CORPORATE SOCIAL RESPONSIBILITY IN SMES: THE CASE OF AN AUSTRIAN CONSTRUCTION COMPANY

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ABSTRACT

Corporate social responsibility (CSR) is usually associated with the integration of ecological and social issues into corporate activities. CSR must be closely aligned with a company's strategies and core business and therefore capable of contributing to the renewal, augmentation and adaptation of the company's competencies over time. A CSR management concept applicable to SMEs remains lacking. CSR in SMEs must be pragmatic and results-oriented because the owners of SMEs tend to focus on operational and practical matters. This paper is based on a single case study of an Austrian construction company. The company is well known for its social activities and the owner embodies the ideal of a responsible entrepreneur. This case shows how the company managed to integrate CSR into corporate strategy and illustrates and analyzes the process of CSR implementation. The main findings of this paper are as follows: The successful implementation and operationalization of CSR in SMEs depend on a simple but stringent process with both top-down and bottom-up commitment. Through their entrepreneurial leadership, entrepreneurs and senior managers act as positive role models for all SME employees. CSR orientation must become a component of the self-image of a company. The low degree of formality in SMEs requires an authentic and company-specific CSR approach that is supported by all executives. This paper also supports theory building and development by comparing the findings of this case study with those of existing literature.

Keywords: Corporate Social Responsibility, Case Study, SME, Strategic Management