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Capitalism with a Conscience: SMEs and Community Engagement

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# TABLE OF CONTENTS

ACKNOWLEDGEMENTS ........................................................................................ ii

TABLE OF CONTENTS .................................................................................... iii

ABSTRACT ........................................................................................................ v

CHAPTER ONE: INTRODUCTION ......................................................................... 1

1.1 General background .................................................................................... 1

1.2 Relevance of BSR to SMEs .................................................................... 3

1.3 Definitions .................................................................................................. 5

1.3.1 Defining SMEs .................................................................................... 5

1.3.2 Defining BSR ..................................................................................... 6

1.3.3 Defining community .......................................................................... 7

1.4 Research aim, questions and the research approach ......................... 8

1.5 Organisation of the thesis ...................................................................... 9

CHAPTER TWO: LITERATURE REVIEW ......................................................... 10

2.1 BSR developments .................................................................................. 10

2.1.1 Terminology and definitions .......................................................... 10

2.1.2 The pyramid of CSR and the stakeholder theory ......................... 14

2.2 The key debates ...................................................................................... 16

2.2.1 "The business of business is business" ........................................... 16

2.2.2 A broader perspective .................................................................... 17

2.3 New Zealand research into BSR ............................................................ 19

2.4 SMEs and BSR ...................................................................................... 20

2.4.1 The complexities in the literature ................................................... 21

2.4.2 New developments ......................................................................... 22

2.4.3 Focusing specifically on 'community' .......................................... 25

2.4.4 New Zealand research on SMEs and BSR .................................. 28

2.5 Summary .............................................................................................. 28

CHAPTER THREE: RESEARCH DESIGN ......................................................... 30

3.1 Researching BSR in SMEs: Previous approaches .................................. 30

3.1.1 Research aim and questions ........................................................... 30

3.2 Elements in research design .................................................................. 31

3.2.1 Constructivist knowledge claims ............................................... 31

3.2.2 Qualitative methodology ............................................................. 32

3.2.3 Choice of method ......................................................................... 34

3.3 Data collection ....................................................................................... 35

3.3.1 Locating the participants ............................................................. 35

3.3.2 Interview procedures .................................................................... 37

3.4 Analysis of the interview data ................................................................. 39

3.5 Ethical issues ........................................................................................ 41

3.6 Summary ............................................................................................... 42
ABSTRACT

It is commonly acknowledged that business organisations are expected to demonstrate ethical and moral conduct, yet throughout the last half century the bar has been raised. Not only are organisations expected to behave ethically; they are being summoned to exercise Business Social Responsibility (BSR). While there is a growing amount of literature on BSR, research in this field has largely confined itself to corporations. As such, especially in the New Zealand space, it has neglected prolific Small and Medium-sized Enterprises (SMEs). The aim of this study was to explore SME owner-managers’ perceptions of community engagement. To accomplish this aim an exploratory, qualitative study involving semi-structured interviews with 10 SME owner-managers was conducted. SME owner-managers interviewed perceive business as having a highly integrated function in society. The owner-managers engage with their communities in significantly diverse ways, covering an extensive range of stakeholders. Primarily influenced by values pertaining to religion, family, and moral orientation, many owner-managers overlook economic gain, yet consider peripheral benefits to accrue nonetheless.