving to charitable organizations” point to ethical CSR. The three domain theory of Schwartz and Carroll (2003) merges the ethical and the philanthropic dimensions of CSR to make it one. The argument is that both ethical and philanthropic CSR do not have clear differences. Ethical CSR can be used to solve philanthropic CSR problems hence the need to merge the two. Therefore ethical CSR and philanthropic CSR is one and the same thing.

2.5 THE DEVELOPMENT OF THE NEW MODEL

Schwartz and Carroll (2003: 508) proposed a new CSR model based on three dimensions: economic, legal and ethical. The new model is derived from the “four part” approach of Carroll (1979) and Carroll (1991) except that philanthropic CSR has been dropped, leaving legal, economic and ethical CSR (Schwartz and Carroll, 2003: 508). The new model is depicted in Figure 2.7:
Figure 2.7 The Three Domain Model

Source: Schwartz and Carroll (2003: 508)

In the new model of CSR as shown in Figure 2.7 philanthropic CSR has been removed because it is an appendage of ethical CSR according to Carroll (2003:508). It means then that ethical CSR and philanthropic CSR have been joined to mean one thing. Ethical CSR is philanthropic CSR and philanthropic CSR is ethical CSR.

2.6 ECONOMIC AND LEGAL CSR

Economic CSR refers to the process in which the firm increases its profits and share price (Schwartz and Carroll, 2003: 508). Schwartz and Carroll (2003: 508) distinguish between direct and indirect economic CSR. Direct economic CSR refers to the process of expanding the market to increase sales whereas indirect CSR refers to upholding the rule of law (Schwartz and Carroll, 2003: 508). The various forms of legal CSR are explained in Table 2.5.
Table 2.5 Forms of legal CSR

<table>
<thead>
<tr>
<th>Forms of legal CSR</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passive compliance</td>
<td>This happens when SMEs respect government laws unintentionally or accidentally.</td>
</tr>
<tr>
<td>Restrictive compliance</td>
<td>This happens when SMEs intentionally respect government laws, for example, payment of taxes.</td>
</tr>
<tr>
<td>Opportunistic Compliance</td>
<td>SMEs that decide to operate in the rural areas may be doing so to take advantage of weak environmental regulations on land, air and water pollution.</td>
</tr>
<tr>
<td>Avoidance of civil litigation</td>
<td>SMEs will stop engaging in for example child labour to avoid the force of law.</td>
</tr>
<tr>
<td>Anticipation of the law</td>
<td>SMEs may prevent the promulgation of another similar legislation by doing legal CSR activities that please the government.</td>
</tr>
</tbody>
</table>

Source: Schwartz and Carroll (2003: 510)

Table 2.5 is a summary of the legal CSR activities of SMEs globally. SMEs are expected by government to comply with national laws and to help the government to prevent crime. This can be done by charging gazetted prices, respecting labour laws, avoiding child labour, and protecting the environment. Judiciary systems in Africa are too weak to enforce legal CSR. Infact African countries lack the administrative efficiency and capacity to enforce legal CSR. There is need therefore to develop relevant educational materials to educate the citizens on the value of legal CSR.

2.7 ETHICAL CSR

According to Schwartz and Carroll (2003:511) ethical, CSR is made up of conventional, consequential and deontological aspects of CSR. Conventional aspects of CSR refer to the need for companies to exercise justice and fairness when dealing with communities (Schwartz and Carroll, 2003: 512). The “consequentialist” aspect of CSR is interested in the outcomes of a CSR activity (Schwartz and Carroll, 2003: 512). Hoffman et al., (2001:26), Velasquez (2002:75) and Schwartz and Carroll (2003: 512) concur that the “consequentialist” aspect of CSR is all about “promoting the good of an individual” or “promoting the good of society”. The “deontological” aspect of CSR spells out the fact that by adopting CSR, companies are fulfilling their natural duties to society (De George, 1999:80; Velasquez, 1992:...

2.8 SEVEN GROUPS OF CSR

Schwartz and Carroll (2003: 513) divide the legal, economic and ethical CSR dimensions into seven groups of purely economic, purely legal, purely ethical, economic legal, economic ethical, legal ethical and economic legal ethical. The seven groups of CSR are shown in the Venn diagram in Figure 2.8:

![The CSR Venn diagram](image)

**Figure 2.8 The CSR Venn diagram**

*Source: Schwartz and Carroll (2003: 509)*

According to data in Figure 2.8 Schwartz and Carroll (2003) presented a framework that can be used by SMEs managers/owners to make decisions that are based on the need to make profit, the need to support government laws or the need to uphold cultural norms or values of society on helping others. Such decisions are best explained by analysing the seven areas of CSR that emanate from the economic, legal and ethical CSR dimensions.
Schwartz and Carroll (2003: 513-514) state that the “purely economic” practices of SMEs, for example, violate the laws of the land by benefitting the firm at the expense of either society or the natural environment. Gold panning is an example of “purely economic” CSR (Schwartz and Carroll, 2003: 513 - 514). Some CSR practices that do not translate into charity work, profit making activity or humanitarian initiative are termed “purely legal” practices (Schwartz and Carroll, 2003: 515). Examples include the management of pollution levels and paying corporate taxes (Schwartz and Carroll, 2003: 515).

In conclusion, SMEs carry out CSR work that is not sanctioned by both legislation and economic considerations but by “deontological considerations” (Schwartz and Carroll, 2003: 515). Such CSR activities are “purely ethical” (Schwartz and Carroll, 2003: 515). SMEs do “economic/ethical” practices when they engage in “deontological” CSR activities with the aim of enhancing firm performance (Schwartz and Carroll, 2003: 515). SMEs that respond to the government’s call to use labour intensive models of production in order to reduce unemployment are engaging in “economic/legal” practices (Schwartz and Carroll, 2003: 517). CSR practices that consider the employment of disabled people or women (the marginalised in society) demonstrate the company’s positive feelings towards disabled people and the need to be gender sensitive. These good intentions translate into “legal/ethical” (Schwartz and Carroll, 2003: 518). The decision by some companies to lower the price of baby products (such as milk, clothes and drugs) may be driven by “economic/legal/ethical” considerations (Schwartz and Carroll, 2003: 518).

Nalband and Kelabi (2014: 236) are of the feeling that the Three Domain Model can be used by SMEs in both the developed and the developing countries to make CSR decisions. Therefore, the Three Domain Model was used in this study to provide the theoretical foundations through which the adoption of CSR practices by SMEs in Zimbabwe can be used to generate new knowledge, theories and insights for this study.

Chapter two undertook to build up a theoretical background of this study by using the Three Domain Theory of CSR. This was done to clearly demonstrate the nature of CSR practices in Small to Medium Enterprises in the context of Zimbabwe. Eisenhardt (1989) in Colquitt and Zapata-Phelan (2007: 1281) explain that the importance of theory is found in “the richness of its account, the degree to which it provides a close fit to empirical data, and the degree to which it results in novel insights.” Wacker (1998) in Daniel Udo-Akang (2012: 89) believes
that the value of theory in research is three-fold in that “(a) it provides a framework for analysis, (b) it provides an efficient method for field development, and (c) it provides a clear explanation for the pragmatic world.” This study was guided by the Three Domain Theory of Schwartz and Carroll (2003), as it clearly explains in detail the three constructs of legal, economic and ethical considerations in CSR practices by SMEs in Zimbabwe. There are many other theories of CSR, such as, stakeholder theory, social capital theory, institutional theory and signalling theory. These theories were not adopted for this study because they do not talk about the legal, economic and ethical dimensions of CSR. To that end the proponents of CSR theory were presented in tabular form first. Secondly, the concerns of the authors were analysed and discussed. Finally the Three Domain Model of Schwartz and Carroll (2003) was presented and explained in detail. The essence of the three-domain approach could only be understood by explaining the CSR thinking that existed before the construction of the three-domain approach. Therefore the four-part model of Carroll (1979; 1991) was analysed first. The second section of Chapter Two looks at the literature relevant to this study.
THE REVIEW OF RELATED LITERATURE

SECTION TWO

2.9 INTRODUCTION

The second section presents the literature review for this study. The five objectives of this study are used to identify and discuss the literature that is relevant to the research problem of this study. First and foremost the meaning attached to CSR by various authors, academics and researchers is explored. This is done in order to gain an understanding of the meaning attached to CSR by SMEs in the United States of America, Europe, Asia, Latin America, Africa and in Zimbabwe in particular. The impact of CSR practices on the operation of SMEs is analysed and discussed. Therefore the impact of CSR on firm performance, employee satisfaction, customer satisfaction and brand equity is explained in detail. The drivers of CSR in SMEs are examined. The aim is to establish the legal, economic and ethical factors that motivate SMEs to engage in CSR practices. The legal, economic and ethical CSR activities of SMEs are also highlighted and described in detail. This is done to respond to one of the objectives of this study which seeks to establish the legal, economic and ethical activities of SMEs in Zimbabwe. Furthermore, the legal, economic and ethical barriers to CSR adoption by SMEs are examined, evaluated and explained in detail. In this section, both internal and external barriers to CSR by SMEs globally, are described.

2.10 EXPLORING THE MEANING OF CSR

The concept of CSR is defined in many ways by different authors in various geographical locations (Rahman, 2011; Wan Saiful and Wan-Jan, 2006). Dahlsrud (2006) studied 37 meanings of CSR, created by 27 writers and discovered that all the meanings of CSR are based on five dimensions, namely, the environmental dimension, the social dimension, the economic dimension, the stakeholder dimension and the voluntariness dimension. The five dimensions of Dahlsrud (2006) are consistent with the Three Domain Model proposed by Schwartz and Carroll (2003:508) that gives the functions of CSR as being, economic, legal and ethical. Therefore the meanings attached to the concept of CSR can be understood by relating them to the Three Domain Model of Schwartz and Carroll (2003: 508). Table 2.6 gives the five dimensions of CSR coined by Dahlsrud (2006) and how they relate to the three-domain model of Schwartz and Carroll (2003: 508):
Table 2.6 Five Dimensions of CSR and Three Domain Parallel

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Issues Referred To</th>
<th>The Three Domain Approach parallel</th>
</tr>
</thead>
<tbody>
<tr>
<td>The environmental dimension</td>
<td>The natural environment</td>
<td>Legal domain</td>
</tr>
<tr>
<td>The social dimension</td>
<td>The relationship between business and society</td>
<td>The ethical domain</td>
</tr>
<tr>
<td>The economic dimension</td>
<td>Socio-economic or financial aspects, including describing CSR in terms of a business</td>
<td>The economic domain</td>
</tr>
<tr>
<td>The stakeholder dimension</td>
<td>Stakeholder or stakeholder groups</td>
<td>Integration of economic, legal and ethical domains.</td>
</tr>
<tr>
<td>The voluntariness dimension</td>
<td>Actions not prescribed by law</td>
<td>The ethical domain</td>
</tr>
</tbody>
</table>

Source: Dahlsrud (2006); Schwartz and Carroll (2003: 508); Rasoulzadeh et al. (2013:38).

Moon (2002) in Visser (2006: 32) admits that the concept of CSR has numerous definitions:

"...CSR is viewed as an umbrella concept, which includes corporate citizenship, corporate sustainability, stakeholders’ management, environmental management, business ethics and corporate social performance."

According to Klins et al. (2010: 3) it has always been difficult to come up with a clear definition of CSR in Africa. CSR activities in Africa are not well planned and are motivated by the government and the people who manage small businesses (Klins et al., 2010: 3). CSR activities in Africa are not backed by appropriate legislation (Klins et al., 2010: 3).

Bowen (1953:6) gives the following definition of CSR:

"It refers to the obligations of business to pursue those 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."

This definition came at a time when management in organisations adopted the scientific management approach in their dealings with the workers (Frederick, 1911). Workers were treated as machines and their welfare was highly neglected (Frederick, 1911). Management was task oriented (Frederick, 1911). This scenario promoted Bowen (1953) to question
whether the firm was willing and prepared to improve the conditions of the worker (Carroll, 1999). Heald (1957: 377) points out that, companies were under pressure from worker organisations, governments and the general citizen to improve the conditions of the worker. Kristoffersen et al. (2005) praise the definition given by Bowen (1953: 6) for being descriptive rather than being interpretive in nature as it could easily be used by management in SMEs to make CSR decisions. To that end Heald (1957:377) came up with the following explanation of CSR:

CSR is recognition on the part of management of an obligation to the society it serves not only for maximum economic performance but for humane and constructive social policies as well.

Heald (1957) still believes that the popularity of the CSR movement did not change the motives of the firm. Levitt (1958) criticises the management for using the CSR agenda to further their interest of profit maximisation. Similarly, Friedman (1962), Jensen (2002) and Heald (1957) express their concern that firms do not adopt CSR practices for genuine reasons. The new concept of CSR was born in the 1960s (Lantos, 2001). It is the period when companies engaged in unnecessary competition to sell more products and to win more customers (Lantos, 2001). The management was not concerned about the relationship that existed between the firm and the community (Lantos, 2001). At this point in time, Walton (1967: 18) explained the new concept of CSR as:

In short, the new concept of social responsibility recognizes the intimacy of the relationships between the corporation and society and realizes that such relationships must be kept in mind by top managers as the corporation and the related groups pursue their respective goals.

The definition of CSR by Walton (1967) considers a firm as a package of relationships without which a firm would find it relatively hard to achieve its goals (Lantos, 2001). The firm derives its support from the social world and this support is in the form of employees, customers, investors, the government, buyers and suppliers (Bronn and Vrioni, 2001). Fombrun and Shanley (1990) in Bronn and Vrioni (2001: 211) state that the so called company supporters or multiple 'stakeholders’ control the behaviour of companies through either negative or supportive ‘judgement’.
Bronn and Vrionni (2001: 212-214) explain in greater detail how different countries treat the concept of CSR. European countries have passed appropriate legislation to ensure that the profit motive of firms does not have a negative impact on society (Broberg, 1996). In Germany, CSR has to be conducted in accordance with the laws of the land (Broberg, 1996). In America, the laws require companies to incorporate CSR in their policy framework (Enderle and Tavis, 1998). Scandinavian countries have laws that compel companies to consider the plight of the poor in society in their CSR strategic policy framework (Broberg, 1996). When CSR is sanctioned by government, the concept of CSR has to change. Carroll (1979: 500) explains the concept of CSR as, “the economic, legal, ethical and discretionary expectations that society has of an organization at a given point in time”.

This definition shows the domains in which CSR has to be practiced (Schwartz and Carroll, 2003: 503). The economic domain refers to the duties of the firm, such as, making profits, creating wealth for the shareholders, producing goods and services for stakeholders, increasing sales and maintaining a reasonable customer base (Carroll, 1979; Schwartz and Carroll, 2003). The legal domain represents the firm’s compliance with state legislation (Carroll, 1979; Schwartz and Carroll, 2003). The ethical domain refers to the firm’s feelings of wanting to do well for the needy without coercion (Carroll, 1979; Schwartz and Carroll, 2003). Visser (2007: 491) explains that CSR practices in Africa are driven more by legal and economic factors rather than ethical factors. The culture of a given nation determines the CSR activities to be done, the CSR problems to be addressed and the beneficiaries of the CSR programmes (Burton et al., 2000; Edmondson et al., 1999; Pinkstone et al., 1994; Crane and Matten, 2004). Therefore the concept of CSR as proposed by Carroll (1979: 500) can be used to define the CSR domains that need more attention and the CSR domains that need less attention (Visser, 2006: 37).

The 1980s herald the development of more CSR theories to expand the scope and depth of the CSR concept (Carroll, 1999). Jones (1980) conceived CSR as a series of well connected and interdependent activities (Carroll, 1999). However, Jones (1980) did not give much information on the activities that constitute the CSR process. It can only be assumed that Jones (1980) was thinking about CSR as public policy but public policy is what government chooses to do or not to do (Dye, 1981). In this case, companies, big or small need to conceive CSR as a company policy (Jones, 1980), with a clearly defined CSR process. The CSR process is made up of various stages, such as, identifying the CSR problem, creating CSR objectives, crafting CSR strategies, operationalisation of the objectives, evaluation and
finally, decision making (Hanekom, 1987: 7). **Figure 2.9** gives the CSR formulation process as suggested by Hanekom (1987: 7) and Anderson (1979).

![CSR Formulation Process Diagram]

**Figure 2.9 The CSR formulation process**


According to Fitch (1976: 38) CSR as public policy is all about “the serious attempt to solve social problems caused wholly or in part by the corporation”. The concept of CSR as public policy is meant to address social economic and political inequalities that exist in a given social setting (Colvocoressi, 1985; Hyden, 1980; Wisner, 1988; Mazrui, 1980). The unequal distribution of political, social and economic resources in most African countries has resulted in perpetual civil wars and loss of innocent lives (Colvocoressi, 1985; Hyden, 1980; Wisner, 1988; Mazrui, 1980). To that end Tuzzolino and Amandi (1981, in Rahman (2011) proposed a CSR needs theory that could be used to measure the CSR needs of organisations, particularly those in Africa. The CSR needs of companies, include competent employees, profits, loyal customers, positive reputation, government support, stakeholder satisfaction, investor confidence and good corporate governance (Ali et al., 2012; Helm, 2007; Nurn and Tan, 2010; Bronn and Vrioni, 2001).
Epstein (1987: 104) presents a very interesting definition of CSR based on the physical and spiritual benefits of CSR:

Corporate social responsibility relates primarily to achieving outcomes from organizational decisions concerning specific issues or problems which (by normative standard) have beneficial rather than adverse effects on pertinent corporate stakeholders …..

Epstein (1987: 104) gives a definition of CSR which attempts to elaborate on the visible and invisible benefits that are likely to accrue to firms and their stakeholders. However, Epstein (1987) does not give specific CSR practices that attract CSR benefits to firms. Furthermore, Epstein (1987) does not state the extent to which CSR practices could benefit firms and is categorically numb on the negative of CSR programmes to the firm.

In the 1990s, the literature on CSR showed a new paradigm shift in the thinking of CSR writers (Carroll, 1999). More and more CSR theories were developed in order to widen and deepen the meaning of CSR (Carroll, 1999). The stakeholder theory became a useful tool for explaining the concept of CSR and redirecting firms towards their new CSR roles (Carroll, 1999). CSR is now all about creating stakeholder value and this new CSR thinking is well elaborated by Hopkins (1998) in Rahman (2011: 170) in the following CSR definition:

Corporate social responsibility is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. Stakeholders exist both within a firm and outside. Consequently, behaving socially responsibly will increase the human development stakeholders both within and outside the corporation.

The CSR definition by Hopkins (1998) spells out the exact members of society who should be affected by the CSR activities of the firm. These members are the internal and external stakeholders of the firm (Hopkins, 1998). Carroll (1999: 290) argues that the term “social” in CSR is rather ambiguous and fails to pinpoint the exact people who should benefit from CSR programmes in firms. To that end, Carroll (1991: 43) goes on to demonstrate why the stakeholder theory makes sense:

…………..the stakeholders concept…….. personalizes social or societal responsibilities by delineating the specific groups or persons business should consider in its CSR orientation and activities. Thus, the stakeholders nomenclature puts “names and faces” on the societal members or groups
who are most important to business and to whom it must be responsive (Carroll, 1991: 43).

Another interesting feature of the 1990s was the introduction of a new phrase into the vocabulary of the concept of CSR (O’Rourke, 2003), namely, ‘shareholder activism’. The doctrine of shareholder activism specifies the interests and needs of stakeholders and the specific obligations that the firm has to specific groups of stakeholders. Khoury et al, (1999) in Rahman (2011: 171) coin a new concept of CSR based on the responsibilities of firms to their stakeholders:

……the overall relationship of the corporation is with all of its stakeholders. These include customers, employees, communities, owners/investors, government, suppliers and competitors. Elements of social responsibility include investment in community outreach, employee relations, creation and maintenance of employment, environmental stewardship and financial performance.

Woodward-Clyde (1999) explains that shareholder activism is based on the special relationship that exists between the firm and its various stakeholders and this relationship is supported by the doctrine of 'social contract'. This means that the firm and its various stakeholders have a special covenant that allows both parties to make claims on each other (Woodward-Clyde, 1999).

The 21st century is noted for raising the CSR agenda to international status (Thomas and Nowak, 2006: 10). It is also interesting to note that “the issue of CSR came to public prominence as a result of highly-publicized events such as the collapse of Enron and the James Hardie asbestos scandal in Australia”. Zafar and Farooq (2014) observe that 'corporate scandals’’ in the global community have enhanced the role of CSR. Rahman (2011:172-173) argues that the new definitions of CSR in the 21st century have been shaped by issues of “improving the life of the citizens; human rights; labour rights; protection of the environment……” According to the World Business Council on Sustainable Development (2000: 8) CSR is:

…..the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.
Gunningham et al. (2002) in Thomas and Nowak (2006: 13) observe that the 21st Century brought about a new terminology in the concept of CSR, such as 'social license'. Sweeney (2006) in Thomas and Nowak (2006: 13) explains the concept of social license by saying that firms derive their legitimate status from their ability to fulfil societal needs.

The various concepts of CSR can be traced from the 20th Century to the 21st Century. Therefore the meanings of CSR were analysed and related to the five dimension of CSR conceived by Dahlsrud (2006) and to the three domain model of Schwartz and Carroll (2003). The definitions showed CSR as public policy, as stakeholder satisfaction, as the legal, economic and ethical responsibilities of firms, as good corporate governance, as environmental protection and as improving the quality of life for the citizens.

This section can be concluded by stating that the literature review for this study demonstrated that it is difficult to have one meaning of CSR across the social, political and economic divide. The fact that the concept of CSR is known in many ways means that CSR activities and practices cannot be expected to be the same in different countries and in different economic sectors of the economy. The nature of the industry and the differences in sizes of companies affect the way the CSR practices are understood and implemented (Karin Stahl, 2009:7). To that end the meaning attached to CSR by SMEs in Zimbabwe is unique and is shaped by the socio-economic factors of the country (Zimbabwe).

2.11 THE IMPACT OF CSR ON THE OPERATIONS OF SMEs

The effect of CSR on workers in organisations has not received much attention from researchers (Wood and Jones, 1995; Saxena and Kohli, 2012; Berger et al., 1999; Holmes and Kilbane, 1993; Mohr et al. 2001; Balmer and Grayson, 2002; Aguilera et al., 2007; Ashforth and Mael, 1989). Studies have been conducted to confirm that CSR can be used by SMEs as a tool to catch competent workers (Backhause et al., 2002; Greening and Turban, 2000; Turban and Cable, 2003; Turban and Greening, 1999; Nurn and Tan, 2010: 363). Some researchers believe that firms that adopt CSR practices are regarded as being generous and fair to the welfare of employees and this quality has a positive psychological effect on people who are looking for employment in the organisation (Backhause et al., 2002; Greening and Turban, 2000; Turban and Cable, 2003; Turban and Greening, 1996; Grahame, 2004).
When workers see their company engaging in CSR activities they develop positive attitudes towards the company and this in turn enhances the workers’ loyalty and commitment to the achievement of organisational goals (Bashir et al., 2010; Grahame, 2004; Turban and Cable, 2003). Workers in CSR practicing companies copy the good behaviour of their companies and develop strong feelings of love and respect for the management (Albinger and Freeman, 2000; Peterson, 2004; McGuire et al., 1998; Nowaday et al., 1982; Dutton et al., 1994; Davis 1973; Sharma and Tyagi, 2010; Zafar and Farooq, 2014). Employees who are happy with the CSR activities of their firm are prepared to bring in friends and relatives to work for the same firm (Stancu et al., 2011; Murrilo and Lozano, 2006; Jenkins, 2006). Mazurkiewicz et al. (2006) carried out a study to investigate the effect of CSR activities on a firm’s employees. The results showed that the morale and productivity of the workers increased (Mazurkiewicz et al., 2006). On the contrary, workers who witness their company engaging in anti-social activities, develop bad work ethics, such as stealing company assets and not observing the health and safety rules of the company (Hartman, 2011; Rupp et al., 2006; Murrilo and Lozano, 2006; Jenkins, 2006). Aguilera et al. (2007) and Strautmanis (2008) in Insyiranui et al. (2013) summarise the impact of CSR on company employees as follows:

There is a positive association between CSR initiative undertaken by the company and its employee satisfaction, self-image, team work, loyalty, retention, trust, psychological need of belongingness, employee morale, and commitment.

On the other hand, Balmer and Creyson (2002), Aguilera et al. (2007), and Ashforth and Mael (1989) argue that CSR has no impact on employee behaviour and attitudes. Bronn and Vrioni (2001), Kotler and Keller (2006) and Imrani Ali et al. (2010) view CSR as a marketing tool that enables both big and small firms to create, attract, and keep profitable customers. Alafi and Al Surfy (2012) acknowledge the existence of a strong link between customer satisfaction and CSR activities in firms. Brown and Dacin (1997) concur with Ali et al. (2010), Alafi and Al Sufy (2012) and Bronn and Vrioni (2001 p.208) that CSR activities are used by customers to measure the extent to which firms are willing to satisfy their needs. Firms that support community projects and make known their CSR activities to customers, increase their good will (Bronn and Vrioni, 2001:209). A number of studies on CSR and customer satisfaction agree “that the greater a firm’s contribution to social welfare, the better its reputation” (Brown and Vrioni, 2001: 2009; Lev et al., 2010; Lee et al., 2010; Nareeman and Hassan, 2013). The literature on CSR and customer satisfaction reveals that customers
prefer the products and services of firms that engage in CSR activities (Bronn and Vrioni, 2001: 212; Shaw et al., 2007; Inlaor and Rotchanakitumnuai, 2010; Lee et al., 2012; Nareen and Hassan, 2013).

However, Berger et al. (1999), Holmes and Kilbane (1983), Mohr et al. (2001) argue that there is no evidence to suggest that CSR has an influence on consumer behaviour. Ali et al, (2010) carried out an exploratory study to investigate the link between CSR and customer satisfaction. The findings were inconclusive. Furthermore, Sen and Bhattacharya (2001), Mohr et al. (2001), Becker Olsen et al. (2006) conclude that CSR practices do not change the buying behaviour of consumers.

2.11.1: CSR AND BRANDY EQUITY

Abdolvand and Charsetad (2013:273) acknowledge that the concepts of “corporate social responsibility and brand equity” have received wide research coverage despite the fact that the link between the two is still unknown. Cruz (2008) and Brown and Vrioni (2001) observe that some firms adopt CSR practices to prevent both financial and business risks that emanate from the firms failure to project a positive company image in the minds of the customer.

Firms that produce poisonous substances that pollute air, water and land, generate both business and financial risks that may have a negative effect on 'brand equity' (Bronn and Vrioni, 2001; Mushanyuri, 2013; Rasi et al., 2012). When brand image is damaged, there is a decrease in sales and erosion of investor confidence (Bronn and Vrioni, 2001; Mushanyuri, 2013; Abdolvand and Charsetad, 2013). Keller and Lehmann (2006:745) define brand equity as “the additional value that accrues to a firm because of the presence of the brand name that would not accrue to an equivalent unbranded producer” Ettension and Knowles (2008) in Abdolvand and Charsetad (2013:274) explain that brand is in the mind of the customer, whereas reputation is an invisible company structure and the difference between the two concepts is quite in order. CSR practices project a positive company image in that the social media gives favourable reports about the company’s operations, products and services (Abdolvand and Charsetad, 2013:274; Bronn and Vrioni, 2001).
Studies conducted by Abdolvand and Charsetad (2013) revealed that there is a relationship between CSR practices and brand equity. Abdolvand and Charsetad (2013: 274) have this to say about the significance of brand names:

For decades the value of a company was measured in terms of its buildings and land, and then its tangible assets (plant and equipment). It is only recently that we have realized that its real value lies outside, in the minds of potential customers.

SMEs can also use CSR programmes as a business model to influence the customers to have a positive attitude towards the firm’s brands (Zam et al., 2014; Luo and Bhattachrya, 2009; Godfrey et al., 2009; Erdem and Swait, 1998). CSR practices have a positive effect on the company’s ability to increase its sales and profits (Gupta and Sharma, 2009; Aras et al., 2005). Some researchers believe that there is a strong link between CSR practices and firm performance (Aras et al., 2005; Gupta and Sharma, 2009). Devinney et al. (2005) in Rasoulzadeh (2013:40) defines firm performance in terms of three dimensions:

1. Financial performance (profits, return on assets, return on investment etc);
2. Market performance (sales and market share); and
3. Shareholder return (total shareholder return, economic value added).

2.11.2: CSR AND FIRM PERFORMANCE

Mazurkiewics et al. (2006) carried out a study to investigate both internal and external benefits that accrue to a firm as a result of adopting CSR practices. The results showed that CSR practicing firms developed a strong financial background as a result of increased sales and profits. A number of studies support the assertion that there is a strong link between CSR and the financial performance of the firm (Frooman, 1997; Orlitzky and Benjamin, 2001; Orlitzky et al., 2003; Margolis et al., 2007; Boatwright, 1999; Lev et al., 2010; Oliver, 1999; Zeithaml et al., 1996).

However, McWilliams and Siegel (2000) and Margolis and Walsh (2003) argue that there is no link between CSR and firm performance. Saxena and Kohli (2012), Siegel and Vitaliano (2007), Braon et al. (2009), Haepner et al. (2010), and Lev et al. (2010) argue that studies on
the relationship between CSR practices and firm performance do not give conclusive results and that not all firms that engage in CSR activities register positive financial gains.

2.11.3 APPROACHES TO CSR MANAGEMENT AND IMPLEMENTATION

According to Ackermann and Eden (2011) there are three approaches to the management and implementation of CSR programmes in SMEs. The first approach is the leadership dominated approach (Ackermann and Eden, 2011). This approach is based on the philosophy that the management formulates and implements all decisions concerning CSR (Johnson and Scholes, 2007). The workers are not involved in both the decision making process and the final management of the CSR project. The workers are considered as being ignorant and uninterested. The leader-dominated approach is also called the “Elite Mass Model.” (Anderson, 2007). The management are the elite group (Anderson, 2007). The management know the needs of workers and have the capacity to provide them. The problem with this approach is that it creates an environment in which workers will always resist change. In this approach the CSR project is owned by the management and the workers have no stake in it. This approach cannot be used to enhance the growth CSR practices in SMEs.

The second approach to CSR management and implementation is “the pump priming approach” which is based on the philosophy that the management have the duty to create social, economic and legal value for the company through the management and implementation of the CSR project (Ackermann, 2011). CSR is therefore seen as a strategy that creates value for the company by maximising on returns on investment (Ackermann, 2011). Thus the management makes all critical decisions for the company and the workers are relegated to implementing the CSR projects (Gonos and Gallo, 2013). The management of the company evaluate the impact of the CSR project and the extent to which the project has realised any returns (Ackermann, 2011). To that end the management has the task of scouting for all the needed resources and intelligence to successfully implement the CSR project (Anderson, 2007). The weakness of this approach is that workers may not be motivated enough to implement the CSR project because they were not involved in the decision making process in the first place (Gonos and Gallo, 2013). This approach is autocratic and regards workers as mere instruments for implementing management CSR ideas.

The third approach is “the facilitation approach” which is sometimes called the Group theory of decision making. In this theory the management involves everyone in the organisation in
making decisions on CSR (Anderson, 2007). The management creates special committees among the various categories of workers in the organisation (Gonos and Gallo, 2013). This approach utilises six steps and the steps are, identifying the problem, building a team, formulating strategies to solve the problem, implementing the strategies, evaluating the strategies and finally succession planning (Denut, 2011). Succession planning is the last stage in this approach. Succession planning is carried out to decide whether to continue with previous strategies or to create new ones or to make incremental changes to the existing CSR strategies (Anderson, 2007). Strategies of CSR are expected to have the intended effect and failure to do that motivates the management to remove them and pave the way for new strategies (Anderson, 2007). This process is called succession planning in CSR. Management expect CSR strategies to bring a stream of benefits and monetary rewards in the form of increased profits, increased reputation and increased worker commitment (Ackermann, 2013). This approach is democratic in nature since workers are involved in decision making. The only problem with this approach is that it is characterised by bureaucratic and red tape problems. Consensus is needed in order to agree on the most suitable CSR strategies. The approach is therefore time consuming. The facilitation approach makes use of brainstorming. Yoon et al. (2012: 1404) explains the concept of brainstorming and its inherent limitations:

Brainstorming is a usual group meeting technique designed to generate a large number of ideas for the solution to a problem. Osborn proposed that groups could double their creative output by using the method of brainstorming. Although brainstorming has become a popular group technique, researchers have generally failed to find evidence of its effectiveness for enhancing either quantity or quality of ideas generated.
The facilitation approach makes use of focus groups to make CSR decisions that can be used to implement successful CSR projects. According to Hennink (2007) focus groups are a means of motivating people to say out their opinions and beliefs about a subject matter without fear. Focus groups encourage friendly and positive discussions (Liamputtong, 2009). Denscombe (2007, p.115) defines focus group as follows:

“focus group consists of a small group of people, usually between six and nine in number, who are brought together by a trained moderator (the researcher) to explore attitudes and perceptions, feelings and ideas about a topic”.

Focus groups have their weaknesses. According to Cohen and Manion (2007) a few individuals may dominate the process and the rest of the group may find themselves assuming the role of the listener. The probability is also high that some individuals may just accept other people’s ideas for fear of savouring relationships (Cohen and Manion (2007).

In conclusion this section of the review of related literature focused on the relationship between CSR practices by SMEs and the operations of SMEs in Zimbabwe. The impact of CSR on workers, customers, brand equity and firm performance was explored. Furthermore, the approaches used by SMEs in Zimbabwe to manage and implement CSR were identified and explained in detail. CSR has no impact on employee behaviour and attitudes. Studies on the relationship between CSR practices and firm performance do not give conclusive results and that not all firms that engage in CSR activities register positive financial gains. The concepts of “corporate social responsibility and brand equity” have received wide research coverage despite the fact that the link between the two is still unknown. This section has also shown that three approaches are used to manage and implement CSR programmes. The leader-dominated and prim priming approaches exclude workers from the CSR decision making process whereas the facilitation approach involves workers in CSR decision making process.
2.12 DRIVERS OF CSR IN SMES

This study is concerned with factors that motivate SMEs to engage in CSR practices. The literature on CSR shows that a myriad of factors influences SMEs to adopt CSR practices (Currin, 2012). However, researchers on CSR do not agree on a definite number of factors (Currin, 2012). The factors that seem to attract the attention of researchers most are: legal, economic and ethical factors (Carriga and Mele, 2004; Emma Currin, 2012). Legal factors are generated by both the internal and the external environment of the business and are responsible for sanctioning business operations and practices (Emma Currin, 2012). Economic factors refer to the company’s efforts to grow and survive by generating enough profits while at the same time curbing operational expenses (Young, 2006, p 1443, Norman and Macdonald, 2004).

SMEs like their larger counterparts have a moral duty to demonstrate that they are good neighbours, that they have a social motive to help their communities (Hendry and Vesilind, 2005). Adeyemo et al. (2013) and Wood (1991) argue that external stakeholders influence SMEs to adopt CSR practices. These external stakeholders include, the government, politicians, other companies and labour unions (Adeyemo et al., 2013 and Wood, 1991). SMEs, are sanctioned by government legislation to follow certain directions and and rules in their operations (Lyon and Maxwell, 2008). Li-Wen (2010) states that Chinese SMEs are forced by law to adopt CSR practices in order to support government efforts in their fight against disease and ‘pollution’. In other words, Chinese companies are required by law to adopt production strategies that do not threaten animal, plant and human life (Currin 2012). Chen (2007) argues that the costs incurred by SMEs by adopting CSR practices are significant.

In Africa, political changes from colonialism to Black majority rule, put pressure on SMEs and big companies alike to adopt CSR practices. The winds of social and political transformation in Latin American countries, forced both small and big companies to embrace the CSR agenda (De Oliveira, 2006). Roussouw et al., (2002) state that the process of shifting from the White minority rule to the majority rule in South Africa, forced many small and big companies to adopt CSR behaviour. In 1980, the government of Zimbabwe, for example successfully mobilised parents, non-governmental organizations, SMEs and big companies to build schools for their local communities (Mumbengegwi 1985.87).
Ameshi et al. (2006) see CSR as a strategy by government to force both small and big companies to contribute significantly to the social and economic development of any country. Ameshi et al. (2006) further state that CSR in Africa is aimed at building schools, roads, dams and houses for the citizens. The objectives of CSR in Africa are in sharp contrast to those of the industrialised countries, where CSR focuses on consumerism, environmental protection, democracy, human rights, gender, globalisation and technology.

The buyer and seller relationships that exist between big and small firms may force SMEs to adopt CSR practices (Revell and Blackburn, 2005; Garriga and Mele, 2004). Big firms that sell or buy most of the products that SMEs produce make rules and laws that SMEs must comply with in order to remain legitimate on the supply chain. The buyer and seller relationships between SMEs and big companies have never helped SMEs to develop (Hussain-Khaliq, 2004; Kaufman et al., 2004; Neilsen, 2005). Many authors argue that big companies do not regard SMEs as their partners in trade and so SMEs do not make decisions on the supply chain relationships (Hussain–Khalig, 2004; Kaufman et al. 2004; Nielsen, 2005).

The literature on CSR also mentions that both large and small companies engage in CSR in order to reduce the risk associated with poor corporate image, costs of recruiting competent employees and erosion of investor confidence (Solano, 2005; Ansett, 2007; Correa, 2004 and Bahr et al., 2007).

The concept of CSR in Africa, Asia, and Latin America is shaped by religious doctrines that heavily influence SMEs to either adopt or not adopt CSR activities (Visser and Macintosh, 1998; Vivew, 2006; and Amalshi et al., 2006; Jamali and Mirshak 2007). Africa is characterised by societies that subscribe to collectivism and where communal needs are more important than personal needs (Hoftstede, 1994, p51). Visser (2007) points out that governmental bodies may not be adequate to control the activities of SMEs. This is particularly true in African and Latin American companies (Visser, 2012), where actions by stakeholders are needed in the governance process. Lund–Thomsen (2004) in Visser (2007) defines this action by stakeholders as ‘shareholder activism’. The most important stakeholder activists in Africa, include, labour bodies, churches, women’s groups, the youth and opposition political parties (Jenkins, 2005; Kaufman et al., 2004:4).

SMEs in the chemical industry are required to show more responsibility in the way they manage their pollutants (Smith, 1991). The literature on CSR shows that SMEs involved in
primary production are required by law to undertake more environmental CSR activities compared to SMEs in the banking sector (Tilt, 1994).

Visser (2007) argues that stakeholder activism can be used as an approach to force SMEs to embrace the CSR agenda. The main objectives of stakeholder activism is to ensure that SMEs are responding to the social, economic, political, and technological problems affecting the communities in question (Visser, 2007). Swanson (1995) and McWilliams and Siegel (2001) argue that stakeholder activists are very interested in the manner in which SMEs are managed and governed. Jenkins (2004) believes that stakeholders have limited powers to force the management in SMEs to adopt CSR practices.

Economic considerations also exert pressure on SMEs to embrace the CSR agenda (Lin Chi Vo, 2011; Long et al., 2005; Williamson et al., 2006; Rahim et al., 2011). Economic motives show that SMEs have economic responsibilities for creating employment for their communities, creating and distributing goods and services to their customers, and contributing significantly to the economic development of the country (Rahim et al., 2011; Li Chi Vo, 2011; Long et al., 2005; Williamson et al., 2011). Garriga and Mele (2004), Davis (1973), and Marimoto et al. (2005) concur that SMEs may engage in CSR activities in order to satisfy their selfish desire to amass monetary benefits. Studies on CSR have shown that profit motives highly influence SMEs to adopt CSR practices (Arevalo and Aravind, 2011; Graafland and Van de Ven, 2006).

SMEs are sometimes forced by economic considerations to forge special CSR initiatives with suppliers, buyers, government, competitors and labour bodies in order to curb escalating costs and to increase sales in both the short and the long run (Bonanini and Dadene, 2014; Virginia, 2013; Qui, 2006). Most of the countries in Africa are characterised by lack of employment opportunities, economic stagnation, hunger and disease (Visser, 2006b:299; Commission for Africa, 2005). The economic situation of most countries in Africa exerts pressure on SMEs to adopt CSR practices (Adeyemo and Oyebamifi, 2013). Visser (2006b) points out that some countries in Africa are known for their inability to meet their citizens’ needs, such as, good accommodation, medical facilities, tarred roads, and schools. These countries promulgate policies that force private companies, churches, non-governmental organisations and SMEs to adopt CSR practices to assist the government in national building programmes (Visser, 2006b).
The literature on CSR has also shown that SMEs are pushed to embrace the CSR agenda by culture, religion, ethical and philanthropic considerations (Long et al., 2005; Williamson, 2006; Rahim et al., 2011; Visser, 2006). Most of the countries in Africa are characterised by communities that uphold the concept of communalism or collectivism (Hofstede, 1994: 51). In these societies, there is a strong sense of togetherness and interdependence (Hofstede, 1994:54). In Africa, Asia and Latin American countries, religion plays a significant role in pushing SMEs to adopt CSR activities (Visser and Macintosh, 1998; Vives, 2006). Religious movements, such as Hinduism, Buddhism, Islam and Christianity have long-standing traditions of helping the needy in society (Visser, 2006). Amaeshi et al. (2006) explain that CSR activities by small companies in Africa are used to create strong bonds among citizens and to minimise tribal conflicts.

Corporate social responsibility practices in Africa are sanctioned by culture (Klins et al., 2010: 3). According to Klins et al. (2010: 3) culture in Africa is reflected in such terms as, Harambee, Tsekada, Ubuntu and Zekat. Winston and Ryan (2008) in Klins et al. (2010:3) points out that ‘Harambee’ is a doctrine that is premised on the philosophy of sharing resources, working together and suffering together. Ararat (2006) in Klins et al. (2010: 3) observers that the term ‘Tsekada’ focuses on the doctrine of being responsible to one’s neighbours and making every effort to show a caring attitude to society. Nussbaum (2003) in Klins et al. (2010: 3) observes that the concept of ‘Ubuntu’ is very important in South Africa. The concept of Ubuntu is all about living together in harmony, caring for other human beings and showing love to others (Nussbaum, 2003, in Klins et al., 2010: 3). According to Klins et al. (2010: 3) the concept of ‘Zekat’ is all about making donations to the poor or the needy in society.

The CSR behaviour of SMEs is also driven by the moral and ethical values that SMEs managers uphold (Military and Zanfir, 2012). In other words, firm ethics exert a strong pressure on SMEs managers to adopt CSR practices (Military and Zanfir, 2012). SMEs have the moral obligation to demonstrate that they are in business for social causes as well as profit motives and that they do not need stakeholder or government to enforce their obligations. Graafland, van de Ven and Stofelle (2002) carried out a study to investigate the factors that motivate SMEs to adopt CSR practices. The findings of the study showed that SMEs do adopt CSR practices for ethical reasons (Graafland, van de Ven and Stofelle, 2002).
Similar studies carried out by Conctius (2006) revealed that SMEs adopt CSR practices because they are motivated by the need to project a good name to society. On the contrary, studies on CSR adoption by SMEs have shown that ethical considerations do not exert much pressure on SMEs to embrace the CSR agenda (Jenkins and Hines, 2003).

Studies on CSR have also shown that, the size of the firm, its line of business and the geographical area in which the firm operates, are the most important factors that force the firm to adopt CSR practices (Elsayed, 2006; Perrini et al., 2007; Besser and Miller, 2004; Moore, 2001; Sweeney and Coughlan, 2008; Jenkins and Hines, 2003). Perrini et al. (2007) argue that SMEs that employ twenty-five or more employees are more likely to be forced by customers to adopt CSR practices, compared to SMEs that employ less labourers. Besset and Miller (2004) and Pedersen (2009) make a similar observation when they state that only the bigger SMEs are expected by stakeholders to adopt CSR practices. However, Elsayed (2006) and Bowen (2002) refute the claims that SME size is a determinant of CSR adoption. Companies that manufacture detergents and food products are more likely to be forced by government to adopt CSR practices compared to SMEs that are in the clothing and education sectors (Jenkins and Hines, 2003). The activities of SMEs located in small cities are more conspicuous compared to SMEs in big cities and as such, SMEs in small cities are forced by moral obligations to adopt CSR practices (Udayasankar, 2007).

2.13 LEGAL, ECONOMIC AND ETHICAL CSR ACTIVITIES OF SMES

Klins et al. (2010: 3) explain that CSR in most African countries is regarded as an activity of big companies. Klins et al. (2010: 3) goes on to say that big companies in Africa use their financial resources to help poor countries. Big companies engage in CSR activities in order to earn the support of government on the one hand and the surrounding communities on the other, as explained by Hamann and Kapelus (2004) in Klins et al. (2010: 3):

As a result, CSR activities and projects in Africa are mainly focused on creating a positive corporate image, as well as addressing weak public sector service delivery in the areas of healthcare (particularly HIV/AIDS), education or labour skills development and the prevention of child labour. CSR is a particularly prominent theme among mining, oil and gas companies in Southern Africa.....
Linh Chi Vo (2011), Jenkins (2006), and Rahim et al. (2011) describe CSR in SMEs as an activity that is not strategically planned, Caroll (1979), Rahim et al. (2011), Schwartz and Caroll (2003), and Jenkins (2006) divide the CSR activities of SMEs into economic, legal and ethical activities. SMES in developing countries do not have departments that specialise in CSR practices and CSR activities are directed and managed by the owner (Linh Chi Vo, 2011; Sweeney, 2007; Jenkins, 2006). SMEs are more numerous and geographically well dispersed compared to big companies and this quality helps them to create the needed employment for the disadvantaged members of their communities (Inyang, 2013; Seidel et al., 2009; Catska, 2004; Mehta et al., 2014). Numerous studies on CSR in SMEs have reported that SMEs employ a number of economic strategies to enhance the welfare of their employees, such as, building decent accommodation for workers, giving reasonable remuneration and guiding their workers on career development opportunities (Inyang, 2013; Catska, 2004; Mehta et al., 2014; Rahim et al., 2011; Murrillo and Lozano, 2006; Spence and Lozano 2000). Inyang, (2011) explains that SMES adopt certain CSR practices in order to address the concerns of consumers. Some of these CSR activities include the selection of appropriate channels of distribution, target marketing, segmentation, product positioning and strategic pricing (Inyang 2013; Conchius, 2006; Rahim et al., 2011).

The literature on CSR in SMEs shows that SMEs are key to the socio-economic development of European countries. The European commission (2001) and Spence and Rutherford (2003), in Morsing and Perrini (2009) are of the view that countries in Europe are dominated by SMEs and that SMEs are known for creating employment for the European Union population. Luetkenhorst (2004) argues that SMEs produce tailor made goods and services for their communities.

The CSR activities of SMEs are also determined by the nature of their business operations (Perrini et al., 2007). SMEs are also guided by legislation to carry out a number of CSR activities (Visser, 2007: 491). Some authors argue that a number of countries in Africa do not have adequate human, financial and material resources to encourage SMES to adopt certain aspects of CSR practices (Visser, 2007). SMEs in the manufacturing sector, for example, carry out CSR activities that focus on managing pollution levels (Mehta et al., 2014; Perrini, 2007; Catska, 2004). SMEs in the manufacturing sector adopt CSR practices that minimise the effects of spilling water, air and land pollutants, conserve water, conserve electricity and prevent the destruction of trees (Mehta 2014; Perrini, 2007).
Ki-Hoon Lee (2009) carried out a qualitative study to find out the activities of SMEs in the business of chemical processing in South Korea and the challenges they were facing in their businesses. The results showed that small firms in the chemical industry focused on protecting the natural resources from the harmful effects of poisonous substances generated by their business activities (Ki–Hoon Lee, 2009). It is acknowledged that SMEs have challenges when it comes to protecting the environment from high levels of pollution due to lack of suitable technology, skilled manpower, and the financial muscle needed to meet the costs involved (Ki–Hoon Lee, 2009).

Jenkins (2006), Longo et al. (2005), and Sweeney (2007) in Linh Chi Vo (2011: 92) describe the general and voluntary activities of SMEs, such as “working free of charge for charities, making charitable donations and recycling initiatives”. Morsing and Perrini (2009) agree that most SMEs, especially in developing countries, consider CSR practices as being unproductive and that their participation in CSR activities are far from being voluntary. These sentiments are also supported by Crane and Matten (2004) in Visser (2006 b: 44) when they explain that “In Africa, however ethics seems to have the least influence on the CSR agenda”. Blomback and Wingren (2009) further argue that SMEs do not have well-documented strategies for implementing CSR activities. According to Isamil (2009: 199) CSR in SMEs:

.......... Involve a range of activities such as working in partnership with local communities, socially sensitive investment, developing relationships with employees and their families, and involving in activities for environmental conservation and sustainability.

In conclusion this section of the review of related literature explored the various factors that motivate SMEs in Zimbabwe to adopt and implement CSR. It is noted that Legal CSR is adopted by SMEs in order to comply with Government laws. The economic situation of most countries in Africa exerts pressure on SMEs to adopt CSR practices. It is also noted that some countries in Africa are known for their inability to meet their citizens’ needs, such as, good accommodation, medical facilities, tarred roads, and schools. These countries promulgate policies that force private companies, churches, non-governmental organisations and SMEs to adopt CSR practices to assist the government in national building programmes. SMEs have the moral obligation to demonstrate that they are in business for social causes as well as profit motives and that they do not need stakeholder or government to enforce their obligations. African countries must come up with effective legislation that guides SMEs when they adopt
and implement CSR programmes and in the absence of such legislation, CSR practices by SMEs are likely to be unplanned and informal.

2.14 BARRIERS TO CSR ADOPTION

Linti Chi Vo (2011) acknowledges that SMEs may not find it easy to implement the CSR agenda for various reasons. Blackman et al. (2013) contend that meaningful implementation of CSR by the organisation depends on the employees’ cooperation. Blackman et al. (2013) argues that the adoption of CSR in an organisation is just as good as adopting change. Employees will resist change if the motives of change are not congruent with employee motives. Arguilera et al. (2007) argue that a firm is pushed to adopt the CSR agenda by both internal and external stakeholders, who expect to benefit from the ‘social change’. Similarly, Arguilera et al. (2007) state that both internal and external stakeholders may stand as obstacles to the adoption of CSR by the organisation if they believe that their needs will not be addressed by the change.

Castka et al. (2004) in Alsson (2007) argue that the main barriers to CSR adoption by SMEs are attitudinal. SMEs that have adopted CSR practices do not believe that money and time resources are a barrier to CSR adoption (Castka et al., 2004). Most SMEs base their facts on wrong information (Roberts et al., 2006). Arevalo and Aravind (2011) enumerate a number of obstacles to CSR adoption by SMEs. These obstacles include competition in the environment, lack of innovation, poor governance, weak regulatory framework, red-tape, autocratic leadership, inability to come up with instruments to measure the impact of CSR on firm performance and lack of government support. Qi Lai (2005) demonstrates that “economic, political, knowledge and perceptional obstacles” to the adoption of CSR do exist. Economic barriers focus on the relationship between suppliers and buyers. Suppliers want short-term relationships to avoid challenges created by price, quality and delivery time (Qi Lai, 2005). Corporate social responsibility practices do not realise quick returns. As a result, suppliers are not interested in long term investments that do not give them immediate profit (Qi Lai, 2005). Qi Lai (2005) further argues that buyers are protected by a myriad of codes of conduct which have the effect of making it difficult for suppliers to adopt CSR.

Within an African context, CSR practices in SMEs are new (Kwesi Amponsah–Tawiah and Kwasi Daetey–Baah, 2011). For a long time SMEs did not include CSR in their strategic planning policy (Kwesi Amponsah–Tawiah and Kwasi Dartey–Baah, 2011). The adoption of CSR by SMEs is also affected by political barriers. CSR is associated with ideas of good
governance, human rights, free and fair election, and gender equity (Qi Lai, 2005). Many African governments may not be comfortable with the ideas of democracy, free and fair elections, human rights and gender equity (Qi Lai, 2005). The CRS activities of non-governmental organisations (NGOs) have sometimes been questioned or stopped completely by some governments for thinking that such activities advanced the objectives of opposition political parties (Qi Lai, 2005). In some countries in Africa, opposition politics is not encouraged (Moyo, 1992).

Moyeen and Courvisanos (2012) argue that SMEs are constrained by factors of time, money and human resources. Moyeen and Courvisanos (2012) state that SMEs are too small to implement the CSR agenda. This statement is refuted by many writers who do not consider size as an obstacle to CSR adoption (Castka et al., 2004 and Vives, 2006 cited in Moyeen and Courvisanos, 2012). Some SMEs feel that CSR practices are meant for bigger firms and this belief may act as an obstacle to CSR adoption (Carlisle and Faulkner, 2004 in Sweeney, 2007). Laundal (2011) cited in Hallback (2011) states that “cost/benefit ratio, and the internal and external control” are major limitations to SMEs' adoption of CSR practices. The “cost/benefit ratio” approach implies that firms will utilise the available scanty economic resources to make profit rather than spend the resources on CSR activities whose returns cannot be quantified in monetary terms (Laundal, 2011 in Sweeney, 2011).

A number of researchers have enumerated the benefits associated with CSR activities (Backhaus et al., 2002; Greening and Turban, 2000; Turban and Cables, 2003). Ae Li Yu (2009) argues that the benefits accrued from the adoption of CSR are not seen as the reason for adopting CSR practices (AeLi Yu, 2009). Aoun (2000) observes that culture can either facilitate or not facilitate the implementation of CSR in a given social environment. A study of the culture of countries in the Middle East reveals that the concepts of “consumer activism, environmental activism, employee activism, governmental activism and community activism” are not appreciated (Ararat, 2005 in Aoun, 2007). Hofstede (1997) in Aoun(2007), demonstrates that the people in the Middle East are controlled by Islam and that vertical “social mobility” is not allowed. In this kind of society, numerous doctrines are used to control and pacify the people. The religious leaders have absolute power and precious resources such as power and wealth are not equitably distributed (Aoun, 2007). Aoun (2007) argues that this arrangement ensures societal stability and cohesion. However, the culture in these Islamic societies may not facilitate the adoption of CSR by SMEs.
Jenkins (2009) acknowledges that big firms and their brands have a remarkable foothold in international trade and this has forced even SMEs to heed the call for more accountability and transparency on their activities. However, SMEs fail to see the relevance of CSR as a risk management approach to business (Jenkins, 2009). Barkers (2003) in Jenkins (2009) argues that SMEs are happy with the status quo and CSR is seen as an extra cost or burden. SMEs are managed on the basis of a well defined philosophy of the owner or manager and the use of ethical codes of conduct to influence employees to behave ethically may be seen as a luxury (Jenkins, 2009).

Garavan et al. (2011) have identified three areas where obstacles to CSR adoption can be found. These areas include employee centred obstacles, firm based obstacles and institutional based obstacles (Garavan et al., 2011). Employee centred obstacles normally refer to employee/management philosophy, assumptions, beliefs, values, norms and perceptions about CSR. Firm based obstacles refer to corporate culture, codes of conduct, company policy, compensation procedures, production systems, and firm image. Institutional based obstacles refer to the overall status of the firm in relation to the other firms in the industry.

SMEs have control of internal barriers. Internal barriers refer to employee characteristics, firm characteristics, expenses and revenues, and the collective effort in the organisation. On the other hand, external barriers reside outside the control of the organisation and can have devastating effects on the operations and survival of the organisation (Kapurubandara and Lawson (2006). External barriers include the political system, the state of the economy, the quality of the superstructure, and the legal and regulatory framework.

Some SMEs face specific barriers when it comes to adopting CSR activities that are associated with managing pollution levels produced by their business activities (Wills, 2003: 6; Brouwers, 2010; Shirlaws, 2007; Condon, 2004; Simpson et al., 2004). A number of authors argue that SMEs have problems in adopting pollution management initiatives because they do not know anything about the dangers of pollution (Hillary, 2000: 18-19; Condon, 2004; Simpson et al., 2004). The majority of SMEs do not have the money, the manpower and the technology to combat pollution (Deyle, 1989; Baxter, 2004: 13). The size of the firm is another important barrier to CSR adoption by SMEs in the manufacturing sector (Redmond et al., 2007). Some SMEs are so small that the pollution they produce as individual firms is negligible and as such, they may not see the need to adopt the needed management practices to fight pollution (Redmond et al., 2007; Wills, 2003; Condon, 2004; Williams et al., 2000;
Schaper and Raar, 2001; Mackeiver and Gadenne, 2005). Baxter (2004: 13) gives a summary of specific CSR barriers that SMEs in the manufacturing sector face:

“Lack of awareness and/or denial that they cause significant environmental impacts; resource constraints (including financial, time, and personnel); lack of incentives; inappropriate tools and techniques and lack of skills, and lack of guidance and support on how to implement an EMS........

Barriers to the adoption of CSR practices by SMEs can also be caused by weak and inefficient judiciary systems in a country (Visser, 2007; Visser, 2006b; Mwaura, 2004). In some cases, it is difficult for African countries to force companies (small or big) to be socially responsible as “government capacity for enforcement remains a serious limitation, and reduces the effectiveness of legislation as a driver for CSR” (Visser, 2007: 491). Visser (2006b:42) delves more into the issue of legislation as a CSR barrier:

In Africa, legal responsibilities have a lower priority than in developed countries. This does not necessarily mean that companies flaunt the law, but it is far less of a pressure for good conduct. There are several reasons for this. Firstly, in much of Africa, the legal infrastructure is poorly developed and often lacks independence, resources and administrative efficiency.

Studies on organisational development postulate that “organisational isomorphism” can be a very important barrier to SMEs wishing to adopt CSR practices (Dacin, 1997; Deephouse, 1996; Caemmerer and Marck, 2009: 1; Di Maggio and Powell, 1983). Dacin (1997) and Deephouse (1996) in Caemmerer and Marck (2009:1) define organisational isomorphism as “the assimilation of organisations that co-exist in similar environmental conditions”. In other words, organisations (big or small) can influence each other either negatively or positively to adopt CSR practices (Cemmerer and Marck, 2009:1). Di Maggio and Powell (1983) in Caemmerer and Marck (2009:1) divide organisational isomorphism into three dimensions: coercive, normative and mimetic isomorphism. SMEs that do not see the benefit of indulging in CSR activities influence the other SMEs not to indulge in CSR through coercive isomorphism (Caemmerer and Marck, 2009). For example, companies (small or big) that supply critical raw materials to other companies can use their privileges to make CSR decisions for others. Normative isomorphism is the new behaviour that SMEs are expected to adopt as a reward for getting cheaper raw materials from partners (Caemmerer and Marck, 2009:1). For example, if the majority of SMEs in a region shun CSR then the other SMEs
may experience problems of isolation if they decide to behave differently (Hannan and Freeman, 1984; Di Maggio and Powell, 1983; Mizruchi and Fein, 1999; Frumkin and Galaskiewicz, 2004). Mimetic isomorphism is the process in which SMEs that indulge in CSR suddenly decide willingly to behave like those SMEs that shun CSR (Caemmerer and Marck, 2009:1).

In conclusion this section of the review of related literature has provided deep insights into the factors that make it difficult for SMEs to adopt and implement meaningful CSR. These obstacles include competition in the environment, lack of innovation, poor governance, weak regulatory framework, red-tape, autocratic leadership, inability to come up with instruments to measure the impact of CSR on firm performance and lack of government support. Weak judiciary systems in Africa are real obstacles to the adoption and implementation of CSR by SMEs. It has been noted that most African countries have no administrative capacity to force SMEs to comply with environmental laws of the country. Another factor that is a cause of concern is the involvement of workers in CSR management and implementation. When workers are not involved in decisions concerning CSR they make it difficult for management to implement CSR programmes. They become resistant to change. Managerial attitude is also an important obstacle to CSR adoption. Managerial attitude is very difficult to manage. Government must create legislation that guides SMEs on how to manage and implement CSR programmes effectively. This entails educating SMEs on the importance of CSR.

2.15 SUMMARY

Chapter two was divided into two sections. The first section undertook to build up a theoretical background for this study by using the Three Domain Theory of CSR. This was done to clearly demonstrate the nature of CSR practices in Small to Medium Enterprises in the context of Zimbabwe. The second section presented the literature review for this study. The five objectives of this study were used to identify and discuss the literature that was relevant to the research problem of this study. First and foremost the meaning attached to CSR by various authors, academics and researchers was explored. This was done to gain an understanding of the meaning attached to CSR by SMEs in the United States of America, Europe, Asia, Latin America, and Africa and in Zimbabwe. There are many meanings attached to CSR by SMEs in Zimbabwe. The impact of CSR practices on the operation of SMEs was analysed and discussed. Therefore the impact of CSR on firm performance,
employee satisfaction, customer satisfaction and brand equity was explained in detail. The literature on CSR has shown that CSR have no impact on worker behaviour, firm performance, customer behaviour and brand equity. The literature provided some insights on the approaches that are used by SMEs to manage and implement CSR. The drivers of CSR in SMEs were examined. The aim was to establish the legal, economic and ethical factors that motivate SMEs to engage in CSR practices. The legal, economic and ethical CSR activities of SMEs were also highlighted and described in detail. Furthermore, the legal, economic and ethical barriers to CSR adoption by SMEs were examined, evaluated and explained in detail. In this section, both internal and external barriers to CSR by SMEs globally, were described.
CHAPTER THREE:  
THE RESEARCH METHODOLOGY

3.0 INTRODUCTION

Chapter Three is concerned with the research methodology for this study. The research approaches appropriate for this study are spelt out and their strengths and weaknesses are given and discussed. The research paradigms for this study are identified and explained in detail and their relevance to the present study is discussed. The research design for this study is given and described in order to put this study into its proper perspective. The data collection methods are presented, analysed and discussed together with their advantages and disadvantages. The sampling procedures used in this study are then given and discussed and finally, data analysis procedures appropriate for this study are discussed in detail.

3.1 THE RESEARCH APPROACHES

Cresswell (2003), Mayoh et al. (2011) and Onwuegbuzie (2004) identify three research approaches, namely quantitative research, qualitative research and mixed research. Ivankova et al. (2006) point out that the use of either qualitative or quantitative research on its own is not adequate to address a research problem. To that end, the mixed approach was chosen and used in this study. Cresswell (2003) and Tashakkori and Teddlie (2003) in Mayor et al. (2011:22) view mixed research as:

….the practice of collecting, analyzing and combining qualitative and quantitative data within a single cohesive study for the purpose of gaining a more holistic understanding of a specific research problem or area of study.

According to Brewer and Hunter (1989) and Johnson and Turner (2003) in Onwegbuzie and Johnson (2006:51), mixed research “involves the combining of quantitative and qualitative methods, approaches and concepts that have complementary strengths and non over-lapping weaknesses.” Mixed research provides researchers with a myriad of avenues for tackling the problem under study and ensures that the data collected is to a greater degree reliable (Morse, 2003 in Mayoh et al., 2011). There are numerous factors that motivate SMEs to adopt CSR practices and therefore the use of either qualitative or quantitative research alone cannot capture these factors adequately (Morgan, 1998, Morse 1991 and O’Cathain 2009 in Mayoh et al., 2011). However Giddings and Grant (2007) and Mayoh et al. (2011) warn researchers
of the problems associated with so-called mixed research. Inexperienced researchers have the
tendency of using more quantitative research than qualitative in addressing the concerns of
mixed research (Giddings and Grant, 2007; Niglas, 2009). Onwuebuzie and Johnson
(2006:52) argue that “Mixed research is still plagued by the problems of representation,
integration and legitimisation…” Giddings (2006:195) sums up the dangers of using mixed
research as follows:

Clothed in a semblance of inclusiveness, mixed methods could serve as a
cover for the continuing hegemony of positivism and maintain the
marginalization of non-positivist research methodologies. I argue here that
mixed methods as it is currently promoted is not a methodological
movement, but a pragmatic research approach that fits most comfortably
within a post positivist epistemology (Giddings, 2006:195).

Researchers who believe in mixed research (called pragmatists) do not believe that the use of
both qualitative and quantitative methods in a single study is a problem (Tashakkori and
Teddlie, 2003; Johnson and Onwuegbuzie, 2004; Morgan, 2007). Pragmatists argue that
research is all about mixing approaches, mixing research designs, making use of different
techniques of data collection and data analysis in doing research (Creswell, 2003). Pragmatists are of the view that mixed research provides many eyes and strategies through
which researchers can effectively comprehend the problems affecting the social world
(Cresswell, 2003). To that end, Wheeldon (2010:88) sums up the concerns of pragmatists as
follows:

...by focusing on solving practical problems, the debate about the existence
of objective “truth” or the value of subjective perceptions, can be usefully
sidestepped. As such, pragmatists have no problem with asserting both that
there is a single “real world” and that all individuals have their own unique
interpretations of that world (Wheeldon, 2010:88).
3.2 THE RESEARCH PARADIGMS

Research in social sciences is directed by appropriate paradigms (Wahyuni, 2012). This study was guided by two major paradigms, namely, the qualitative and the quantitative paradigms. Research paradigms help researchers to identify and adopt relevant research methodologies, research designs, and data collection methods (Wahyuni, 2012; Berry and Otley, 2004; Cresswell, 2009; Neuman, 2011). According to Morgan (2007:53), paradigms refer to “shared beliefs within a community of researchers” so that researchers who believe in a particular paradigm adopt appropriate methodologies and methods to tackle the research problem. The definition of the concept of paradigm given by Jonker and Pennink (2010) in Wahyuni (2012:69) is worth noting:

A research paradigm is a set of fundamental assumptions and beliefs as to how the world is perceived which then serves as a thinking framework that guides the behaviour of the researcher (Jonker and Pennink, 2010 in Wahyuni, 2012:69).

Wahyuni (2012) argues that paradigms on their own do not mean much to the researcher unless they are associated with the concepts of epistemology and ontology. The building blocks of paradigms are “philosophy, epistemology, ontology and methodology” (Joubish et al., 2011:2084). Epistemology is the science of knowing, how we get knowledge and the techniques we use to get knowledge (Krauss, 2005; Mack, 2010; Scotland, 2012). According to Mack (2010:5) ontology is “one's view of reality and being” in the social world.

Mackenzie and Knipe (2006) and Crasswell (2003) identify a number of paradigms, such as positivist, constructivist, interpretivist, transformative, emancipatory, critical, pragmatist, deconstructivism and feminist perspectives. This study has adopted both the positivist and interpretivist paradigms. Cresswell (2003) views methodology as that practice in research that guides researchers on the methods that they should use for data collection, whereas methods refer to specific ways of interacting with research participants.
3.3 POSITIVISM

Positivists favour the quantitative approach to research (Mack, 2010). Wahyuni (2012:71) argues that positivism focuses on numerical data, confirmation of theories and “testing hypothesis” in order to get reliable and valid results. Positivists believe that it should be possible to generalise the findings of a research study to other cases (Mack, 2010). Cresswell (2009) in Wayhuni (2012:71) explains that positivism thrives on “big samples” and that it should be possible to arrive at the same results in research by using the same methodologies, methods, sampling techniques, and data analysis strategies. The epistemological position of positivists is that the researcher can collect data from research participants without necessarily being involved in the process. This is the doctrine of objectivity (Krauss, 2005:761). The questionnaire approach was used to collect data for quantitative research. A questionnaire “is a research instrument consisting of a set of questions (items) intended to capture responses from respondents in a standardized manner” (Bhattacherjee, 2012: 74). In this study “a group–administered questionnaire” was used to collect data from respondents (Bhattacherjee, 2012: 74).

In positivism, “deductive reasoning” is the tool that researchers make use of in testing and confirming theories (Krauss, 2005:760, Mack, 2010; Mackenzie and Knipe, 2006; Wahyuni, 2012). Positivism measures relationships that exist among variables (Wahyuni, 2012). Mack (2010:7) outlines the ontological propositions of positivism when he says that “reality” is outside the researcher; that “reality” can be unearthed by using human mental faculties; and that the elements we study possess “meaning” even when we do not know them. Therefore positivism as a paradigm was adopted for this study. As one of the objectives of this study is to explore the impact of CSR practices on the operation of SMEs in Zimbabwe, this study involved testing and confirming hypotheses and theories on CSR in the context of Zimbabwe.

3.4 INTERPRETIVISM

Interpretivists believe that “reality” can be build up by both the researcher and the research participants through the process of coming together and talking (Wahyuni, 2012; Mack, 2010; Mackenzie and Knipe, 2006; Krauss, 2005). The position of epistemology is that researchers and research participants come from varied political, economic, social, educational and religious backgrounds and as such, their experiences are valuable in the process of building up theories (Wahyuni, 2012:7). Interpretivism does not believe in
objectivity but in subjectivity because the researcher acquires data from research participants through the process of interviews (Mack, 2010; Mackenzie and Knipe, 2006). Mack (2010) argues that researchers in the interpretivist paradigm rely on comprehending, exploring and providing explanations on “social reality” by working as a team (the researcher and the research participants). Ontologically, interpretivists do not subscribe to the doctrine of generalising findings. The interpretivist paradigm was chosen for several reasons. The researcher needed primary data from interviewees to comprehend and explain the legal, economic and ethical CSR practices by SMEs in their original settings. Research on these CSR practices by SMEs in Zimbabwe and other developing countries is scarce.

3.5 THE QUANTITATIVE AND QUALITATIVE METHODOLOGIES OF MIXED RESEARCH

Cresswell (1994), Gay and Airasian (2000) in Yilmaz (2013:311) define quantitative research as the process of studying a “social phenomenon or human problem” using mathematical tools in order to either confirm theories or test hypotheses. The quantitative approach guided the researcher in adopting the epistemological and ontological position of this study. To that end it was easy to identify and adopt the research design, the sampling method, the data collection techniques and the data analysis methods which were used in the study. In this study inferential statistics were used to measure the impact of CSR practices on SMEs’ performance and employee satisfaction while descriptive statistics were used to test hypotheses. Therefore the quantitative approach was appropriate in this study. Characteristics of quantitative, qualitative and mixed approaches are summarised in Table 3.1.

Cresswell (1994) and Densin and Lincoln (2005) in Joubish et al. (2011:2083) define qualitative research as the process of studying the behaviours, beliefs, values, assumptions and norms of research participants, using an “interpretive, naturalist approach” with the aim of developing meaningful business and management decisions. The qualitative methodology was chosen for this study for various reasons. The methodology helped the researcher to answer questions, such as, “how or what” (Joubish et al., 2011). The methodology was used to come up with relevant CSR theories in order to provide the needed explanations and attitudes of SMEs’ managers to CSR practices in Zimbabwe and other developing countries (Hiatt, 1986; Joubish et al., 2011:2085). The qualitative methodology was used to describe, explore and explain attitudes, assumptions, beliefs and CSR practices of SMEs managers or owners (Berg, 2007:3).
<table>
<thead>
<tr>
<th></th>
<th>Quantitative Research</th>
<th>Qualitative Research</th>
<th>Mixed Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Aims of inquiry</td>
<td>Universality. To measure using numbers, to create numerical descriptions through the process of ‘coding’ and to discover associations, to confirm theory and to test hypothesis.</td>
<td>Particularity. To describe scenes, to create an account or description without numerical scores, to build up theories.</td>
<td>Numerous aims. Robust explanation of the process being studied. Development of a more holistic picture of human behaviour.</td>
</tr>
<tr>
<td>3. Epistemological assumptions.</td>
<td>Positivism</td>
<td>Phenomenology</td>
<td>Pragmatism</td>
</tr>
<tr>
<td>4. Ontological assumption</td>
<td>Objective</td>
<td>Subjective</td>
<td>Combination of objective and subjective reality</td>
</tr>
<tr>
<td>5. Research design</td>
<td>Descriptive</td>
<td>Exploratory</td>
<td>Descriptive and exploratory</td>
</tr>
<tr>
<td>6. Role of researcher</td>
<td>Outside. Researcher and research participants viewed as separate and independent.</td>
<td>Inside. Research and research participants connected</td>
<td>Combining roles.</td>
</tr>
<tr>
<td>7. Data collection methods</td>
<td>Questionnaires, interviews, requires pre-constructed standardised instrument.</td>
<td>In-depth interviews, observation, focus groups. The human person is the primary collection instrument. Investigations done under natural conditions</td>
<td>Combining quantitative and qualitative data collection methods.</td>
</tr>
<tr>
<td>10. Forms of data generated</td>
<td>Numeric</td>
<td>Narrative</td>
<td>Both numeric and narrative</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------</td>
<td>-----------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>11. Research protocol</td>
<td>Structured</td>
<td>Not structured</td>
<td>Both structured and unstructured.</td>
</tr>
</tbody>
</table>

**Source:** adopted from Gilbert (2007); Ashley and Boyd (2006); Joubish et al. (2011); Yilmaz (2013); Bamberger (1999); Croll (1996); Fraenkel and Wallen (1996); Johnson and Turner (2003); Morse (2003); Johnson and Onwuegbuzie (2004:17-18).

### 3.6 THE RESEARCH DESIGN

The research design is a tool that the researcher uses to figure out how the data is collected, managed and analysed in order to produce the desired results (Kothari, 2004). It is the roadmap or the technology that the researcher uses to formulate and implement the research process (Kothari, 2004). In this study, multiple research designs were adopted. In other words, the quantitative research design (descriptive), the qualitative research design (exploratory) and the mixed research design (sequential) were adopted. According to Greene (2007:13), the use of multiple research design has the “opportunity to compensate for inherent method weakness, capitalize on inherent method strengths and offset inevitable method biases”. Therefore the researcher made use of the descriptive survey research design to collect quantitative data and the exploratory research design to collect qualitative data.

The survey research design is the quantitative method of acquiring data from research participants using structured questionnaires (Bhattacherjee, 2012; Shukla, 2008). The survey research design was used to capture the thoughts, assumptions, problems, likes and dislikes of SMEs managers on the issues of corporate social responsibility (Bhattacherjee, 2012). The survey research design afforded the respondents the opportunity to freely complete questionnaires in their private time. In this way, respondents were encouraged to provide honesty and truthful answers to questions in the questionnaire (Borg and Gall, 1983: 73). Furthermore it was possible to collect data from a large sample that was geographically dispersed, using the survey research method (Bhattacherjee, 2012). The literature on survey research designs has shown that weaknesses such “non response biases, sampling biases, social desirability biases, and recall biases” are common in survey designs (Bhattacherjee,
In this study, such biases were reduced by using the following techniques, as suggested by Bhattacherjee (2012:80-82): “in-advance notification, relevance of content, respondent-friendly questionnaire, and confidentiality and privacy [in data collection]” (Bhattacherjee, 2012: 80-82).

3.7 THE EXPLORATORY RESEARCH DESIGN

In order to complement the survey descriptive design in data collection, the exploratory research design was used to collect data from SMEs owners/managers using “in-depth interviews” (Shukla, 2008:32). The exploratory research design afforded the researcher the opportunity to “probe” more into the feelings and beliefs of the SMEs managers/owners about their CSR practises (Nachmias and Nachmias, 1989: 108). Shukla (2008: 37) warns that exploratory research may not be used to generalise findings or the results of the study to other cases of the population. The characteristics of the three research designs, namely exploratory, descriptive survey and the causal are analysed in Table 3.2.

Table 3.2 : Analysis of exploratory, descriptive and causal research methods

<table>
<thead>
<tr>
<th></th>
<th>Exploratory</th>
<th>Descriptive</th>
<th>Causal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emphasis</td>
<td>Discovery of ideas and insights</td>
<td>Frequency of occurrences</td>
<td>Determines cause and effect</td>
</tr>
<tr>
<td>Features</td>
<td>Flexible and unstructured</td>
<td>Hypothesis based and structured</td>
<td>Variable control</td>
</tr>
<tr>
<td>Techniques used</td>
<td>Focus groups in-depth interview, mostly qualitative research</td>
<td>Surveys, observation, panel data mostly quantitative research</td>
<td>Experimentation</td>
</tr>
</tbody>
</table>

Source: adapted from Shuckla (2008:39)
3.8 THE SEQUENTIAL DESIGN

Driscoll et al, (2007), Cresswell et al, (2003) and Mayoh et al, (2012) identify several research designs that are appropriate for mixed research designs and these include, the sequential explanatory design, the sequential transformative design and the sequential concurrent design (Cresswell et al., 2003; Driscoll et al., 2007; Mayoh et al., 2012; Ivankova et al, 2006). The sequential explanatory design was chosen and used in this study. The sequential explanatory design allowed the researcher to enhance the results of the study by combining the results of qualitative data with the results of quantitative data (Cresswell et al., 2003; Driscoll et al., 2007; Mayoh et al. 2012; Ivankova et al., 2006). The sequential explanatory design made it possible for the researcher to collect quantitative data first and after that to collect qualitative data and subsequently to analyse both data separately (Cresswell et al., 2003; Ivankova et al., 2003). Figure 3.1 shows the sequential explanatory design.
The sequential explanatory design enabled the researcher to create two stages. Quantitative data was collected in the first stage while qualitative data was collected in the second stage. In this way, the quantitative research participants had ample time in which to complete and return the questionnaires. The second stage allowed the qualitative research participants ample time to respond to in-depth interviews.

3.9 POPULATION

All SMEs owners/managers in the Harare region of Zimbabwe constituted the target population for this study. According to Bhattacherjee (2012: 65) the term population refers to “all people or items (unit of analysis) with the characteristics that one wishes to study”. There were 280 000 registered SMEs in Harare region in (Government of Zimbabwe, 2008). The term SMEs referred to legally registered companies which employed between six and one hundred workers (Government of Zimbabwe, 2008). The population of the study consisted of SMEs owners, managers, family members and employees. SMEs that employed less than six workers and more than one hundred workers did not form part of the ‘population’ for this study. The target population for this study was drawn from, education, mining, construction, agriculture, finances, transport and electronics.

3.10 SAMPLING FRAME

The researcher acquired the list provided by the Ministry of SMEs and Cooperative Development, of all registered SMEs in the Harare region. This list consisted of e-mail addresses, cell- phone numbers and the physical addresses of SMEs’ managers/owners (Bhattacherjee, 2012: 66). Bhattacherjee (2012: 66) defines the concept of ‘sampling frame’ as “an accessible section of the target population (usually a list with contact information) from where a sample can be drawn”.

Figure 3.1 The Sequential design

Source: adapted from Driscoll et al. (2007: 21)
3.11 SAMPLING METHODS FOR QUANTITATIVE RESEARCH

SMEs in the Harare region were selected from the list provided by the Ministry of SMEs and Cooperative Development, using the systematic random sampling method. The researcher started by counting the number of units on the list and then made a decision as to which units on the list were supposed to be part of the sample (Fowler, 1993:14). The population was arranged in some order. It was therefore easier to draw a random sample in a systematic way. To select a systematic sample of \( n \) elements from a population of \( N \) elements, the following formula was used; \( k=N/n \). The first element out of the first \( k \) elements in the population was randomly selected, and then every \( k \)th unit was selected until a sample of \( n \) elements was reached. In this case \( k = 28 \), and the sample of \( n =280 \) items. The first item was randomly selected from the integers 1 to 100. The random number selected was 70, then the systematic sample contained the elements 70, 70+100=170,170+100=370,370+100=470,470+100=570 and so on until 280 elements were sampled (McNealy, 1999: 155). The list was analysed first in order to ensure that the units were not in any order that could affect the sample (Babbie, 1990: 84; Henry, 1990: 28; Fowler, 1993: 14; McNealy, 1999: 155). The decision to select 280 samples was influenced by costs.

3.12 SAMPLE SIZE

The sampling frame had SMEs that came from the same geographical part of the country. This was important in that the SMEs faced the same challenges. It was therefore possible to use the same research instrument to measure the nature of their legal, economic, and ethical CSR practices (Long and Driscoll, 2008; Hoffman, 2001; Berrone and Gomez–Mejia, 2009). To that end, 280 SMEs managers/owners were sampled from the list of 280000 SMEs. Hague (1998) notes that there is no standard sample size for quantitative research. Furthermore, Hague (1998: 121) observes that “A large randomly selected sample size is all that is needed and it doesn’t matter how many people there are in the total population”.

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3.13 SAMPLING METHOD FOR QUALITATIVE RESEARCH

The purposive sampling method was used to choose research participants for this study. The sample would provide the required data to implement the qualitative research (Morse, 1991: 129). Research participants who had been involved in CSR activities before were sampled for this study (Coyne, 1997; Morse, 1991: 129). Furthermore, SMEs that were registered and had between six and one hundred employees were considered to participate in this study. A sample of six research participants were chosen from the sample organised for quantitative research. Thus two hundred and seventy four SMEs were sampled for quantitative research while six were sampled for qualitative research. Marshall (2013:12) explains that “there is no standard sample size for qualitative research.” Patton (2002: 242-243) in Marshall (2013: 12) elaborates further on sample size as follows:

There are no rules for sample size in qualitative inquiry. Sample size depends on what you want to know, the purpose of the inquiry, what’s at stake, what will be useful, what will have credibility, and what can be done with available time and resources (Patton, 2002: 242-243 in Marshall, 2013: 12).

The decision to come up with six research participants for qualitative research was influenced by costs and the fact that the respondents came from the same geographical area and had the same qualities needed in this study. The sampling frame had SMEs that came from the same geographical part of the country. This was important in that the SMEs faced the same challenges. It was therefore possible to use the same research instrument to measure the nature of their legal, economic, and ethical CSR practices (Long and Driscoll, 2008; Hoffman, 2001; Berrone and Gomez–Mejia, 2009).

3.14 DATA COLLECTION METHODS FOR QUANTITATIVE RESEARCH

The questionnaire approach was used to collect data for quantitative research. A questionnaire “is a research instrument consisting of a set of questions (items) intended to capture responses from respondents in a standardized manner” (Bhattacherjee, 2012: 74). In this study “a group–administered questionnaire” was used to collect data from respondents (Bhattacherjee, 2012: 74). Other types of questionnaires, namely, “self-administered mail surveys” and “online or web survey” were not used. Table 3.3 shows the strengths and weaknesses of the various grades of questionnaires.
Table 3.3: Strengths and weaknesses of Group administered questionnaires

<table>
<thead>
<tr>
<th>Questionnaire type</th>
<th>Mode of operation</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
</table>
| 1. Self-administered mail surveys | The same questionnaire is mailed to a large number of people. | 1. Unobtrusive.  
2. Inexpensive to administer | 1. Low response rate.  
2. Not suitable for issues that require clarification. |
| 2. Group-administered questionnaire | 1. A sample of respondents is brought together at a common place and time, and each respondent is asked to complete the survey questionnaire while in the room.  
2. Respondents enter their responses independently without interacting with each other.  
3. This format is convenient for the research.  
4. A high response rate is assured.  
5. If respondents do not understand any specific question, they can ask for clarification. | 1. Some respondents do not feel comfortable to give sensitive information when the researcher is around.  
2. Others may feel that their responses will be made public by the researcher. |
| 3. Online or web survey | 1. These surveys are administered over the internet using interactive forms. | 1. The surveys are very inexpensive to administer.  
2. Results are instant and recorded in an online database.  
3. The surveys can be easily modified if needed. | 1. Responses can be easily compromised.  
2. Sampling bias may be a significant issue.  
3. Computing the response rate may be problematic. |

Source: Adapted from Bhattacherjee (2012: 74-75)

Table 3.3 shows the strengths and weaknesses of group administered questionnaire, online questionnaires and mail surveys. SMEs development officers stationed in various districts of Harare organised venues where SMEs managers or owners came together to complete the questionnaires. It was a difficult exercise in that there were many such venues and the attendance of the respondents was very poor. Sometimes only four or five of them would be present to complete the questionnaires and this meant that a new date had to be set to meet the second or third group. Mail surveys and online or web surveys were not utilised. The
online survey presents problems that have to do with computing the response rate while the mail survey was not used because it was not suitable for issues that required clarification.

3.15 QUESTIONNAIRE CONSTRUCTION

The questionnaire constructed for this study was named questionnaire for small and medium enterprises (QSME). The questionnaire collected data from SMEs managers or owners. The five objectives of this study formed the main content of the questionnaire which consisted of seven sections. The first section collected demographic data from SMEs owners or managers while the second section collected organisational data. Sections three to seven required respondents to provide data on the five areas, namely, the meaning of CSR, CSR activities/practices in SMEs, drivers of CSR in SMEs, the impact of CSR in SMEs, and the barriers to CSR adoption by SMEs in Zimbabwe. All this information was organised in a researchable manner in the questionnaire (Shukla, 2008: 87; Bhattacherjee, 2012: 75).

The questionnaire had both closed- and open-ended questions. Closed-ended questions were included to guide the respondents on the specific information that was needed, concerning the CSR activities of SMEs, drivers of CSR in SMEs, the impact of CSR in SMEs and the barriers to the adoption of CSR by SMEs (Shukla, 2008: 89). Open-ended questions helped respondents to spell out their deeper feelings about CSR practices by SMEs in Zimbabwe (Bhattacherjee, 2012; Shukla, 2008: 88; Hague, 1993). Dillman (1978) in Bhattacherjee (2012: 75), Shukla (2008: 90) and Hague (1988: 134-136) offer valuable ideas on the best way of writing questionnaire statements that solicit meaningful responses. All statements in the questionnaire were made in a way that they could easily be comprehended by the respondents (Bhattacherjee, 2012: 75). Statements that caused “ambiguity, abstraction, and connotation” were not included in the final questionnaire (Shukla, 2008: 90). The statements in the questionnaire were itemised and information was provided to guide the respondents on how to answer the questions in the questionnaire QSMEs.
3.16 PILOT-TESTING QUESTIONNAIRE QSMEs

Questionnaire QSMEs was pilot-tested in order to unearth irregularities and vagueness in the questionnaire statements. The convenient sampling technique was utilised to select respondents for this exercise (Bhattacherjee, 2012: 78). Bhattacherjee (2012: 78) gives the following information on pilot studies:

Finally, always pre-test your questionnaire, at least using a convenience sample, before administering it to respondents in a field setting. Such pretesting may uncover ambiguity, lack of clarity, or biases in question wording, which should be eliminated before administering to the intended sample.

The pilot study was done in Chinhoyi Metropolitan City. The sample consisted of fifteen SMEs managers or owners. SMEs in the pilot study were chosen because they had more than six employees, and less than one hundred employees, were registered and had participated in CSR activities before (Shukla, 2008: 92). Therefore three participants were selected from the sample of fifteen participants. The responses of the respondents were checked for irregular answers, and vague statements were either removed or rephrased (Shukla, 2008; Bhattacherjee, 2012). The final questionnaire was then given to the “intended sample” to complete (Bhattacherjee, 2012: 78).

3.17 ADMINISTRATION OF THE STUDY

The researcher acquired written permission from the Ministry of SMEs and Cooperative Development to carry out this study in the Province of Harare. When the permission was granted the researcher made efforts to get a copy of the sampling frame for various districts in Harare. The researcher made use of District SMEs Development officers to get access to the SMEs mangers/owners in respective districts. The District SMEs Development officers organized dates and venues in which the researcher would meet SMEs mangers/owners in groups. The respective SMEs managers/owners were informed of this exercise in advance. Zimbabwe is a politically sensitive country and therefore the involvement of the District SMEs Development personnel was significant. The officers introduced the researcher to the research participants and assured the respondents that the researcher was genuine and that the exercise was not politically motivated. An adequate number of questionnaire QSMEs, were
printed and consent forms were attached to each and every questionnaire. The research participants were asked to read the consent form first. The consent form dealt with the subject of “voluntary participation, informed consent, anonymity and confidentiality (Bhattacherjee, 2012: 138). Researchers always advise that:

Subjects in a research project must be aware that their participation in the study is voluntary, that they have the freedom to withdraw from the study at any time without any unfavourable consequences, and that they are not harmed as a result of their participation or non-participation in the project (Bhattacherjee, 2012: 137).

The research participants were afforded the freedom to sign or not to sign the consent form (Bhattacherjee, 2012: 138). Those who signed the consent form were assured that “their identity” would be concealed (Bhattacherjee, 2012: 138). The researcher made use of a “group-administered questionnaire” (QSMEs) (Bhattacherjee, 2012: 74). The respondents who had challenges in answering the questions were afforded the opportunity to ask questions and get clarification (Bhattacherjee, 2012: 74). It was therefore easy to get the research participants together in a particular place, as suggested by the District SMEs Development personnel, and administer the questionnaire. This exercise was continued from one district to the other until every research participant on the sampling frame had been reached.

3.18 QUALITATIVE DATA COLLECTION

The in-depth interview method was used to collect data from research participants. The face-to-face interview was the preferred method because of the nature of this study (Bhattacherjee, 2012: 78). Table 3.4 shows the strengths and weaknesses of various types of interview surveys as suggested by Bhattacherjee (2012: 78).
### Table 3.4 The strengths and weaknesses of interview surveys

<table>
<thead>
<tr>
<th>Method</th>
<th>Administration method</th>
<th>Strength</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Face-to-face interview</td>
<td>The interviewer works directly with the respondent to ask questions and record their responses</td>
<td>1. They may be conducted at the respondents’ homes or office locations. 2. The researcher can persuade respondents to cooperate. 3. It is easier to improve the response rate. 4. It allows probing.</td>
<td>1. Some respondents may feel uncomfortable in allowing strangers in their homes. 2. The exercise is time-consuming and resource intensive. 3. Special skills are needed on the part of the interviewer.</td>
</tr>
<tr>
<td>2. Telephone interviews</td>
<td>In this technique, interviewers contact potential respondents over the phone, typically based on a random selection of people from a telephone directory.</td>
<td>1. Once respondents are on the phone, higher response rates can be obtained.</td>
<td>1. The technique is not ideal for rural areas where telephone density is low, and also cannot be used for communicating non-audio information such as graphics or product demonstrations.</td>
</tr>
<tr>
<td>3. Focus group</td>
<td>1. In this technique, a small group of respondents, usually 6-10 are interviewed together in a common location.</td>
<td>1. Focus groups allow deeper examination of complex issues than other forms of survey research.</td>
<td>1. Discussion may be dominated by one person. 2. Some people may be shy to speak. 3. Sensitive topics may not generate debate.</td>
</tr>
</tbody>
</table>

**Source:** Adapted from Bhattacherjee (2012: 78-79).

Table 3.4 shows the strengths and weaknesses of interview surveys. Telephone interviews and focus group methods were not chosen. The telephone interview was not chosen because the researcher did not have telephone facilities for the exercise. The focus group method was not used because it was not relevant for this study. Therefore the face to face interview method was adopted in order to maximise on response rate and to probe the responses of research participants.
3.19 THE CONSTRUCTION AND PRETESTING OF THE INTERVIEW GUIDE

The researcher started by developing “an interview guide” whose content was derived from the five objectives of this study (Bernard, 2006:211). The interview guide was administered and tested on three research participants who were selected using the purposive sampling method (Bhattacherjee, 2012: 78). The research participants were chosen on the basis that they owned or managed SME firms that were registered, employed between six and one hundred employees and had carried out CSR activities before (Shukla, 2008: 92). The pilot study was done in Gweru City. The main purpose of the pilot study was to acquire the appropriate experience and exposure and to gauge the time that it would take to implement a real interview situation (Bhattacherjee, 2012: 79).

The researcher ensured that all the necessary steps involved in conducting an interview were done (Bhattacherjee, 2012: 79-80). The first step involved the acquisition of the interview equipment, namely, a tape recorder, a pen, and a notebook (Bhattacherjee, 2012: 79). An adequate number of informed consent forms were printed. The informed consents forms would be signed by the respondents who agreed to be interviewed (Bhattacherjee, 2012: 79-80). The interviewees were free to participate or withdraw from the study at any time and they were informed that there were no material benefits to be derived by those who participated in the study (Bhattacherjee, 2012: 79-80). The researcher used a letter from the University of KwaZulu-Natal (written by the supervisor) for introductory purposes. The letter contained the name of the student (the researcher), the title of the study and the reasons for conducting the study. The research participants were shown a letter of permission granted by the Ministry of SMEs and Cooperative Development, to carry out research studies in Harare Districts. SMEs District Development Officers assisted the researcher to identify and gain access to interviewees. The interviewees were informed in time for the interview (Bhattacherjee, 2012: 79-80).

All the interviews were carried out on the work premises of the interviewees (Bhattacherjee, 2012: 79-80). The interview process started by establishing the required rapport and informing the interviewee that their responses would be treated confidentially. The interview responses were tape–recorded and at the same time notes were taken to complement the tape-recording method (Bhattacherjee, 2012: 79-80). The researcher was able to encourage the interviewees to expand or give more information on their responses (Bhattacherjee, 2012:
The interview process was concluded by thanking the interviewees for accepting and participating in the interview (Bhattacherjee, 2012: 80).

3.20 VALIDITY OF QUALITATIVE RESEARCH

This study made use of two approaches, namely, “transactional and transformational validity” to enhance the “trustworthiness” of qualitative research (Cho and Trent, 2006: 321; Pandey and Patnaik, 2014:5746). According to Pandey and Patnaik (2014:5746) it is important to demonstrate that there is a reasonable measure of quality in qualitative research. To that end, Joppe (2000:1) in Golafshani (2003:599) describes validity in qualitative research as follows:

Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit “the bull’s eye” of your research object? Researchers generally, determine validity by asking a series of questions, and will often look for the answers in the research of others.
Table 3.5 shows the techniques used by the researcher to establish the ‘trustworthiness’ in this study.

**Table 3.5: Techniques of transactional validity**

<table>
<thead>
<tr>
<th>Dimension of quality</th>
<th>Explanation</th>
<th>Technique used to establish trustworthiness</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Credibility</td>
<td>It is similar to internal validity in positivist research, confidence in the ‘truth’ of the findings.</td>
<td>Prolonged engagement: The researcher spent a reasonable amount of time with research participants to establish their inner feelings concerning CSR in Zimbabwe. Persistent Observation: The researcher used observation methods to gain deep insights into the CSR activities of SMEs.</td>
</tr>
<tr>
<td>2. Transfer-ability</td>
<td>This is external validity and helps the researcher to discover the extent to which the findings can be generalised to other population.</td>
<td>Thick description: This is external validity. CSR activities of SMEs were described in detail and in this way it was possible to measure the extent to which findings could be generalised to similar populations.</td>
</tr>
<tr>
<td>3. Depend-ability</td>
<td>This refers to reliability. If the interview guide was repeated in the same environment, with the same methods and using the same research participants, similar results should be obtained.</td>
<td>Inquiry audit: The researcher described in detail how data were collected, how categories were derived, and how decisions were made in the entire process of research. In this way it was possible to evaluate whether or not the findings, interpretations and conclusions are supported by data.</td>
</tr>
<tr>
<td>4. Conform-ability</td>
<td>This refers to objectivity in qualitative research.</td>
<td>The researcher made sure that the findings were the result of the experiences and ideas of the research participants, rather than the characteristics and preferences of the researcher.</td>
</tr>
<tr>
<td>5. Member checking</td>
<td>This is the process in which collected data is ‘played back’ to the informants to check for perceived accuracy and reactions.</td>
<td>In every interview the researcher played back the tape-recorder to ensure that the data recorded and the interpretations made are accurate experiences of the research participants.</td>
</tr>
</tbody>
</table>

**Source:** Adapted from Cho and Trent (2006: 322); Pandey and Patnaik (2014: 5747-5751); Lincoln and Guba (1985); Seal (1999); Merriam (1995).
The researcher made use of ‘transformational validity’ approaches to ensure that the findings of this study were ‘credible’ (Cho and Trent, 2006: 323). Therefore triangulation perspectives were adopted in this study (Cho and Trent, 2006: 323). Patton (2001) in Golafshani (2003:603) observes that “triangulation strengthens a study by combining methods”. Mathison (1988:13) in Golafshani (2003: 603) gives an explanation of triangulation as follows:

Triangulation has risen as an important methodological issue in naturalistic and qualitative approaches to evaluation [in order to] control bias and establishing valid propositions because traditional scientific techniques are incompatible with this alternate epistemology.

Table 3.6 Triangulation methods used in this study

<table>
<thead>
<tr>
<th>Method</th>
<th>Explanation</th>
<th>How it was applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Methodological triangulation</td>
<td>This is the process of establishing the consistency of results acquired from the use of many data collection methods.</td>
<td>The researcher made use of questionnaires and in-depth interviews to collect data from respondents.</td>
</tr>
<tr>
<td>2. Triangulation of sources</td>
<td>This means comparing and contrasting views of different research participants, for example, SMEs managers/owners.</td>
<td>The researcher compared and contrasted data, and the views of SMEs managers or owners on the issue of CSR in Zimbabwe, for consistency.</td>
</tr>
<tr>
<td>3. Analyst triangulation</td>
<td>This is the process of evaluating results using multiple observers.</td>
<td>The researcher made use of other Ph.D students, and the supervisor to evaluate the findings.</td>
</tr>
<tr>
<td>4. Theory/perspective triangulation</td>
<td>This is the use of many approaches/strategies to interpret data.</td>
<td>The researcher made use of graphs, frequency tables and SPSS methods to analyse and interpret data.</td>
</tr>
</tbody>
</table>


3.21 RELIABILITY IN QUANTITATIVE RESEARCH

According to Cohen et al. (2007: 146) the concept of ‘reliability’ refers to a family of perspectives, namely, “dependability, consistency and replicability over time, over instruments and over groups of respondents”. Reliability refers to the “precision and accuracy” of the questionnaire in achieving the intended objectives (Cohen et al., 2007: 146).
In this study, questionnaire QSMEs was constructed to capture data from SMEs owners/managers concerning: (1) the meaning attached to CSR by SMEs in Zimbabwe, (2) the impact of CSR practices on the operation of SMEs in Zimbabwe, (3) legal, economic and ethical factors that motivate SMEs owners/managers to engage in CSR, (4) legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe, and (5) legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe.

Questionnaire QSMEs was constructed in such a way “that instrumentation, data and findings should be controllable, predictable, consistent and replicable” (Cohen et al., 2007: 146). Questionnaire QSMEs was also made more useful by “standardizing and controlling the conditions under which the data collection and measurement take place” (Cooper and Schindler, 2001: 218 in Cohen et al., 2007: 148). The reliability of questionnaire QSME was ensured through “widening the number of items on a particular topic; excluding extreme responses from the data analysis (e.g. outliers, which can be done with SPSS)” (Cohen et al., 2007: 148). The research crafted the questions on questionnaire QSMEs in such a manner that they were easy to understand and also free from any ambiguities. The questions asked for information that the respondents had experienced before. The researcher made sure that the research participants had undertaken some form of CSR activities before and therefore had the required information concerning the nature of CSR in SMEs. The names of research participants and those of their companies were not recorded on questionnaire QSMEs. This was done in order to allow questions that required sensitive answers. The use of unstructured questions was avoided as this would have put pressure on research participants to include irrelevant answers on the questionnaire. The researcher made use of available literature to determine the number of pages to be used for questionnaire QSME. In this study the questionnaire had five pages and this was deemed suitable (Saunders et al., 2007) as, according to research experts, the ideal size of a questionnaire stretches from four to eight pages (Saunders et al., 2007). The items on the questionnaire were further measured and analysed using the Cronbach’ alpha to establish statistically the consistency of the items and the relationship between items. Pallant(2007:95) advocates that a positive Cronbach’ alpha statistic should range from 0.7 to 1 and at the same time Hair et al (2010:125) points out that an statistic of 0.6 is ideal. The results of Cronbach’ alpha for this study was 0.67 and this was considered a positive degree of consistency and reliability for the items in the questionnaire (Hair et al, 2010: Bron and Vidaver-Cohen, 2008).
3.22 DATA ANALYSIS

In this study qualitative data was subjected to analysis using the following approach as suggested by Cohen et al. (2007: 368):

- Generating natural units of meaning,
- Classifying, categorising and ordering these units of meaning,
- Structuring narratives to describe the interview contents and
- Interpreting the interview data.

Ryen (2002:155), Miles and Huberman (1994), Erlandson et al. (1993) in Folkestand (2008:7) elaborate further on data analysis perspectives suggested by Cohen et al. (2007: 368) by identifying three stages that must be followed when doing qualitative data analysis:

1. Data reduction – this starts at the very initial research phase when concepts and methods are developed and subjects/phenomenon are selected.

2. Data display – seeking meaning on a limited part of the data (summaries, diagrams and text-matrices).

3. Conclusion – comparing, contrasting searching for patterns, and triangulation.

Quantitative data that had been gathered from research participants using questionnaire QSMEs, were subjected to analysis using the approach suggested by Rahim et al. (2011: 128). The statistical package, SPSS, version 22 provided both linear regression and descriptive statistics for data analysis purposes (Rahim et al., 2011: 128).
3.23 SUMMARY

Chapter three was concerned with the research methodology for this study. The research approaches appropriate for this study were spelt out. The strengths and weaknesses of such approaches were also given and discussed. The research philosophy was identified and explained in detail. The relevance of the research philosophy to the present study was discussed. The research design for this study was given and described. This was done to put this study into its proper perspective. The data collection methods were presented and discussed. Furthermore the advantages and disadvantages of the given data collection methods were analysed and discussed. The sampling procedures used in this study were given and discussed. Finally data analysis procedures appropriate for this study were discussed in detail.
CHAPTER FOUR:
DATA ANALYSIS AND PRESENTATION OF RESULTS

4.0 INTRODUCTION

In this chapter, quantitative data is presented in the form of frequency tables, bar-graphs and pie-charts and both descriptive and inferential statistics are used in presenting and analysing data. The Chi-square was used to measure the association between economic and ethical CSR activities and firm performance as measured by sales revenue per year. The Chi-square was also used to measure the association between methods of implementing CSR and firm performance as measured by sales revenue per year. Qualitative data is presented in tabular form and the reduction method was used to analyse data. The results of both quantitative and qualitative research are summarised and presented in tabular form. This study has used the mixed research approach to gather both qualitative and quantitative data. Quantitative data is presented using the order of the research questions (RQ1-RQ5). A 73% response rate was registered for quantitative data. Qualitative data is also presented using the order of the research questions (RQI-RQ5). Chapter Five will discuss the results of the study. Quantitative data is considered first.

4.1 DEMOGRAPHIC DATA

Table 4.1: Types of respondents and position held in organisation

Table 4.1 shows the various types of respondents and the positions that they held in the company.

<table>
<thead>
<tr>
<th>Types of respondents and position held in organisation</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>owner</td>
<td>123</td>
<td>61.2</td>
<td>61.2</td>
</tr>
<tr>
<td></td>
<td>manager</td>
<td>53</td>
<td>26.4</td>
<td>87.6</td>
</tr>
<tr>
<td></td>
<td>employee</td>
<td>25</td>
<td>12.4</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Figure 4.1: Types of respondents and position held in organisation

Figure 4.1 shows that 123 (61.2%) of the respondents were owners, 53 (26.4%) were managers whereas 25 (12.4%) were employees. The data in Figure 4.1 shows that the majority of the respondents were the owners. The owners had the power to make decisions for their companies. From the data provided in Figure 4.1 it can be concluded that the answers given to the questionnaire were reliable.
Table 4.2: Company profile

Table 4.2 shows the various economic sectors from which the SMEs were drawn.

<table>
<thead>
<tr>
<th>Company profile</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valued</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>22</td>
<td>10.9</td>
<td>10.9</td>
<td>10.9</td>
</tr>
<tr>
<td>Bakers</td>
<td>16</td>
<td>8.0</td>
<td>8.0</td>
<td>18.9</td>
</tr>
<tr>
<td>Retailers</td>
<td>30</td>
<td>14.9</td>
<td>14.9</td>
<td>33.8</td>
</tr>
<tr>
<td>Electronics</td>
<td>24</td>
<td>11.9</td>
<td>11.9</td>
<td>45.8</td>
</tr>
<tr>
<td>Textile</td>
<td>9</td>
<td>4.5</td>
<td>4.5</td>
<td>50.2</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>29</td>
<td>14.4</td>
<td>14.4</td>
<td>64.7</td>
</tr>
<tr>
<td>Transport</td>
<td>18</td>
<td>9.0</td>
<td>9.0</td>
<td>73.6</td>
</tr>
<tr>
<td>Printing</td>
<td>15</td>
<td>7.5</td>
<td>7.5</td>
<td>81.1</td>
</tr>
<tr>
<td>Finance/insurance</td>
<td>26</td>
<td>12.9</td>
<td>12.9</td>
<td>94.0</td>
</tr>
<tr>
<td>Education</td>
<td>12</td>
<td>6.0</td>
<td>6.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.2: Company profile

Figure 4.2 shows that 22 (10.9%) of the SMEs were drawn from construction, 16 (80%) came from the bakery industry, 30 (14.9%) came from the retail sector, 24 (11.9%) were drawn from the electronics industry, 9 (4.5%) came from Textile industry, 29 (14.45) came from the pharmaceuticals industry, 18 (9.0%) came from the transport sector, 15 (7.5%)
came from the printing industry, 26 (12.9%) were drawn from the finance sector while 12 (6.0%) came from the education sector. The majority of the SMEs were drawn from the retail sector of the economy.

Table 4.3: Types of markets served
Table 4.3 shows the various types of markets served by SMEs in Zimbabwe. The markets include, local, national and export.

<table>
<thead>
<tr>
<th>Types of market served</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>local</td>
<td>66</td>
<td>32.8</td>
<td>32.8</td>
<td>32.8</td>
</tr>
<tr>
<td>national</td>
<td>110</td>
<td>54.7</td>
<td>54.7</td>
<td>87.6</td>
</tr>
<tr>
<td>export</td>
<td>25</td>
<td>12.4</td>
<td>12.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.3: Types of market served

Figure 4.3 shows that 66 (32.8%) of the respondents served the local markets, 110 (54.7%) served the national market whereas 25 (12.4%) served the export market. Figure 4.3 shows that only 12.5% of the SMEs that participated in this study served the export market. It can be concluded that most of the SMEs in Zimbabwe are not competitive enough to compete with
international companies. This lack of competitiveness may be a hindrance to the adoption of CSR practises by some SMEs in Zimbabwe.

4.2 RESEARCH QUESTION ONE RQ1: MEANING OF CSR

RQ1 sought to investigate the meanings attached to CSR by SMEs in Zimbabwe.

Table 4.4: Meaning of CSR

<table>
<thead>
<tr>
<th>Meaning of CSR</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taking steps to preserve the environment</td>
<td>15</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Producing quality goods and services</td>
<td>14</td>
<td>7.0</td>
<td>7.0</td>
<td>14.4</td>
</tr>
<tr>
<td>Addressing the welfare of employees</td>
<td>22</td>
<td>10.9</td>
<td>10.9</td>
<td>25.4</td>
</tr>
<tr>
<td>Good corporate governance</td>
<td>9</td>
<td>4.5</td>
<td>4.5</td>
<td>29.9</td>
</tr>
<tr>
<td>Donations to charity</td>
<td>141</td>
<td>70.1</td>
<td>70.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.4: Meaning of CSR
Figure 4.4 shows that 15 (7.5%) of the respondents defined CSR as taking steps to preserve the environment; 14 (7.0%) defined CSR as producing quality goods and services; 22 (10.9%) defined CSR as addressing the welfare of employees; 9 (4.5%) defined CSR as good corporate governance; whereas 141 (70.1%) defined CSR as donations to charity. The results show that the most cited definition of CSR was donations to charity. This means that SMEs in Zimbabwe define CSR in terms of what they do. This shows that the majority of SMEs in Zimbabwe who are engaged in some form of CSR donate to charity. The results also show that there is no standard definition of CSR among SMEs in Zimbabwe.

According to Rahman (2011:173) the concept of CSR is understood in many ways. In the 21st century CSR has assumed a number of meanings, such as, business ethics, corporate governance, labour rights, citizen rights, combating corruption, disclosure and accountability and sustainability (Rahman, 2011:173) Petcu et al (2010:846) presents some other terms that are used to define the concept of CSR. These terms are community relations, public policy and community support. Karin Stahl (2009:7) argues that the fact that the concept of CSR is known in many ways means that CSR activities and practices cannot be expected to be the same in different companies. The nature of the industry and the culture of the country housing the company affect the way CSR practices are understood and practiced (Karin Stahl, 2009:7).

Jamali and Sdiani (2014:311) argue that ‘religiosity’ is sometimes used in some parts of the world to define the concept of CSR. According to Jamali and Sdiani (2013:311) SMEs managers who subscribe to some form of religion may define CSR as giving a helping hand, family solidarity, being a good Samaritan and brotherhood. Vitell et al (2008:602) defines religiosity as “the degree to which an individual is a religious person apart from his/her particulars religions, beliefs and the way those beliefs are manifested.” Basil and Weber (2006) explain that religiosity and CSR are highly linked in that religiosity is associated with values of “caring, generosity, family oriented and loyal.” According to Basil and Weber (2006) SMEs manager who came from certain religious backgrounds may define CSR as, “caring, generosity or loyalty to duty.”
Table 4.5: Level of understanding CSR

Table 4.5 shows the level at which the respondents understand the concept of CSR in Zimbabwe.

<table>
<thead>
<tr>
<th>Level of understanding CSR</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very good</td>
<td>68</td>
<td>33.8</td>
<td>33.8</td>
<td>33.8</td>
</tr>
<tr>
<td>Good</td>
<td>47</td>
<td>23.4</td>
<td>23.4</td>
<td>57.2</td>
</tr>
<tr>
<td>Fairly good</td>
<td>28</td>
<td>13.9</td>
<td>13.9</td>
<td>71.1</td>
</tr>
<tr>
<td>Poor</td>
<td>47</td>
<td>23.4</td>
<td>23.4</td>
<td>94.5</td>
</tr>
<tr>
<td>Very poor</td>
<td>11</td>
<td>5.5</td>
<td>5.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.5: Level of understanding CSR

Figure 4.5 shows that 68 (33.8%) of the respondents had a very good understanding of the concept of CSR, 47 (23.4%) had a good understanding of the concept of CSR, 28 (13.9%) had a fairly good understanding of the concept of CSR, 47 (23.5%) had a poor understanding of the concept of CSR whereas 11 (5.5%) had a very poor understanding of the concept of CSR. From the data in Figure 4.5 it can be concluded that the majority of SMEs (71.1%) had
an understanding of the concept of CSR ranging from fairly good to very good. It can be inferred that the answers given to the questionnaire came from respondents who were positively informed in terms of CSR practices.

Table 4.6: CSR policy

Table 4.6 seeks to establish how many of the respondents had a CSR policy.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>74</td>
<td>36.8</td>
<td>36.8</td>
<td>36.8</td>
</tr>
<tr>
<td>no</td>
<td>127</td>
<td>63.2</td>
<td>63.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.6 shows that 74 (36.8%) of the respondents indicated that they had a CSR policy. From the data in Figure 4.6 it can be concluded that CSR practices by SMEs in Zimbabwe are not formalised and that they are unplanned arrangements. It can also be inferred that the CSR practices in SMEs are regarded as secondary issues.
Table 4.7: Implementing CSR in SMEs

Table 4.7 shows the methods used by SMEs to implement CSR practices in Zimbabwe. The methods focussed on, were, formally or informally.

<table>
<thead>
<tr>
<th>Method of implementing CSR in SMEs</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>formally</td>
<td>63</td>
<td>31.3</td>
<td>31.3</td>
<td>31.3</td>
</tr>
<tr>
<td>informally</td>
<td>138</td>
<td>68.7</td>
<td>68.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.7: Implementing CSR in SMEs

Figure 4.7 show that 63 (31.3%) of the respondents formalised their methods whereas 138 (68.7%) used informal means to implement their CSR practices. From the data in Figure 4.7 it can be inferred that the majority of SMEs in Zimbabwe implement their CSR practices informally. The implication of this arrangement is that SMEs in Zimbabwe consider CSR as a secondary issue that has no force of law. In this regard, SMEs are not likely to commit adequate financial, material, human and time resources to CSR practices.
Table 4.8: Government incentives for CSR practising companies

Respondents were asked to indicate whether or not they got incentives from Government for doing CSR in their companies. The responses are given below.

<table>
<thead>
<tr>
<th>Government incentives for CSR practising companies</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>18</td>
<td>9.0</td>
<td>9.0</td>
<td>9.0</td>
</tr>
<tr>
<td>not sure</td>
<td>31</td>
<td>15.4</td>
<td>15.4</td>
<td>24.4</td>
</tr>
<tr>
<td>sometimes</td>
<td>39</td>
<td>19.4</td>
<td>19.4</td>
<td>43.8</td>
</tr>
<tr>
<td>always</td>
<td>15</td>
<td>7.5</td>
<td>7.5</td>
<td>51.2</td>
</tr>
<tr>
<td>Not at all</td>
<td>98</td>
<td>48.8</td>
<td>48.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.8: Government incentives for CSR practising companies

Figure 4.8 shows that 18 (9.0%) of the respondents indicated with a ‘yes’ that they got incentives from government for doing CSR, 31 (15.4%) said they were not sure, 39 (19.4%) said they sometimes got incentives from government, 15 (7.5%) said they always got the incentives whereas 98 (48.8%) said they did not get any incentive form government. From the data in Figure 4.8 it can be concluded that the majority of the respondents (64.2%) did not get any incentives from government for doing CSR. It can also be concluded that the government of Zimbabwe is not doing much to encourage SMEs to
engage in CSR practices. Myles (2010) explain that SMEs may find it difficult to adopt and implement CSR practices due to lack of funds, poor customer base and inability to make meaningful corporate plans.

Mazanai and Fatoki (2012) point out that government support is needed in order to enable SMEs to implement CSR programmes successfully. Mazanai and Fatoki (2012) acknowledge that the government of South Africa has made conceived effort to help SMEs by providing financial and human resources. Mazanai and Fatoki (2012) believe that the government of South Africa is not doing enough to support and enable SMEs to adopt CSR practices.

The government of Zimbabwe has acknowledged the need to support SMEs and to provide the needed resources that would enable SMEs to adopt meaningful CSR practices, (Reserve Bank of Zimbabwe Report, 2014). In 2006 the reserve bank of Zimbabwe together with other companies created “The Financial Inclusion Framework” with the sole purpose of increasing the funding of the operation of SMEs (Government of Zimbabwe, 2014). The Reserve Bank of Zimbabwe noted with concern that any support by the government to provide financial leverage to the operations of SMEs failed (Government of Zimbabwe 2014)

4.3 RESEARCH QUESTION TWO RQ2: THE IMPACT OF CSR

RQ2 sought to investigate the impact of CSR practices on the operations of SMEs in terms of costs.

Table 4.9: CSR increases costs of operation in SMEs

<table>
<thead>
<tr>
<th>CSR increases costs</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>34</td>
<td>16.9</td>
<td>16.9</td>
<td>16.9</td>
</tr>
<tr>
<td>not sure</td>
<td>61</td>
<td>30.3</td>
<td>30.3</td>
<td>47.3</td>
</tr>
<tr>
<td>sometimes</td>
<td>47</td>
<td>23.4</td>
<td>23.4</td>
<td>70.6</td>
</tr>
<tr>
<td>always</td>
<td>59</td>
<td>29.4</td>
<td>29.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.9 shows that 34 (16.9%) of the respondents indicated that CSR was a cost; 61 (30.3%) indicated that they were not sure; 47 (23.4%) indicated that CSR was sometimes a cost; whereas 59 (29.4%) indicated that CSR was always a cost. Therefore the results seem to show that the majority of SMEs consider CSR as a cost.

Table 4.10: Direction of the Relationship between methods of implementing CSR and company performance

<table>
<thead>
<tr>
<th>Ordinal by Ordinal</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamma</td>
<td>-.852</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>201</td>
<td></td>
</tr>
<tr>
<td>a. Not assuming the null hypothesis.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Using the asymptotic standard error assuming the null hypothesis.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.10 shows that there is an association between the methods of implementing CSR (formally or informally) and company performance as measured by sales revenue per year. Gamma -.852 shows a very strong relationship although in the negative direction. The results show that as methods of implementing CSR in SMEs become more and more formal, sales revenue per year decreases. Formalisation of CSR in SMEs has a consumption effect on human, material and financial resources.
Table 4.11: The direction of the relationship between publishing CSR reports and company performance

<table>
<thead>
<tr>
<th>Ordinal by Ordinal</th>
<th>Value</th>
<th>Asymp. Std. Error&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Approx. T&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamma</td>
<td>.038</td>
<td>.106</td>
<td>.358</td>
<td>.720</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>201</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.11 shows that there is an association between publishing CSR reports and company performance as measured by sales revenue per year. Gamma 0.038 shows a very weak relationship in the positive direction. The results show that publishing CSR reports has no effect on company performance as measured by sales revenue per year.

Table 4.12: Strength and Direction of relationship between CSR policy and company performance

<table>
<thead>
<tr>
<th>Ordinal by Ordinal</th>
<th>Value</th>
<th>Asymp. Std. Error&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Approx. T&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamma</td>
<td>-0.807</td>
<td>.053</td>
<td>-9.869</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>201</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Table 4.12 shows that there is a relationship between CSR policy and company performance as measured by sales revenue per year. However, the relationship is strong and in the negative direction as measured by Gamma -0.807. The results show that having a CSR policy has no beneficial effect on company performance as measured by sales revenue per year.
Table 4.13: Economic CSR activities and company performance

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>39.132</td>
<td>28</td>
<td>.079</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>41.420</td>
<td>28</td>
<td>.049</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.314</td>
<td>1</td>
<td>.575</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>201</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 23 cells (57.5%) have expected count less than 5. The minimum expected count is .77.

The P Value of 0.079 signifies that there is no relationship between the independent variables (economic CSR activities) and the dependent variables (company performance) as measured by sales revenue per year). The variables do not influence each other. The results show that economic CSR activities have no effect on company performance as measured by sales revenue per year. From the given results it can be concluded that SMEs in Zimbabwe do not deliberately do CSR to boost performance.

Table 4.14: Ethical CSR activities and company performance

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>82.068</td>
<td>4</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>89.544</td>
<td>4</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>79.476</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>201</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 3.45.

Table 4.14 shows that there is no association between ethical CSR activities and company performance as measured by sales revenue per year. This means that ethical CSR activities cannot be used to increase sales revenue. From the results in Tables 4.14 it can be concluded that CSR practices have no effect on company performance as measured by sales revenue per year. Therefore any increase in sales revenue can be explained in terms of other factors and not CSR.
Table 4.15: The use of separate budget to implement CSR

Respondents were asked to indicate whether they keep separate budgets for CSR or not. The responses are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Yes</td>
<td>33</td>
<td>16.5</td>
<td>16.5</td>
<td>16.5</td>
</tr>
<tr>
<td>No</td>
<td>168</td>
<td>83.5</td>
<td>83.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.10: The use of separate budget to implement CSR

Figure 4.10 shows that 33(16.5%) of the respondents said yes whereas 168(83.5%) of the respondents said no. This means that the majority of SMEs in Zimbabwe do not keep separate budgets to implement CSR. In the absence of separate budgets it may be difficult to commit adequate funds and other resources to implement CSR. Therefore CSR practices by SMEs in Zimbabwe are not regular and planned for.
Table 4.16: Reasons for not using a separate budget for CSR

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of money</td>
<td>110</td>
<td>54.7</td>
<td>54.7</td>
<td>54.7</td>
</tr>
<tr>
<td>CSR not beneficial</td>
<td>40</td>
<td>19.9</td>
<td>19.9</td>
<td>76.4</td>
</tr>
<tr>
<td>CSR not our main business</td>
<td>51</td>
<td>25.4</td>
<td>25.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.11: Reasons for not using a separate budget for CSR

Figure 4.11 shows that 110(54.7%) of the respondents cited lack of money as the reasons for not keeping separate budgets to implement CSR, 40(19.9%) said that CSR was not beneficial hence there was no need to keep a separate budgets to implement CSR, 51(25.4%) of the respondents said that CSR was not their main business therefore there was no need to keep a separate budget to implement CSR. From the data in Figure 4.11 it can be concluded that managerial attitude towards the adoption and implementation of CSR is a great hindrance.
Table 4.17: Involvement of workers in implementing CSR

Respondents were asked to indicate the extend to which they involve workers in the process of implementing CSR. The responses are given below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very much</td>
<td>32</td>
<td>16.0</td>
<td>16.0</td>
<td>16.0</td>
</tr>
<tr>
<td>Much</td>
<td>32</td>
<td>16.0</td>
<td>16.0</td>
<td>32.0</td>
</tr>
<tr>
<td>Not very much</td>
<td>37</td>
<td>18.4</td>
<td>18.4</td>
<td>50.4</td>
</tr>
<tr>
<td>Not at all</td>
<td>100</td>
<td>49.6</td>
<td>49.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.12: Involvement of workers in implementing CSR

Figure 4.12 shows that 32(16.0%) of the respondents indicated that workers were very much involved in implementing CSR, 32(16.0%) used the word much to indicate the extent to which they involved workers to implement CSR in their organisation, 37(18.4%) indicated that workers in their organisation were not very much involved in implementing CSR, whereas 100(49.6%) indicated that workers in their organisations were not at all involved in implementing CSR. From the data in Table 4.12 it can be concluded that the majority of SMEs in Zimbabwe do not involve workers in implementing CSR. The involvement of workers in implementing CSR is important in that it helps to form positive attitudes in workers towards CSR. When workers see their company engaging in CSR activities they develop positive attitudes towards the company and this in turn enhances the workers’ loyalty and commitment to the achievement of organisational goals (Bashir et al., 2010; Grahame,
Workers in CSR practicing companies copy the good behaviour of their companies and develop strong feelings of love and respect for the management (Albinger and Freeman, 2000; Peterson, 2004; McGuire et al., 1998; Nowadays et al., 1982; Dutton et al., 1994; Davis 1973; Sharma and Tyagi, 2010; Zafar and Farooq, 2014). On the other hand, Balmer and Creyson (2002), Aguilera et al. (2007), and Ashforth and Mael (1989) argue that CSR has no impact on employee behaviour and attitudes.

Table 4.18: People responsible for implementing CSR in organisations
Respondents were asked to state the people who were responsible for implementing CSR in their organisations and the responses are given below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>95</td>
<td>47.3</td>
<td>47.3</td>
<td>47.3</td>
</tr>
<tr>
<td>Manager</td>
<td>73</td>
<td>36.3</td>
<td>36.3</td>
<td>83.6</td>
</tr>
<tr>
<td>An employee</td>
<td>33</td>
<td>16.4</td>
<td>16.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.13: People responsible for implementing CSR in organisations

Figure 4.13 shows that 95(47.3%) of the respondents stated the owner of the company was responsible for implementing CSR in the organisation; 73(36.3%) indicated that managers...
were responsible for implementing CSR in the organisation whereas 33(16.4%) said that employees were responsible for implementing CSR in the organisation. From the data in Figure 4.13 it can be concluded that workers are not very much involved in implementing CSR in SMEs in Zimbabwe. The lack of involvement of workers may help to show that CSR practices in SMEs in Zimbabwe are not regarded as serious business. The data in Figure 4.13 shows that three approaches are being used by SMEs in Zimbabwe to manage and implement CSR projects. The first approach is called the leader-dominated approach. In this approach the owner makes all decisions on CSR and does not involve workers in the decision making process. The problem with this approach is that it creates an environment in which workers will always resist change. In this approach the CSR project is owned by the management and the workers have no stake in it. This approach cannot be used to enhance the growth CSR practices in SMEs. The second approach to CSR management and implementation is “the pump priming approach” which is based on the philosophy that the management have the duty to create social, economic and legal value for the company through the management and implementation of the CSR project (Ackermann, 2011). The weakness of this approach is that workers may not be motivated enough to implement the CSR project because they were not involved in the decision making process in the first place (Gonos and Gallo, 2013). This approach is autocratic and regards workers as mere instruments for implementing management CSR ideas.

The third approach is “the facilitation approach” which is sometimes called the Group theory of decision making. In this theory the management involves everyone in the organisation in making decisions on CSR (Anderson, 2007). The management creates special committees among the various categories of workers in the organisation (Gonos and Gallo, 2013). This approach is democratic in nature since workers are involved in decision making. The only problem with this approach is that it is characterised by bureaucratic and red tape problems. Consensus is needed in order to agree on the most suitable CSR strategies. The approach is therefore time consuming.
Table 4.19: Separate department to implement CSR

Respondents were asked to indicate whether they have a separate department that implements CSR projects or not and the responses are given below:

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>33</td>
<td>16.4</td>
<td>16.4</td>
<td>16.4</td>
</tr>
<tr>
<td>No</td>
<td>167</td>
<td>83.6</td>
<td>83.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.14 Separate department to implement CSR

Figure 4.14 shows that 33(16.4%) of the respondents indicated with a YES that they had a separate department to implement CSR in their organisation whereas 167(83.6%) indicated with a NO that they did not keep a separate department to implement CSR. The data in Figure 4.14 helps to conclude that the adoption and implementation of CSR in SMEs in Zimbabwe cannot be described as a specialised practice. This lack of specialisation in the implementation of CSR in SMEs may not attract the involvement of Government and other important stakeholders in helping to shape the process and methods of doing CSR.
4.4 RESEARCH QUESTION THREE RQ3: DRIVERS OF CSR

Research question three sought to investigate the legal, economic and ethical factors that motivate SMEs in Zimbabwe to engage in CSR. Legal drivers of CSR were considered first in Table 4.20.

Table 4.20: The need to comply with national laws as a major driver of LEGAL CSR.

Respondents were asked to indicate the extend to which “the need to comply with national laws” motivated respondents to engage in LEGAL CSR practices. The responses are given below:

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much</td>
<td>62</td>
<td>30.8</td>
<td>30.8</td>
<td>30.8</td>
</tr>
<tr>
<td>Much</td>
<td>81</td>
<td>40.3</td>
<td>40.3</td>
<td>71.1</td>
</tr>
<tr>
<td>I am not sure</td>
<td>18</td>
<td>9.0</td>
<td>9.0</td>
<td>80.1</td>
</tr>
<tr>
<td>Not much</td>
<td>23</td>
<td>11.4</td>
<td>11.4</td>
<td>91.5</td>
</tr>
<tr>
<td>Not at all</td>
<td>17</td>
<td>8.5</td>
<td>8.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.15: The need to comply with national laws as a major driver of CSR practices?
Figure 4.15 shows that 62 (30.8%) indicated that they were very much motivated by the need to comply with national laws to engage in CSR practices, 81 (40.3%) were much motivated, 18 (9.0%) said they were not sure, 23 (11.4%) said they were not much motivated whereas 17 (8.5%) said they were not at all motivated. Thus the data in Figure 4.15 can be used to infer that the need to comply with national laws highly motivates SMEs in Zimbabwe to engage in CSR practices. Therefore the need comply with national laws is a major driver of CSR among SMEs in Zimbabwe.

Table 4.21: Legal factors that motivate SMEs to engage in CSR practices

Respondents were asked to give specific legal factors that motivated them to engage in CSR practices. Their responses showed a list of factors, such as, commitment to reduce firm impact on environment, adoption of labour welfare measures, and payment of corporate tax and promotion of health related issues.

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with national laws</td>
<td>30</td>
<td>14.9</td>
<td>14.9</td>
<td>14.9</td>
</tr>
<tr>
<td>Commitment to reduce firm impact on environment</td>
<td>47</td>
<td>23.4</td>
<td>23.4</td>
<td>38.3</td>
</tr>
<tr>
<td>Adoption of labour welfare measures</td>
<td>31</td>
<td>15.4</td>
<td>15.4</td>
<td>53.7</td>
</tr>
<tr>
<td>Payment of corporate taxes</td>
<td>61</td>
<td>30.3</td>
<td>30.3</td>
<td>84.1</td>
</tr>
<tr>
<td>Promotion of health related issues</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.16 shows that 30 (14.9%) of the respondents cited compliance with national laws as one of the factors that motivate SMEs to engage in CSR; 47 (23.4%) cited commitment to reduce firm impact on environment; 31 (15.4%) cited adoption of labour welfare measures; 61 (30.3%) cited payment of corporate tax; and 32 (15.9%) cited promotion of health related issues. The majority of SMEs (30.3%) cited payment of corporate tax as one of the factors that motivate SMEs to engage in CSR. From the results in Figure 4.16 it can be concluded that the need to comply with legislation is a key factor that motivates SMEs to engage in CSR practices.
Table 4.22: Profit making as a major economic CSR driver
Respondents were asked to indicate the extent to which they regarded profit making as a major driver of Economic CSR in Zimbabwe. The responses are given below.

<table>
<thead>
<tr>
<th>Profit making as a major economic CSR driver</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very much</td>
<td>61</td>
<td>30.3</td>
<td>30.3</td>
<td>30.3</td>
</tr>
<tr>
<td>Much</td>
<td>61</td>
<td>30.3</td>
<td>30.3</td>
<td>60.7</td>
</tr>
<tr>
<td>I am not sure</td>
<td>20</td>
<td>10.0</td>
<td>10.0</td>
<td>70.6</td>
</tr>
<tr>
<td>Not much</td>
<td>36</td>
<td>17.9</td>
<td>17.9</td>
<td>88.6</td>
</tr>
<tr>
<td>Not at all</td>
<td>23</td>
<td>11.4</td>
<td>11.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.17: Profit making as a major economic CSR driver
Figure 4.17 shows that 61 (30.3%) indicated that profit making was very much a major economic CSR driver, 61 (30.3%) indicated that profit making was a positive (much) major economic CSR driver, 20 (10.0%) said that they were not sure, 36 (17.9%) said economic CSR was ‘not much’ of an economic CSR driver, whereas 23 (11.4%) said that profit making was not at all an economic CSR driver. From the data in Figure 4.17 it can be inferred that the majority of respondents (60.3%) regarded profit making as an economic CSR driver. Economic considerations also exert pressure on SMEs to embrace the CSR agenda (Lin Chi Vo, 2011; Long et al., 2005; Williamson et al., 2006; Rahim et al., 2011). Economic motives show that SMEs have economic responsibilities for creating employment for their communities, creating and distributing goods and services to their customers, and contributing significantly to the economic development of the country (Rahim et al., 2011; Li Chi Vo, 2011; Long et al., 2005; Williamson et al., 2011). Garriga and Mele (2004), Davis (1973), and Marimoto et al. (2005) concur that SMEs may engage in CSR activities in order to satisfy their selfish desire to amass monetary benefits. Studies on CSR have shown that profit motives highly influence SMEs to adopt CSR practices (Arevalo and Aravind, 2011; Graafland and Van de Ven, 2006).

Table 4.23: The need to give back to the community as an ETHICAL CSR driver.

Respondents were asked to indicate the extend to which they regarded the need to give back to the community as an important ethical CSR driver. The responses are given below:

<table>
<thead>
<tr>
<th>The need to give back to the community as an ETHICAL CSR driver</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very much</td>
<td>51</td>
<td>25.4</td>
<td>25.4</td>
<td>25.4</td>
</tr>
<tr>
<td>Much</td>
<td>63</td>
<td>31.3</td>
<td>31.3</td>
<td>56.7</td>
</tr>
<tr>
<td>I am not sure</td>
<td>28</td>
<td>13.9</td>
<td>13.9</td>
<td>70.6</td>
</tr>
<tr>
<td>Not much</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>86.6</td>
</tr>
<tr>
<td>Not at all</td>
<td>27</td>
<td>13.4</td>
<td>13.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.18: The need to give back to the community as an ETHICAL CSR driver

Figure 4.18 shows that 51 (25.4%) of the respondents indicated that the need to give to the community was very much an important ethical CSR driver, 63 (31.3%) used the response ‘much’ to explain that the need to give back to the community was just an ethical CSR driver, 28 (13.9%) answered that they did not know, 32 (915.9%) said that the need to give back to the community was not much of an ethical CSR driver, whereas 27 (13.4%) indicated that the need to give back to the community was not at all an ethical CSR driver. From the data in Figure 4.18 it can be concluded that the majority of respondents (56.7%) indicated that the need to give back to the community was an important ethical CSR driver.

The CSR behaviour of SMEs is also driven by the moral and ethical values that SMEs managers uphold (Military and Zanfir, 2012). In other words, firm ethics exert a strong pressure on SMEs managers to adopt CSR practices (Military and Zanfir, 2012). SMEs have the moral obligation to demonstrate that they are in business for social causes as well as profit motives and that they do not need stakeholder or government to enforce their obligations. Graafland, van de Ven and Stofelle (2002) carried out a study to investigate the factors that motivate SMEs to adopt CSR practices. The findings of the study showed that SMEs do adopt CSR practices for ethical reasons (Graafland, van de Ven and Stofelle, 2002).
4.5 RESEARCH QUESTION FOUR, RQ4: CSR ACTIVITIES

Research question four sought to establish the legal, economic and ethical CSR activities that are undertaken by SMEs in Zimbabwe.

Table 4.24: Legal CSR activities

Respondents were asked to write down all the Legal CSR activities that they engaged in. The following were the main legal CSR activities that the respondents engaged in.

<table>
<thead>
<tr>
<th>Valid</th>
<th>Paying corporate taxes</th>
<th>Payment of tollgate dues</th>
<th>Complying with environmental laws</th>
<th>Avoid cutting down trees</th>
<th>Putting anti-pollution measures in place</th>
<th>Waste management</th>
<th>Water use efficiency</th>
<th>Energy use optimisation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
<td>Valid Percent</td>
<td>Cumulative Percent</td>
<td>Frequency</td>
<td>Percent</td>
<td>Frequency</td>
<td>Percent</td>
<td>Percent</td>
</tr>
<tr>
<td>Valid</td>
<td>25</td>
<td>12.4</td>
<td>12.4</td>
<td>12.4</td>
<td>18</td>
<td>9.0</td>
<td>18</td>
<td>9.0</td>
<td>21.4</td>
</tr>
<tr>
<td></td>
<td>33</td>
<td>16.4</td>
<td>16.4</td>
<td>37.8</td>
<td>27</td>
<td>13.4</td>
<td>27</td>
<td>13.4</td>
<td>51.2</td>
</tr>
<tr>
<td></td>
<td>28</td>
<td>13.9</td>
<td>13.9</td>
<td>65.2</td>
<td>21</td>
<td>10.4</td>
<td>21</td>
<td>10.4</td>
<td>75.6</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td>14.9</td>
<td>14.9</td>
<td>90.5</td>
<td>19</td>
<td>9.5</td>
<td>19</td>
<td>9.5</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.19: Legal CSR activities

Figure 4.19 shows that 25 (12.4%) of the respondents indicated that paying corporate tax was a legal CSR activity; 18 (9.0%) indicated payment of tollgate dues; 33 (16.4%) indicated complying with environmental laws; 27 (13.4%) indicated avoiding cutting down trees; 28 (13.9%) indicated putting anti-pollution measures in place; 21 (10.4%) indicated waste management; 30 (14.9%) indicated water use efficiency; and 19 (9.5%) indicated that energy use optimisation was a legal CSR activity. The results show that the majority of SMEs cited complying with legislation as a major legal CSR activity. Therefore complying with legislation is a major legal CSR activity among SMEs in Zimbabwe.
Table 4.25: Economic CSR activities

Respondents were asked to list down those specific Economic CSR activities that they engaged in and the following were the responses.

<table>
<thead>
<tr>
<th>Economic CSR activities</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making profits for the firm</td>
<td>53</td>
<td>26.4</td>
<td>26.4</td>
<td>26.4</td>
</tr>
<tr>
<td>Building houses for employees</td>
<td>25</td>
<td>12.4</td>
<td>12.4</td>
<td>38.8</td>
</tr>
<tr>
<td>Charging fair prices</td>
<td>28</td>
<td>13.9</td>
<td>13.9</td>
<td>52.7</td>
</tr>
<tr>
<td>Producing quality goods and services</td>
<td>22</td>
<td>10.9</td>
<td>10.9</td>
<td>63.7</td>
</tr>
<tr>
<td>Creating employment</td>
<td>17</td>
<td>8.5</td>
<td>8.5</td>
<td>72.1</td>
</tr>
<tr>
<td>Training of staff</td>
<td>14</td>
<td>7.0</td>
<td>7.0</td>
<td>79.1</td>
</tr>
<tr>
<td>Giving reasonable salaries</td>
<td>19</td>
<td>9.5</td>
<td>9.5</td>
<td>88.6</td>
</tr>
<tr>
<td>Improving company performance</td>
<td>23</td>
<td>11.4</td>
<td>11.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.20 shows that 53 (26.4%) indicated that making profit for the firm was an economic CSR activity; 25 (12.4%) indicated building houses for employees; 28 (13.9%) indicated charging fair prices; 22 (10.9%) indicated producing quality goods and services; 17 (8.5%) indicated creating employment; 14 (7.0%) indicated training staff; 19 (9.5%) indicated giving reasonable salaries; and 23 (11.4%) indicated that improving company performance was an economic CSR activity. The results show that the majority of SMEs (26.4%) indicated that making profit for the firm was a major economic CSR activity.
Table 4.26: Ethical CSR activities

Respondents were asked to list down those Ethical CSR activities that they engaged in and the following were the responses.

<table>
<thead>
<tr>
<th>Ethical CSR activities</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making donations in cash or kind</td>
<td>86</td>
<td>42.8</td>
<td>42.8</td>
<td>42.8</td>
</tr>
<tr>
<td>Involvement with NGOs/religious groups</td>
<td>20</td>
<td>10.0</td>
<td>10.0</td>
<td>52.7</td>
</tr>
<tr>
<td>Sponsoring the education of disadvantaged children</td>
<td>22</td>
<td>10.9</td>
<td>10.9</td>
<td>63.7</td>
</tr>
<tr>
<td>Looking after old people</td>
<td>16</td>
<td>8.0</td>
<td>8.0</td>
<td>71.6</td>
</tr>
<tr>
<td>Fighting criminal activities in the neighbourhood</td>
<td>14</td>
<td>7.0</td>
<td>7.0</td>
<td>78.6</td>
</tr>
<tr>
<td>Related HIV training</td>
<td>12</td>
<td>6.0</td>
<td>6.0</td>
<td>84.6</td>
</tr>
<tr>
<td>Refuse collection and disposal</td>
<td>14</td>
<td>7.0</td>
<td>7.0</td>
<td>91.5</td>
</tr>
<tr>
<td>Community development works</td>
<td>17</td>
<td>8.5</td>
<td>8.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.21: Ethical CSR activities

Figure 4.21 shows that 86 (42.8%) indicated that making donations in cash or kind was an ethical CSR activity; 20 (10%) indicated involvement with NGOs/religious groups; 22 (10.9%) indicated sponsoring the education of disadvantaged children; 16 (8.0%) indicated looking after old people; 14 (7.0%) indicated fighting criminal activity in the neighbourhood; 12 (6.0%) indicated related HIV training, 14 (7.0%) indicated refuse collection and disposal; and 17 (8.5%) indicated that community development works was an ethical CSR activity. The results show that the majority of SMEs cited making donations in cash or kind as a major ethical CSR activity. Jenkins (2006), Longo et al. (2005), and Sweeney (2007) in Linh Chi Vo (2011: 92) describe the general and voluntary activities of SMEs, such as “working free of charge for charities, making charitable donations and recycling initiatives”. Morsing and Perrini (2009) agree that most SMEs, especially in developing countries, consider CSR practices as being unproductive and that their participation in CSR activities are far from being voluntary. These sentiments are also supported by Crane and Matten (2004) in Visser (2006 b: 44) when they explain that “In Africa, however ethics seems to have the least influence on the CSR agenda”. Blomback and Wingren (2009) further argue that SMEs do not have well documented strategies for implementing CSR activities.
4.6 RESEARCH QUESTION FIVE, RQ5: BARRIERS TO CSR

Table 4.27: Weak government laws as a barrier to legal CSR

Respondents were asked to indicate the extend to which they agree or disagree with the notion that weak government laws are a barrier to legal CSR. The responses are given below:

<table>
<thead>
<tr>
<th>Weak government laws as a barrier to legal CSR</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>54</td>
<td>26.9</td>
<td>26.9</td>
<td>26.9</td>
</tr>
<tr>
<td>Agree</td>
<td>34</td>
<td>16.9</td>
<td>16.9</td>
<td>43.8</td>
</tr>
<tr>
<td>Not sure</td>
<td>39</td>
<td>19.4</td>
<td>19.4</td>
<td>63.2</td>
</tr>
<tr>
<td>Disagree</td>
<td>42</td>
<td>20.9</td>
<td>20.9</td>
<td>84.1</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.22: Weak government laws as a barrier to legal CSR

Figure 4.22 shows that 54 (26.9%) of the respondents strongly agreed that weak government laws were a barrier to legal CSR, 34 (16.9%) agreed that weak governmental laws were a barrier to legal CSR, 39 (19.4%) said they were not sure, 42 (20.9%) disagreed, whereas 32 (15.9%) strongly disagreed. From the data in Figure 4.22 it can be inferred that the majority of respondents (43.8%) agreed that weak government laws were a major legal CSR barrier. Barriers to the adoption of CSR practices by SMEs can also be caused by weak and inefficient judiciary systems in a country (Visser, 2007; Visser, 2006b; Mwaura, 2004). In some cases, it is difficult for African countries to force companies (small or big) to be socially responsible as “government capacity for enforcement remains a serious limitation, and reduces the effectiveness of legislation as a driver for CSR” (Visser, 2007: 491).

Table 4.28: Lack of money as a major barrier to Economic CSR

Respondents were asked to indicate the extend to which they agree or disagree with the notion that lack of money is a major barrier to Economic CSR. The responses are given below:

<table>
<thead>
<tr>
<th>Lack of money as a major barrier to Economic CSR</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>93</td>
<td>46.3</td>
<td>46.3</td>
<td>46.3</td>
</tr>
<tr>
<td>Agree</td>
<td>49</td>
<td>24.4</td>
<td>24.4</td>
<td>70.6</td>
</tr>
<tr>
<td>Not sure</td>
<td>21</td>
<td>10.4</td>
<td>10.4</td>
<td>81.1</td>
</tr>
<tr>
<td>Disagree</td>
<td>20</td>
<td>10.0</td>
<td>10.0</td>
<td>91.0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>18</td>
<td>9.0</td>
<td>9.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.23: Lack of money as a major barrier to Economic CSR

Figure 4.23 shows that 93 (46.3%) strongly agreed that a lack of money was a major barrier to economic CSR, 49 (24.4%) agreed, 21 (10.4%) were not sure, 20 (10.4%) disagreed, whereas 18 (9.0%) strongly disagreed. From the data in Figure 4.23 it can be inferred that the majority of the respondents (70.7%) regarded, lack of money as a major barriers to economy CSR.
Table 4.29: Managerial attitudes as a barrier to ETHICAL CSR

Respondents were asked to indicate the extend to which they agree or disagree with the notion that managerial attitude is a major barrier to Ethical CSR. The responses are given below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>120</td>
<td>59.7</td>
<td>59.7</td>
<td>59.7</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
<td>6.5</td>
<td>6.5</td>
<td>66.2</td>
</tr>
<tr>
<td>Not sure</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>82.1</td>
</tr>
<tr>
<td>Disagree</td>
<td>36</td>
<td>17.9</td>
<td>17.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.24: Managerial attitudes as a barrier to Ethical CSR
Figure 4.24 shows that 120 (59.7%) of the respondents strongly agreed that the managerial attitudes were a barrier to ethical CSR, 13 (6.5%) agreed, 32 (15.9%) were not sure, 36 (17.9%) disagreed. From the data in Figure 4.24 it can be inferred that the majority of respondents (66.2%) accepted that managerial attitudes were a major barrier to ethical CSR. Castka et al. (2004) in Alsson (2007) argue that the main barriers to CSR adoption by SMEs are attitudinal. SMEs that have adopted CSR practices do not believe that money and time resources are a barrier to CSR adoption (Castka et al., 2004). Most SMEs base their facts on wrong information (Roberts et al., 2006). Arevalo and Aravind (2011) enumerate a number of obstacles to CSR adoption by SMEs. These obstacles include competition in the environment, lack of innovation, poor governance, weak regulatory framework, red-tape, autocratic leadership, inability to come up with instruments to measure the impact of CSR on firm performance and lack of government support.

Table 4.30: Specific Legal barriers to CSR

<table>
<thead>
<tr>
<th>Legal CSR barriers in SMEs</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weak government laws</td>
<td>54</td>
<td>26.9</td>
<td>26.9</td>
<td>26.9</td>
</tr>
<tr>
<td>Ignorance of the law</td>
<td>34</td>
<td>16.9</td>
<td>16.9</td>
<td>43.8</td>
</tr>
<tr>
<td>We are not forced by law to do CSR</td>
<td>39</td>
<td>19.4</td>
<td>19.4</td>
<td>63.2</td>
</tr>
<tr>
<td>We do not have a CSR department to enforce CSR</td>
<td>42</td>
<td>20.9</td>
<td>20.9</td>
<td>84.1</td>
</tr>
<tr>
<td>Others are not doing it why us?</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 4.25: Specific Legal barriers to CSR

Figure 4.25 shows that 54 (26.9%) of the respondents indicated that weak government laws were a legal CSR barrier in SMEs; 34 (16.9%) indicated ignorance of the law as CSR barrier; 39 (19.4%) indicated the attitude that “we are not forced by law to do CSR” as a barrier to CSR; 42 (20.9%) indicated a lack of a CSR department in SMEs and 32 (15.9%) indicated that the attitude “Others are not doing it” was a legal CSR barrier. The results show that the majority of SMEs (26.9%) cited weak government laws as a major barrier to CSR. The results also show that managerial attitude is also an important barrier to CSR by SMEs in Zimbabwe.
Table 4.31: Specific Economic barriers to CSR

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of money</td>
<td>55</td>
<td>27.4</td>
<td>27.4</td>
<td>27.4</td>
</tr>
<tr>
<td>SMEs are too small to do CSR</td>
<td>49</td>
<td>24.4</td>
<td>24.4</td>
<td>51.7</td>
</tr>
<tr>
<td>CSR has no tangible results</td>
<td>21</td>
<td>10.4</td>
<td>10.4</td>
<td>62.2</td>
</tr>
<tr>
<td>CSR is an expense</td>
<td>20</td>
<td>10.0</td>
<td>10.0</td>
<td>72.1</td>
</tr>
<tr>
<td>Employees lack skills to implement CSR</td>
<td>18</td>
<td>9.0</td>
<td>9.0</td>
<td>81.1</td>
</tr>
<tr>
<td>We do not have the technology to measure the benefits of CSR</td>
<td>15</td>
<td>7.5</td>
<td>7.5</td>
<td>88.6</td>
</tr>
<tr>
<td>SMEs are meant to generate revenue for the owner</td>
<td>23</td>
<td>11.4</td>
<td>11.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure: 4.26 Economic barriers to CSR

Figure 4.26 shows that 55(27.4%) of the respondents indicated that lack of money is an economic barrier to CSR in SMEs; 49(24.4%) indicated small size; 21(12.4%) indicated a lack of tangible results in CSR; 20(10.0%) indicated CSR being an expense; 18(9.0%) indicated employee lack of skills to implement CSR; 15 (7.5%) indicated a lack of technology to measure the benefits of CSR; and 23 (11.4%) indicated that SMEs are there to generate revenue for the owner and this attitude is cited as an economic barrier to CSR. The results show that lack of money is a major economic barrier to CSR.
Table 4.32: Specific Ethical barriers to CSR

<table>
<thead>
<tr>
<th>Ethical barriers to CSR</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor CSR corporate culture</td>
<td>35</td>
<td>17.4</td>
<td>17.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Employees do not support CSR</td>
<td>45</td>
<td>22.4</td>
<td>22.4</td>
<td>39.8</td>
</tr>
<tr>
<td>International donors are already doing the same activity</td>
<td>32</td>
<td>15.9</td>
<td>15.9</td>
<td>55.7</td>
</tr>
<tr>
<td>It is government duty to help its citizens</td>
<td>53</td>
<td>26.4</td>
<td>26.4</td>
<td>82.1</td>
</tr>
<tr>
<td>People must be self reliant</td>
<td>36</td>
<td>17.9</td>
<td>17.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>201</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4.27: Ethical barriers to CSR

Figure 4.27 shows that 35 (17.4%) indicated that poor CSR corporate culture was an ethical barrier to CSR practices by SMEs in Zimbabwe; 45 (22.4%) indicated lack of support by employees; 32 (15.9%) indicated the attitude that international donors are already doing the same activity; 53 (26.4%) indicated that it is the government’s duty to help its citizens and this attitude was cited as an ethical barrier to CSR practices by SMEs in Zimbabwe; whereas
36 (17.9%) indicated that the fact that people must be self-reliant is an ethical barrier to CSR. The results show that managerial attitude is a major barrier to CSR by SMEs in Zimbabwe.

**Table 4.33. Results of quantitative research**

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Results</th>
</tr>
</thead>
</table>
| 1. What meaning is attached to CSR by SMEs in Zimbabwe? | 1. SMEs in Zimbabwe attach many meanings to CSR.  
2. CSR is defined in respect of the CSR practices that SMEs in Zimbabwe specialise in.                                                                 |
| 2. What is the impact of CSR practices on the operation of SMEs in Zimbabwe? | 1. SMEs in Zimbabwe consider CSR as an expense.  
2. CSR practices do not have an influence on the operations of SMEs in Zimbabwe.  
3. SMEs in Zimbabwe do not keep separate budgets for CSR.  
4. Workers are not involved in CSR programmes.  
5. SMEs in Zimbabwe do not have specialised departments for CSR.  
6. CSR practices for SMEs are not formalised.  
7. SMEs in Zimbabwe do not have strategic policy options for the CSR programmes.  
8. SMEs in Zimbabwe use three approaches, namely, the leader-dominated approach, the priming approach and the facilitation approach in the management and implementation of CSR projects.  
9. The leader-dominated approach is the mostly used approach by SMEs to implement CSR projects.  
10. The Government does not give any incentives to encourage SMEs to adopt and implement CSR programmes. |
<table>
<thead>
<tr>
<th>Question</th>
<th>Answers</th>
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| 4  What are the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe? | 1. Compliance with legislation is a major legal CSR activity undertaken by SMEs in Zimbabwe.  
2. Profit making is a major economic CSR activity undertaken by SMEs in Zimbabwe.  
3. Donating to charity is a major CSR activity undertaken by SMEs in Zimbabwe. |
| 5  What are the legal, economic and ethical barriers to CSR practices in Zimbabwe? | 1. Weak government laws on CSR are a major barrier to CSR.  
2. Lack of money is a major barrier to CSR practices by SMEs in Zimbabwe.  
3. Managerial attitudes are a major barrier to CSR practices by SMEs in Zimbabwe. |
### Table 4.34: The interview Guide Questions

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<th>Research Question</th>
<th>Interview questions</th>
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| 1. What meaning is attached to CSR by SMEs in Zimbabwe? | 1. What do you understand by the concept of CSR?  
2. Who is involved in CSR in your organisation? | Meaning attached to CSR by SMEs in Zimbabwe. |
| 2. What is the impact of CSR practices on the operations of SMEs in Zimbabwe? | 1. What are the benefits of CSR to your organisation?  
2. How is CSR an expense to your organisation?  
3. How does the practice of CSR influence your organisation? | Negative and positive effects of CSR on SMEs. |
| 3. What are the legal, economic and ethical factors that motivate SMEs to engage in CSR? | 1. What are the legal implications of doing OR not doing CSR in your organisation?  
2. What are the economic implications of doing OR not doing CSR in your organisation?  
3. What are the ethical implications of doing OR not doing CSR in your organisation? | Drivers of legal, economic and ethical CSR in SMEs. |
| 4. What are the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe? | 1. What legal activities does your SME carry out in line with CSR?  
2. What economic activities does your SME carry out in line with CSR?  
3. What ethical activities does your SME carry out in line with CSR? | Legal, economic and ethical CSR activities of SMEs. |
| 5. What are the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe? | 1. What challenges does your SME experience in satisfying legal CSR requirements?  
2. What challenges does your SME experience in satisfying economic CSR requirements?  
3. What challenges does your SME experience in satisfying ethical CSR requirements? | Legal, economic and ethical barriers to CSR in SMEs. |

**Source:** Prepared for this study
4.7 SME ONE

SME One is the owner of a relatively big transport business concern which started operating five years ago. This is a family business which employs 25 people. The interviewee has ten mini-buses (Kombis) that operate in and around Harare. The interviewee is married and has two children; a son and a daughter. The interviewee holds a Master’s Degree in Accountancy and at the moment he is studying for a doctoral degree with a local university. The interviewee says that the business is doing well although he has no plans of expansion as the government is planning to introduce 32 seater-buses to replace the current ones. The interviewee disclosed that he realised a turnover of about $74 000 per year.

4.7.1 RQ1: Meaning attached to CSR

(a) The interviewee explained that CSR was all about a firm being responsible to others. It was all about caring about the community and sharing the money that the firm was able to generate. The owner went on to say that CSR also looks at the management of the environment. The interviewee defined corporate social responsibility as the activities of companies that translated into taking care of the people in the area, the environment and taking care of the customers and the employees so that the firm is supported for doing good business and the customers continue to do business with the organisation. CSR also means working together with the community and the government according to the interviewee.

(b) The owner explained that he is more involved in CSR compared to the family members or the employees. The family members support the idea of the owner while employees helped to implement the CSR initiatives of the owner. The owner further explained that employees took orders from the employer so that they did not have much to say about CSR. He said that they did not have a CSR policy and did not report their CSR initiatives in the media. On probing further, he explained that their CSR activities were not regular and that CSR was done here and there.
4.7. 2 RQ2: Impact of CSR

(a) The interviewee started by narrating the fact that doing good business today needed the support of other people. The owner further stated that there were many transport operators in Harare and some of them were not doing well because they did not support the people around them. The owner then chronicled the benefits derived from doing CSR.

According to the interviewee CSR is the platform by which they make many friends in the area where they do business, second, CSR is the platform by which any form of business is recognised as a good company because of the help that is rendered to the people around them by the organisation. The interviewee went on to say that those organisations that do not support the communities around them are labelled as bad people. So there is need for companies to attract a good name especially at this time when the political environment is bad in Zimbabwe. The interviewee went on to say that it was not good to spoil the good name of the company. The interviewee said that they have worked hard to be where they are today. From the conversation it could be inferred that the owner associated ‘benefit of CSR’ with company reputation, good image or company goodwill.

(b) The owner said that they were prepared to help people who are in need. However, the owner lamented that CSR put an extra financial burden on their profits. The owner said that they pay tax to government and those who do not are punished by the law. The owner went on to say that the government did not recognise that those who engaged in CSR practices needed to be rewarded by governments or to be given some form of benefits in order to encourage them to continue doing CSR. The owner said that those who did not pay tax faced the wrath of law.

(c) The owner said that CSR encouraged them to have partnerships with government, people in positions of power, the police, labour unions and customers. The owner went on to talk about the meetings they have attended that encouraged them to treat employees and customers with dignity. The owner went further to explain that their firm was doing well because their employees worked hard and are happy with the way CSR was being done.
The owner mentioned that their Employees identified and recommended to them those people who should be supported. According to the owner employees identify need people and the company would respond by vetting the people and those with strong needs were supported. The owner said that their employees have also been influenced by CSR activities at company level in one way or the other. According to the owner their employees enjoyed doing CSR and consequently supported company efforts in implementing CSR activities.

4.7.3 RQ3: Drivers of CSR

(a) The owner explained that there were legal implications of doing or not doing CSR in that they did not want their company to be sued by an employee for bad treatment. The owner explained that at one point in time an employee took them to court because they had refused to compensate the employee when he had an accident. The court ordered the organisation to pay the employee some damages. The owner said that the company spent a lot of money on medication. According to the owner there was need on the part of organisations to show that they were concerned about their employees to avoid being labelled as bad employers. The owner went on to say that every employee must have regards for employees.

(b) The owner explained that they were very much aware of the need to support customers in order to avoid unnecessary boycotts. The owner said their customers are capable of influencing other customers to boycott a particular transport service. The owner went on to say that customers were their important stakeholders and would therefore not want to create unnecessary bad blood with the stakeholders. The owner further explained that they would do good business to avoid angering people. The owner went on to say that it was through good business that they created much profit. The owner said that CSR was a noble idea.

(c) The owner said that they had an obligation to the community to give them the kind of services they required. The owner further elaborated that their company would want to do CSR because that was the right thing to do. According to the owner they had to do CSR as other similar companies were doing exactly the same thing. The owner went on to explain that not doing CSR was a bad decision as customers would point fingers at those companies that did not do CSR and would call them bad people. The owner said that they wanted to have a respected company. CSR is all about rendering help to the community around us according to the owner.
4.7.4 RQ4: Legal, Economic and Ethical CSR activities

(a) The owner stated that their firm carried out a number of legal activities in the past. He said that their company had a duty to carry out legal CSR activities. He chronicled the fact that their company has never stopped to pay company tax like others who were always giving excuses for doing wrong things. According to the owner they charged their customers gazetted fares in accordance with company policy and their customers have had no complaints so far. The owner said that their buses were always tested by the Vehicle Inspection Department for fitness. According to the owner this was a job well done.

(b) The owner said that their company created employment for the youth. He further explained that the profits they generated were used to create donations for the poor in society. He explained that they were happy at least for involving their company in community development activities.

(c) The owner said that they had helped many people in the area. He further elaborated that they donated goods and money to need people. The owner said that they assisted the less fortunate and to them this was a good job because the company was always associated with the poor in society. However, not much was given on ethical CSR activities except for the goods and money which were given to needy people.

4.7.5 RQ5: Legal, Economic and Ethical CSR Barriers

(a) The owner pointed out that their company did not have adequate expertise to compile and interpret the laws that had to do with employment, tax returns and environmental management. The owner professed that he was ignorant of the laws that governed them and sometimes they were seen doing wrong things when they were not supposed to violate the laws of the country.

(b) The owner mentioned that their company did not have much money to continue to do CSR. The owner went on to say that money was a real problem. The owner said that the company did not have money. The owner said that employees expected to receive high salaries. According to the owner any increase in fares would result in the loss of
customers. According to the owner their company would not increase fares just like that. The owner wanted the government to understand their situation, as it was a bad one.

(c) The owner explained that the number of poor people was increasing at a faster rate. The closure of companies created massive unemployment and this in turn created many poor people. The owner said that there were many people who needed help. The owner said that it was difficult to help them all. The owner went on to say that those who did not get their help become hostile to them. The owner said that they were not sure of the benefits of CSR. The owner also noted that whenever they had SMEs conferences, CSR issues were not discussed and that only profit issues were discussed.

4.8 SME TWO

The interviewee is the owner of a chain of three supermarkets in Harare. This is a family business and they had been in business for 27 years. The owner is married and has seven children, three sons and four daughters. He is now 65 years old and his family is involved in the management of the business. The business employees 34 people and has a turnover of US$500,000 per year. The business concern serves both local and national markets. The owner is planning to open a new outlet outside Harare. In terms of education, he holds a degree in engineering.

4.8.1 RQ1: Meaning attached to CSR

(a) The owner explained that CSR was a company effort to build the needed relationship between society and management. The owner went on to state that companies were in business to make money. The owner explained that profit making was not enough since the company had many friends, customers and other people who needed help. The owner continued to express that companies that continued to make profits without regard for the marginalised people were doing bad business. At this point the owner defined CSR as doing both things, making profit and using the same profit to help the marginalised in society, for a company plays a dual role of creating money and serving the interests of society. According to the owner CSR was more than doing good business or making profit.
(b) The owner stated that as the owner of the company, he was wholly involved in formulating CSR decisions and implementing them. He explained that the family was consulted on all important issues concerning CSR. The owner said that it was difficult to ignore the family on these matters. Employees offered valuable help when implementing CSR issues according to the owner.

4.8.2 RQ2: Impact of CSR

(a) The owner mentioned that CSR did not give them any tangible benefits. He however explained that they helped people freely without thinking of any return. Perhaps the owner was trying to say that they engaged in CSR for ethical reasons. At this point he would not give any more information on the benefits of CSR.

(b) The owner showed a record of the expenses they incurred in the year when they engaged in CSR. He explained that they had to make separate budgets for CSR. He further stated that the funds were not always available for this activity and sometimes they were forced to use their profits and according to the owner this was not practical. He expressed that CSR was an expense to their company.

(c) The owner stated that once the company engaged in CSR it was difficult to stop and the possibility of doing it again was very high. The owner said that it would become a habit. However he explained that CSR did not change anything, even the behaviour of the employees. The owner categorically stated that CSR practices did not influence their operations at all except that they were forced to make use of their profits to fund the project (CSR).

4.8.3 RQ3: Drivers of CSR

(a) The owner explained that doing business meant respecting national laws. The owner explained that their businesses were governed by many laws, for example, employment laws, environmental laws and health and safety laws. The owner said that they were expected by law to register their company and to pay the required tax. He went on to say that those who did not respect the laws of the country would be taken to court by government. He qualified his statement by saying that they were not allowed by law to sell expired goods as it was wrong business practice.
The owner explained that they were doing economic CSR and went on to say that one of their important objectives was to make profits quickly. Therefore they were forced to charge reasonable prices in order to attract more customers. The owner further explained that customers were queens and kings in business and that customers had the habit of patronising companies that charged low prices for their products. He went on to say that those who did not follow these simple economic laws risked losing customers since business was all about building customers and playing a fair game, which means doing CSR.

The owner pointed out that business was all about building symbiotic relationships among all interested parties. He stated that CSR was all about showing good intentions to those people who were good neighbours or important customers to the organisation. He explained that the Zimbabwean culture was all about showing togetherness and helping each other in time of need and this habit cleared the company’s name and the result was that the company received a good image in society.

4.8.4 RQ4: Legal, Economic and Ethical CSR Activities

The owner stated that they did not do much in the area of Legal CSR activities. When he was asked to talk about registration and tax issue, he stated that they paid their tax in time and that their company was registered. The owner said that they did this because they did not want to be taken to court by government agencies. Therefore legal CSR activities were mainly associated with payment of tax and meeting registration requirements. The owner would not give more information on legal CSR activities.

The owner expressed that they were doing many economic CSR activities and then went on to explain that their company was paying accommodation rentals for their senior employees. The owner went on to say that every year they would give a new bicycle to the worker of the year. He said that this was done to encourage workers to work hard and to be loyal to the company. The owner explained that they were doing much for their employees and the owner had no more information on this issue.

The owner explained that they were in the habit of supporting the local schools in the area. He said that they have had good relationships with the local school headmasters in the area for a long time and that sometimes they hired buses for them when their students
went for sporting activities. The owner said that he would pay school fees for a few selected students in local schools. The owner explained that he has identified quite a number of school children who come from broken families and that he bought uniforms for them. The owner would not give more details on the number of pupils he was sponsoring.

4.8.5 RQ5: Legal, Economic and Ethical Barriers to CSR

(a) The owner said that it was difficult to satisfy legal requirements because their company focused on many other areas of business. He stated that from time to time they received visitors from the Consumer Council of Zimbabwe (CCZ) who inspected their premises for hygiene conditions, prices and expired goods. According to the owner, there were times when they forgot that some of their products had expired and that they needed replacement. The owner said that sometimes they were fined for this neglect. The owner said that this was another unnecessary expense. According to the owner the company’s inability to obey national laws was a barrier to CSR.

(b) The owner said that their first and most important economic challenge had to do with time as they are always busy people. The owner explained that they did not have enough time and that their employees were very busy too. The owner went on to say that another challenge had to do with money. The owner explained that they did not have enough money for CSR except that they tried hard to get funds to complete the CSR project. The owner complained that the economic state of the country was affecting the viability of companies as a result; companies were not registering the profits they needed. According to the owner money was a major barrier to CSR.

(b) The owner complained that they were not recognised for doing CSR. The owner said that although they helped the communities around them through CSR the government did not recognise this good gesture. On probing further on this idea, the owner explained that they did not publish their activities in the social media; therefore their CSR activities were not made public. However, the owner insisted that CSR activities were meant for the government. The owner said that they did CSR to please the government. The owner said that such attitudes were bad. The owner admitted that CSR was supposed to come from inner feelings. From the owner’s statements it was clear that wrong attitudes were an ethical
barrier to CSR. He made it clear that other SMEs did their CSR secretly and that there was no effort on the part of government to educate SMEs on CSR.

4.9 SME THREE

SME THREE is a very big company that specialises in selling electronic gadgets, such as computers and computer accessories. The business concern started operations five years ago and is owned by two young male graduates who have degrees in telecommunication technology. This interview was held with one of the managing directors, who is still single. The business employs 12 people and supplies both the local and national markets. The interviewee did not say much on turnover. The manager is aged 35.

4.9.1 RQ1: Meaning Attached to CSR

(a) The manager explained the concept of CSR as a community involvement activity. CSR according to the manager meant being part of the wider community. The manager, after some probing defined CSR as an activity that involved creating relationships between the company and the community it serves through projects for development and poverty alleviation programmes. According to the owner CSR meant helping communities in fighting poverty, hunger and diseases. The manager further stated that CSR activities should target the most vulnerable members of the community such as, children, the sick, women, old people, and squatters.

(b) The manager explained that it was the philosophy of the company to involve everyone in the company in CSR issues. The owner further explained that their company involved employees and important stakeholders in CSR. When the manager was asked to explain the concept of important stakeholders, he mentioned investors and shareholders as being important stakeholders. The manager said that the decision to implement CSR programmes emanated from all stakeholders (employees and shareholders).
4.9.2 RQ2: Impact of CSR

(a) On the benefits of CSR the manager stated that CSR programmes were important to the company in that they brought the company closer to the community as the company operated in the community. The manager further explained that companies needed to work with their communities and to understand the needs of their communities. In other words, CSR programmes forged important alliances between the company and the community. The manager later stated that the alliance between the company and the community helped to generate a good name for the company. He was referring to company reputation as one of those benefits resulting from CSR practices.

(b) The manager made it clear that he was not sure whether or not CSR was an expense. The manager further explained that CSR was a good programme that benefitted the workers, the organisation and the recipients of CSR. The manager explained that they did not see anything wrong in doing CSR since their company also benefitted from the relationship made between the company and the immediate community.

(c) The manager stated that their company had been doing CSR for nearly three years. Therefore the practice of CSR had helped the company to develop a CSR corporate culture. According to the manager their employees were taught how to implement CSR programmes. The owner said that their company has learnt to accept CSR decisions from employees, something that the management did not do before. The owner said that their employees were highly motivated to participate in CSR programmes. The manager said that CSR programmes have managed to change the philosophy of the company towards stakeholders. However the manager admitted that they did not have a CSR policy and that their CSR programmes were not planned.

4.9.3 RQ3: Drivers of CSR

(a) The manager believed that the survival of their company was anchored on doing the right thing at the right time. The manager stated that compliance with laws, such as paying company debts, charging gazette prices, managing pollution through proper disposal of refuse and forging proper alliances with employment bodies helped their organisation to survive. The manager stated that companies that went against the law of the land faced serious viability problems. He further explained that some companies were closed for not charging
gazette prices. According to the owner compliance with national laws was an important factor that motivated them to do CSR.

(b) The manager stated that every business is established to make money for the shareholders. He went on to say that every business has a duty therefore to make profits for the shareholders. According to the manager this is good corporate governance as increasing shareholders value is an important CSR activity, for the company must do well, increase its sales, profits and share-price. The company that does not respond to the needs of shareholders creates unnecessary conflicts between shareholders and the board of directors, according to the manager. According to the owner the need to make profits for the company was an important factor that motivated them to engage in economic CSR.

(c) The manager started by outlining the needs of the so called needy people who comprise the immediate community of the organisation. According to the manager communities around their organisations needed some stake in whatever they did in business and failure to meet their (the community’s) demands would result in unnecessary hostilities between the company and the community it served. Therefore the need to plough back to the community was an important factor that motivated them to engage in CSR.

4.9.4 RQ4: Legal, Economic and Ethical CSR Activities

(a) The manager explained that their company was in the habit of doing good business through avoidance of pollution, economic and efficient use of water and energy as prescribed by the Harare City Council and Zimbabwe Electricity Supply Authority (ZESA). The manager outlined these as their legal CSR activities. The manager further stated that their business premises were clean and water was used wisely to avoid wastage. The manager went on to say that their employees were taught how to use water sparingly and to conserve electricity. In Zimbabwe electricity is a scarce commodity that needed care in using it.

(b) The manager started by explaining all that their company was doing as economic CSR. He stated that their employees were receiving satisfactory salaries and that this was being done to motivate them. The manager went on to say that their company sent some of their employees to colleges to upgrade their skills and all funding was done by the company. The manager
reiterated that a well trained work-force was more productive. According to the manager, competent employees increased production.

(c) The manager explained that so far they have donated computers to both primary and secondary schools in and outside Harare. The company was also involved in repairing the same computers for free when they developed technical faults. The manager said that they sent their technicians to inspect the computers and to fix problems. However, the manager would not disclose the number of computers dispersed so far and the names of the schools that benefitted from their donations.

4.9.5 RQ5: Legal, Economic and Ethical Barriers to CSR

(a) The manager made it clear that CSR was not mandatory; therefore there was need for the government to make laws that required companies to do CSR. The manager explained that CSR was an ad-hoc activity in their organisation, which meant that it was being accorded a low priority. The owner professed that ignorance of the law was one of their biggest challenges in implementing CSR. The owner went on to say that he was not sure if he knew the laws that governed CSR.

The manager, on being probed further suggested some strategies for addressing the challenges for implementing CSR such as having a CSR policy, employing a full time person to manage CSR programmes and having knowledge of CSR laws in the country. The managers pointed out that all this would be done in future when funds were available. This implied that CSR was a secondary issue to the company.

(b) The manager explained that their company had the interest to do CSR but the funds were not available. The owner said that they had no money to do CSR. The owner noted that they were prepared to do anything in terms of CSR but the money was not available. The manager said that CSR was dependent on the availability of funds. According to the owner funds create a limit to CSR practices for their organisation.

(c) The manager once again explained that their company needed funds to help the less privileged in the community. He complained that their company was spending a lot of money on CSR activities and suggested that more players be incorporated into CSR programmes too. On being asked to explain the phrase ‘more players’ the manager pointed out that the
government, donor organisations, private and public companies needed to be involved in implementing CSR programmes. The manager concluded by saying that the whole idea of CSR was a foreign concept in Zimbabwe. The manager stressed the point that the government did not create enough programmes to provide the needed education on CSR.

4.10 SME FOUR

The owner of this funeral insurance company is a woman, aged 56. Her husband is late. She has three children, one daughter and two sons. One of the daughters is working abroad. The business was opened in 2000 before the introduction of the multi-currency regime. The business has seven full-time and five contract employees. The interviewee had problems in divulging the business turnover. She stated that the previous year they had registered a quarter of a million US dollars. This is a family business. The owner is a business woman who owns others business concerns, such as two hotel lodges and butchery in Harare. The owner however lamented that all her businesses were not doing well due to the economic problems being faced at national level. The owner’s education was not disclosed.

4.10.1 RQ1: Meaning Attached to CSR

(a) The owner pointed out their business was all about CSR. The owner went on to say that when people are bereaved they need extra mile care and this is CSR. The owner explained that CSR was shared grief, shared problem, shared interests and shared concern. According to the owner CSR was all about identifying who needs help, the type of help, prepare a budget and then disburse funds or channel funds to those families that needed help. The owner said that CSR was extending company help to customers. In this way relationships between the company and the owner were built. The owner went on to express that the purpose of being in business was to support the poor. According to her, CSR is more than getting profits.

(b) The owner explained that everyone in their company was involved in CSR activities and that the decision to do CSR was made at the top and implemented by employees. According to the owner the role of employees in CSR was simply taking orders and implementing CSR decisions made by the owner. This means that the owner made all CSR decisions and the
involvement of employees was perhaps based on carrying goods and money to the CSR beneficiary.

4.10.2 RQ2: Impact of CSR

(a) The owner acknowledged that CSR had some benefits to organisations that practice CSR. She stated that they use CSR programmes to market their products and services. The owner said that through CSR they managed to increase their customer base and to increase their sales. She warned that CSR activities may not be beneficial in the short run but in the long run they have some returns in the form of increased market share and increased community and government support.

(b) The owner stated that CSR was sometimes an expense although not always. She went on to say that sometimes funds earmarked for certain projects were misallocated to implement CSR projects. According to the owner it was difficult to have a separate budget for CSR programmes.

(c) The owner explained that the practice of CSR helped them to have many friends who would assist them to market their goods and services and in this way they would have made a habit of implementing CSR activities for the purpose of attracting more clients. The owner stated that CSR programmes helped them to influence politicians and local leadership to support their business. According to the owner CSR activities influenced their employees to appreciate CSR. She went on to say that their company was in the habit of funding political gatherings and this practice helped them to win the support of local political leadership sometimes.

4.10.3 RQ3: Drivers of CSR

(a) The owner expressed that they had a company that was registered and that operated within the confines of the law and went on to say that their company followed company regulations in creating products and services required by government. The owner pointed out that their company had no conflict with employees for they treated their employees according to laid
down procedures in labour laws. When the owner was asked to identify one labour law, she said that they respected laws on health and safety for example and their employees used special clothes on the work place. The owner said that their company bought the clothes for safety and health reasons and that they did this to avoid being sued by employees.

(b) The owner went on to say that they did CSR for good reasons. Some of the reasons were; getting more customers, marketing company products and services and keeping loyal customers. She explained further that CSR helped their company to minimise customer complaints. On this issue the owner explained that their company listened to the views of their clients and in this way their clients were satisfied with company products and services. She further stated that their clients did not want poor services as this practice worsened relations between them.

(c) The owner did not say much on ethical factors. She stated that their company was established to help the people in need and that the need to help poor communities arises from the need to get their support in return. According to the owner the support of the immediate communities is needed by every business in Zimbabwe. She further stated that due to competition, no business can afford to ignore the concerns of the clients. According to the owner CSR was the answer to doing sustainable business in the face of competition.

4.10.4 RQ4: Legal: Economic and Ethical CSR Activities

(a) The owner answered that they were involved in a number of legal CSR activities. The owner went on to say that they had a duty to train their employees to understand health and safety rules on the work place and to wear the required clothes. She pointed out that they buy the required clothes for certain classes of employees. They do this to comply with given laws on health and safety for employees. The owner went on to say that they pay their tax in time. She also mentioned the issue of prices. She said they (the company) were obliged to charge gazetted prices. On being asked about environmental management issues, she answered that the nature of their business did not present problems to the environment. However she admitted that the Harare City Council did not collect garbage in time. The owner stated that. They (the company) provided bins for refuse collection.
(b) On economic CSR activities, the owner started by describing the economic situation in the country. She complained that the government was not doing enough to create jobs and to save the few companies that were doing well even during hard times. Then the owner quickly switched on to the question and went on to say that their company was going through lean times and the economic environment in the country affected their business operations. The owner elaborated further by saying that their company was not getting the profits they used to get as sales had gone down because many companies in Harare have closed. This closure of companies resulted in massive unemployment. Unemployment in Harare has affected their sales revenue greatly. The owner stressed the fact that their company was very much involved in economic CSR activities such as, creating employment, producing the needed goods and services and making profits for the company.

(c) The owner enumerated a number of ethical CSR activities that their company were engaged in. The first activity had to do with donations that the company gives to the needy in society. The company gives clothes, blankets, food hampers and some cash to Bumhudzo People’s Home. The company does this to help the elderly people in society who are no longer capable of fending for themselves. The owner stated that this was done only when funds were available which means that the company was not always doing CSR. She would not say how often this generous act was done and would not give more information on other ethical CSR activities.

4.10.5 RQ5: Legal, Economic and Ethical Barriers to CSR

(a) The owner stated that they experienced problems in interpreting labour laws correctly as the laws changed from time to time. Sometimes, the company would use old versions of the law when in fact the old laws had been replaced. This created a number of problems for their company. The owner went on to say that the company needed a legal department to do the work for the company. However, she went on to say that it was difficult to know all pieces of legislation that governed them. This means that the owner was expressing ignorance of various pieces of legislation and this was an important barrier to legal CSR.
(b) The owner mentioned the issue of money. The owner reiterated that they (the company) did not have enough money to spend on CSR programmes. She acknowledged that CSR was indeed a noble idea but the ability to implement the programme was made difficult due to funding problems. She did not want to give more information on this issue.

(c) The owner answered that they concentrated their CSR on a very small group of people due to lack of funds. She said that so many people needed help but due to limited funds, the company would help only a fraction of those people. According to the owner, those people who did not get CSR help become hostile to the organisation. The owner complained that sometimes people held strange beliefs that they had the right to be assisted by any company near them in the name of CSR. The owner was worried that the doctrine of CSR was creating a dependency syndrome on people. The owner explained that their company wanted people to be self-reliant. She stated that the government had the duty to create self-reliant programmes. Once again negative managerial attitude towards CSR was easily noticeable.

4.11 SME FIVE

The interviewee is the owner of a creche (kindergarten) school in Harare. The school had ten full-time employees. The owner is not married yet and is aged 28. She runs the business in partnership with a friend who is not married as well. The owner holds a Bachelor of Education Degree and is a qualified primary school teacher. She agreed that a kindergarten school was a big business in Harare and she had plans to open a second one in the coming year. The school was opened in 2013. She did not disclose any information on annual turnover of the business.

4.11.1 RQ1: Meaning attached to CSR

(a) The owner stated that she understood CSR as a new system of doing business with stakeholders. The owner went on to say that stakeholders want to be involved in doing business with an organisation that affects their way of life. The owner defined CSR as doing business with the stakeholders of the company. The owner went on to say that CSR was about having positive relations with stakeholders. According to the owner CSR is involving stakeholders in decisions that the organisation makes and in this way CSR is implemented. The owner believed that CSR was all about making relationships with stakeholders. The
owner views CSR as the relationship that exists between the company and its stakeholders. The owner uses the term stakeholder more frequently to mean her customers.

(b) The owner said that only the management was involved in CSR activities. She gave the reason that CSR was about the relationships that exist between the owner and the stakeholders. For this reason the owner did not see the role of the employees as being significant.

4.11.2 RQ2: Impact of CSR

(a) The owner stated that they had problems in quantifying the benefits of CSR. She went on to say that when they did CSR they did not expect any returns. According to the owner CSR was a humanitarian activity that was meant to help the poor in society. According to the owner CSR did not benefit their organisation at all. Once again managerial attitudes were easily noticeable.

(b) CSR is indeed an expense to the organisation. The company gives out money to help poor people according to the owner. The funds are taken from the small profits that the company acquired. The owner went on to say that the company had employees to remunerate. According to the owner CSR was a third expenditure on their budget. The owner further explained that their company was experiencing serious cash flow problems and that CSR was not a priority.

(c) The owner complained that CSR did not influence the organisation in any positive way. She went on to say that CSR activities were an unnecessary expenditure to their company. She said that they paid salaries, rentals for their premises, electricity bills, water bills and tax. The owner said that the above expenditures were a priority.
4.11.3 RQ3: Drivers of CSR

(a) The owner described CSR as something their company did for free. The owner went on to say that the Crèche School operated in the manner that the government required. She further stated that the school was registered before it started operating and that they were happy because the school had not been found on the wrong side of the law. The owner also mentioned that they have a School Development Committee (SDC) that helped in the running of the school. The members were not paid but got sitting allowances when they attended board meetings. The government requires every school to have an SDC and to be registered. Therefore the need to comply with legal requirements was an important factor that motivated their company to engage in legal CSR.

(b) The school operated on a tight budget according to the owner. She said that the company provided employment to job-seekers and that the school provided educational services to the citizens of Zimbabwe. She further stated that they would do economic CSR to meet the nation’s needs for more employment and the provision of quality goods and services. According to the interviewee, the school was aware of the economic implications of not doing CSR. She said their employees would be in the street today doing nothing and stealing from people. The owner explained that they needed employees to generate profits for the company. The owner stressed that their company was motivated to do economic CSR by the need to make more and more profits for the organisation.

(c) According to the owner the school helps many people in the area in a unique way. The owner explained that their company premises are being used by Churches every Sunday. The owner said that CSR helped them to get community support from parents and education authorities in the area. According to the owner, the school had many friends and supporters and that they would not want to lose their support. According to the owner the school was motivated to do ethical CSR for ethical reasons, such as, attracting community support.
4.11.4 RQ4: Legal, Economic and Ethical CSR Activities

(a) The school carries out some legal CSR activities in the form of corporate tax payment, meeting registration requirements, charging gazetted fees, managing pollution levels and the economic use of water. The owner said that the school made sure that the premises were not polluted and that employees and pupils did not waste the water that the school had. The owner said that water is a scarce commodity in Harare.

(b) The owner said that their school was involved in a number of economic CSR activities; they trained their staff to be competent teachers and to meet the standards required by government. The school charged reasonable school fees that parents could afford. The owner, however, said that their school was an elite school in the area because the fees they charged were based on the quality of services and products that they provided. The owner went on to say that their teachers were the best in the area and that their students got the best meals. The owner went on to say that their school produced educational facilities and services that were not comparable. According to the owner the school was also involved in creating employment in the country.

(c) According to the owner the school provided school buildings, furniture, toilets, water and electricity to church members on Sundays and other special occasions. The school charged very little but allowed members of the community to use the resources of the school freely. The owner said that this was done to get friends and supporters. In fact this was a strategy for attracting customers to support their business. This helped them to get closer to the people.

4.11.5 RQ5: Legal, Economic and Ethical CSR Barriers

(a) The owner admitted that sometimes they did not follow the laws of government on employment of teachers. Only females were employed at the school. The employer acknowledged that this was a form of sex discrimination. The owner stated that female teachers were better able to handle infants compared to male teachers who happened to be impatient. Infants need extra-care and women were well placed to handle that according to the owner. According to the owner the inability to comply with national laws on employment of teachers was an important barrier to legal CSR.
(b) The owner admitted that the school had no money for CSR. She went on to say that sometimes they were forced to postpone the implementation of some projects in order to save money for CSR. The owner believed that the school was opened to make money for the company and not to do CSR although the company was sometimes forced to do CSR. The owner went on to say that the school would do CSR only when the funds were available. Therefore CSR was not a regular activity. According to the owner lack of funds was an important barrier to economic CSR.

(c) The owner once again mentioned the issue of money. The owner said that it was difficult to help people without giving them money. The owner said that money was an important denominator in all issues concerning CSR. The owner suggested that the government should come in to assist the vulnerable members of society. The owner also suggested that more information on CSR be made available to SMEs. The owner stated further that there was a need for all SMEs to share the knowledge they have on CSR. According to the owner there was a need for SMEs to work together on CSR issues. The owner would not answer the question in a specific manner. It was possible from the conversation to conclude that managerial attitude to CSR was not positive and this was an important barrier to ethical CSR.

4.12 SME SIX

The interviewee is a pharmacist in Harare. The business was opened in 2006 and employs seven full-time employees. This is a family business and the owner is married and has three children. The owner just stated that ‘they had a degree in their area of work’. The owner would not give details concerning turnover. He is aged forty-two. He plans to open another outlet outside Harare in future.

4.12.1 RQ1: Meaning Attached to CSR

(a) The owner said that CSR had to do with the responsibility that the organisation has towards surrounding communities. The owner went on to define CSR as a package of responsibilities that the organisation is supposed to have to the employees, communities around and to the customers. These responsibilities resulted in relationships according tho the owner. CSR also
means community involvement and participation and that CSR is the idea of helping others according to the owner.

(b) The owner said that CSR was done by the manager and employees were not involved. On the reasons why employees were not involved, the owner said that CSR was a management decision therefore employees had no role to play in CSR matters.

4.12.2 RQ2: Impact of CSR

(a) The owner agreed that CSR offered many benefits to their organisation. Some of these benefits included among other things: 1) government support, 2) community support and 3) customer support. The owner went on to say that CSR is a way of selling company image. According to the owner, customers supported organisations that engage in CSR. He further stated that the organisation got many customers because of CSR. However, the owner would not give information on the monetary or quantitative benefits of CSR.

(b) The owner admitted that CSR was an expense in that the funds used for CSR came from the profits that the business generated. He however said that CSR was a good idea. The owner would not give much information on how CSR was an expense.

(c) The owner said the practice of CSR was slowly influencing even their employees to appreciate the need to do CSR. The owner stated that when they first did CSR, employees were not happy because they thought that it was a waste of money. According to the owner, employees had then seen some sense in doing CSR. Employee attitudes are also important in implementing CSR according to the owner. This is the first time the issue of attitude to CSR was mentioned by the interviewee. It was somehow difficult to establish the attitude of the owner to CSR.

4.12.3 RQ3: Drivers of CSR

(a) The owner went on to say that they engaged in CSR activities for good reasons. He stated that CSR helped them to follow government laws and to conduct business in a way required by national laws. He further stated that the business of selling drugs was governed by many drug laws and that it was critical to follow those laws to avoid doing wrong CSR practices. The owner said that patients who came to buy drugs had to follow certain procedures like, for
example, consulting medical doctors and providing the required prescriptions. According to the owner the need to follow government laws was an important factor that motivated their company to do legal CSR.

(b) The owner answered that their company was established to make profits for the family. He went on to say the profit motive is the primary factor that governs the survival of the organisation. The owner said that CSR was a secondary issue that had to be done with caution. The owner further stated that doing more CSR could be harmful to the organisation in that the very profits that the organisation survives on would be eroded. According to the owner profit making motivated their company to engage in economic CSR.

(c) The owner acknowledged that CSR was done for other reasons apart from making profits and went on to say that CSR helped organisations to cultivate a spirit of donating goods and money to the poor in society and to attract community support. The owner admitted that community support was important in that the company got more and more customers from the community. The owner stressed that the need to get community support motivated them to engage in ethical CSR.

4.12.4 RQ4: Legal, Economic and Ethical CSR Activities

(a) The owner said that their business was in the habit of selling prescribed drugs at the price prescribed by government and making sure that patients bring the required prescriptions from their doctors. The owner went on to say they were very careful when dealing with patients because they would not want to harm people through selling the wrong drugs. He said that the nature of their business required them to observe drug laws without fail.

(b) The owner stated that their business was established to achieve several objectives, namely: 1) to make profits, 2) to sell drugs and 3) to create employment. He went on to say that their business had happy employees and that they also paid accommodation rentals for their employees.

(c) The owner said that they made donations in cash and kind to needy people. He went on to say that CSR was ad hoc activity in the company and was only done when funds were available. He admitted that CSR was not a policy in their organisation and that they did not publish any
material to that effect. The owner went on to say that **making donations in cash or kind** was an important ethical CSR activity in the organisation.

### 4.12.5 RQ5: Legal, Economic and Ethical Barriers

(a) The owner acknowledged that CSR had some legal requirements to satisfy and that their organisation had problem with employees who sold special prohibited drugs to certain classes of customers. The owner said that some time ago a man arranged with one of the employees to buy some drugs that would have been used to terminate pregnancy. The drugs are only offered at the request of the doctors. The drugs are administered through the vagina. The young man was later arrested for possessing such drugs. The owner was trying to explain the importance of complying with legal CSR. The owner said that their company was approached by the police and the employee who had sold the drugs was eventually arrested. Inability to comply with drug laws is an important barrier to legal CSR according to the owner.

(b) The owner said that the organisation lacked money to continue doing CSR. The owner said that they had no money and that CSR was difficult to implement for that reason. The owner admitted that money was a problem. The owner chronicled the expenses that they incurred in their business every month. According to the owner the expenses included, payment of tax, rents, water bills and wages. The owner said that money was needed to implement CSR activities. According to the owner lack of funds was an important barrier to economic CSR and for this reason they faced many challenges in satisfying economic CSR requirements.

(c) The owner said that they faced many challenges in satisfying ethical CSR requirements. He said that CSR was a noble programme but it was difficult to fund. The owner went on to say that Zimbabwe had many poor people and he further clarified that CSR was supposed to benefit many needy people in society. According to the owner only a few people benefitted. He lamented that CSR was not being used as a method of addressing some problems of the poor. The owner said that this method (CSR) was not sustainable in that in the long run, beneficiaries of CSR continued to suffer. The owner suggested that the government should draw up sustainable programmes to help the poor. He also remarked that SMEs did not benefit much from CSR and that other SMEs were not willing to work together on CSR issues. The owner said that SMEs needed to cooperate, work together and finally share ideas on how CSR could be implemented. Managerial attitude to CSR was an important barrier to
ethical CSR and other lesser important barriers included, lack of education on CSR and lack of cooperation among SMEs on the issue of CSR.

Table 4.35: Demographic Profile of Interviewees

<table>
<thead>
<tr>
<th></th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ONE</td>
</tr>
<tr>
<td>1. Position in Company</td>
<td>Owner</td>
</tr>
<tr>
<td>2. Age</td>
<td>42</td>
</tr>
<tr>
<td>3. Gender</td>
<td>Male</td>
</tr>
<tr>
<td>4. Experience</td>
<td>5yrs</td>
</tr>
<tr>
<td>5. Education</td>
<td>Masters Degree</td>
</tr>
<tr>
<td>6. Marital Status</td>
<td>Married</td>
</tr>
<tr>
<td>7. Business</td>
<td>Transport</td>
</tr>
<tr>
<td>8. Turnover</td>
<td>74000</td>
</tr>
<tr>
<td>10. Number of employees</td>
<td>25</td>
</tr>
<tr>
<td>11. Market served</td>
<td>Local</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher.
4.13 PRESENTATION OF QUALITATIVE RESULTS

This section presents the results of qualitative research after the analysis of data.

**Table 4.36: Meaning attached to CSR**

<table>
<thead>
<tr>
<th>Company</th>
<th>Responses(meansings given)</th>
<th>People involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>Caring for the community</td>
<td>Owner</td>
</tr>
<tr>
<td>SME 2</td>
<td>Helping the marginalised in society</td>
<td>Owner</td>
</tr>
<tr>
<td>SME 3</td>
<td>Creating relationships between company and community</td>
<td>Everyone in the organisation</td>
</tr>
<tr>
<td>SME 4</td>
<td>Relationship building</td>
<td>Everyone</td>
</tr>
<tr>
<td>SME 5</td>
<td>Relationship with stakeholders</td>
<td>Owner only</td>
</tr>
<tr>
<td>SME 6</td>
<td>Responsibility towards communities</td>
<td>Manager /owner</td>
</tr>
</tbody>
</table>

*Source: Prepared by the researcher*

The interviewees defined the concept of CSR in many ways and the definitions that were repeated most were: 1) creating relationships between company and community, 2) relationship building, and 3) relationships with stakeholders. Other definitions, such as, caring for the community, responsibility towards communities and helping the marginalised in society appeared less frequently. All the definitions given in Table 4.36 refer to Ethical CSR, perhaps something that SMEs do most of the time. Legal CSR and Economic CSR are not referred to in all the definitions in Table 4.36. From the data in Table 4.36 it is also observed that the interviewees who mentioned that ‘everyone was involved’ in making decisions about CSR, defined CSR as ‘relationship.’

**4.13.1 Results one**

1. SMEs in Zimbabwe attach many meanings to CSR.
2. SMEs in Zimbabwe define CSR in respect of what they do in CSR.
### Table 4.37: Benefits of CSR

<table>
<thead>
<tr>
<th>Case</th>
<th>Benefits Stated</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>Company reputation: CSR gives a good name.</td>
</tr>
<tr>
<td>SME 2</td>
<td>CSR has no tangible benefits.</td>
</tr>
<tr>
<td>SME 3</td>
<td>CSR helps to generate a good name for the company.</td>
</tr>
<tr>
<td>SME 4</td>
<td>CSR programmes help to market products and services.</td>
</tr>
<tr>
<td>SME 5</td>
<td>It is difficult to quantify the benefits of CSR.</td>
</tr>
<tr>
<td>SME 6</td>
<td>CSR is a way of selling the company image.</td>
</tr>
</tbody>
</table>

**Source**: Prepared by the researcher

The majority of interviewees (4/6) indicated that CSR generated some benefits for the company. The most repeated benefits include: 1) CSR gives a good name, 2) CSR helps to generate a good name for the company, and 3) CSR is a way of selling company image. SME 2 and SME 5 indicated that CSR had no benefits. Accordingly the answers given by SME 2 and SME 5 are: 1) CSR has not tangible benefits and 2) It is difficult to quantify the benefits of CSR. A look at the meanings attached to CSR by SME 2 and SME 5 indicate that CSR is defined as 1) helping the marginalised in society and 2) a relationship with stakeholders. SME 2 and SME 5 consider CSR as a managerial decision to help other people and that the beneficiaries of CSR do not offer any form of benefit to the same companies.

#### 4.13.2 Results two

SMEs consider CSR as having some benefits. Although the number of SMEs that indicated that CSR has some benefits is more than the number that indicated that CSR has no benefits the results of quantitative research showed that CSR is not beneficial to the operations of SMEs in Zimbabwe.
Table 4.38: CSR an expense

<table>
<thead>
<tr>
<th>Case</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>CSR put an extra financial burden on profits</td>
</tr>
<tr>
<td>SME 2</td>
<td>Funds are not always available for this activity.</td>
</tr>
<tr>
<td>SME 3</td>
<td>CSR is a good programme that benefits both parties.</td>
</tr>
<tr>
<td>SME 4</td>
<td>Sometimes an expense, not always.</td>
</tr>
<tr>
<td>SME 5</td>
<td>It is an expense</td>
</tr>
<tr>
<td>SME 6</td>
<td>CSR is an expense</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

The majority of SMEs (4/6) indicated that CSR is an expense for their company. The responses given were: 1) CSR put an extra financial burden on profits, 2) Funds are not always available for this activity, 3) It is an expense, and 4) It is an expense. Only one case SME 3 indicated that CSR is a good programme that benefits both parties. SME 4 indicated that CSR was an expense sometimes and not always.

4.13.3 Results three

SMEs consider CSR as an expense.

Table 4.39: Influence of CSR

<table>
<thead>
<tr>
<th>Case</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>Influence employees to support CSR.</td>
</tr>
<tr>
<td>SME 2</td>
<td>We are forced to make use of our profits to fund CSR.</td>
</tr>
<tr>
<td>SME 3</td>
<td>CSR changed the philosophy of the company towards stakeholders.</td>
</tr>
<tr>
<td>SME 4</td>
<td>Influence our employees to support CSR.</td>
</tr>
<tr>
<td>SME 5</td>
<td>CSR did not influence the organisation in a positive way.</td>
</tr>
<tr>
<td>SME 6</td>
<td>CSR influenced employees to appreciate CSR.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
The majority of SMEs (5/6) indicated that CSR programmes influenced them in some way. The reported influences and the manner of influence were: 1) influences employees to support CSR, 2) We are forced to make use of our profits to fund CSR, 3) CSR changed the philosophy of the company towards stakeholders, 4) influence our employees to support CSR, and 5) CSR influenced employees to appreciate CSR. Only one case (SME 5) indicated that CSR did not influence the organisation in a positive way. SME 5 considered CSR as an expense.

### 4.13.4 Results four

CSR influences employees to appreciate its value.

**Table 4.40: RQ2 Results summarised**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SMEs consider CSR as having economic benefits</td>
</tr>
<tr>
<td>2</td>
<td>SMEs consider CSR as an expense.</td>
</tr>
<tr>
<td>3</td>
<td>CSR influences employees to appreciate its value.</td>
</tr>
</tbody>
</table>

**Source:** Prepared by the researcher

**Table 4.41: Legal implication of doing or not doing CSR**

<table>
<thead>
<tr>
<th>CASES</th>
<th>RESPONSES</th>
<th>Legal implication of not doing legal CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>To avoid litigations</td>
<td>Company in danger of being sued by employees.</td>
</tr>
<tr>
<td>SME 2</td>
<td>To comply with national laws.</td>
<td>Risks violating national laws</td>
</tr>
<tr>
<td>SME 3</td>
<td>To comply with national laws.</td>
<td>Likely to charge wrong prices.</td>
</tr>
<tr>
<td>SME 4</td>
<td>To avoid conflict with employees</td>
<td>Risks being sued by employees.</td>
</tr>
<tr>
<td>SME 5</td>
<td>To comply with government laws.</td>
<td>Risk violating government.</td>
</tr>
<tr>
<td>SME 6</td>
<td>To follow government laws.</td>
<td>Risk not following government law.</td>
</tr>
</tbody>
</table>

**Source:** Prepared by the researcher
All the SMEs indicated the implication for doing or not doing legal CSR. The responses given are similar although expressed differently. The implication for doing legal CSR were indicated as follows, 1) to avoid litigation, 2) to comply with national laws, 3) to comply with national laws, 4) to avoid conflict with employees, 5) to comply with government laws and, 6) to follow government laws. The response given by SME 4 may have originated from a legal conflict with an employee although not expressed.

The majority of SMEs indicated that the implication for not doing legal CSR was that the company would violate government laws. The responses were: 1) company in danger of being sued by employees, 2) risks violating national laws, 3) likely to charge wrong prices, 4) risks violating government law and, 5) risks not following government law. SMEs 1, 3 and 4 had slightly different responses which were more specific. The responses were, 1) company in danger of being sued by employees, 3) likely to charge wrong prices and 4) risks being sued by employees.

4.13.5 Results five

1. The legal implication of doing CSR is to comply with government laws.
2. The legal implication of not doing CSR is violation of government law.

Table 4.42: Economic implications of doing or not doing CSR

<table>
<thead>
<tr>
<th>Case</th>
<th>Economic implication of doing CSR</th>
<th>Economic implication of not</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>To get customer support</td>
<td>Customer boycotts.</td>
</tr>
<tr>
<td>SME 2</td>
<td>To attract more customers</td>
<td>Loss of customers</td>
</tr>
<tr>
<td>SME 3</td>
<td>To increase profits for shareholders</td>
<td>Conflicts between shareholders and the board</td>
</tr>
<tr>
<td>SME 4</td>
<td>To get more customers</td>
<td>Loss of customers.</td>
</tr>
<tr>
<td>SME 5</td>
<td>To provide employment to job seekers.</td>
<td>Loss of profit.</td>
</tr>
<tr>
<td>SME 6</td>
<td>To make profits</td>
<td>Loss of profit.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
The majority of SMEs (3/6) indicated that the economic implication of doing CSR was: 1) to get customer support, 2) to attract more customers and 3) to get more customers. SMEs 3 and 6 indicated that the economic implication of doing CSR was to make profits. Their responses were: 1) to increase profits for shareholders and 2) to make profits. SME 5 indicated that the economic implication of doing CSR was to provide employment for job seekers. The issue of customer support translates into an increase in sales and hence an increase in profits. Therefore the responses given by the majority of SMEs (5/6) indicate that the economic implication of doing CSR is to make profits.

The majority of SMEs (3/6) indicated that the economic implication of not doing CSR was, 1) customer boycotts, 2) loss of customers, and 3) loss of customers. SMEs (2/6) indicated that the economic implication of not doing CSR was: 1) loss of profit and 2) loss of profit. SMEs 3 indicated that the economic implication of not doing CSR was ‘conflicts between shareholders and the board of directors’. From the data in Table 4.42 it can be inferred that the economic implication of not doing CSR is loss of profit.

4.13.6 Results six

1. The economic implication of doing CSR is to make profits.
2. The economic implication of not doing CSR is loss of profit.

Table 4.43: The ethical implication of doing or not doing CSR

<table>
<thead>
<tr>
<th>Case</th>
<th>The ethical implication of doing CSR</th>
<th>The ethical implication of not doing CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>To render help to the community around us.</td>
<td>Bad image</td>
</tr>
<tr>
<td>SME 2</td>
<td>To get a good name from society</td>
<td>Given a bad name</td>
</tr>
<tr>
<td>SME 3</td>
<td>To meet community demands</td>
<td>Unnecessary hostility</td>
</tr>
<tr>
<td>SME 4</td>
<td>To get the support of the immediate community</td>
<td>Loss of community support</td>
</tr>
<tr>
<td>SME 5</td>
<td>To get community support</td>
<td>Loss of community support</td>
</tr>
<tr>
<td>SME 6</td>
<td>To attract community support</td>
<td>Loss of community support.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
The majority of SMEs (3/6) indicated that the ethical implications of doing CSR were: 1) to get the support of the immediate community, 2) to get community support and 3) to attract community support. SMEs 1 and 3 indicated that the ethical implication of doing CSR was; 1) to render help to the community around us and 2) to meet community demands. SME 2 indicated that the ethical implication of doing CSR was to get a good name from society. The varied responses given by SMEs focus on helping our communities sprucing company image, meeting community demands and getting community support, all of which are forms of getting community support.

The majority of SMEs (3/6) all indicated that the ethical implication of not doing CSR was a loss of community support. SMEs 1 and 2 indicated that the ethical implication of not doing CSR was: 1) bad image and 2) given a bad name. SMEs 3 indicated that the ethical implication of not doing CSR was unnecessary hostility.

4.13.7 Results seven

1. The ethical implication of doing CSR is getting community support.
2. The ethical implication of not doing CSR is loss of community support.

Table 4.44: RQ3 Results summarised

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The legal implication of doing CSR is to comply with government laws.</td>
</tr>
<tr>
<td>2</td>
<td>The legal implication of not doing CSR is a violation of government laws</td>
</tr>
<tr>
<td>3</td>
<td>The economic implication of doing CSR is to make profits.</td>
</tr>
<tr>
<td>4</td>
<td>The economic implication of not doing CSR is loss of profit.</td>
</tr>
<tr>
<td>5</td>
<td>The ethical implication of doing CSR is getting community support.</td>
</tr>
<tr>
<td>6</td>
<td>The ethical implication of not doing CSR is loss of community support.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
Table 4.45: Legal CSR activities

<table>
<thead>
<tr>
<th>Responses</th>
<th>CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SME 1</td>
</tr>
<tr>
<td>1. Charging gazette prices</td>
<td>✔</td>
</tr>
<tr>
<td>2. Paying tax</td>
<td>✔</td>
</tr>
<tr>
<td>3. Meeting registration requirements</td>
<td></td>
</tr>
<tr>
<td>4. Pollution avoidance</td>
<td>✔</td>
</tr>
<tr>
<td>5. Energy use efficiency</td>
<td>✔</td>
</tr>
<tr>
<td>6. Water use efficiency</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Prepared by the researcher

Table 4.45 shows that the majority of SMEs (4/6) indicated paying tax as one of their main legal CSR activity while 50% of the SMEs reported that charging gazette prices as one of their main legal CSR activity. Other legal CSR activities reported were meeting registration requirements, pollution avoidance, and the economic use of energy and water.
4.13.8 Results eight

Paying tax is one of the most significant legal CSR activities of SMEs in Zimbabwe.

Table 4.46: Economic CSR activities

<table>
<thead>
<tr>
<th>Responses</th>
<th>CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SME 1</td>
</tr>
<tr>
<td>1. Charging gazette prices</td>
<td>✓</td>
</tr>
<tr>
<td>2. Making profit</td>
<td>✓</td>
</tr>
<tr>
<td>3. Provision of accommodation for employees</td>
<td></td>
</tr>
<tr>
<td>4. Paying satisfactory salaries</td>
<td></td>
</tr>
<tr>
<td>5. Training employees</td>
<td></td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

Table 4.46 shows that 50% of SMEs said that creating employment is one of their main economic CSR activities; 50% showed that making profit is one of their main economic CSR activities; \( \frac{1}{6} \) showed that the provision of accommodation for employees was their key economic CSR activity; \( \frac{1}{6} \) showed that payment of satisfactory salaries was one of their main economic CSR activities; while 2/6 showed that the training of employees was their key economic CSR activities.
4.13.9 Results nine

Making profit is a key economic CSR activity for SMEs in Zimbabwe.

Table 4.47: Ethical CSR activities

<table>
<thead>
<tr>
<th>Cases</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>Helping people in the area.</td>
</tr>
<tr>
<td>SME 2</td>
<td>Donating goods and money to needy people.</td>
</tr>
<tr>
<td></td>
<td>Supporting local schools.</td>
</tr>
<tr>
<td>SME 3</td>
<td>Donations of computers to schools.</td>
</tr>
<tr>
<td></td>
<td>Repairing computers for free.</td>
</tr>
<tr>
<td>SME 4</td>
<td>Donations to the needy in society.</td>
</tr>
<tr>
<td>SME 5</td>
<td>Donations.</td>
</tr>
<tr>
<td>SME 6</td>
<td>Donations in cash and kind.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

From the data presented in Table 4.47, most SMEs (5/6) indulged in donations in cash or kind and these were their key ethical CSR activities.

4.13.10 Results ten

Donations are key ethical CSR activities of SMEs in Zimbabwe.

Table 4.48: RQ4 Summarised Results

| 1. | Paying tax is one of the most significant legal CSR activities of SMEs in Zimbabwe. |
| 2. | Making profit is a key economic CSR activity of SMEs in Zimbabwe.                  |
| 3. | Making donations is a key ethical CSR activity of SMEs in Zimbabwe.                |

Source: Prepared by the researcher.
Table 4.49: Legal barriers to CSR

<table>
<thead>
<tr>
<th>Case</th>
<th>Ignorance of the law</th>
<th>Lack of CSR policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 2</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 3</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SME 4</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 5</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 6</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Prepared by the researcher

Table 4.49 shows that ignorance of the law is noted as the most important barrier to legal CSR in Zimbabwe.

4.13.11 Results eleven

Ignorance of the law is the major barrier to legal CSR.

Table 4.50: Economic barriers to CSR

<table>
<thead>
<tr>
<th></th>
<th>Money</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 2</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SME 3</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 4</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 5</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 6</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Prepared by the researcher

Table 4.50 shows that the most cited economic CSR barrier is money.
4.13.12 Results twelve

Money is the most important barrier to economic CSR.

Table 4.51 Ethical barriers to CSR

<table>
<thead>
<tr>
<th></th>
<th>Information on CSR not shared</th>
<th>Inability to appreciate the value of CSR</th>
<th>Poor owner/manager attitude to CSR</th>
<th>No education on CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME 1</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SME 2</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SME 3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SME 4</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SME 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SME 6</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

The data in Table 4.51 shows that all of the SMEs (6/6) indicated that poor owner/managerial attitude to CSR was an important barrier to ethical CSR while a number of SMEs (5/6) indicated that inability to appreciate the value of CSR was another important ethical CSR barrier. SMEs (3/6) indicated that lack of education on CSR was yet another ethical barrier to CSR while 3/6 SMEs indicated that unshared information on CSR was a barrier to ethical CSR. From the data in Table 4.51 it can be concluded that poor owner/managerial attitude to CSR is a key barrier to ethical CSR.

4.13.13 Results thirteen

Poor owner/managerial attitude is a key barrier to ethical CSR in Zimbabwe.

Table 4.52: RQ5 Results Summarised

<table>
<thead>
<tr>
<th>Case</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Ignorance of the law is the major legal barrier to CSR.</td>
</tr>
<tr>
<td>2.</td>
<td>Money is the most important economic barrier to CSR.</td>
</tr>
<tr>
<td>3.</td>
<td>Poor owner/managerial attitude is a key ethical barrier to CSR.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
Table 4.53: Results of RQ1 – RQ5

<table>
<thead>
<tr>
<th>RQ</th>
<th>Results</th>
</tr>
</thead>
</table>
| 1. What meaning is attached to CSR by SMEs in Zimbabwe? | 1. SMEs in Zimbabwe attach many meanings to CSR.  
2. SMEs in Zimbabwe define CSR in terms of what they do in CSR. |
| 2. What is the impact of CSR practices on the operations of SMEs in Zimbabwe? | 1. SMEs consider CSR as having economic benefits.  
2. SMEs consider CSR as an expense  
3. SMEs consider CSR as having a positive influence on employees. |
| 3. What are the legal, economic factors that motivate SMEs to engage in CSR? | 1. The need to comply with government law is a legal factor that motivates SMEs to engage in CSR.  
2. SMEs that negate legal CSR violate government laws.  
3. Profit is an economic factor that motivates SMEs to engage in CSR.  
4. SMEs that negate economic CSR suffer loss of profit.  
5. Community support is an ethical factor that motivates SMEs to engage in CSR.  
6. SMEs that negate ethical CSR lose community support. |
| 4. What are the legal, economic and ethical activities undertaken by SMEs in Zimbabwe? | 1. SMEs consider paying tax as their key legal CSR activity.  
2. SMEs consider making profit as their key economic CSR activity.  
3. SMEs consider making donations as their key ethical CSR activity.  
4. SMEs in Zimbabwe engage in legal, ethical economic and CSR practices. |
| 5. What are the legal, economics and ethical barriers to CSR practices by SMEs in Zimbabwe? | 1. SMEs consider ignorance of the law as the major barrier to legal CSR practice.  
2. SMEs consider money as their major economic barrier to CSR practices.  
3. SMEs in Zimbabwe consider managerial attitudes as major barriers to ethical CSR. |

Source: Prepared by the researcher
4.14. New ideas generated by the study

Table 4.54 New ideas generated by the study

<table>
<thead>
<tr>
<th></th>
<th>NEW INSIGHTS GENERATED BY THE STUDY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SMEs in Zimbabwe attach many meanings to CSR.</td>
</tr>
<tr>
<td>2.</td>
<td>SMEs that negate economic CSR suffer loss of profit.</td>
</tr>
<tr>
<td>3.</td>
<td>SMEs that negate legal CSR violate government laws.</td>
</tr>
<tr>
<td>4.</td>
<td>SMEs that negate ethical CSR lose community support.</td>
</tr>
<tr>
<td>5.</td>
<td>SMEs in Zimbabwe engage in legal, economic and ethical CSR practices.</td>
</tr>
<tr>
<td>6.</td>
<td>SMEs consider ignorance of the law as the major legal barrier to CSR practice.</td>
</tr>
<tr>
<td>7.</td>
<td>SMEs consider unshared information on CSR as an ethical barrier to CSR.</td>
</tr>
<tr>
<td>8.</td>
<td>CSR practices in SMEs in Zimbabwe are not formalised.</td>
</tr>
<tr>
<td>9.</td>
<td>Managerial attitude is a major barrier to CSR practices by SMEs in Zimbabwe.</td>
</tr>
<tr>
<td>10.</td>
<td>CSR practices in SMEs in Zimbabwe are not supported by appropriate knowledge and information.</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

4.15 Summary

In chapter four, the quantitative data was presented in the form of frequency tables, bar-graphs and pie-charts. The Chi-square was used to measure the association between economic and ethical CSR activities and firm performance as measured by sales revenue per year. Qualitative data was presented in tabular form and the reduction method was used to analyse data. The results of both quantitative and qualitative research were summarised and presented in tabular form. Quantitative data was presented using the order of the research questions (RQ1-RQ5). A 73% response rate was registered for quantitative research. Qualitative data was also presented using the order of the research questions (RQI-RQ5) and both descriptive and inferential statistics were utilised in this study. Chapter Five will discuss the results of the study.
CHAPTER FIVE:
DISCUSSION OF RESULTS

5.0 INTRODUCTION

The purpose of Chapter five is to discuss the results of the study, generated by the mixed research methodology. Therefore the five research questions are outlined and the results generated from each research question are discussed. The discussion relates each of the results to the literature on CSR and the research problem. The discussion further highlights new ideas generated by the study. Explanations are given as to the implication of the results for theory, research and managerial practice.

5.1 DISCUSSION OF RESEARCH QUESTION ONE

5.1.1 RQ1: What meaning is attached to CSR by SMEs in Zimbabwe?

The question intended to investigate the meaning attached to CSR by SMEs in Zimbabwe. This question is well related to the research problem. The results of both qualitative and quantitative research show that SMEs in Zimbabwe attach several meanings to the concept of CSR. The results are supported by the literature for this study and the literature on CSR. These results are consistent with the findings of Wan Saiful and Wan-Jan (2006: 176) who concluded that there is no standard definition for CSR. Rahman (2011: 166) has observed that the history of CSR is inundated by many definitions of CSR. The concept of CSR is explained in different ways by different authors in various geographical locations (Dahlsrud, 2006; Hadi Rasoulzadeh et al., 2013: 37). Maignan and Ferrell (2004) in Nguyen Phurong Mai (2013: 67) argue that “....in an attempt to accurately define the concept of CSR no single conceptualisation has dominated past research”. This shows that there is no standard definition for CSR in Zimbabwe. SMEs in Zimbabwe define CSR in terms of what they do in CSR. For instance those who donate to charity define CSR as donation to charity. This is a new idea in CSR practices by SMEs in Zimbabwe. The implication of this to managerial practice is that SMEs managers can use the CSR meanings they are familiar with to create CSR objectives and CSR policy for their organisations. This new idea is important for the researchers on CSR as it stimulates further research and academic discourse on the relationship between the meaning attached to CSR by SMEs in Zimbabwe and the nature of CSR activities undertaken by SMEs.
The various definitions of CSR given in this study include: taking steps to preserve the environment, producing quality goods and services, addressing the welfare of employees, corporate governance and donations to charity. According to Rahman (2011:173) the concept of CSR is understood in many ways. In the 21st century CSR has assumed a number of meanings, such as, business ethics, corporate governance, labour rights, citizen rights, combating corruption, disclosure and accountability and sustainability (Rahman, 2011:173) Petcu et al (2010:846) presents some other terms that are used to define the concept of CSR. These terms are community relations, public policy and community support. Karin Stahl (2009:7) argues that the fact that the concept of CSR is known in many ways means that CSR activities and practices cannot be accepted to be the same in different companies. The nature of the industry and the different companies affect the way the CSR practices are understood and practiced (Karin Stahl, 2009:7).

Jamali and Sdiani (2014:311) argue that ‘religiosity’ is sometimes used in some parts of the world to define the concept of CSR. According to Jamali and Sdiani (2013:311) SMEs managers who subscribe to some form of religion may define CSR as giving a helping hand, family solidarity, being a good Samaritan and brotherhood. Vitell et al (2008:602) defines religiosity as “the degree to which an individual is a religious person apart from his/her particulars religions, beliefs and the way those beliefs are manifested.” Basil and Weber (2006) explain that religiosity and CSR are highly linked in that religiosity is associated with values of “caring, generosity, family oriented and loyal.” According to Basil and Weber (2006) SMEs manager who came from certain religious backgrounds may define CSR as, “caring, generosity or loyalty to duty.”

These meanings are based on three CSR dimensions, namely, legal CSR, economic CSR and ethical CSR. Table 4.45 shows that the majority of SMEs (4/6) indicated paying tax as one of their main legal CSR activity while 50% of the SMEs reported that charging gazette prices as one of their main legal CSR activity. Other legal CSR activities reported were meeting registration requirements, pollution avoidance, and the economic use of energy and water. Table 4.46 shows that 50% of SMEs said that creating employment is one of their main economic CSR activities; 50% showed that making profit is one of their main economic CSR activities; 1/6 showed that the provision of accommodation for employees was their key economic CSR activity; 1/6 showed that payment of satisfactory salaries was one of their main economic CSR activities; while 2/6 showed that the training of employees was their key
economic CSR activities. From the data presented in Table 4.47, most SMEs (5/6) indulged in donations in cash or kind and these were their key ethical CSR activities. The results of the study show that SMEs in Zimbabwe are more familiar with ethical CSR than legal and economic CSR. This is evidenced by the fact that the majority of the SMEs (70, 1%) defined CSR as donations to charity. Thus the meanings attached to CSR by SMEs in Zimbabwe relate well to the Three Domain Theory of Schwartz and Carroll (2003: 508) that give the functions of CSR as being economic, ethical and legal.

5.2 DISCUSSION OF RESEARCH QUESTION TWO

5.2.1. RQ2: What is the impact of CSR practices on the operations of SMEs in Zimbabwe?

The question sought to investigate the effect of CSR practices on the operations of SMEs in Zimbabwe. This question relates well to the research problem. The results of both qualitative and quantitative research show that SMEs in Zimbabwe consider CSR as having economic benefits. The results are supported by the literature on CSR. Studies by Mazurkiewics et al. (2006) revealed that CSR practices result in increased sales and profits. There is a strong link between CSR and the financial performance of the firm (Frooaman, 1997; Oltitzky and Benjamin, 2001, Margolis et al., 2007; Lev et al., 2010 and Oliver, 1999). However, the results of this study sharply contradict the findings of McWilliams and Siegel (2000), Margolis and Walsh (2003) that there is a link between CSR practices and firm performance. Halpner et al. (2010), and Lev et al. (2010) confirm that the relationship between CSR practices and firm performance is not conclusive. The implication of the results for this study are that the impact of CSR practices on the operations of SMEs are far from being conclusive because there is no agreement among researchers on RQ2. This means that the answers given to RQ2 by SMEs in Zimbabwe are not practical and more research in this area is needed to provide new insights into the problem being created by RQ2.

SMEs in Zimbabwe consider CSR as having a positive influence on employees. These results are supported by the literature. Workers in CSR-practising companies copy the good behaviour of their management and develop strong feelings of love and respect for the management (Albinger and Freeman, 2000; Peterson, 2004; McGuire et al., 1998; Nowaday et al., 1982; Zafar and Farrooq, 2014). However, Balmer and Creyson (2002), Aguilera et al. (2007) and Ashforth and Mael (1989) argue that CSR has no impact on employee behaviour
and attitudes. Once again there is no conclusive answer on whether CSR influences employees positively. Here we are talking about employees whose interests in the organisation are pegged on salary, security, satisfactory working conditions, and prestige. Therefore when employees accept CSR practices in their organisation they do so not because CSR has influenced them but because they want to avoid unnecessary conflict with the employer in order to continue to enjoy a stream of benefits flowing from perhaps a good salary earned at the end of the month.

The results of the question also show that SMEs in Zimbabwe consider CSR as an expense. These results are supported by the literature and the research problem. The results of the Chi-Square Tests in Tables 4.10; 4.11; 4.12; 4.13 and 4.14 reveal that the formalisation of CSR practices in terms of having a CSR policy and publishing CSR reports has the effect of decreasing sales revenue in the long run. Getting more and more formal means more resources (human, financial and material) are committed to doing CSR. Formalisation of CSR in the long run means creating separate budgets for CSR, having a separate specialised department to implement CSR, more involvement of workers, having a CSR policy and rigorous CSR planning. SMEs in Zimbabwe are struggling to survive due to lack of adequate funding and the majority of SMEs are serving the local market. CSR programmes require additional funding which is already missing from the SMEs matrix. To that end formalisation of CSR may decrease the profits of SMEs. This practice tends to reduce sales revenue. Some authors believe that CSR practices have a positive effect on the company’s ability to increase its sales and profits (Gupta and Sharma, 2009; Aras et al. 2005). Holiday et al. (2002) in Nurn and Tan (2010: 367) argue that CSR practices help companies to reduce operational costs as a result of “an increase in internal efficiencies arising from higher CSR...” However the results of this study reveal that CSR practices have a negative effect on sales revenue. The results of this study also revealed that Economic and Ethical CSR activities of SMEs in Zimbabwe have no impact on the operations of SMEs in Zimbabwe. The implication of these findings for CSR practice is that SMEs in Zimbabwe do not deliberately do CSR activities to boost performance. Perhaps CSR is considered as a voluntary activity that creates no benefits for the firm.
5.3 DISCUSSION OF RESEARCH QUESTION THREE

5.3.1 RQ3: What are the legal, economic and ethical factors that motivate SMEs to engage in CSR practices?

The question is suitable for the research problem. The results of this research question reveal that factors, such as the need to comply with government laws, the need to make profit, and the need to support the community, are all factors that motivate SMEs to engage in CSR activities. These results are supported by the literature. The results of the question are also consistent with the three responsibilities: legal, economic and ethical, as outlined by the Three Domain Model (Schwartz and Carroll, 2003: 508). The literature on CSR shows that there are many factors that motivate SMEs to engage in CSR practices (Currin, 2012). The factors that seem to attract the attention of researchers most, are the legal, economic and ethical factors (Carriga and Mele, 2004; Currin, 2012).

Adyemo et al. (2013) and Wood (1991) have observed that SMEs are forced by government to adopt legal CSR. Li-Wen (2010) states that Chinese SMEs are required by law to adopt production strategies that do not threaten animal, plant and human life. In fact SMEs are required by law to ensure that their operations do not generate air, water and land pollution (Lyon and Maxwell, 2008). SMEs in the chemical industry are required to show more responsibilities in the way they manage pollution levels (Smith, 1991).

Economic considerations also put pressure on SMEs to embrace the CSR agenda (Lin Chi Vo, 2011; Long et al., 2005; Williamson et al., 2006; and Rahim et al., 2011). Economic motives like making profits are the primary drivers of economic CSR in Africa (Visser, 2006). Garriga and Mele (2004), Davis (1973) and Marinoto et al. (2005) concur that SMEs may engage in economic CSR in order to make more profits. Most of the countries in Africa are characterised by massive unemployment, economic stagnation, hunger and diseases (Visser, 2006; 299; Commission for Africa, 2005). However, Visser (2006b: 42) points out that Legal CSR is given “a lower priority than in developed countries.”

The literature on CSR has also shown that SMEs are pushed to accommodate CSR concerns by culture and religion (Long et al., 2005; Williamson, 2006; Rahim et al., 2011). Religions such as Hinduism, Buddhism, Islam and Christianity have long-standing traditions of helping the needy in society (Visser, 2006). Studies by Graafland, Van de Ven and Stofelle (2002) reveal that SMEs engage in CSR for ethical reasons. Similar studies by Conctius (2006)
reveal that SMEs adopt CSR practices because they want to project a good name in society. On the contrary, studies by Jenkins and Hines (2003) have shown that ethical CSR does not exert much pressure on SMEs to engage in CSR. These findings are also consistent with the findings of Visser (2006) that, in Africa, economic CSR is highly regarded compared to both ethical and legal CSR. These findings are important to SMEs managers who need to prioritise their CSR practices in accordance with the dictates of the environment. It is important to note that CSR practices should not be undertaken haphazardly. There is a need on the part of SMEs managers to strategise their CSR programmes with the objective of concentrating on those CSR activities that employ their capabilities. In this way CSR practices become meaningful.

The question on the factors that motivate SMEs to engage in CSR practices is well connected to the Three Domain Theory by Schwartz and Carroll (2003: 508). The Three Domain Theory proposes that legal, economic and ethical considerations are the most important factors that motivate SMEs to engage in CSR practices. In Saudi Arabia legal factors are the most important drivers of CSR practices by SMEs because the religion of the country sanctions the operations of all companies (Nalband and Kelabi, 2014: 237). Legal and ethical factors are the major drivers of CSR in Bangladesh, possibly because Bangladesh is exposed to the risk of ocean floods and therefore the government and all companies have a legal responsibility to protect the environment from climatic changes (Uddin et al., 2008: 204). Economic factors are the most important factors that motivate SMEs to embrace the CSR agenda in most African countries because of economic stagnation “that characterise most African countries”(Visser,2006:42). According to Visser (2006: 42) legal CSR is not a major driver of CSR among SMEs in Africa because “it is far less of a pressure for good conduct”. All the SMEs indicated the implication for doing or not doing legal CSR. The responses given are similar although expressed differently. The implication for doing legal CSR were indicated as follows, 1) to avoid litigation, 2) to comply with national laws, 3) to comply with national laws, 4) to avoid conflict with employees, 5) to comply with government laws and, 6) to follow government laws. The response given by SME 4 may have originated from a legal conflict with an employee although not expressed.

The majority of SMEs indicated that the implication for not doing legal CSR was that the company would violate government laws. The responses were: 1) company in danger of being sued by employees, 2) risks violating national laws, 3) likely to charge wrong prices, 4)
risks violating government law and, 5) risks not following government law. SMEs 1, 3 and 4 had slightly different responses which were more specific. The responses were, 1) company in danger of being sued by employees, 3) likely to charge wrong prices and 4) risks being sued by employees.

The majority of SMEs (3/6) indicated that the economic implication of doing CSR was: 1) to get customer support, 2) to attract more customers and 3) to get more customers. SMEs 3 and 6 indicated that the economic implication of doing CSR was to make profits. Their responses were: 1) to increase profits for shareholders and 2) to make profits. SME 5 indicated that the economic implication of doing CSR was to provide employment for job seekers. The issue of customer support translates into an increase in sales and hence an increase in profits. Therefore the responses given by the majority of SMEs (5/6) indicate that the economic implication of doing CSR is to make profits.

The majority of SMEs (3/6) indicated that the economic implication of not doing CSR was, 1) customer boycotts, 2) loss of customers, and 3) loss of customers. SMEs (2/6) indicated that the economic implication of not doing CSR was: 1) loss of profit and 2) loss of profit. SMEs 3 indicated that the economic implication of not doing CSR was ‘conflicts between shareholders and the board of directors’. From the data in Table 4.42 it can be inferred that the economic implication of not doing CSR is loss of profit.

The majority of SMEs (3/6) indicated that the ethical implications of doing CSR were: 1) to get the support of the immediate community, 2) to get community support and 3) to attract community support. SMEs 1 and 3 indicated that the ethical implication of doing CSR was; 1) to render help to the community around us and 2) to meet community demands. SME 2 indicated that the ethical implication of doing CSR was to get a good name from society. The varied responses given by SMEs focus on helping our communities, sprucing company image, meeting community demands and getting community support, all of which are forms of getting community support.

The majority of SMEs (3/6) all indicated that the ethical implication of not doing CSR was a loss of community support. SMEs 1 and 2 indicated that the ethical implication of not doing CSR was: 1) bad image and 2) given a bad name. SMEs 3 indicated that the ethical implication of not doing CSR was unnecessary hostility.

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RQ3 generated some new insights into the factors that motivate SMEs to engage in CSR practices. It was noted by the respondents that SMEs who negate legal CSR do their CSR practices in violation of government legislation. This is important for SMEs managers who should attach value to legal CSR even though legal CSR is not given the needed respect in Africa due to weak legislation (Visser, 2006). Another new idea generated by RQ3 was that SMEs that negate economic CSR suffer a loss of profit and this result has important lessons for SMEs managers in Zimbabwe. CSR practices, when done properly, have some economic returns in the long run (Visser, 2006; Garriga and Mele, 2004; Davis, 1973; Marinoto et al., 2005; Visser, 2006; Garriga and Mele, 2004; Davis, 1973; Marinoto et al., 2005). This study further noted that SMEs that negate ethical CSR suffer loss of community support.

5.4 DISCUSSION OF RESEARCH QUESTION FOUR

5.4.1 RQ4: What are the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe?

The question is derived from the research problem. The results of this study show that complying with laws is a key legal CSR activity by SMEs in Zimbabwe; profit making is a key economic CSR activity undertaken by SMEs in Zimbabwe; and finally, making donations in cash or kind is a key ethical CSR activity undertaken by SMEs in Zimbabwe. The results of the study are strongly supported by the theoretical underpinnings of this study and the literature on CSR. Rahim et al. (2011), Schwartz and Carroll (2003) and Jenkins (2006) divide CSR activities of SMEs into economic, legal and ethical activities. Further evaluation of the results show that the CSR activities of SMEs in Zimbabwe can actually be grouped into the same three areas, namely, legal CSR, economic CSR and ethical CSR as demonstrated by the Three Domain Theory of Schwartz and Carroll (2003: 508). Conchius (2006) in Rahim et al. (2011: 123) lists some of the most important legal CSR activities that SMEs undertake. These activities include implementing “consumer laws, environmental laws, employment laws and competition laws.”

According to Wayne Visser (2006:42) legal CSR activities in Africa are a luxury because the judiciary systems are politically handicapped to carry out their duties effectively. Perrini et al. (2007) and Santos (2011) have observed that the management of the environment is a major
legal CSR activity of most SMEs in the industrialised countries of Europe. Munasinghe and Malku-mari (2012: 170) carried out a study on the most common environmental activities of SMEs in Sri Lanka and their results were quite interesting. The study managed to assemble the following legal CSR activities: “waste reduction, environmental friendly packaging….., and energy conservation”.(Cooper et al., 2001; Carlisle and Faulkner (2004) in Munasinghe and Malkumari, 2012: 170).

Rahim et al. (2011: 122) showed that “making profit” is a key economic CSR activity among SMEs. Other activities that constitute economic CSR include, charging fair prices, giving reasonable salaries to workers and meeting the interests of stakeholders (Rahim et al., 2011: 122; Carroll, 1979). The literature on SMEs and CSR reveal that SMEs in Europe create employment for the population and produce goods and services needed by society (Morsing and Perrini 2009; Luetkenhost, 2004). The literature on CSR has shown that economic CSR remains the highest priority activity among firms in Africa.

In 2003, Anglo American contributed immensely to most African economies by making economic CSR investments (Visser, 2006: 38-39). In return, most African countries (including Zimbabwe) benefitted in terms of employment creation, technology transfers, construction of bridges and roads and the introduction of new products (Anglo-American, 2003; Visser, 2006: 38-39; Nelson, 2003). Economic CSR activities are given a top priority in Africa (Crane and Matten, 2004; Visser, 2006: 38). Figure 4.20 shows that the cited economic CSR activities are making profits for the firm (26.4%); building houses for employees (12.4%); charging fair prices (13.9%); producing quality goods and services (10.9%); creating employment (8.5%); training of staff (7.0%); giving reasonable salaries (9.5%) and improving company performance (11.4%). The majority of the respondents 53 (26.4%) cited making profits as the key economic CSR activity. Such economic CSR activities are relevant to Zimbabwe given that the country suffers from ‘economic stagnation’ massive unemployment and abject poverty (Commission for Africa, 2005; Visser, 2006: 38 – 39).

Jenkins (2006), Long et al. (2005), Sweeney (2007) in Linh Chi Vo (2011: 92) describe the ethical CSR activities of SMEs as “working free of charge for charities, making charitable donations and recycling initiatives”. Morsing and Perrini (2009) agree that most SMEs, especially those in Zimbabwe, consider CSR practices to be unproductive and that their
participation in ethical CSR activities is far from being voluntary. These sentiments are supported by Crane and Matten (2004) in Visser (2006b: 44) who note that, “In Africa, however, ethics seem to have the least influence on the CSR agenda”. Blomback and Wingren (2009) further argue that SMEs do not have well documented strategies for implementing CSR activities. Figure 4.21 shows that the cited ethical CSR activities are making donations in cash or kind 86 (42.8%), involvement with non-governmental organisations and religious groups 20 (10.0%), sponsoring the education of disadvantaged children 22 (10.9%), looking after old people 16 (8.0%) and community development works 17 (8.5%). These ethical CSR activities are relevant to Zimbabwe. Zimbabwe is a developing country that needs a lot of local and international support in terms of food, clothes, accommodation, clean water, quality education and quality medical services (Crane and Matten, 2004; Visser, 2006).

It must be noted that CSR is a new practice in Africa and it is difficult to separate CSR practices from the dominant political ideology of the country (Amaeshi et al., 2006 in Kwasi Darney-Baar and Kwesi Amponsah-Tawiah, 2011). In other words, the adoption of CSR practices is affected by the politics of the country. At global level, CSR is associated with democracy, good governance, human rights and free and fair elections (Amaeshi et al., 2006 in Kwasi Darney-Baar and Kwesi Amponsah-Tawiah, 2011). However, African governments have found it difficult to adopt these ideas. The CSR activities have often been questioned or stopped completely when it was discovered that such activities advanced the objectives of opposition political parties. Therefore political polarisation has made it difficult for organisations to implement meaningful legal, economic and ethical CSR, especially in Zimbabwe.
5.5 DISCUSSION OF RESEARCH QUESTION FIVE

5.5.1 RQ5: What are the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe?

The question is highly correlated with the research problem. The results of the research question show that weak government laws on CSR and ignorance of the law are major barriers to legal CSR practices by SMEs in Zimbabwe. Money is a major barrier to economic CSR practices by SMEs in Zimbabwe. Attitudes of SMEs owners are a major barrier to ethical CSR practices by SMEs in Zimbabwe. The results of the question are supported by the literature on CSR. Figure 4.25 shows the cited legal barriers to CSR are weak government laws 54 (26.9%), ignorant of the law 34 (16.9%), we are not forced by law to do CSR( 39 (19.4%) we do not have a CSR department to enforce CSR 42 (20.9%) and others are not doing it why us 32 (15.9%).

Some SMEs in developing countries face specific barriers to legal CSR practices due to ignorance of the law on environmental protection (Will, 2003:6; Brouwers, 2010; Shirlaws, 2007; Condon, 2004; Simpson et al., 2004). Some authors argue that SMEs have problems in managing pollution because they do not know anything about the dangers of pollution (Hillary, 2000: 18-19; Condon, 2004; Simpson et al., 2004). Barriers to the adoption of legal CSR practices can also be motivated by weak and inefficient judiciary systems in a country (Visser, 2007; Visser, 2006b; Mwaura, 2004). In some cases, it is difficult for African countries to force companies (small or big) to be socially responsible as “government capacity for enforcement remains a serious limitation, and reduces the effectiveness of legislation”as an important legal CSR activity(Visser, 2007: 491; Visser, 2006b: 42).

The literature on CSR has shown that SMEs in developing countries have had a fair share of their problems when it comes to the adoption and implementation of CSR practices (Ramukumba, 2013:24) according to Ramukumba (2013:24) some of these problems include:

- Lack of managerial skills,
- Lack of funding,
- Inability to obtain credit facilities,
- Access to markets,
- Poor relationships with customers,
- Poor product quality,
Poor government support.

Myles (2010) explain that SMEs may find it difficult to adopt and implement CSR practices due to lack of funds, poor customer base and inability to make meaningful corporate plans.

Mazanai and Fatoki (2012) point out that government support is needed in order to enable SMEs to implement CSR programmes successfully. Mazanai and Fatoki (2012) acknowledge that the government of South Africa has made concerted effort to help SMEs by providing financial and human resources. Mazanai and Fatoki (2012) believe that the government of South Africa is not doing enough to support and enable SMEs to adopt CSR practices.

The government of Zimbabwe has acknowledged the need to support SMEs and to provide the needed resources that would enable SMEs to adopt meaningful CSR practices, (Reserve Bank of Zimbabwe Report, 2014). In 2006 the reserve bank of Zimbabwe together with other companies created “The Financial Inclusion Framework” with the sole purpose of increasing the funding of the operation of SMEs (Government of Zimbabwe, 2014) the Reserve Bank of Zimbabwe noted with concern that any support by the government to provide financial leverage to the operations of SMEs failed (Government of Zimbabwe 2014)

The Reserve Bank of Zimbabwe (2014) explains the strategic role played by the banking sector in funding SMEs operations and in encouraging SMEs to adopt and implement CSR practices:

a) Negotiating off-show lines of credit,

b) Introduction of viability-based lending,

c) Reduction of savings account charges,

d) Technical training of bank staff in SME financing,

e) Provision of SME training workshops, and

f) Customization of credit policies to suit SMEs needs.

Figure 4.26 shows the cited economic CSR barriers, that include, lack of money 55 (27.4%); SMEs are too small to do CSR, 49 (24.4%), CSR has no tangible results 21 (10.4%) ,CSR is an expense 20 (10.0%) and employees lack skills to implement CSR 18 (9.0%). Results, such as, lack of money, SMEs are too small to do CSR, CSR has not tangible results, CSR is an
expense, all point to the fact the SMEs are constrained by financial resources to carry out meaningful CSR. Moyeen and Courvisanos (2012) argue that SMEs are constrained by factors of money, time and human resources. They further state that SMEs are too small to implement the CSR agenda. This statement is categorically refuted by many writers who do not consider size as an obstacle to CSR adoption (Castka et al., 2004; Vives, 2006 in Moyeen and Courvisanos, 2012).

Figure 4.27 shows the cited ethical CSR barriers that include poor CSR corporate culture, 35 (17.4%), employees do not support CSR 45 (22.4%), it is government duty to help its citizens 53 (26.4%) and people must be self-reliant 36 (17.9%). All these results reflect the attitude of SMEs owners to the adoption of CSR practices. Such attitudes are not conducive to the development and implementation of CSR programmes by SMEs in Zimbabwe. Castka et al. (2004) in Alsson (2007) acknowledge that the main barriers to CSR adoption by SMEs in developing countries, including Zimbabwe are attitudinal. SMEs that have adopted CSR practices do not believe that money and time resources are a barrier to CSR adoption (Castka et al., 2004). Some authors think that most SMEs do not have correct information about CSR (Roberts et al., 2006; Arevalo and Aravind, 2011). These sentiments are echoed by SMEs in Zimbabwe who noted with concern that big companies in Zimbabwe do not share CSR information with small companies and that there is no education at all on CSR. The implication of this result is that the SMEs managers who do not have adequate information on CSR continue to harbour negative attitudes towards CSR. Furthermore, the SMEs owners who continue to harbour wrong attitudes towards CSR have no respect for government legislation on legal CSR.
5.6 SUMMARY

The purpose of Chapter five was to discuss the results of the study, generated by the mixed research methodology. Therefore the five research questions were outlined and the results generated from each research question were discussed accordingly. The discussion related each of the results to the literature on CSR and the research problem. The discussion further highlighted new ideas generated by the study. Explanations were given as to the implication of the results for theory, research and managerial practice.
CHAPTER SIX:
CONCLUSIONS AND RECOMMENDATIONS

6.0 INTRODUCTION

This study sought to investigate corporate social responsibility practices in small to medium enterprises in Zimbabwe. Therefore the mixed research approach was adopted in order to accommodate the qualitative and quantitative concerns of this study. Five research questions were prepared for quantitative research and interview questions were prepared for qualitative research. The results obtained from both quantitative and qualitative data were analysed and presented in Chapter four and discussed in Chapter five. The purpose of Chapter six is to make relevant conclusions based on the results discussed in Chapter six and to make relevant recommendations on the basis of the given conclusions. Finally suggestions are made as to CSR areas that need further research.

6.1 CONCLUSIONS

6.1.1 Conclusion one

This study established that SMEs in Zimbabwe attach many meanings to the concept of CSR. The majority of SMEs associate the meaning of CSR with donations to charity. This means that ethical CSR is seen as the meaning of CSR. Other meanings of CSR are attached to legal CSR and economic CSR. This lack of a clear meaning on CSR means that SMEs in Zimbabwe do not undertake strategic CSR. CSR is not guided by policy. The fact that the concept of CSR is known in many ways means that CSR activities and practices cannot be expected to be the same in different companies. The nature of the industry and the culture of the country housing the company affect the way CSR practices are understood and practiced (Karin Stahl, 2009).

6.1.2 Conclusion two

SMEs who participated in this study consider CSR as a programme that creates unnecessary expense in their operations. CSR is seen as something that has no quantifiable benefits to the organisation. It was also noted that SMEs do not deliberately do CSR to boost performance. CSR is done for survival purposes. Therefore an increase in the performance of SMEs can be
explained in terms of other factors outside CSR. SMEs in Zimbabwe have problems in formalising their CSR initiatives because formalisation of CSR means that more and more resources are needed to implement CSR programmes. SMEs in Zimbabwe do not have separate budgets for CSR due to lack of funds. The Government of Zimbabwe does not give incentives to encourage SMEs to adopt and implement more CSR programmes. SMEs in Zimbabwe do not have specialised departments to implement CSR. Workers are not involved in decisions pertaining to CSR and three approaches are used by SMEs to manage and implement CSR. The approaches used include, the leader-dominated approach, the priming approach and the facilitation approach. The most widely used approach is the leader-dominated approach and the second most patronised approach is the priming approach. These two approaches do not involve workers in CSR decision making processes. The least utilised approach is the facilitation approach which involves workers in CSR decision making process.

6.1.3 Conclusion three

This study noted that SMEs in Zimbabwe are forced by legal, economic and ethical factors to embark on CSR programmes. The most cited factors include the need to comply with national laws, the need to make profit and the need to plough back to the community. The implication of this to management in SMEs is that SMEs who negate legal CSR violate government laws; that SMEs who negate economic CSR suffer loss of customers hence reduced profits; and that SMEs who negate ethical CSR lose community support. Government laws on environment, labour, products, and prices become more effective when legal factors are the main drivers of CSR in SMEs. CSR practices by SMEs in Zimbabwe are not legislated and formalised. This means that SMEs are motivated by the need to protect themselves from the wrath of the law when they adopt and implement legal CSR, such as, payment of corporate tax, observation of environmental laws, charging of gazetted prices and meeting registration requirements. It is also further noted that the majority of SMEs in Zimbabwe do not serve the export market. This shows that they have a limited capacity to compete effectively in international markets and therefore their economic CSR activities are motivated more by the need to survive rather than the need to make profits in the long run.
6.1.4 Conclusion four

The CSR activities of SMEs in Zimbabwe are centred on three dimensions of CSR, namely, legal, economic and ethical CSR activities. The legal, economic and ethical CSR activities are compliance with government law, making profit and making donations to charity. Compliance with laws embraces the whole family of environmental, labour, tax, product and price laws. SMEs are affected by these laws in their operations. Therefore compliance with these laws must have a beneficial effect on their CSR practices. Making a profit is key to the survival of SMEs while community involvement means more stakeholders support. Legal responsibilities of SMEs in Zimbabwe do not stretch to such areas, as, incorporating human rights in their conduct, observing the need for peaceful elections, avoiding corruption and elimination of child labour abuses. The role of Government in motivating SMEs to engage in meaningful CSR is limited. The Government talks about the need to encourage the formation and the development of SMEs but does not have the resources and the infrastructure to support SMEs to adopt and implement effective CSR programmes. Zimbabwe has so many donors doing good CSR. Unfortunately the government does not trust the donors. The donors are always suspected of helping the so called need people for the sole purpose of recruiting more electorates for the opposition. SMEs owners or managers who have this knowledge of the relationship between donors and the Government may not want to fall into the same political conflict with the Government and this situation does not create a free environment in which SMEs can be motivated to adopt and implement legal, economic and ethical CSR.

6.1.5 Conclusion five

This study noted that SMEs in Zimbabwe are experiencing financial constraints and that the legal, economic and ethical CSR practices are added financial burdens to their operations. Time and size factors are negligible barriers to CSR practices by SMEs in Zimbabwe. Weak government laws and managerial attitudes are also important barriers to CSR practices by SMEs in Zimbabwe. It is also noted that SMEs in Zimbabwe do not have the capacity to measure the benefits of CSR programmes and this is a significant obstacle to CSR adoption. There is no effort on the part of government to mobilise educational resources to train SMEs on how to measure the benefits of CSR programmes. SMEs do not assist each other or share information pertaining to CSR adoption, CSR planning, CSR implementing and CSR evaluation. Another important obstacle to CSR adoption and implementation is the level of
understanding of CSR issues among SMEs in Zimbabwe. CSR is not only about giving donations, making profit and complying with government laws. CSR must be related to other issues, such as, democracy, human rights, corporate governance, and business ethics.

6.2 RECOMMENDATIONS

6.2.1 Recommendation one

SMEs in Zimbabwe are encouraged to adopt a strategic approach to CSR practices. This is possible when SMEs create a CSR department that creates and implements strategic CSR plans. Strategic CSR means adopting a CSR policy and reporting all CSR practices in the media. This arrangement would help SMEs to generate more information on CSR global practices and to clearly understand the meanings attached to CSR by other partners in business.

6.2.2 Recommendation two

SMEs in Zimbabwe should deliberately adopt CSR practices to enhance organisational performance. This means that SMEs in Zimbabwe should formalise their CSR practices in order to adopt a professional stance to CSR. Formalisation of CSR entails the incorporation of CSR objectives in mission statements, creating separate budgets for CSR, involving workers in CSR, having a specialised department that deals with CSR issues and making meaningful corporate plans. CSR should be treated as a serious matter of corporate governance.

6.2.3 Recommendation three

The government should introduce tax incentives for SMEs that adopt CSR practices. The government should, through appropriate legislation encourage SMEs at all levels to implement legal, economic and ethical CSR with the intention of boosting performance. CSR practices must be based on objectives that are used to implement legal, economic and ethical CSR.

6.2.4 Recommendation four

The legal, economic and ethical CSR activities of SMEs in Zimbabwe should move from the general to the specialised form. The legal, economic and ethical CSR activities should focus
on problems that are unique to Zimbabwe. Zimbabwe is affected by the HIV/AIDS pandemic, the cholera menace, malaria, unemployment and economic problems. These call for specialised CSR activities that are intended to address the above problems. Since the key barriers to CSR practices by SMEs in Zimbabwe are weak government laws, money and managerial attitude, the government should create a political environment that encourages SMEs managers to consider CSR as critical to their survival. CSR is a new practice in Zimbabwe. CSR originated from the Western World. SMEs need education and shared information on the significance of CSR and how the practice can be implemented in a country like Zimbabwe.

6.3 THEORETICAL IMPLICATIONS OF THE STUDY

The results of this study were analysed in line with the propositions of the Three Domain Theory of CSR. According to Schwartz and Carroll (2003: 508) the theory is based on three CSR responsibilities of companies. These CSR responsibilities are legal, economic and ethical (Schwartz and Carroll, 2003: 508). The data analysed in this study revealed that the factors that motivate SMEs to engage in CSR are divided into legal, economic and ethical factors. The results of the study also showed that the CSR activities of SMEs in Zimbabwe fall into legal CSR, economic CSR and ethical CSR. The most cited legal CSR activity was compliance with legislation, while the most cited economic CSR activity was making profit for the firm. The most cited ethical CSR activity was making donations in cash or kind to needy people. This study revealed that legal, economic and ethical CSR activities are being implemented by SMEs in Zimbabwe. Further analysis of data shows that the legal, economic and ethical barriers to CSR in Zimbabwe are premised on the structure of the Three Domain Theory.

Schwartz and Carroll (2003: 508) further divide the legal, economic and ethical CSR responsibilities into seven sub-groups of CSR. The CSR sub-groups actually merge and show that decisions made on CSR activities are not restricted to legal, economic and ethical CSR only. It is possible for SMEs to engage in both legal and economic CSR activities simultaneously. These CSR sub-groups are, “purely, legal, economic, legal, purely economic, economic/legal/ethical, ethical/legal, economic/ethical and purely ethical” (Schwartz and Carroll, 2003: 508). The legal CSR activities mentioned by SMEs related to the following activities: paying corporate tax, payment of tollgate dues, complying with Environmental Management Authority regulations, encouraging people not to cut down trees, avoiding
polluting the environment, waste management, water use efficiency and energy use optimisation. These legal CSR activities do overlap. For example, paying corporate tax may be both economic and legal activity in that corporate tax is revenue collection, hence economic CSR and paying tax is simply responding to legislation on tax.

The economic CSR activities mentioned by SMEs were: making a profit, building houses for employees, charging fair prices, producing quality goods and services, creating employment, training staff, provision of good salaries and improving company performance. These economic CSR activities are a mixture of economic/legal, purely economic, economic/legal/ethical and economic/ethical. For example, charging fair prices is both economic and ethical. Improving company performance is legal/economic and an ethical responsibility.

Ethical CSR activities mentioned buy SMEs are: making donations, involvement with non-governmental organisations, sponsoring the education of disadvantaged children, looking after old people, helping the government to fight criminal activities, related HIV training, refuse collection and community development works. These activities overlap. For instance, refuse collection is both a legal and an ethical CSR activity. Refuse collection is an environmental problem and addressing that problem may involve both legal and ethical considerations.

CSR practices in SMEs in Zimbabwe are guided by the Three Domain Theory. The CSR activities mentioned relate to the legal, economic and ethical dimensions of CSR as proposed by Schwartz and Carroll (2003: 508). The Three Domain Model helped the researcher to craft objectives that relate to the three constructs of CSR, namely, legal, economic and ethical. The results of this study are a product of both qualitative and quantitative research. The responses of interviewees showed that SMEs in Zimbabwe are engaged in legal, economic and ethical CSR activities. This means that SMEs in Zimbabwe can use the Three Domain Theory to make CSR decisions. The Three Domain Theory defines the legal, ethical and economic responsibilities of SMEs in Zimbabwe. Therefore, CSR practices of SMEs in Zimbabwe can only be understood in the framework of the Three Domain Theory.
6.4 CONTRIBUTION OF THE STUDY TO CSR PRACTICE

The results generated by this study are important for SMEs owners and managers in Zimbabwe. The results are also important for CSR practices by SMEs in Zimbabwe. The results have confirmed that SMEs in Zimbabwe engage in legal, economic and ethical CSR. SMEs in Zimbabwe consider CSR as a concept that has many meanings. In other words, there is no standard meaning for CSR in Zimbabwe. SMEs define CSR in respect of what SMEs do in CSR. SMEs in Zimbabwe consider CSR as an expense. Economic and ethical CSR activities of SMEs in Zimbabwe do not have an impact on the operations of SMEs. SMEs in Zimbabwe are motivated by the need to comply with legislation to engage in legal CSR. SMEs are motivated by the need to make profit to engage in economic CSR. SMEs are also motivated by the need to give back to the community to engage in ethical CSR. SMEs who negate legal CSR violate government laws while those who negate economic CSR suffer from loss of profit. SMEs who negate ethical CSR lose community support. Legal, economic and ethical CSR activities of SMEs in Zimbabwe include, complying with legislation, making profit and making donations respectively. The legal, economic and ethical barriers to CSR include weak government laws, money and managerial attitudes. The insights generated by this study help CSR practitioners to adopt creative CSR policies and strategies. The results can also be used to strengthen managerial capacity in crafting and implementing CSR programmes that are relevant to the legal, economic, and ethical CSR needs of Zimbabwe’s communities. The results of this study showed that SMEs need information and education related to CSR practices in Zimbabwe. This study provides that information.

6.5 CONTRIBUTION OF THIS STUDY TO KNOWLEDGE

The results of this study are used to confirm that SMEs in Zimbabwe engage in legal, economic and ethical CSR practices. These three CSR responsibilities are consistent with the three responsibilities proposed by the Three Domain Theory of Schwartz and Carroll (2003). This model is very much related to the four construct model of Carroll (1994) that has four responsibilities for CSR. The four responsibilities fall into legal, economic, Ethical and discretionary categories. However the discretionary dimension has been merged with the ethical dimension in the Three Domain Theory. This study was guided by the Three Domain Theory and the objectives and research questions of this study were constructed using the framework of the Three Domain Model. The Three Domain Model describes the three
constructs of legal, economic and ethical CSR considerations in CSR practices by SMEs in Zimbabwe. The mixed (quantitative and qualitative) approach was used in this study. The quantitative approach was used to confirm the relevance of the Three Domain Model to the practice of CSR SMEs in Zimbabwe. Indeed SMEs in Zimbabwe engage in legal, economic and ethical CSR practices. The qualitative approach generated new insights into the CSR practices by SMEs in Zimbabwe. During face to face interviews, SMEs owners and managers mentioned that information on CSR was not always available. Also, capacity building in SMEs on CSR practices was not always available and this situation created legal, economic and ethical barriers to CSR. CSR practices by SMEs in Zimbabwe were currently unknown and this study is important in that it is the first of its kind to define and describe the CSR practices by SMEs in Zimbabwe. Previous research studies in Zimbabwe investigated CSR in big companies. This study is the first of its kind to explore an area where very little was known. The results of this study will stimulate more research in CSR practices by SMEs in Zimbabwe.

6.6 FURTHER SUGGESTIONS FOR FUTURE RESEARCH

This study focussed on corporate social responsibility practices in small to medium enterprises in Zimbabwe. The study suggests that the following areas be investigated in order to generate more knowledge on corporate social responsibility practices by SMEs in Zimbabwe:

(a) The attitude of SMEs owners as a barrier to CSR adoption.
(b) The contribution of CSR programmes to the financial well-being of SMEs in Zimbabwe.
(c) The effect of formalising CSR in SMEs.

6.7 LIMITATIONS OF THE STUDY

This study was carried out in the Harare region of Zimbabwe. The study sought to investigate corporate social responsibility practices in small to medium enterprises in Zimbabwe. SMEs owners, managers or employees in some cases participated in this study. In Zimbabwe SME organisations are defined in many ways. This study defined an SME as an organisation which
is registered and has between one hundred and six full time employees. Those SMEs with five employees or less were not considered for this study. SMEs with more than one hundred full employees were also not considered for this study. This means that this study missed valuable information from other categories of SMEs who did not fall within the delimitations of the study.

It was noted that SMEs owners made all the decisions about CSR. In this study SMEs owners, managers and employees participated in this study. This means that data collected from managers and employees may not have reflected the wishes of SMEs owners concerning CSR practices.

In Zimbabwe and other African countries SMEs that get some funding from government are those that are loyal to the ruling party (Malan, 2005; Roussou et al., 2002; Visser, 2006). This arrangement makes it difficult for SMEs to discuss freely certain topics that have to do with economic and political problems affecting the country and hence the SMEs in particular. Political environments normally shape the behaviour of SMEs owners (Malan, 2005; Roussou et al.; 2002 Visser, 2006; Amaesh et al., 2006). Politically sensitive information on CSR may be withheld deliberately and this is a limitation to the study. It was also difficult to ensure that respondents to quantitative research provided honest and truthful answers to the questionnaires.

This study was guided by five objectives on CSR practices in SMEs in Zimbabwe. The objectives covered areas such as, meaning of CSR, impact of CSR, drivers of CSR, activities of CSR and barriers to CSR. These objectives may not have been adequate enough to give insights into all the CSR practices of SMEs in developing countries in general and Zimbabwe in particular. Therefore more research studies on CSR practices of SMEs are needed and the studies must include different objectives in order to capture other facets of CSR practices by SMEs not captured by this study. Despite the limitations mentioned, the results of this study can be used as a true reflection of the CSR practices of SMEs across the global divide.

6.8 CONCLUSION TO THE STUDY

This study focused on the topic: corporate social responsibility practices in small to medium enterprises in Zimbabwe. The study was guided by five objectives that measured, 1) meaning of CSR, 2) impact of CSR, 3) drivers of CSR, 4) activities of CSR and 5) barriers to CSR. The mixed research approach was adopted in order to generate more insights into the CSR
practices of SMEs in Zimbabwe. Structure questionnaires and face to face interview guides were used to collect data from SMEs owners in the Harare region of Zimbabwe. This study was the first of its kind in Zimbabwe to investigate CSR practices of SMEs and to use the mixed approach. The study generated new knowledge that can be incorporated into the mainstream literature on CSR in SMEs. This study was informed by the Three-Domain Theory of Schwartz and Carroll (2003). The theory divides the CSR functions of companies into, legal, economic and ethical CSR. This study investigated the legal, economic and ethical CSR practices of SMEs in Zimbabwe. Some of the results of this study showed that SMEs in Zimbabwe carry out legal, economic and ethical CSR. The results also showed that money and managerial attitudes are the major barriers to CSR. Therefore the results of this study can be used by academics and researchers to construct new theories on the CSR practices of SMEs in developing countries.
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APPENDIX ONE: INTRODUCTION LETTER TO QUESTIONNAIRE RESPONDENT

UNIVERSITY OF KWAZULU-NATAL
School of Management, IT and Governance

Dear Respondent,

PhD Research Project
Researcher: Faitira Manuere (0777793216).
Supervisor: Dr. Maxwell Phiri (+27332605843).
Research Office: Ms P Ximba 031-2603587

I, (Faitira Manuere) am a PhD student in the [School of Management, IT, and Governance], at the University of KwaZulu-Natal. You are invited to participate in a research project entitled (Corporate social responsibility practices in small to medium enterprises in Zimbabwe).

The aim of this study is to get an insight into corporate social responsibility practices in small to medium enterprises in Zimbabwe.

Through your participation I hope to understand: (1). the meaning attached to CSR by SMEs in Zimbabwe,(2) the impact of CSR practices on the operations of SMEs in Zimbabwe,(3) establish the legal ,economic and ethical factors that motivate SMEs to engage in CSR practices,(4) highlight the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe and (5) examine the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe. The results of this survey are intended to contribute to [The knowledge of CSR practices by SMEs in Zimbabwe].

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this research project. Confidentiality and anonymity of records identifying you as a participant will be maintained by the [Management, IT, and Governance], UKZN.

If you have any questions or concerns about participating in this study, please contact me or my supervisor at the numbers listed above.

It should take you about 20 minutes to complete the questionnaire. I hope you will take the time to complete the questionnaire.

Sincerely
Investigator’s signature______________________________ Date__________________

This page is to be retained by participant
APPENDIX TWO: LETTER OF CONSENT

UNIVERSITY OF KWAZULU-NATAL
School of Management, IT and Governance

PhD Research Project
Researcher: Faitira Manuere (0777793216)
Supervisor: DR. Maxwell Phiri (+27332605843).
Research Office: Ms P Ximba 031-2603587

CONSENT

I ____________________________________________________________ (full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project. I understand that I am at liberty to withdraw from the project at any time, should I so desire.

________________________   ______________________
Signature of Participant                                                      Date

This page is to be retained by researcher
APPENDIX THREE: INTRODUCTION LETTER TO INTERVIEWEE

UNIVERSITY OF KWAZULU-NATAL
School of Management, IT and Governance

Dear Respondent,

Doctoral Research Project

Researcher: Faitira Manuere (263777793216).
Supervisor: Dr Mazwell Phiri (+27332605843).
Research Office: Ms P Ximba 031-2603587

I, (Faitira Manuere) am a (PhD) student in the [School of Management, IT and Governance], at the University of KwaZulu-Natal. You are invited to participate in a research project entitled (Corporate social responsibility practices in small to medium enterprises in Zimbabwe). The aim of this study is to: (get an insight into CSR practices in small to medium enterprises in Zimbabwe). Through your participation I hope to understand: (1). the meaning attached to CSR by SMEs in Zimbabwe,(2) the impact of CSR practices on the operations of SMEs in Zimbabwe,(3) establish the legal ,economic and ethical factors that motivate SMEs to engage in CSR practices,(4) highlight the legal, economic and ethical CSR activities undertaken by SMEs in Zimbabwe and (5) examine the legal, economic and ethical barriers to CSR practices by SMEs in Zimbabwe. The results of this survey are intended to contribute to [The knowledge of CSR practices by SMEs in Zimbabwe].

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this interview. Confidentiality and anonymity of records identifying you as a participant will be maintained by the [Management, IT, and Governance], UKZN. However, as this is a participation in an interview, please be aware that I cannot assure that other interviewees will retain confidentiality.

If you have any questions or concerns about participating in this study, please contact me or my supervisor at the numbers listed above.

The interview should take you about 20 minutes to complete. I hope you will take the time to participate in the interview.

Sincerely

Investigator’s signature ___________________________________________ Date____________________

This page is to be retained by participant
APPENDIX FOUR: CONSENT LETTER: INTERVIEWEE

UNIVERSITY OF KWAZULU-NATAL
School of Management, IT and Governance

Doctoral Research Project

Researcher: Faitira Manuere Name (263777793216)

Supervisor: Dr Maxwell Phiri (+27332605843).

Research Office: Ms P Ximba( 031-2603587).

CONSENT

I_________________________________________________________(full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent/do not consent to having this interview audio-recorded. I understand that I am at liberty to withdraw from the project at any time, should I so desire.

___________________                                       ___________________
Signature of Participant                                                     Date

This page is to be retained by researcher
APPENDIX FIVE: INTERVIEW SCHEDULE

1. What is the name and address of your organisation?
2. Explain your line of business and main markets.
3. Give details about your role in the line of production.
4. Discuss the meaning you attach to CSR.
5. Explain all that your company does that is related to CSR.
6. Does your company publish any report or information material on CSR practices?
7. What are the economic, legal and ethical primary drivers that determine the adoption of socially responsible practices in your organisation?
9. What are the economic, legal, and ethical benefits of engaging in CSR?
10. What are the economic, legal and ethical challenges of engaging in CSR?
11. Do you think it is a good idea to punish some firms and reward others based on whether or not they are socially responsible? Why or why not?
### APPENDIX SIX: QUESTIONNAIRE (QSMEs) FOR SMEs MANAGERS/OWNERS

#### SECTION A

**DEMOGRAPHIC DATA**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company position</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
</tr>
<tr>
<td>3</td>
<td>Gender</td>
</tr>
<tr>
<td>4</td>
<td>Experience</td>
</tr>
<tr>
<td>5</td>
<td>Educational level</td>
</tr>
<tr>
<td>6</td>
<td>Marital status</td>
</tr>
</tbody>
</table>

#### SECTION B

**ORGANISATIONAL DATA**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Type of organisation</td>
</tr>
<tr>
<td>8</td>
<td>Line of business</td>
</tr>
<tr>
<td>9</td>
<td>Sales revenue per year</td>
</tr>
<tr>
<td>10</td>
<td>Number of employees</td>
</tr>
<tr>
<td>11</td>
<td>Type of market served</td>
</tr>
</tbody>
</table>

#### SECTION C

**1. MEANING OF CSR**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>What is your level of understanding CSR?</td>
</tr>
<tr>
<td>13</td>
<td>How do you define the concept of CSR?</td>
</tr>
<tr>
<td>14</td>
<td>Do you have a CSR policy?</td>
</tr>
<tr>
<td>15</td>
<td>Do you implement your CSR formally?</td>
</tr>
<tr>
<td>16</td>
<td>Do you get any incentives from Government for doing CSR?</td>
</tr>
<tr>
<td>17</td>
<td>Do you publish any report on CSR practices?</td>
</tr>
<tr>
<td>18</td>
<td>To what extend are workers involved in CSR Programmes?</td>
</tr>
<tr>
<td>19</td>
<td>Do you have a separate department for CSR?</td>
</tr>
<tr>
<td>20</td>
<td>Do you keep a separate budget for CSR?</td>
</tr>
<tr>
<td>21</td>
<td>If no to question 20, explain why you do not have a separate budget for CSR.</td>
</tr>
</tbody>
</table>
# 2 IMPACT OF CSR PRACTICES ON SMEs OPERATIONS

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>What is the impact of formalising CSR in your organisation?</td>
</tr>
<tr>
<td>23</td>
<td>What is the effect of having a CSR policy in your organisation?</td>
</tr>
<tr>
<td>24</td>
<td>Does CSR increase the costs of production?</td>
</tr>
<tr>
<td>25</td>
<td>Do you have a CSR department in your organisation?</td>
</tr>
<tr>
<td>26</td>
<td>What do you think are the positive impacts of doing CSR?</td>
</tr>
</tbody>
</table>

# 3. DRIVERS OF CSR

<table>
<thead>
<tr>
<th></th>
<th>To what extend does the following motivate your company to engage in LEGAL CSR?</th>
</tr>
</thead>
<tbody>
<tr>
<td>27</td>
<td>(a) The need to comply with national laws.</td>
</tr>
<tr>
<td></td>
<td>1. Very much</td>
</tr>
<tr>
<td></td>
<td>2. Much</td>
</tr>
<tr>
<td></td>
<td>3. I am not sure</td>
</tr>
<tr>
<td></td>
<td>4. Not much</td>
</tr>
<tr>
<td></td>
<td>5. Not at all</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>To what extend does the following motivate your company to engage in economic CSR?</th>
</tr>
</thead>
<tbody>
<tr>
<td>28</td>
<td>(a) The need to make more profits</td>
</tr>
<tr>
<td></td>
<td>1. Very much</td>
</tr>
<tr>
<td></td>
<td>2. Much</td>
</tr>
<tr>
<td></td>
<td>3. I am not sure</td>
</tr>
<tr>
<td></td>
<td>4. Not much</td>
</tr>
<tr>
<td></td>
<td>5. Not at all</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>To what extend does the following motivate your company to engage in ETHICAL CSR?</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>(a) The need to give back to the community.</td>
</tr>
<tr>
<td></td>
<td>1. Very much</td>
</tr>
<tr>
<td></td>
<td>2. Much</td>
</tr>
<tr>
<td></td>
<td>3. I am not sure</td>
</tr>
<tr>
<td></td>
<td>4. Not much</td>
</tr>
<tr>
<td></td>
<td>5. Not at all</td>
</tr>
</tbody>
</table>
### 4 LEGAL, ECONOMIC AND ETHICAL CSR ACTIVITIES UNDERTAKEN BY SMEs IN ZIMBABWE

<table>
<thead>
<tr>
<th></th>
<th>To what extend do you agree or disagree with the following statement?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. <em>Profit making is the most important primary responsibility of my company.</em></td>
<td>1. Strongly agree&lt;br&gt;2. Agree&lt;br&gt;3. not sure&lt;br&gt;4. Disagree&lt;br&gt;5. Strongly Disagree</td>
</tr>
<tr>
<td>32</td>
<td>1. <em>My company is involved in making donations in cash or kind to the local communities.</em></td>
<td>1. Strongly agree&lt;br&gt;2. Agree&lt;br&gt;3. not sure&lt;br&gt;4. Disagree&lt;br&gt;5. Strongly Disagree</td>
</tr>
<tr>
<td>33</td>
<td>What is it that you do that you call <strong>LEGAL CSR?</strong></td>
<td><strong>LEGAL CSR?</strong></td>
</tr>
<tr>
<td>34</td>
<td>What is it that you do that you call <strong>Economic CSR?</strong></td>
<td><strong>Economic CSR?</strong></td>
</tr>
</tbody>
</table>
5. BARRIERS TO CSR PRACTICES BY SMEs IN ZIMBABWE

| 35  | 1. To what extent do you agree or disagree with the statement that Weak government laws are a major barrier to legal CSR. | 1. Strongly agree  
2. Agree  
3. Not sure  
4. Disagree  
5. Strongly disagree |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>What are the specific barriers to legal CSR?</td>
<td></td>
</tr>
</tbody>
</table>
| 37  | To what extent do you agree or disagree with the statement that Lack of money is a major barrier to economic CSR. | 1. Strongly agree  
2. Agree  
3. Not sure  
4. Disagree  
5. Strongly disagree |
| 38  | What are the specific barriers to economic CSR? | |
| 39  | 3. To what extent do you agree or disagree with the statement that Managerial attitude is a major barrier to ethical CSR. | 1. Strongly agree  
2. Agree  
3. Not sure  
4. Disagree  
5. Strongly disagree |
| 40  | What are the specific barriers to ethical CSR? | |
APPENDIX SEVEN: GATEKEEPER’S LETTER

Gatekeeper’s Consent

[Signature]

[Name of Manager/Owner]

[Date: 14/08/2014]

[Stamp]

Human Resources Mgt. & Dev.
MIN. OF SMALL & MEDIUM
Enterprises & Coop. Develop.
APPENDIX EIGHT: ETHICAL CLEARENCE LETTER

08 November 2013

Mr Eakhice Munura (232397718)
School of Management, IT & Governance
Petermaritzburg Campus

Dear Mr. Munura,

Protocol reference number: HSS/0452/05/4D
Project title: Corporate Social Responsibility Practices in Small to Medium Enterprises in Zimbabwe

Full Approval – Exempted Application

In response to your application received on 30 October 2014, the Humanities & Social Sciences Research Ethics Committee has considered the aforementioned application and the protocol have been granted FULL APPRAVAL.

Any alteration(s) to the approved research protocol & Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I wish you the best of luck in completing your research.

Yours faithfully,

[Signature]

Dr Sanele Ndlovu (Chair)

[Address]

[Date]

CC Supervisor: Dr Mzwandi Phiri
CC Academic Leader: Research: Professor Brian Mandula
CC School Administrator: Ms Dubele Gwiyengwe

Humanities & Social Sciences Research Ethics Committee

Dr Sanele Ndlovu (Chair)

Westville Campus, C J de la Rey Building

Instituted in terms of the Higher Education Act 1997, Republic of South Africa.

Tel: 031 507 9733 Fax: 031 507 9732 Email: vesta@ukzn.ac.za

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APPENDIX NINE: Turnitin originality report (first page)

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