Business & Society Special Issue

Call for Papers

SMEs and CSR in Developing Countries:
Advancing Academic and Policy-Oriented Knowledge

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Special Issue Theme
Small and medium-sized enterprises (SMEs) account for more than 90% of the world’s enterprises. Yet in the context of developing countries, where the goal of poverty reduction is imperative, we lack a more systematic exploration of their potential contribution to sustainable development (Fox, 2005). In particular, the role of SMEs in relation to the promotion of corporate social responsibility (CSR) in developing countries is an area of research that remains underinvestigated (Jamali et al., 2009; Sachdeva & Panfil, 2008). In this context, CSR may be understood as the integration of economic, environmental, and social concerns into core business practices of SMEs and their voluntary engagement in actions that are likely to benefit stakeholders and society beyond the narrow economic interest of the firm (Lund-Thomsen, 2004).

Previous research on SMEs and CSR has focused on the need to distinguish between the types of CSR that large multinational companies and SMEs might engage in, highlighting that the theories and concepts used to analyze CSR in large firms may not be appropriate in the context of SMEs. For example, the question is whether the term corporate social responsibility can really capture the nature of small and medium-sized firms’ engagement in economic, social, and environmental issues as these firms – by definition – may not be considered large-scale corporations (Jenkins, 2004). Thus, CSR in SMEs has often been described as being less formally institutionalized within firms, being of more ad hoc nature, and not involving a CSR manager or the publication of CSR reports (Jamali et al., 2009). The literature on SMEs and CSR has also highlighted the context-specific nature of engagement of SMEs in CSR, the community embeddedness of many CSR activities, and the sense of personal or religiously inspired ethics as a motivating factor behind SME engagement
in CSR (Murillo & Lozano, 2006; Vives 2006). On a positive note, some authors have argued that SMEs may be a source of innovation, growth and employment in developing countries (Raynard & Forstater, 2002). A more negative assessment portrays SMEs as potential laggards in relation to complying with national social and environmental laws, often having very exploitative conditions for their workers, and being concentrated in heavily polluting industries (Blackman, 2006).

In fact, the relationship between SMEs and CSR remains poorly understood which is sometimes related to the conceptual vagueness of both these terms. In relation to SMEs, a variety of definitions have been proposed which focus on issues such as number of employees working in the enterprise, annual turnover, ownership types, and formal versus informal economy status (Jamali et al., 2009). CSR has also been characterized as a contested concept and understood in a variety of ways such as legally complying with the letter of the law, complying with the social and environmental codes of conduct of multinational corporations, engaging in corporate philanthropy, and the broader impact that business has on society among others (EC, 2011; Jenkins, 2005; Khan & Lund-Thomsen, 2011; Prieto-Carron et al., 2006). But we believe that aside from these complications which are well documented in the literature, one main reason for the lingering limited understanding of CSR in SMEs in developing countries is the fact that the debate on this topic appeared to reach a plateau around 2005-06. Since then very few contributions or significantly novel insights have been made that go beyond the main research revelations and concerns outlined above. The last five years have also seen stakeholders in developing countries such as local firms, government support agencies, international aid agencies, industry associations, NGOs and/or other actors taking comparatively little interest in promoting CSR in SMEs. Therefore, in this new special issue on CSR in SMEs in developing countries, we aim to break through this plateau in advancing academic and policy-oriented knowledge regarding the role that SMEs play in relation to CSR in Southern contexts.

Our special issue revolves around three fundamental and relevant areas of concern in relation to the SME-CSR literature. First, the special issue welcomes submissions that are concerned with the question of how specific international, regional, national or local institutional contexts affect the way in which CSR is institutionalized within SMEs in developing country settings. Recent writings have emphasized distinctions between Western style CSR and CSR in developing countries, attributing those to distinct institutional contexts and starkly different economic, political and cultural-religious values (Jamali, 2010; Jamali & Neville, 2011). The central idea here is that firms are embedded in national systems and institutions, which influence managerial belief systems, firm stakeholder responses and overall orientations to social issues. Particularly important from this perspective is the nature of the economic environment, the nature of competition, state regulations, the system of industrial self-regulation, the presence of private independent organizations, and the nature of the normative discourse, which individually and collectively mold peculiar institutional constellations and consequently different manifestations of CSR (Campbell, 2007). CSR from this perspective is clearly embedded in the nexus of specific institutional dynamics and cannot be studied in vacuum or isolation from these important contextual underpinnings (Jamali & Neville, 2011). We wish to investigate whether and how different types of institutional environments influence the expressions and manifestations of socially and environmentally responsible behavior in SMEs in developing countries, beyond the Latin American and Indian contexts where these
differences have so far been documented (Sachdeva & Panfil 2008; Vives 2006). In a sense, we are thus seeking to develop a special issue that takes “grounded” perspectives on CSR and SMEs seriously – i.e. the views of SME managers and workers of CSR in the developing world - and provide a better understanding of how SME-CSR is invariably molded by socio-institutional constellations.

Second, the special issue seeks contributions that dig deeper and revisit the core of the debate on SMEs and CSR in developing countries by posing the more fundamental question of whether and how SMEs ought to engage in CSR? Contributions to the special issue may touch upon the applicability, relevance, and implementation gaps that exist in relation to how SMEs engage in CSR in developing countries. On the one hand, some observers claim that the vast majority of SMEs in developing countries fail to meet their existing obligations under national economic, social and environmental laws. Hence, if they only were to engage in CSR (i.e. meet their legal obligations), most of the negative economic, social, and environmental externalities related to SME operations in developing countries could be addressed (Prieto-Carron et al., 2006). On the other hand, a contrasting perspective holds that Western-style CSR implemented through global supply chains has been viewed by SME managers as a form of economic and cultural imperialism that seeks to extract rents from SMEs while imposing culturally and socially inappropriate models in these contexts (Jamali & Sidani, 2011). In other words, CSR as an economic and culturally imperialist project may in fact do more harm than good to SMEs, their workers, and the communities in which they are embedded (Khan & Lund-Thomsen, 2011). There is in parallel a strong and evolving stream of research that has argued in recent years that SMEs have a strong spontaneous affinity to CSR and are able to often evolve their own local models that better fit with their realities and the developing context in which they operate (Jamali et al., 2009). Hence, a concern in this special issue is examining the circumstances in which SME engagement in CSR may prove to be beneficial for developing country firms, workers, communities, and the environment. In other words, the special issue seeks to explore whether engagement in CSR really benefits developing country enterprises, workers, communities, and the environment from an economic, social, and environmental point of view? Or is it possible to speak of SME “greenwash” where SMEs attempt to create an appearance of social and environmental benevolence while their core business practices remain essentially exploitative and harmful to the environment? If so, what are the alternatives if policy-makers are to address the economic, social, and environmental externalities that arise from SME operations in developing country contexts?

Finally, the special issue invites contributions on a range of new or hot topics that have surfaced as relevant in recent years and are certainly salient and worth examining to advance the debate on CSR in SMEs in developing countries to the next level, given the inertia in writings on SMEs and CSR described above. These salient issues include but are not limited to:

I) How viable are collective CSR action initiatives for SMEs in developing countries?

II) How do international institutions influence the SME CSR discourse and practice in developing countries?
III) Can multinational branded companies go beyond their first tier suppliers to address CSR concerns further down the chain amongst formal and informal economy SMEs?

IV) Given the recent proliferation of CSR self-assessment and other management tools for SMEs, how useful are these likely to be to SMEs in developing countries? What are their potential and limitations?

V) How effectively can developing country SMEs address the climate change challenge and in what ways?

While two special issues have already focused on the relationship between SMEs and CSR in developed countries (Journal of Business Ethics, Vol. 67, No. 3, 2006; Business Ethics: A European Review, Vol. 18, No. 1, 2009), we believe these new research questions have not received systematic attention and can provide new perspectives that are likely to take research on CSR and SMEs in developing countries to the next level. In other words, the aim of the proposed special issue on “SMEs and CSR in Developing Countries: Advancing Academic and Policy-Oriented Knowledge” is to provide timely novel insights that will make original contributions to knowledge in this important area of research.

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Submission Instructions

Questions related to the special issue should be addressed to the guest editors who can be reached on the e-mails below. Authors are invited to submit a full paper to Dima Jamali (dj00@aub.edu.lb), Peter Lund-Thomsen (plt.ikl@cbs.dk), or Søren Jeppesen (sj.ikl@cbs.dk) before 1 November 2012. Submitted papers should follow the Business & Society Guidelines for authors (see http://bas.sagepub.com). Submissions should include an abstract of 100-150 words, followed by 3-5 keywords. The manuscript should not contain any indication of authorship and should be submitted separately from the title page with full author information for contact. Business and Society uses the citation and reference system of the American Psychological Association (APA) and any paper published in Business & Society can be taken as an example. A citation-reference-writing guidance document prepared by the BAS Editor is also available upon request to Duane Windsor at odw@rice.edu.

Special Issue Timeline and Deadlines

Target Dates (Approximate and Subject to Change)

Submission of Full Papers to Guest Editor(s) 1 November 2012
Peer Review of Submitted Papers Completed 1 February 2013
Resubmission of Revised Papers to Guest Editor(s) 1 April 2013
Submission of Final Selection of Papers to BAS 1 June 2013

Selected References


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