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Corporate social responsibility among service sector SMEs in Vietnam: exploring the influence of national context

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Abstract
This study explores how the national context influences corporate social responsibility (CSR) practices among small and medium-sized enterprises (SMEs) in Vietnam's service sector. Drawing on a multiple case study approach, our study involves 21 in-depth interviews with 17 owner-managers from 13 SMEs. On the one hand, our finding suggest that CSR convergence is primarily driven by three institutional factors: religious and spiritual beliefs, political governance, and socio-economic development. CSR divergence, on the other hand, originates from the interplay between national contextual factors and the organizational environments in which SMEs function, examined through the framework of institutional entrepreneurship. By addressing gaps in previous research—particularly the overlooked role of contextual dynamics in CSR differences among SMEs—this study enhances our understanding by demonstrating how isomorphic pressures and relational mechanisms work together. The study recommends that the government should develop national CSR guidelines and standards, improve monitoring systems, and streamline regulations and standards into a format that is comprehensible to local owner-managers.

Keywords CSR · SMEs · Institutional dynamics · Institutional entrepreneurship · Service sector

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1 Introduction

Over the past two decades, businesses of all sizes, including small- and medium-sized enterprises (SMEs), have increasingly recognized the importance of socially responsible practices in their operations (Coldwell et al. 2024; Stoian, & Plakoyiannaki 2024). As a result, there has been a surge of interest in researching the engagement of SMEs in CSR. However, little attention has been given to investigating the implementation of CSR from the perspective of SMEs in developing countries, especially in the service sector. Existing literature on CSR in SMEs in developing countries is not extensively empirically grounded, in part due to scholars' tendency to portray SMEs as socially and environmentally risky enterprises (Nicoara & Kadile 2024; Jamali et al. 2017a, b). This is evident in the dominance of SMEs in absolute numbers, but less is known about their collective social and ecological footprints (Soundararajan et al. 2016; Lund-Thomsen et al. 2016).

The social and ecological engagements of SMEs in developing countries are often viewed as symbolic and mere lip service to conceal and mitigate their compliance with the low-hanging fruit of CSR (Stoian & Plakoyiannaki 2024). However, recent studies have argued that SMEs in developing countries are not necessarily irresponsible, but that their structural, social, and functional characteristics differ from those commonly encountered in their counterparts in developed countries (e.g., Van Nguyen et al. 2024; Das et al. 2020). The owner-manager relationship has been the subject of much debate in the context of SMEs, and its structural elements are more complex in developing countries. This relationship is particularly crucial in SMEs of developing countries due to the issue of social distress, which complicates the delegation of decision-making responsibilities to other individuals (Vu et al. 2024). In most cases, these SMEs function as part of the informal economy, where labour is subcontracted, and labourers are not protected by law. Against this backdrop, there is a growing interest in nuanced analysis of SMEs in developing countries and how the SMEs' context would shape the understanding of CSR activities. However, a more in-depth empirical grounding is necessary to advance this understanding.

Institutions shape CSR practices by imposing legal, moral, and cultural restrictions (Corciolani et al. 2024; Khan et al. 2021) and by distinguishing legitimate and illegitimate practices in the institutional environment (Khan et al. 2020a, b; Jamali et al. 2020). Institutional theory posits that organizational policies and practices are shaped by institutional pressures that reinforce and reward continual compliance, while entrepreneurship literature emphasizes how organizational processes and institutions are formed by novel entrepreneurial pressures that bring change (Garud et al. 2007). The concept of institutional entrepreneurship thus offers considerable insights into how new practices, such as CSR, came into existence and over time became established.

Within institutional theory, the literature on institutional entrepreneurship assesses issues of individual agency, power, and interests and approaches these from the perspective of change rather than stability (Mahmood et al. 2024; Risi et al. 2023; Jain et al. 2023). By adopting this lens, scholars can better understand how CSR practices in SMEs shaped and how institutional factors at the national level are interact with organizational fields to produce patterns of convergence and divergence in CSR activities among SMEs in the service industry. In particular, the national context as a reflection of social space, incorporating different fields within which service SMEs operate. Each field is an established social structure characterised by self-governing mechanisms that mediate socio-political and economic forces. These mechanisms effectively provide underlying principles to guide SME practice in terms of CSR implementation. Following this logic, this study argues that the degree of convergence of CSR practices among SMEs in Vietnam depends not only on the institutional isomorphic pressures but also on the relative agency of individuals within a specific field. In so doing, this study aims to address whether there is a convergence or divergence of CSR practices among service SMEs in Vietnam, and more importantly the role of national context supporting or impeding such orientation. Particularly, the study seeks to answer the following questions:

RQ1. Is there evidence of a convergence versus divergence of CSR practices among service SMEs in Vietnam?

RQ2. What salient institutional pressures influence the CSR orientation among service SMEs in Vietnam?

In addressing these questions, this research fills critical gaps in the current literature and offers numerous contributions. The first major contribution of this research is its recognition and exploration of Vietnam's unique contextual characteristics, such as its philosophies, institutions, and cultural values (Van Nguyen et al. 2024; Koleva 2021; Khan et al. 2021; Stahl et al. 2023; Risi et al. 2023). The prevalent Western-centric lens in CSR research often fails to account for the distinct socio-cultural and institutional dynamics of Asian countries, leading to a narrow understanding of CSR practices in the region (Xiao et al. 2019; Khan and Lockhart 2022). By focusing on Vietnam, this study offers a more comprehensive and nuanced understanding of CSR, incorporating the interplay of Eastern and Western values. This contributes to the literature by providing empirical evidence and theoretical insights that challenge the dominant Western-centric narratives in CSR research, thereby fostering a more global and inclusive understanding of CSR in sustainability studies.

Secondly, recent empirical studies emphasize the unique orientations of SMEs in developing economies towards social and environmental responsibilities, which are often overlooked due to the application of CSR practices derived from developed nations (Shah et al. 2024a, b; Stoian & Plakoyiannaki 2024; Khan et al. 2020a, b; Jamali et al. 2017a, b). This research addresses this gap by examining the distinct CSR practices of SMEs in Vietnam. By highlighting the innovative and context-specific ways in which these SMEs engage in socially responsible activities, the study enriches the CSR discourse with new perspectives that acknowledge the contributions of SMEs in developing economies to sustainability. This not only broadens the understanding of CSR practices but also provides practical insights for policymakers and business leaders in similar contexts.

Finally, the study also makes a significant theoretical contribution by challenging the dominant assumptions of homogeneity and isomorphism in neo-institutional theory (Johansen & Nielsen 2012). The study examines the converging and diverging pressures that service SMEs face in Vietnam, revealing that while certain CSR practices related to customer and employee relations show convergence, there is significant divergence in community-related initiatives such as philanthropy, environmental performance, volunteerism, legal compliance, and ethical business practices. This finding contributes to the ongoing conversation on CSR convergence versus divergence in developing country contexts (Jamali and Neville 2011). It provides a more detailed portrayal of the complex CSR landscape among SMEs in Vietnam, offering a nuanced understanding of how local and global pressures shape CSR practices. This advances the field by providing empirical evidence that supports a more differentiated view of CSR, which is critical for developing effective sustainability strategies in diverse socio-economic contexts.

Utilizing a multiple case study design focusing on SMEs in Vietnam, this research examined the impact of contextual factors on CSR practices. Through 21 in-depth, semi-structured interviews involving 17 owner-managers from 13 organizations, the study revealed that CSR activities in SMEs exhibit a combination of convergence and divergence. Findings of this study contend that convergence is notably influenced by factors such as religious and spiritual orientation, political governance, and the level of socio-economic development, while divergence is linked to the interplay between national and organizational environments in which SMEs function.

2 Literature review

The increasing influence of SMEs in society and their cumulative societal and environmental impacts have resulted in two contrasting perspectives in CSR literature. One strand of existing research leverages the lens of institutional voids to criticize the CSR engagement of SMEs in developing countries, which is commonly seen in the form of industrial clusters and perceived as decoupling (Jamali et al. 2017a, b) or greenwashing (Lund-Thomsen et al. 2016). In such contexts, weaknesses or a lack of institutional arrangements, such as ineffective governments, arbitrary law enforcement, or severe limitations of national policies and legislation, constrain CSR activities of SMEs (Jamali et al. 2017a, b). Thus, SMEs in such contexts appear to comply symbolically with social and environmental standards to hide their non-compliance with fundamental principles of CSR.

On the other hand, another discourse argues that CSR in SMEs in developing countries must be viewed through a context-specific lens, either as “bricolage,” which involves the constant combination and recombination of resources, institutions, and socially responsible practices (Shah et al. 2024a, b), or as “improvisation,” which involves spontaneous actions and makes use of whatever is at hand (Elhajjar & Ouaida 2020). This strand of research points to the positive affinity and spontaneous engagement of SMEs in CSR in developing countries. For example, SMEs in such contexts are recognized for engaging with national development agendas (Chege & Wang 2020; Smith et al. 2022) and working with local stakeholders to address local community issues (Jain et al. 2017; Di Vaio et al. 2022). The involvement of SMEs in CSR in developing countries is thus recognized to have distinctive features and to be context dependent.

The literature on CSR in SMEs has predominantly portrayed their activities as informal, community-oriented, and culturally embedded (Tran & Jeppesen 2016; Nguyen et al. 2020a, b; Khan et al. 2020a, b). These characteristics are often associated with institutional pressures from the national context, such as culture, religion, tradition, political systems, community awareness, and the business environment (Jamali et al. 2017a, b; Lund-Thomsen et al. 2014; Khan et al. 2018). For instance, in the Asian context, Das et al. (2020), Nguyen et al. (2022), and Stoian and Plakoyiannaki (2024) highlight the grassroots understanding of CSR, where local firms are expected to comply with cultural traditions and actively support their surrounding communities. Similarly, Amaeshi et al. (2016) provide examples of culturally embedded CSR initiatives adopted by African SMEs that serve as a social buffer where public institutions are weak.

Both perspectives acknowledge the potency of institutional context. Institutional theory has been increasingly used to analyze institutional predictors of CSR in SMEs in developing countries (Soundararajan et al. 2018). These studies have predominantly focused on neo-institutionalism, which suggests the homogenization of practices in organizations that operate in the same broader institutional context, thereby leading to isomorphism and conformity (Carrigan et al. 2017; Mazboudi et al. 2020; Beta & Ogunmokun 2023). However, neo-institutionalism has been criticized for undermining the role of social actors in shaping institutions and for not accounting for organizational heterogeneity and variation from taken-for-granted practices (Munir 2020). Institutional entrepreneurship is a mechanism that can drive organizational heterogeneity and variation from taken-for-granted practices, as social actors can avoid, defy, manipulate, or reach compromises on institutional pressures they receive (Hoogstraaten 2023).

The current study is careful to acknowledge the limitations that may be tied to the direct adoption of institutional theory for explaining CSR-related phenomena in the service sector of Vietnam (Nguyen 2021). The study acknowledges that the foundational assumptions of this framework centralize the predominance of market-based forms of organization in liberal market economies, which are supported through coherent systems of governance, strong regulatory oversight, and enforcement of contractual rights (Karam and Jamali 2017). However, these contextual institutional arrangements are not evident in the case of Vietnam, where a history of dysfunctional markets, underlined by arbitrary law enforcement, bureaucratic inconsistency, and corruption (Nguyen et al. 2018, 2022). These structural weaknesses, coupled with complex social and cultural aspects of Vietnam, reflect a context that is less institutionalized and consequently characterized by higher levels of uncertainty in the institutional order, which might provide opportunities for SMEs to actively participate in the implementation of CSR practices that diverge from existing institutions.

3 Institutions and institutional entrepreneurship

Organizational institutionalism encompasses a broad range of perspectives that cover multiple traditions (Scott 2008). These traditions share the common understanding that human actions are historically dependent, contextually embedded, politically charged, and culturally conditioned (Berente & Yoo 2012; Jain et al. 2023). At the core of institutional theory is the institution, which is defined as “an organized and established procedure” (Jepperson 1991, p. 143) with both structural and historical roots (Berente & Yoo 2012).

Institutions are also symbolic systems that provide meaning and legitimacy to material practices (Siebert 2023), suggesting that legitimacy acquisition is the core of all institutional accounts. Although existing literature on neo-institutionalism focuses on macro-level phenomena, such as institutional fields, as the level of analysis, organizations are the smallest institutional actor (DiMaggio & Powell 1983). According to DiMaggio and Powell (1991), internalized rules reproduced chronically by humans through everyday actions form the basis for conceptualizing institutions. Institutional theory provides an appropriate lens to analyse the goals, values, and perceptions that legitimize and form the basis of individual and organizational behaviour (Risi et al. 2023). Additionally, studies have noted that organizations and individuals within the same organizational field may not respond to institutional demands in the same way, highlighting the dispositional properties of individual organizations.

The concept of the field is central to neo-institutional theory, which refers to a group of organizations that make up a recognized area of life. According to DiMaggio and Powell (1983), fields comprise powerful institutional pressures (e.g., coercive, normative, and cognitive) that force members to become increasingly similar over time. However, neo-institutional theory has been criticized for its inability to explain organizational change and for being an approach that emphasizes conformity and compliance (Glynn & D'Aunno 2023; Greenwood & Hinings 1996). In response to this criticism, there has been a surge in literature on the role of individual agency in institutional change and, correspondingly, in the area of institutional entrepreneurship. Although the work on institutions is increasingly acknowledging change, historically, it has focused on stability and performance, whereas the work on entrepreneurship focuses on change and innovation. This creates an interesting paradox that promises to shed light on how the processes of stability and change are unpacked.

Each body of research faces limitations on its own. Institutional theory emphasizes macro processes associated with institutionalization, while institutional entrepreneurship and change literature focus on agency (Aksom & Tymchenko 2020). Neo-institutional theory's privileging of structure over agency results in a deterministic view of human nature, while theories that privilege agency promote heroic models of actor-hood and are criticized for being decontextualized, ahistorical, and universalistic (Voronov & Weber 2020). Furthermore, these theories do not pay much attention to an important component of the reproduction of institutions, such as unintended consequences.

The study argues that institutional entrepreneurship underpins the understanding of CSR in SMEs at the individual and organizational levels. The usefulness of institutional entrepreneurship in this study is that it not only allows understanding the institutional context and its influences on SMEs' engagement in CSR but also offers an analytical framework to explain the ways of practicing CSR among SMEs in Vietnam.

This study focuses on the national context of Vietnam, characterized as a social space with multiple institutional fields. The most relevant of these fields is the organizational field, which comprises social actors such as individuals and organizations operating in the same domain. It also includes other influential actors like regulators, journalists, investors, and members of non-governmental organizations. Each organizational field has its unique history, actions, and forms of capital that shape it. Service sector SMEs, as social actors, are expected to adhere to the field's underlying assumptions about their social practices to enhance or stabilize their position. Organizational fields are further intertwined within a complex network of layered power relationships, allowing higher-level structures, such as institutional forces in the national context, to influence and restrict the actions of field actors. Consequently, the CSR orientation of SMEs in Vietnam is influenced by both institutional pressures and the self-governing norms of the organizational field in which they operate. This study defines CSR as a specific form of social practice.

4 Methodology

4.1 Context

In Vietnam, SMEs account for approximately 97 percent of all enterprises, contributing over 40 percent of the country's GDP and employing over 60 percent of the workforce in 2017 (Nguyen et al. 2020a, b). Moreover, the amount of tax and other fees paid by SMEs has increased 18.4 times over ten years from 2006 to 2016, further highlighting their significance to the economy. Within the SME sector, service firms constitute approximately 90 percent of all firms operating in 2020 (General Statistics Office of Vietnam 2021). The service sector is also the largest contributor to Vietnam's economy, accounting for 41.63 percent of the country's gross domestic product (GDP) in recent years (General Statistics

Office of Vietnam, 2020). Additionally, in 2020, the service sector in Vietnam provided the largest share of employment among economic sectors. This highlights the importance of studying CSR in service SMEs, as they are a significant contributor to Vietnam's economy and employment. Moreover, research on CSR in service SMEs can contribute to a better understanding of the unique challenges and opportunities faced by these businesses, as well as the institutional pressures that shape their CSR practices.

4.2 Research design

To address the research questions, this study employed a multi-case study research design (Da Giau et al. 2020; Dessì et al. 2023). This design was chosen because it enabled the researchers to capture the complexities of the national context while allowing for comparative analysis across fields. Multiple cases were considered more robust than other methods because evidence from multiple cases is considered more robust, according to Eisenhardt and Graebner (2007). The multiple case study design also allowed for the exploration of similarities and differences across cases and the identification of patterns and themes that may not have emerged from a single case study.

In conducting multiple case study research, a critical decision involves determining the appropriate number of cases and outlining the criteria for case selection. Creswell (2014) posits that there is no universally prescribed number of cases for investigation. Eisenhardt (1989, p. 545) recommends that 'between four and ten cases often works well,' while Miles et al. (2014) argue that a minimum of five cases is necessary for a multiple case study to garner comprehensive and in-depth data on the studied phenomena. Contrary to a strict emphasis on sample size, Patton (1990) underscores that no rigid rule governs the selection of cases, advocating for a qualitative consideration of the study's objectives and context.

This design is particularly useful for exploring complex social phenomena like CSR in SMEs because it allows for a nuanced and in-depth examination of the topic (Dessì et al. 2023). Four service sectors representing organizational fields were selected as case studies, namely travel and tourism services, food and transportation, beverage, education, and logistics services. These sectors were chosen based on two criteria, including a large population volume and many SMEs to easily access the key participants who were owner-managers. This way, the study would be able to demonstrate multiple cases that can illustrate the similarities or differences in terms of their CSR orientations within the SMEs context.

The cross-sectional and multi-comparative case-study approach enables us to consider similarities and differences in CSR orientation among SMEs within and across sectors. In this study, the unit of analysis is privately owned SMEs operating in one of the chosen sectors in which their CSR practices are transparently observable. This requirement for firms to be privately owned eliminated state-owned and quasi-governmental SMEs that have state ownership. Although these ownership structures are typical for a socialist country, this allows the government to more easily influence business decisions to uphold socialist values in a market-driven economy. This characteristic casts into question the voluntary nature of CSR, and therefore, explains the exclusion of state-owned organizations. Moreover, the unit of analysis excluded foreign-invested private SMEs to allow the development of insight into how the national context influences local businesses to adopt CSR practices and strategies, rather than importing their practices from their developed country owners.

The SME owner/manager serves as a focal point around which all business activities are centralized. Owner-managers play an essential role in the development and implementation of CSR among SMEs. Therefore, CSR practices of SMEs are situational and continually influenced by the subjective experiences and actions of their managers, among other internal and external contextual factors of the organizations. Thus, the focus of data collection was to obtain insight from the perceptions and experiences of their decision-makers related to CSR activities. This also means that the ability to access an owner or at least a managerial person of SMEs was an important consideration in the selection of SMEs. Fifteen SMEs accepted the invitation to participate in the study, two of which cancelled the meeting right on the day of the interview. In the remaining 13 SMEs, interviews were conducted with the owner-managers. Also, to increase reliability and limit bias, interviews were also conducted from other roles within each firm. Though this was not possible in all cases; in four SMEs key decision-makers in the firm, such as an operations manager or team leaders of the companies.

4.3 Data collection

The phase one involved two pilot studies comprising three interviews. These pilot participants were selected through a convenience sample based on their SME status rather than the study's selection criteria. Consequently, the pilot interviews were excluded from the final data presented in this study. However, these pilots played a crucial role in refining the main themes and structuring subsequent interviews more effectively. Additionally, the pilot phase allowed the researcher to test and adjust techniques and processes to enhance the validity of the content that emerged. For instance, the researcher found that starting interviews with open-ended questions was effective in initiating conversations. The researcher also identified that using a phone recording app was less practical than employing a miniature tape recorder, which facilitated smoother interview sessions despite the added effort in data transfer. Furthermore, the pilots highlighted the importance of taking field notes and preparing a printout of key themes and sample questions for instances when conversations did not flow naturally. In total, 17 face-to-face and semi-structured interviews were conducted in Phase Two. No identifying details of the interviewees were collected.

In Phase Three, the authors conducted four interviews with key informants, including CSR independent experts, a Buddhist practitioner, and two consultants from the Vietnam Chamber of Commerce and Industry; an organization that deals extensively with Vietnamese SMEs in the service sector through their projects. The inclusion of this sample of expert informants is able to elicit detail in relation to relevant background information on the Vietnamese context and the sectors consequently, the data obtained from the owner-managers can be verified and triangulated, thereby limiting bias in the study. All interviews were conducted in Vietnamese, as all participants were Vietnamese and chose this as their preferred language of communication. The length of the interviews ranged from 20 to 80 min, with the shorter ones being with the key informants who had limited availability.

4.4 Data analysis

After the interviews, the interviewer carefully transcribed the field notes and audio files, and the data were coded using a thematic approach with both computer software (Nvivo) and manual techniques. All interview data was analysed in Vietnamese, and

Table 1 An exemplar of open coding

Participant's code	Exemplary coding
I always tell my son that company is like a by cycle wheel the hub of which is the business itself. If you want the wheel to run smoothly, you need to have strong hub for that. Customers build the rims of the wheel, a strong customer relationships are like spokes that connect the rim to the hub. Therefore, for a business to have a strong foundation, the spokes must be strong. Is it possible to have a strong customer-business relation, if the business does not honour its commitments, be honest, and respect customers? Of course, not. Similarly, this applies to others such as employees. So in order to have a strong business, it is important to take care of customers and employees *(Script 312.1)*	Wheel as metaphor for business Strong relationship with customers Care and respect for customers Care and respect for employees

Table 2 Data categories

Conceptual categories (Axial coding)	Subcategories	Main category
Care and honesty with customers	Social practices	CSR practices
Philanthropic activities and community development		
Legal compliance and job creation		
Job security and physiological needs	Labour practices	
Social needs and belongness		
Training and development		
Environmental education	Environmental practices	
Eco-friendly products or recycling		

only the direct quotations used in the manuscript were translated into English. To preserve their subjective meanings, these quotations were not translated word-for-word into English (See, Locke et al. 2022).

Once the authors became familiar with the data, a line-by-line analysis and coding process were done. During this process, the authors carefully read and re-read meaningful statements, incidents, and emerging concepts. The code-assigning process was carried out in a way that preserved the terminologies used by the interviewees. An example of the coding process is provided in Table 1. This process resulted in conceptual categories, subcategories, and main categories, as shown in Table 2.

To ensure anonymity and confidentiality, each firm was assigned a three-digit code. The first digit represents the sector of the firm (1 = travel services; 2 = food and beverage; 3 = transportation and logistics; 4 = education). The second digit indicates the location of the firm (1 = Hanoi; 2 = Ho Chi Minh City), while the last digit is a unique identifying number for the firm. Participants were also given pseudonyms and assigned a four-digit code. The first three digits represent the code of the participant's firm, while the fourth digit is the identifying number for that participant. More information about the businesses and participants can be found in Table 3.

Table 3 Summary of businesses sampled and participants

Sector	Business	No. of interviews	Participants
Travel services	111	1	Owner-manager
	112	2	Owner-manager & Tour Leader
	113	1	Owner-manager
	114	1	Owner-manager
Food and beverage	221	2	Owner-manager & Branch manager
	222	1	Owner-manager
	223	1	Owner-manager
Logistics services	311	1	Owner-manager
	312	2	Owner-manager & Head of Business
	323	1	Owner-manager
Education	411	1	Owner-manager
	422	1	Owner-manager
	433	2	Owner-manager & Head of student support services

5 Findings

The finding section is divided into two parts: firstly, the major CSR activities undertaken by SMEs in Vietnam is discussed, and then discussion on the varied institutional influences that shape CSR within the research context.

5.1 CSR practices among SMEs in Vietnam

Mainly, three major CSR practices emerged from the data – namely social practices, employees, environmental relations. The detail of each practice is provided below.

5.2 Social practices

A predominant belief among respondents underscores their perception of corporate responsibility with regard to community engagement. Communal initiatives associated with CSR took diverse forms, encompassing charitable donations, predominantly in monetary form, and philanthropic contributions in kind, primarily involving products or time. In this study, a notable proportion of SMEs, specifically seven out of thirteen cases, demonstrated a preference for monetary donations as a prevalent philanthropic practice. Despite often constituting modest amounts, some respondents opted for anonymity, viewing public acknowledgment as an unnecessary display. Conversely, others asserted that dedicating a day's salary to various communal causes exemplifies a more meaningful contribution. This aligns with Business-312 and Business-113, who advocated for employees forfeiting a day's wages to support individuals affected by natural calamities like floods and typhoons in the central region of the country. Conversely, the manager of Business-111 reported an annual commitment wherein the company allocated one day's salary to support individuals who made sacrifices for national causes, such as those involved in liberation efforts, wounded soldiers, and Vietnamese Heroic Mothers (Bà mẹ Việt Nam anh hùng).

Moreover, SMEs in the service industry exhibited community support through service sponsorship. For instance, Business-223 and Business-221 contributed by donating food items, while those in the education sector concentrated on providing educational opportunities to the underprivileged in the local community. An illustrative case is Business-423, which granted scholarships to disadvantaged children in the community, enabling them to pursue English education and life skills. Furthermore, Business-423 provided instances of their commitment to aiding local children by sponsoring scholarships for English education and other skill development. This research identified instances of SMEs engaging in voluntary activities; notably, Manager-311 reported active participation in a blood donation campaign (Ngày hội Hiến máu tình nguyện). Similarly, Manager-112 referred to the collective involvement of all staff in environmental initiatives, such as garbage and waste collection in their surroundings (Phong trào tổng vệ sinh đường phố, khu dân cư). Nevertheless, certain respondents contended that CSR activities conducted in-kind carry more credibility than charitable contributions. For instance, Manager-423 emphasized the significance of such activities, stating that:

> *This organization prefers in-kind contributions due to two reasons. First, it can be seen how people will use the help. Second, such contributions are straightforward and can reach beneficiaries more easily than cash.* (Manager 423)

An additional facet of social CSR initiatives pertains to job creation within the local community, manifesting through both direct and indirect channels. Manager-312 articulated that their business demonstrated social responsibility by primarily employing local individuals. This perspective extends to the creation of employment opportunities for individuals who might otherwise lack access to formal employment. In the context of community-based eco-tourism, Manager-112 highlighted a commitment to preferentially hiring indigenous ethnic individuals facing challenges in securing stable employment within their local communities. Beyond direct employment, participants noted activities indirectly contributing to local employment growth. For instance, Manager-223 outlined informal policies favouring local suppliers, thereby creating markets for local products and reducing dependence on imported goods. Similarly, Manager-114, operating as an eco-tourism business, emphasized the central role of the community in their business activities, integrating community projects within their tour programs, such as the opportunity for tourists to purchase arts, crafts, and souvenirs from indigenous people. Concurrently, Manager-112 underscored that their eco-tourism approach offered an alternative income source for local communities.

Legal compliance emerged as another form of socially responsible practice among the sampled Vietnamese SMEs. Manager-423 underscored the significance of adhering to state rules and policies in employment relations, acknowledging the associated burden on the business. The debate arises as to whether legal compliance should be categorized as CSR, considering that literature often characterizes CSR for corporations in developed nations as a set of voluntary initiatives beyond legal and contractual requirements (Jamali 2017). Nevertheless, scholars argue that CSR for SMEs in developing countries differs from the perspective of large firms in developed nations (Soundararajan et al. 2018). In alignment with this argument, this study posits that SMEs can be deemed socially responsive by adhering to local rules and regulations, particularly when such compliance is not universally observed. Illustratively, Manager-423 expressed the belief that the business demonstrated social responsibility simply by adhering to laws and regulations:

In a period of transition – there is no guarantee of stability, even in policies and legal systems. The distance between reality and law is far apart. People keep saying 'bread first, morals later' as an excuse. But to me, it's the responsibility of businesses to follow the law. (Manager 423)

5.3 Labour practices

A significant proportion of participants, specifically six out of thirteen cases, expressed a commitment to addressing their employees' physiological needs and social security. For instance, Manager-411 underscored the inadequacy of region-based minimum wages for non-state employees, exacerbated by the challenging inflationary environment in Vietnam. Consequently, the manager asserted the business's responsibility to ensure job security and provide stable wages exceeding the government-mandated minimum. However, acknowledging the difficulty for many businesses to commit to providing liveable wages, Manager-311 and Manager-222 devised informal arrangements. A prevalent practice involved providing wage advancements in the form of small loans, immediately offset from subsequent pay checks. Furthermore, other participants highlighted additional informal fringe benefits, such as initiative bonuses (mentioned by Manager-111 and Manager-411), discounted meals (highlighted by Manager-221 and Manager-222), and allowances for gasoline, telephone, travel, accommodation, and childcare (referenced by Manager-423). Despite their nominal value, these informal arrangements not only enhanced employees' job performance but also assisted them in managing life challenges, particularly when their salaries fell short of meeting living wage standards.

Beyond attending to physiological needs and social security, a majority of participants (13 out of 17) emphasized their businesses' responsibility in fostering a sense of belonging among employees. As per Manager-422, cultivating an intimate culture that promotes kindness and camaraderie among employees is paramount. The working environment was frequently characterized as 'family-like,' with managers commonly referring to employees as 'brothers and sisters in the same family.' When elucidating common practices reflecting this familial approach, the sampled businesses often highlighted initiatives fostering bonding opportunities among owner-managers and colleagues. For example, Business-221 organized events for employees' birthdays and sponsored annual company trips. The familial ethos extended to employees' immediate families, evidenced by fringe benefits provided by most SMEs (8 out of 13 cases). These benefits included assistance during the loss of employees' relatives, support for employees' marriages, and subsidies for family networking events on special occasions like the Children's Festival. Manager-113 elucidated that these activities aimed to enhance the level of relatedness and emotional connection among employees.

We try to nurture empathy [with workers] as much as we can … They want to feel proud of the company they work for. Motivation is based on values and not always on cash … We also try to connect employees' families together because I believe if their family members understand the work that they do, they would empathise and be more supportive. (Manager 113)

Moreover, participants expressed a commitment to assisting workers in maintaining a work-life balance, with flexible scheduling emerging as one of the most frequently cited initiatives within their CSR agenda. Manager-411 elucidated that offering flexible working hours and allowing time off for family matters were deemed crucial for attracting and retaining employees, particularly women who often grapple with more demanding family obligations compared to their male counterparts. Notably, the adoption of a flexible schedule may also reflect sector-specific norms, as exemplified by Business-222 and Business-223, which granted flexible working hours to accommodate their predominantly part-time student employees.

Within the realm of labour practices, another recurrent theme was training and professional development. In this context, voluntary provisions such as vocational programs and ongoing professional training and development can address issues such as skill shortages, economic disparity, and inequality (Camilleri, 2017; Lauring and Thomsen, 2009). Aligning with this perspective, this study posits that training and professional development constitute CSR initiatives among SMEs in Vietnam. Notably, the majority of businesses (7 out of 13) in this study provided training opportunities for employees, with many participants considering these initiatives as manifestations of their CSR commitment to employees. For instance, when queried about employee-focused CSR activities, the managers of Business-221 and Business-222 in the food and beverage sector highlighted on-the-job training, viewed as instrumental in equipping new employees with requisite skills. Simultaneously, managers of businesses in the education sector unanimously underscored the provision of off-the-job training courses to enhance employees' knowledge and expertise. As explained by Manager-423:

> *In education sector, teachers are everything. So, this organization should train them and give them all the required skills, and knowledge. This is definitely social responsibility*. (Manager 423)

Surprisingly, there was an absence of mentions regarding employee training and professional development among participants in the logistics sector. The omission of workforce development initiatives in SMEs within the logistics sector may indicate a lack of perceived incentives for companies to allocate resources to this aspect. Furthermore, it could be reflective of the fragmented nature of the sector, creating a scenario where small businesses lack both the capacity and the motivation to invest in human resource development. This absence underscores potential challenges and sheds light on the unique dynamics within the logistics sector, where prevalent conditions may hinder a proactive approach to employee training and skill enhancement.

5.4 Environmental practices

In this study, environmental responsibility received relatively little attention compared to other themes. Specifically, only 5 out of 13 companies expressed a commitment to environmental responsibility. Among the four industries investigated, companies in the food and travel sectors tended to implement environmentally responsible practices, focusing on recycling, eco-friendly products, and environmental education. All three businesses in the food and beverage sector actively supported global initiatives against single-use plastic, utilizing eco-friendly alternatives like grass straws and biodegradable plastic bags. Business-222, adopting a comprehensive "3Rs" approach (Reduce, Reuse, Recycle), aimed to create an organizational culture that prioritizes sustainability and minimizes environmental impact. This includes measures such as conserving energy and water, reducing waste production, and minimizing the use of single-use plastic straws. Manager-222 outlined the approach:

> *Purpose of this business is "the change starts with you". The negative environmental impact of plastic straws is obvious. So, straws are used that are grown in the tropical wetlands of Vietnam, are handpicked, and cut, cleaned, sterilized, and packaged by local farmers*. (Manager 222)

The second aspect of environmental responsibility involves environmental education. As the sole representative from the food services sector prioritizing this, Manager-222 emphasized their restaurant's focus on inspiring environmental sustainability by educating the younger generation. This entails imparting knowledge about mindful eating, fostering a greater appreciation for food, and promoting sustainable eating habits. Beyond the food services sector, the most engaged participants in environmental education were businesses in the travel services sector. All participants in this sector endorsed zero-waste trips, urging tour guides to remind clients to adopt green travel practices such as waste sorting, carrying reusable water bottles, and making mindful purchases to mitigate negative impacts of eco-tourism while enhancing positive ones. Notably, community-based tourism enterprises like Business-112 and Business-114 demonstrated a proactive environmental approach. Business-114 introduced options for guests to participate in green projects like planting tree saplings and engaging in local community clean-up programs as part of tourist volunteering activities. Similarly, Business-112 offered customers unique farming experiences, allowing them to engage in vegetable and fruit gardening while enjoying organic, locally grown foods.

5.4.1 The influence of national context

The preceding section provided an overview of the prominent CSR practices observed among the businesses in this study. The ensuing section delves into and elucidates the three primary institutional influences shaping CSR practices among SMEs: the impact of religious and spiritual orientation, the role of political governance, and the level of socioeconomic development.

5.5 Religious and spiritual orientation

Religion In this study, participants overwhelmingly concurred that their CSR initiatives were significantly influenced by Buddhist teachings. Notably, when discussing philanthropic activities, Manager-411, Manager-423, and Manager-223 explicitly referred to the concept of 'Tu bi' (compassion). Manager-411 emphasized the importance of practicing 'Tu bi' (compassion) in both business and daily life, aligning with Buddhist beliefs. An external observer and long-time Buddhist practitioner, Informant-011.3, explained that 'Tu bi' (compassion) in Buddhism conveys active sympathy and a willingness to help others, leading to a sense of peace. Several participants expressed the positive emotions associated with socially responsible actions, citing reasons such as 'avoiding remorseful/guilty feelings' (Manager 223), 'feeling relieved' (Manager 411), and 'gaining happiness and peace of mind' (Manager 423).

Furthermore, the belief in 'karma' emerged as another influential aspect of Buddhist teachings shaping CSR activities. According to Informant-011.3, the karma doctrine encourages moral living and compassionate behaviour, promising rewards and good fortune. Participants, such as Manager-423, acknowledged the relevance of karma in cultivating positive thoughts and actions in their business practices. The manager metaphorically described socially responsible behaviours as planting seeds of good (good deeds), leading to the future fruition of abundance and happiness for themselves and their families. Manager-223 highlighted the interconnectedness and karmic consequences, asserting that understanding the universal application of karma promotes mindfulness of actions and their potential outcomes. According to the manager, those who grasp the concept of karma are more conscious of their actions, creating conditions for a more positive future while avoiding actions that may lead to greater suffering. The manager explained:

> *Many people do business just because of money and there is nothing they do not dare to do, even unethical things. They just want to get rich quick; they want to get money and they don't want to exert a lot of effort. But they don't know that they are only rich "prematurely" and the future consequences they and their family will eventually get will be much worse. Sometimes karma is not instant, karma comes late, making many people mistakenly believe that karma is not a real thing*. (Manager 223)

In addition to Buddhist teachings, a foundational set of moral obligations stemming from Confucianism appeared to foster the adoption of CSR practices among SMEs. Within this framework, social responsibility is perceived as a moral duty influenced by normative social pressures that place a high emphasis on morality. A prevalent Confucian moral value repeatedly emphasized by participants, especially when explaining socially responsible behaviour, is 'Tam' (conscience). According to Informant-011.4, an independent CSR consultant/expert, Vietnamese culture has long upheld the value of 'Tam' (conscience), equating it with wisdom. This sentiment is echoed in a verse from The Tale of Kieu by Vietnamese poet Nguyen Du (1764–1820): "The heart [Tam] is worthwhile thrice the talent." While the concept of 'Tam' (conscience) may be interpreted in various contexts, participants consistently defined it in this study as an individual's sense of right and wrong, driven by a desire to do what is right. It is reinforced by three elements—'Nhan' (benevolence towards fellow human beings), 'Nghia' (moral righteousness), and 'Tin' (trustworthiness)—in accordance with the five constant nature and qualities of a human being in Confucianism. This perspective is evident in interviews where participants expressed an obligation to cultivate themselves to 'be kind' (Manager 113), 'do the right thing' (Manager 312), and 'be honest to others' (Manager 221). Excerpts from interviews with managers illustrate this viewpoint:

> *Life can be hard for anyone but having said that, "a good leaf covers torn leaves" is the Vietnamese tradition … Kindness to the less fortunate is the most important of the virtues. (Manager 113)*
> *To survive, this business feels the responsibility to do the right thing for customers and employees*. (Manager 312)
> *Doing business can result in profits or loss, but loss of money can be completely recovered. If a business is not honest to others, it loses Tin, and cannot get it back.* (Manager 221)

Beyond moral values, another significant element of Confucianism is the concept of social harmony, emphasizing the importance of the 'group' relative to the individual. In this study, this cultural characteristic appears to drive participants to engage in CSR practices, particularly community-related initiatives. Participants often perceive the community as an extension of the family, maintaining social cohesion through harmonious actions. The community is widely acknowledged as the 'basis for business success' (Manager 112), and some participants even regard businesses as having a 'moral debt to the local community' (Manager 114). Consequently, participants believe in operating their businesses in a 'reciprocal way' (Manager 113), returning wealth to society through philanthropic activities as a gesture of 'gratitude to the local community' (Manager 312). This sense of obligation, coupled with their desire to be integral to the community, may elucidate the prevalence of public generosity and active participation in community activities among the studied companies. Social harmony and reciprocity also manifest when participants strive to foster a family atmosphere among their employees. As highlighted in the previous section, many participants view their employees as members of an extended family. Consequently, under normative pressures to cultivate harmony and solidarity, participants perceive their primary business responsibility as taking good care of their employees, along with their immediate family and dependents. The following excerpts illustrate participants' viewpoints, highlighting the connection between social harmony and employee-related CSR initiatives:

> *Vietnamese culture is based on mutual affection so what this organization does show care about staff. I like to see my enterprise as a small family, and always treat employees with kindness and sympathy. That's why they stay for a long time.* (Manager 422)

5.6 Political governance

In this study, SMEs actively participated in community and philanthropic activities through collaborations with social and political mass organizations such as the Fatherland Front, the Women's Union, and the Red Cross at local, provincial, and district levels. According to Informant-010.2, a consultant from the Vietnam Chamber of Commerce and Industry, these organizations, beyond legally raising charitable funds and implementing aid programs, also serve as conduits for the government's official ideology. Their objectives align with state and Party goals, emphasizing the importance of maintaining good relations with local authorities for legitimacy. Participating in state-led social campaigns is considered a way to achieve this, with some participants citing 'building a good relationship with the local authority' (Manager 112 and Manager 422) as a motivation for CSR activities. Political governance influences CSR through the government's dominance in legislation and regulation, particularly in employment relations. Labour practices often align with socialist principles, emphasizing compliance with Vietnam's labour laws governing wages, working hours, minimum working ages, and employee benefits. Certain CSR initiatives, such as the 13th month's pay and time off for family obligations, reflect traditional practices from the socialist era.

However, issues with political governance, including weak legal enforcement, pose challenges to CSR development. Mandatory trade unions and legally binding collective agreements are not consistently enforced, leading to the absence of unions in most SMEs. This lack of worker representation raises concerns about workers' awareness of their rights, with disputes often settled through informal negotiations. Weak legal enforcement also contributes to low social insurance coverage, as compliance remains a challenge without consistent government enforcement. Some participants expressed frustration, stating that compliant companies are disadvantaged compared to non-compliant ones. There is a general lack of trust in the legal and regulatory environment, with both employees and employers perceiving social security schemes as dysfunctional. Concerns about the vague and uncertain nature of expected benefits contribute to employees' reluctance to enrol in social insurance, as they may prefer monetary remuneration and collaborate with employers to under-report salaries and reduce social security contributions.

5.7 Level of socioeconomic development

Vietnamese society has undergone significant changes since 1986 with the adoption of the ’chinh sach mo cua’ (an open door) policy, coupled with a pro-market approach. The embrace of capitalism for economic growth, coupled with globalization, has brought about fundamental shifts in economic, ethical, political, and cultural aspects of Vietnamese society. In this evolving environment, societal expectations of business responsibilities in Vietnam have transformed gradually, prompting companies to manage their relations within society in a new way. The country’s level of socioeconomic development is evident in the widespread dissemination of ideas related to sound business practices and sustainable business concepts. As business leaders become more exposed to foreign ideas, there is a collective awareness of international issues related to CSR. External pressures, such as training sessions by organizations like VCCI (Vietnam Chamber of Commerce and Industry), have contributed to a stronger recognition among business leaders regarding their social responsibilities.

Moreover, the escalating competitive dynamics associated with the country’s level of socioeconomic development increase pressures on companies to engage in CSR. Fiercer competition, according to Informant-010.1, makes adopting socially responsible activities a potential source of competitive advantage. The emergence of a new group of consumers, particularly foreign customers and the socially conscious young generation in Vietnam, further contributes to an environment conducive to the adoption of CSR activities.

Interviews with owner-managers provide examples of businesses aligning their agendas, including CSR, with societal expectations. For instance, Manager-222 emphasizes that being environmentally responsible can be a competitive advantage for small businesses, especially when competing on price may not be feasible. Manager-423 highlights the role of social media, where customers can report unethical behaviour, placing new constraints on business practices. Building a socially responsible business is seen as integral to building trust with customers, helping businesses navigate the challenges of a turbulent business environment. The following excerpt from Manager-112 illustrates a comparable viewpoint, emphasizing the business’s commitment to engaging in CSR activities to meet the rising demand for more socially and environmentally responsible services:

> *This trend is seen as a business opportunity, so this business integrates community projects into its tours. This allows the business to enter a niche market. Competing with big firms is hard in terms of mass tourism, but this can be done by acting much quicker to meet the new arising demands in the market.* (Manager 112).

The intensification of competitive dynamics, coupled with a weak regulatory regime, poses a challenge to the development of CSR among the sampled businesses. According to Informant-011.1, globalization, to a certain extent, threatens local markets and creates an environment where survival becomes challenging for local SMEs. In a developing country like Vietnam, where many free-market assumptions may not hold, conditions for unethical business practices to flourish are created.

This study highlights the prevalence of unethical competitors in various sectors, with participants expressing the difficulty of dealing with such practices. Informant-011.4 notes that the absence of positive role models often leads to pressures from unethical business practices, forcing SMEs to engage in deceptive actions and potentially undermining their willingness to participate in CSR. Ironically, participants reveal the challenge of maintaining moral integrity in an environment where unethical practices are widespread. Manager-311, in the following excerpt, expresses concerns about the impact of dishonest actions not only on a particular business but also on the public's trust in SMEs:

> *It is hard to do business when you are surrounded by dishonest companies who can say and do everything to steal customers from you. Their short-term thinking may lead to long-term costs not only for them but also for other honest ones in the sector. The biggest loss is probably the trust and confidence of the market. (Manager 311)*

6 Discussion

This study offers a nuanced perspective on the factors influencing owner-managers' decisions to pursue specific CSR initiatives, highlighting the interplay between economic and non-economic drivers. Importantly, it explores how these drivers interconnect and evolve over time. For example, some SMEs in this study were found to embed social benefits into their services or integrate environmentally responsible practices into their business strategies, rather than treating CSR as an external constraint applied with a 'business-as-usual' mindset. According to the owner-managers, this innovative approach has enhanced their competitive advantages in areas such as cost management, marketing, and networking. These findings align, to some extent, with the business case argument widely supported in previous studies (e.g., Ghauri et al. 2021; Muskat et al. 2021), suggesting that strategically integrating CSR into core business practices can yield both social and economic benefits.

The study demonstrates a widespread engagement in CSR among SMEs, focusing primarily on social, labour, and environmental practices. Notably, there is a discernible homogeneity in CSR practices, as evidenced by consistent philanthropic contributions, volunteer activities, and employee-related CSR practices, such as the provision of a 13th month's pay during the Vietnamese Lunar New Year. These findings were also consistent with previous CSR studies on SMEs in Vietnam (Nguyen et al. 2022; Tran & Jeppesen 2016; Van & Nguyen 2019). Revisiting RQ2, which investigates the influence of the national context, our findings highlight three concurrent institutional factors shaping CSR practices: religious and spiritual orientation, political governance, and the level of socioeconomic development. Importantly, enduring ethical foundations rooted in Buddhist teachings, Confucian moral codes, and social harmony facilitate SMEs' engagement in philanthropic CSR. Furthermore, our research indicates that SMEs tend to align with government calls, demonstrating that structural influences may enable the convergence of CSR practices. Thus, we argue that observed commonalities between firms can be attributed to isomorphic institutional pressures from the national context. The divergence in CSR practices were also found in prior CSR studies in other contexts (Jamali & Neville 2011; Zigan & Grys 2018).

However, evidence of divergence in CSR activities across sectors within SMEs is also evident. For instance, SMEs in the education sector prioritize legal compliance and proper business practices, while those in the food and travel services sectors tend to integrate environmentally responsible initiatives into their core business model. Adopting Bourdieu's concept of field, we propose two key enabling conditions for the observed divergence in CSR practices among SMEs in Vietnam. First, the observed variance may be attributed to the level of institutionalization regarding CSR in Vietnam. Lower degrees of institutionalization, associated with higher levels of uncertainty in the institutional order, may provide room for divergent practices. Our study reveals that institutional pressures are not always enabling; rather, they could constrain socially responsible practices. For instance, certain traditional elements, such as Buddhist teachings, may enable specific CSR initiatives, while elements in political governance, like weak legal enforcement, coupled with those in modernity, such as the escalation of competitive dynamics, may impede socially responsible behaviour.

Additionally, each institutional factor may act as either a facilitator or a constraint on the development of specific CSR practices. For example, traditional Vietnamese values of Confucianism, emphasizing collective interests over individual interests, may drive certain CSR practices, such as providing days off for family events. However, these values may also act as barriers to the introduction of performance-based pay structures. This continuous assimilation and adaptation process has led to ambiguous and competing prescriptions or institutional demands towards the implementation of CSR in SMEs in Vietnam. In such situations, SMEs may face ambiguity about expectations, as complying with one set of demands may put organizations in a position where they must confront another contending set of demands. This uncertainty and misalignment in the institutional order create scope for social actors to exercise their agency (Mahmood et al. 2024; Rambaree 2019).

Secondly, the relative autonomy of the field with respect to institutional pressures from the national context could also explain the observed divergence in CSR practices. This mechanism reflects the strength of institutional arrangements, which may vary across sectors or organizational fields. For example, SMEs in the tourism sector, recognized for their high international orientation, tend to be motivated to adopt environmentally responsible practices due to the growing environmental awareness and consumer demand in the sector. On the other hand, SMEs in domestic-oriented sectors, such as logistics, may prioritize philanthropic CSR based on their local understanding of CSR, influenced by cultural foundations. Another example is seen in SMEs in the education sector in Vietnam, where participants emphasize the importance of having both wisdom and moral qualities. Acquiring and preserving moral prestige is not only an enabling factor for acts of compassion but also a constraining factor for unethical behaviour among SMEs operating in this sector.

In addition, the evidence in this study indicated that a significant portion of the sample SMEs are underperforming in terms of environmentally responsible practices. However, firms with an established environment-focused purpose were more likely to adopt a strategic approach to environmental practices, integrating these initiatives into their core business model ('business-as-usual') rather than treating them as supplementary activities. For example, managers of food service businesses acknowledged that increasing the inclusion of green practices in their operations helped them reach a niche market, while community-based tourism firms secured competitive advantages by avoiding short-term behaviours that are socially detrimental or environmentally wasteful. This integrative approach reflects the principle of creating shared value, as suggested by Porter and Kramer (2011), which argues that owner-managers are increasingly aware of the potential 'win–win' they can achieve by implementing 'double duty'—achieving economic objectives while simultaneously addressing important environmental issues. These findings align with studies on SMEs in different contexts (Chakraborti & Mishra 2017; Choongo, et al. 2019; Das, et al. 2020; Jamali 2017).

Moreover, the variance in CSR practices may be due to the absence or limitation of institutional influences in a sector. For instance, the lack of participation in social insurance coverage is widespread among SMEs operating in the tourism and food and beverage sectors, possibly due to the nature of a sector characterized by high labour fluctuation. This illustrates that the absence of legal enforcement may exert countervailing pressures on the implementation of CSR in SMEs. In such cases, not only do some SMEs refrain from engaging in certain CSR activities, but they may also be driven to practices inferior to those found in other businesses. This underscores the complex interplay between institutional forces and sector-specific dynamics, shedding light on the nuanced landscape of CSR practices among SMEs in Vietnam.

6.1 Practical implications

This research underscores the pressing need to institutionalize CSR more robustly in Vietnam and address structural weaknesses inherent in the national context. The findings highlight significant gaps in the legislative framework for CSR, particularly within the SME sector. CSR-related formal institutions, such as laws and regulatory agencies, exhibit limited influence, failing to integrate CSR into the operational realities of SMEs. These institutional voids, combined with intense competitive pressures, risk discouraging SME owner-managers from engaging in CSR initiatives and may inadvertently foster unethical practices. To promote CSR adoption among Vietnamese SMEs, the government must prioritize the development of comprehensive national CSR guidelines and standards tailored to the unique challenges of SMEs. Equally important is the establishment of robust monitoring and enforcement mechanisms to ensure compliance and to protect ethical SMEs from being undermined by unethical competitors.

Beyond formal institutional measures, this study highlights the untapped potential of Vietnam's cultural and religious heritage in fostering CSR practices. Traditional values, which historically emphasized collective well-being and ethical conduct, provide a strong foundation for CSR. However, these values have been overshadowed by the pragmatic ethos of a market-driven economy. Policymakers and business leaders should explore ways to integrate these cultural and religious principles into CSR frameworks, creating a more context-sensitive and sustainable model of CSR that resonates with the lived experiences of Vietnamese SMEs.

By addressing these multifaceted issues, Vietnam can build a more enabling environment for CSR, balancing regulatory enforcement with cultural leverage to drive meaningful and widespread adoption among SMEs.

6.2 Limitations and future research

This study is not without limitations. Firstly, this study employs a static cohort design that ignores the dynamics in the field and the role of owner-managers. Second, our findings are specific to the four specific service sectors in Vietnam with a limited number of interviews. Third, while additional interviews with outside observers were obtained, the majority of interviews was with owner-managers. As such, the findings are mainly based on the owner-mangers' interpretations and subjective viewpoints. The representativeness of the data could be then challenged. Given the above limitations, the results and conclusions from this study should be applied to other contexts with caution and prudence, especially when the level of field autonomy may diverge based on variations in the institutional settings. Nevertheless, we think that this initial study paves the way for some further research. Particularly, future research could continue substantiating this line of argument by adding further evidence to confirm the validity of the results, such as through the application of more objective and quantitative methods. Future studies could also expand and/or challenge this research's findings by being conducted in a different sector. Finally, researchers can also apply the other two key concepts of Bourdieu, namely capital and habitus to examine the mechanism in which individual owner-managers can exercise their agency through their interpretations and responses to structural influences (i.e. from both institutional context and organisational field) regarding CSR. In this situation, CSR practices could therefore be conceptualised as a type of 'position-taking', which is dependent on their social position (i.e. the composition of their capital) and disposition.

6.3. Conclusion.

The current study explores the effects of national context in the implementation of CSR among SMEs in a developing country. Previous studies underpinned by neo-institutional theory tend to assume a convergence of CSR practices between different organisations operating in the same national context. However, this study shows that that the opposite is actually the case, in which there is evidence of a degree of divergence in terms of CSR practices among SMEs in Vietnam. In this study, the concept of 'field' in Bourdieu's theory of practice has significant explanatory power as it allows us to explain the diverging or converging tendencies in CSR in SMEs. In particular, we argue that the convergence is largely driven by isomorphic institutional pressures from the national context, while divergence is catalysed by the level of institutionalisation and the relative autonomy of the field in which SMEs operate. Thus, this study challenges traditional neo-institutional arguments (DiMaggio and Powell 1983) and contributes to the emerging research on variations in organisational practices. Moreover, by examining CSR from a viewpoint that is more relevant to the characteristics, contexts, and logics of SMEs in developing countries, this study also contributes to a neglected area in the CSR scholarship.

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Declarations

Conflict of interest The authors declare that there was no conflict of interest.

Informed consent The participants were informed beforehand regarding the nature of this research. All the individual, organisational and institutional participation were voluntary and anonymous. All in all, this research was approved by the Massey University Human Ethics Committee.

Human and animal rights The authors also declare that there were no animals involved throughout the conduct of this research.

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