



Master's Thesis

**Integrating Corporate Social Responsibility into Small Business:  
A Case Study on a Digital Platform**

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## **Abstract**

Many companies have become aware of the importance of corporate social responsibility engagement and its organizational advantages. Corporate social responsibility has mainly been a focus for large corporations until recent times and most of the academic studies in this area have focused on large organizations. Small businesses should also be a subject of corporate social responsibility research considering their large share in the world and their strong impact on the market structures and local economies. The aim of this study was to find important ways to engage in corporate social responsibility and the potential corporate social responsibility activities that can be applied for small businesses. Digitalization has also become more significant and the number of small companies adopting the digital business model is substantial. Nevertheless, there is no study investigating companies adopting the digital business model in the corporate social responsibility field. This research gap was filled by this study conducted by the interviews applied with 10 employees working for a small business having a digital business model. The results of the thematic analysis enabled us to identify the potential ways to engage in corporate social responsibility for small businesses. Each engagement category was supported by relevant potential activities that we found. It is clearly understood from the study that small businesses should engage in CSR by selecting particular issues due to the limited time and limited financial resources that small businesses have.

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## List of Abbreviations

€	Euro
B2B	Business-to-Business
B2C	Business-to-Customer
C2C	Customer-to-Customer
CEO	Chief Executive Officer
CO <sub>2</sub>	Carbon Dioxide
CSR	Corporate Social Responsibility
EC	European Commission
EMAS	Eco-Management and Audit Scheme
EU	European Union
HR	Human Resources
HVV	Hamburger Verkehrsverbund (Hamburg Transport Association)
IOS	iPhone Operating System
ISO	International Organization for Standardization
NGO	Non-Governmental Organization
OECD	Organisation for Economic Co-operation and Development
PhD	Doctor of Philosophy
SME	Small to Medium Enterprise
TBL	Triple Bottom Line
UK	United Kingdom
US	United States

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## **1. Introduction**

In the contemporary business world, companies need to take responsibility for the improvement of the planet and the improvement of the quality of people's lives while earning a financial profit to successfully deal with future challenges (Elkington, 1998). The responsibility that companies take for the environment and society is called corporate social responsibility (CSR) in the literature. The European Commission (2001) formally defines CSR as the volunteer contribution of companies to a cleaner environment and a better society by the integration of environmental and social concerns into the business. CSR has gained importance in academia as well as in the corporate agenda particularly for the last couple of decades (Knox, Maklan, & French, 2005; Saunders, 2006).

CSR engagement allows companies to have a positive impact on the environment and society while companies gain various organizational advantages from CSR engagement. Previous studies show that CSR engagement helps companies to gain efficiency in their operations (e.g., Porter, & van der Linde, 2011), improve risk management (e.g., Orlitzky, & Benjamin, 2001), improve reputation and brand image (e.g., Hansen, 2004), increase the motivation of employees and increase the attractiveness of the company for the potential workforce (e.g., Schaltegger, & Burritt, 2005). In addition, previous studies (e.g., Margolis, & Walsh, 2003) demonstrate that the positive relationship between CSR engagement and financial performance is predominant despite the results are inconclusive.

CSR and the organizational advantages of CSR engagement mentioned above have been traditionally associated with large companies, in the existing literature. However, it is seen that the research on CSR has recently started to focus on small businesses. The studies focusing on small businesses (Sarbutts, 2003; Lepoutre, & Heene, 2006; Spence, 2007) indicate that the distinctive characteristics of small businesses such as ownership, management structures, and the extent to organizational resources (Tilley, 2000; Johnson, Curran, Duberley, & Blackburn, 2001; Perez-Sanchez, Barton, & Bower, 2003) may affect CSR engagement in small businesses and cause some differences in CSR engagement than large companies.

It is important to advance the knowledge related to CSR for small businesses. Because small businesses have a substantial share in most parts of the world, and they have a great impact on local economies with their contribution to employment, national income (e.g., Byrne, 1993), as well as market structures with their innovation capacities (e.g., Acs, 1999). Meanwhile, small businesses have a closer relationship with their stakeholders (Tilley, Hooper, &

Walley, 2003) and employees (Longo, Mura, & Wigren, 2005) when it is compared to large companies. Accordingly, local needs are better understood by small businesses as a result of close relationships with stakeholders and employees (Ketola, Blomback, & Wigren, 2009).

Even though the focus in the CSR literature is on large companies, the global increase in the interest in CSR, the number of small businesses around the world and the significance of small businesses for local economies, market structures, and innovation give an idea that the importance of the contribution of small businesses to the environment and society will continue to increase day by day. In addition, CSR engagement by small businesses is not important only for the environment and society, but also for companies as it has different organizational advantages. Along with these organizational advantages of CSR engagement, small businesses can have long-term relationships with their stakeholders and gain a competitive advantage from CSR engagement thanks to their contribution to the environment and society. Nevertheless, small businesses do not have sufficient knowledge about how to integrate CSR into the business because of the fact that only a limited number of studies linked to small businesses exist.

Previous studies related to CSR for small businesses mainly explore the determinants of CSR for small businesses (e.g., Perez-Sanchez et al., 2003; Hopkins, 2012; Spence, Jeurissen, & Rutherford, 2000), the constraints of small businesses to engage in CSR (e.g., Vives, 2005; Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006), the perception of employees of small businesses related to CSR (e.g., Murillo, & Lozano, 2006; Perrini, 2006; Sweeney, 2007), and the existing CSR practices executed by small businesses (e.g., Sweeney, 2007; Longo et al., 2005, Jenkins, 2006). However, there is not any study in the current literature, which demonstrates the important ways and suitable activities that can be implemented to engage in CSR for small businesses. It is important to fill this research gap to solve the problem that small businesses have insufficient knowledge about how they can integrate CSR into the business.

In order to fill the research gap mentioned above, this study aims to explore the important ways to engage in CSR and the suitable activities that can be implemented for CSR engagement, for small businesses. The present study searches for an answer to the research questions stated below.

1. What can be the important ways to engage in CSR for small businesses?
2. What can be the suitable activities which small businesses can implement to engage in CSR by these important ways?

The first question is the main research question of the study and asks in which manner small businesses can engage in CSR. The second one is the sub-question linked to the first research question and asks suitable activities that can be implemented under each way. For instance, the promotion of work-life balance for employees reveals as an important way to engage in CSR, whereas the adoption of flexible working hours is a suitable activity which small businesses can implement to engage in CSR by the way of the promotion of work-life balance for employees.

This study approaches the research questions by the case study method and the findings of the study are revealed by in-depth semi-structured interviews conducted with the employees of a Germany based small business. The case company fits the small business definition of the EC (2001), which means that there are fewer than 50 employees in the company and the company generates an annual turnover or balance sheet total of less than 10 million Euros (€).

An important feature of the case company is that it is a small business adopting the digital platform business model. One of the reasons for the choice of a digital platform as the case company is that digital platforms have some distinctive characteristics in addition to the characteristics of typical small businesses. Another reason for this choice is that the characteristics (e.g., providing low transaction costs) of the digital platform business model are attractive for companies and that the number of digital platforms increases continuously as a result of these attractive characteristics (Asadullah, Faik, & Kankanhalli, 2018). It can be assumed that the number of digital platforms will continue to increase, and many future small businesses may adopt the digital platform business model due to its distinctive attractive characteristics. However, there are still many unanswered questions regarding digital platforms, including topics related to the area of CSR. Therefore, the present study enables not only typical small businesses but also small-sized digital platforms to understand how they can integrate CSR into the business.

The fundamental reason for choosing a sample from the employees of the case company is that employees are one of the key stakeholders of small businesses, which is also shown as one of the motivations for small businesses to engage in CSR (Jenkins, 2004; Murillo, & Lozano, 2006; Vives, 2005). At the same time, it can be claimed that employees have an important role in the implementation of CSR practices.

In the present study, a deep understanding of CSR perceptions, experiences, suggestions, needs, and expectations of the participants is gained by using the method of in-depth

semi-structured interviews for data collection. The developed interviews are based on two different points. First, the dimensions of CSR, namely environmental, social, and economic dimensions, are addressed in the interviews. These dimensions rely on the theoretical framework called the Triple Bottom Line (TBL), developed by Elkington (1994). Second, the main issues addressed by research on CSR for small businesses and the general current CSR literature regardless of the company size are covered in the developed interviews. In this context, the definition of CSR, current CSR activities of the company, the role of CSR activities at the personal and company level, and the potential barriers for CSR in small businesses are addressed in the interviews.

This study provides a groundwork in the clarification of the important ways as well as the suitable activities that can be implemented by small businesses to engage in CSR by these important ways. The findings of the study open new avenues for future research. In addition to the contribution of the study to the literature, the present study guides small businesses to understand some of the important ways and activities which can be adopted in practice for CSR engagement. The improvement in the knowledge of small businesses in terms of CSR may allow them to contribute to the protection of the environment and the acceleration in the growth of societies. Along with the positive impact of small businesses on the environment and society, their improved knowledge in CSR may provide them establishing long-lasting stakeholder relationships and gaining competitive advantage thanks to the organizational advantages of CSR engagement.

After introducing the topic in this section, the theoretical background is presented in Section 2, including the definition of CSR by various academic studies and organizations, the explanation of the organizational advantages of CSR engagement, the definition of small business and digital platform along with the significance of small businesses and digital platforms. Moreover, the findings by research on CSR for small businesses are addressed in Section 2. The methodology adopted to answer the research questions is explained in detail in Section 3. The case company is introduced, and the data collection is explained comprehensively in Section 3. The theoretical framework of the TBL and the central themes used in the interviews are examined in the same section. Further, Section 3 includes the details of the sampling strategy and data analysis. Section 4 presents the main results of the study, which were obtained from the in-depth semi-structured interviews. Section 5 includes the discussion of the results and states the main contributions and limitations of the study as well as the recommendations for future research. Finally, conclusions are drawn in Section 6.

## **2. Theoretical Background**

### **2.1. The Concept of Corporate Social Responsibility**

Two parallel developments are seen in the evolution of the concept of CSR. The first one is the efforts of policymakers and various organizations to disseminate the idea of CSR in different ways such as creating formal definitions and initiatives, while the second one comprises academic contributions exploring the relationship between business and environmental-social contexts (Zadek, 2002; Tencati, Perrini, & Pogutz, 2004). The number of academic studies and reports in the area of CSR as well as the importance of CSR standards have increased since the 1990s (Khan, Khan, Ahmed, & Ali, 2012).

#### **2.1.1. Definition of Corporate Social Responsibility**

The definition of CSR suffers from a lack of strong consensus, although the concept of CSR is widely discussed by previous academic studies and various organizations. From the academic perspective, one of the earliest definitions of CSR was provided by Bowen in 1953. He defines CSR as the “obligations of businessmen 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” (Bowen, 1953, p.6). According to Sriramesh, Ng, Ting, and Wanyin (2007), Bowen has formed the basis of modern CSR literature with his definition and the area of CSR has evolved with different names such as corporate social responsiveness and corporate social performance since this definition was proposed.

A significant number of studies define CSR as a set of the initiatives of a company to go beyond profit-making or compliance with the law (Davies, 1973; McWilliams, Siegel, & Wright, 2006; Aguilera, Rupp, Williams, & Ganapathi, 2007; De Roeck, Marique, Stinglhamber, & Swaen, 2014). Based on the definition by Mohr, Webb, and Harris (2001), CSR is the commitment of a company to minimize or eliminate any harmful impact on society and to maximize long-term benefits. Likewise, Hopkins (2004) refers to CSR as a concept that means the treatment of the stakeholders of the company ethically and in a responsible manner. According to Kotler and Lee (2008), CSR is an obligation to improve the welfare of society. They also remark that CSR is implemented through voluntary practices and contributions of corporate resources.

Moreover, the World Business Council for Sustainable Development (1999) defines CSR as a continuous commitment by a company to behave ethically and to improve the quality

of life of the employees, their families, the local community and society at large with the contribution to economic development. The definition of Organisation for Economic Co-operation and Development (OECD, 2001) is relatively shorter and is that CSR is the contribution of a company to sustainable development. In 2001, the EC came up with a more comprehensive interpretation of CSR, which integrates all dimensions included in previous definitions. Based on the definition of EC (2001), CSR is a concept that companies decide to contribute to a better society and a cleaner environment voluntarily by integrating social and environmental concerns into their daily operations and their relationship with their stakeholders.

It is needed to define the stakeholder concept in order to better understand the CSR concept, as it takes place in some of the definitions stated above. Stakeholders are whoever can affect or are affected by an organization's achievement of objectives (Foster, & Jonker, 2005; Freeman, 2010). The concept of stakeholder consists of two clusters. It is seen in various studies (de Chernatony, & Harris, 2000; O'Shannassy, 2003; Neubaum, 2012; Cardwell, & Williams, 2017) that external stakeholders refer to the entities that are not within an organization itself (e.g., suppliers, society, creditors, the government), while internal stakeholders are the entities within the organization (e.g., employees, managers, owners). In order to establish the interrelation between CSR and stakeholder concepts, it can be considered that CSR explains what responsibilities that an organization ought to fulfill exist, while the stakeholder concept addresses the issue of whom a company is or should be accountable to (Kakabadse, Rozuel, & Lee-Davies, 2005).

In summary, CSR is the set of voluntary practices of businesses to be responsible to their stakeholders while they are obliged. It can be linked to the actions which are beyond legal and economic requirements for being good environmentally and socially. CSR also refers to a similar concept to corporate sustainability and relies on the idea that companies should aim to integrate the environmental, social, and economic aspects into business management (Schaltegger, & Burritt, 2005).

Theory development of this study is based on CSR as well as sustainability research due to the overlaps between both types of research. In order to have consistent terminology, the present study uses the term CSR while referring to CSR aspects which are addressed in sustainability research as well.

### **2.1.2. Organizational Advantages of CSR Engagement**

The current literature shows that there are some organizational advantages occurring by engaging in CSR. These advantages were analyzed by theoretical (e.g., Shaltegger, & Burritt, 2005; Nielinger, 2003; Heal, 2005) as well as empirical research (e.g., Turban, & Greening, 1997; Epstein, & Roy, 2001).

Based on the literature, the primary advantages of engagement in CSR can be summarized under 5 categories, namely efficiency gains, improvement in risk management, improvement in reputation and brand image, increase in motivation of employees and company attractiveness for the potential workforce, and a potential improvement in financial performance. Some of these advantages cause other critical positive side effects (e.g., Cost savings through efficiency gains in production processes (Rondinelli, & London, 2017)). Therefore, all these effects are seen as value drivers of CSR and often important motivations for companies to engage in CSR (Annandale, & Taplin, 2003; Bansal, & Roth, 2000; Bull, 2003; Prakash, 2000).

#### *Efficiency Gains*

Researchers argue that CSR engagement provides efficiency in production and business processes as it allows companies to take a sustainable approach (Porter, & van der Linde, 2011; Schaltegger, & Burritt, 2005). A couple of studies (Rondinelli, & London, 2002; Epstein, & Roy, 2001) link this argument to cost savings. It was found that adopting CSR practices into business operations improves contacts to stakeholders and substitution of materials used in production, which results in savings in the costs (Rondinelli, & London, 2002; Epstein, & Roy, 2001).

#### *Improved Risk Management*

One of the earliest studies (Wood, 1991) related to the relationship between risk management and CSR engagement demonstrates that CSR practices such as environmental assessment and stakeholder management reduce the potential sources of business risk. Orlitzky and Benjamin (2001) argue that companies tend to anticipate the potential risks such as labor unrest, or contradictory behavior to governmental legislation by the implementation of CSR activities. Further, companies may avoid risks such as negative press or consumers' / non-governmental organizations' boycotts when they take responsibility for the environment and society (Nielinger, 2003; Weber, 2008).

### *Improved Reputation and Brand Image*

Varadarajan and Menon (1988) suggest that CSR engagement has a strong link to a company's reputation and brand image. They also argue that the improved brand image and reputation may lead to a competitive advantage. This argument is supported by a number of studies that found a positive relationship between CSR and company image (Fombrun, & Wiedmann, 2001; Hansen, 2004; Schwaiger, 2004). In addition, considering the consumers' perception of a company, the improved brand image and the stronger reputation created through CSR may also lead to an increase in revenues from market share and sales (Epstein, & Roy, 2001; Kong, Salzmann, Steger, & Ionescu-Somers, 2002).

### *Increased Employee Motivation and Company Attractiveness for the Potential Workforce*

Many previous studies (Turban, & Greening, 1997; Hansen, 2004; Schaltegger, & Burritt, 2005; Meister, 2012) suggest that CSR has a direct impact on the increase in employee motivation and it indirectly affects the attractiveness of a company for the potential workforce. Along with this finding, Weber (2008) discusses that CSR engagement is an indirect factor for an increase in employees' motivation since they work in a better working environment with the CSR concern of the company.

### *Potential Improvement in Financial Performance*

In addition to the above mentioned organizational advantages of CSR engagement, the relationship between CSR and financial performance was analyzed by qualitative (e.g., Argenti, 2004) and quantitative studies (e.g., Salzmann, Ionescu-Somers, & Steger, 2005; Wagner, Schaltegger, & Wehrmeyer, 2001) in the past and research yielded mixed results. For instance, Wagner et al. (2001), Margolis and Walsh (2003), and Salzmann et al. (2005) found inconclusive mixed results. However, they highlight that a positive relationship between CSR engagement and financial performance is predominant. Weber (2008) explains the mixed results by the inverse U-shaped relationship between CSR and financial performance. Wagner and Schaltegger (2017) investigated the relationship between financial and environmental performance through the U-shaped curve and found that the environmental impact on financial performance depends on the individual position of a company on the curve. They also suggest that when a company has an environmental strategy with the consideration of shareholder value, the relationship is stronger. In other words, the financial performance that can be improved by the

CSR engagement is dependent on individual company strategy. In this sense, Hansen and Schrader (2005) indicate that financial performance is a possible positive outcome of CSR management, but not a vital component.

## **2.2. Small Business**

### **2.2.1. Definition of Small Business**

Small business is defined as enterprises having fewer than 50 employees and a turnover or balance sheet total that is not more than €10 million (EC, 2003). This definition excludes employees on maternity / parental leave as well as apprentices / students working under an apprenticeship or vocational training contracts. Spence (1999) defines small business as the business having fewer than 50 employees and managed by the owners. The present study takes these definitions into consideration as they are widely used in most of the previous research (e.g., Spence et al., 2000; Sweeney, 2007; Castka, Balzarova, Bamber, & Sharp, 2004). In addition, small businesses that have 10 or fewer employees, and an annual turnover or balance sheet total that is less than €2 million are called micro-business (EC, 2003). Therefore, small business refers to both micro and small companies in the present study since micro business is a subcategory of small businesses.

### **2.2.2. Distinctive Characteristics of Small Businesses**

There are various criteria distinguishing small businesses from large companies, in addition to the number of employees and the financial turnover. They can be named as ownership, formal structures, and the extent to organizational resources (Tilley, 2000; Johnson et al., 2001; Perez-Sanchez et al., 2003).

Spence and Rutherford (2001) demonstrate that ownership and management in small companies are not separated to the extent it is in large companies. They also suggest that small business owners / managers have multitasked positions within the organization, and they do not play an important role only in management, but also in daily operations. The small business literature indicates that decisions are centralized, and the objectives of the business are determined by the effect of owners' / managers' personal values and goals (d'Amboise, & Muldowney, 1988; O'Farrell, & Hitchins, 1988). Accordingly, the ultimate performance of companies depends on the personal values of owners / managers as they adopt the strategies (Kotey, & Meredith, 1997).

A low degree of formal structures and a high degree of interrelation with the stakeholders are seen in small businesses (Enderle, 2004). The organizational chart is rarely formalized due to the lack of interpersonal and structural differentiation in task diversity (d'Amboise, & Muldowney, 1988). Spence and Lozano (2000) argue that small businesses are oriented towards informal relations, and interpersonal relationships are highly important in such companies. In comparison to large companies, they tend to have a closer and more direct relationship with employees, local authorities, and the local community (Longo et al., 2005). The organizational culture difference between small and large companies may be one of the reasons which influence managerial practices regarding stakeholder engagement and management (Gibb, 2000).

Small businesses are likely to allocate resources and to make choices with personal desires and the general control of the owners (Spence, 1999). The primary source of income for owners is usually the business and owners spend the majority of their time and resources on the business (d'Amboise, & Muldowney, 1988; Carland, Hoy, Boulton, & Carland, 2007). The business is perceived by owners as an extension of their personal lives and owners consider the relationship between the business and their families' needs and desires (d'Amboise, & Muldowney, 1988). Since the extent to resources strongly depends on the individuals, financial resources are limited in small businesses (Sarbutts, 2003; Vives, 2005).

### **2.2.3. Significance of Small Businesses**

The current literature demonstrates the critical impact of small businesses on markets and society. There is a lack of formal sources showing the proportion of small companies worldwide. However, when the regional reports are taken into consideration, the statistics illustrate that small businesses comprise a significant proportion in most parts of the world. For instance, based on the report published by the EC (2019), 98.9% of all enterprises across the European Union (EU) are composed of small businesses. Likewise, in the United Kingdom, the share of them is 99% (UK Parliament, 2019) whereas they make up 99.9% of the United States' employer companies (Small Business Administration, 2018).

The dominance of small businesses in local economies brings along a significant contribution to employment (Dennis, 1993; Byrne, 1993). According to the International Labor Organization (2019), small enterprises account for 37.4% of employment worldwide. Along with this fact, Robbins, Pantuosco, Parker, and Fuller (2000) argue that small businesses have an important influence on the labor market since they have a great presence in the secondary labor market. It means that small companies provide a greater opportunity in the recruitment

processes to employees without prior job experience, part-time employees, women, certain minorities, and employees at low educational levels in comparison to large companies (Robbins et al., 2000). At the same time, the contribution of small businesses into national income should be remarked. It can be given as an example that in emerging economies small businesses contribute up to approximately 40% of the national income (World Bank, 2019). In this sense, Luetkenhorst (2004) suggests that when there is a high percentage of small businesses in a country, income equality and social stability are likely to be relatively higher.

Moreover, small businesses are critical players in niche markets which demand high flexibility and customized products (Morsing, 2006). According to Acs (1999), small businesses have an integral role to define a market economy and make changes in the market structures with their innovation capacities. Evidence shows that the creativity and flexibility of small companies usually make them more innovative than large companies (Bannock, 1981; Acs, & Audretsch, 1988; LaFalce, 1990; Pratten, 1991; Almeida, & Kogut, 1997). Therefore, they are accepted as a growth lab for experimentation and innovation (Acs, 1999). Additionally, it should be considered that the innovation fostered by small businesses brings a competitive advantage to these organizations and strengthens the competition in markets (Distanont, & Khongmalai, 2018).

Reports of various organizations and previous academic studies prove that the potential of small businesses to affect environmental, social, and economic improvement cannot be ignored due to their high proportion worldwide, and their contribution to employment, national income, and innovation. In this regard, Godar, O'Connor, and Taylor (2005) propose that small companies must form strategies that bring resolutions to major economic and social challenges in order to increase the quality of life of the region that they are located in.

### **2.3. Digital Platform**

It is seen that digital platforms have been started to be used as a major mode to organize a wide range of human activities that cover economic, social, and political interactions (Asadullah et al., 2018). They have caused an important transformation in many industries such as transportation (e.g., Uber), hospitality (e.g., Airbnb), and software development (e.g., Google Android) (Asadullah et al., 2018). Evans and Gawer (2016) demonstrate that digital platform providers have had a share of approximately \$1 billion in market value in the e-commerce and software development areas. Further, the digital platform business model is adopted by 7 of the

10 most valuable companies worldwide (e.g., Google, Alibaba, Amazon) while it used to be totally different 10 years ago (Vlastelica, 2018).

Based on the literature, researchers approach the definition of digital platforms in two different ways. Some of them focus on technical development and functions, that can create complementary products and services while defining digital platform (e.g., Tiwana, Konsynski, & Bush, 2010; Ghazawneh, & Henfridsson, 2013; Huang, Ceccagnoli, Forman, & Wu, 2013), whereas some others have a non-technical view (e.g., Tan, Pan, Lu, & Huang, 2015; Koh, & Fichman, 2014; Pagani, 2013; Ye, Priem, & Alshwer, 2012). Spagnoletti, Resca, and Lee (2015) handle the definition with a technical view and define digital platforms as an essential function serving infrastructure for complementary products, technologies, or services. According to the non-technical view based studies (e.g., Tan et al., 2015; Koh, & Fichman, 2014; Pagani, 2013; Ye et al., 2012), digital platforms are commercial networks or markets which enable transactions between business-to-business (B2B), business-to-customer (B2C), or customer-to-customer (C2C). Koh and Fischman (2014) summarize this approach and describe digital platforms as a two-sided network facilitating interactions between different but interdependent users of the platform, such as buyers and suppliers.

Digital platforms have distinctive key characteristics that affect markets and different groups of people. Meanwhile, these specific characteristics distinguish digital platforms from other types of organizations. First, digital platforms are the organizations reducing transaction costs including distribution, contracting, and monitoring costs (Eisenmann, Parker, & Alstynne, 2006; Pagani, 2013). In this sense, TripAdvisor may be a good example as it collects information from multiple sources to combine into one platform by reducing costs of searching for information such as using the services of intermediary agents (Asadullah et al., 2018). Second, digital platforms support the organization and coordination of the development of complementary products through modularity and appropriate structures (Tiwana et al., 2010; Boudreau, 2010). Asadullah et al. (2018) clarify this characteristic with an example from Apple's IOS which helps independent software developers with a technical and regulatory structure facilitating the development of applications. Last, a few studies (Faraj, von Krogh, Monteiro, & Lakhani, 2016; Yoo, Boland Jr, Lyytinen, & Majchrzak, 2012; Hagi, 2013; Evans, Hagi, & Schmalensee, 2008; Zittrain, 2006) discuss digital platforms' generativity and cross-side network effects. Generativity means that digital platforms have an ability to generate new outcomes which are driven by large and heterogeneous users (Zittrain, 2006). Accordingly, the generativity of platforms offers new solutions to difficult issues to be solved with diverse

contributions by many users (Asadullah et al., 2018). Cross-side effects refer to the situation that as the number of participants on one side increases the value of the platform for the other side increases as well (Asadullah et al., 2018). In this regard, e-commerce platforms (e.g., Amazon) are an appropriate example, because when there are more buyers, sellers may be willing to use the platform more often.

It can be understood from the input of the existing literature that the digital platform business model has gained importance over time as they have unique characteristics that benefit organizations. Along with the growth of digital platforms, the literature in the area has improved over the last decade (Asadullah et al., 2018). Nevertheless, there is only a limited improvement in this area and it is clear that there are still many unanswered questions about digital platforms.

Considering the distinctive characteristics of digital platforms, which make the digital platform business model attractive, it can be argued that it is expected that the number of digital platforms will continue to increase. In this sense, it can be mentioned that there is a strong possibility that small businesses that will be incorporated in the future are likely to adopt the digital platform business model. Despite the potential of digital platforms to have a positive impact on the environment and society, there is not any study conducted on a digital platform in the CSR context. The present research has a purpose to fill this gap as digital platforms show some additional features than the rest of small businesses.

#### **2.4. Research on CSR for Small Businesses**

The literature on CSR focuses mostly on large corporations rather than small businesses. Castka, Balzarova, Bamber, and Sharp (2004) argue that the nature of CSR concept is generic, and the CSR concept is applicable to any organization regardless of type and size. Moreover, previous studies indicate that CSR is important for all companies and the size is irrelevant for the engagement in CSR since every company has an impact on society and the environment through the operations and interactions with stakeholders (Roche, 2002; Williams, 2005; Hopkins, 2012). Despite the applicability of CSR to any organization, the expectations, assessment, and acknowledgment of CSR may vary regarding the size of the organization (Ketola, Blomback, & Wigren, 2009). Considering the impact of small businesses on markets and society, which are discussed in Section 2.2.3., it can be claimed that it is critical to engage in CSR for small businesses as their engagement can make a positive difference in the environmental and social issues. Additionally, it can be argued that small businesses can gain potential benefits from CSR engagement. It is important that the results of studies applied to large companies

cannot be generalized for small ones as they differ in many aspects (Sarbutts, 2003; Lepoutre, & Heene, 2006; Spence, 2007).

Even though the interest and the number of studies associated with CSR for small to medium enterprises have increased since the 1990s, there are still only a limited number of studies (Joseph, 2000; Castka et al., 2004; Jenkins, 2004; Kusyk, & Lozano, 2007; Tilley, 2000; Spence, 2007; Longo et al., 2005; Murillo, & Lozano, 2006; Sarbutts, 2003; Roche, 2002; Perez-Sanchez et al., 2003; Sweeney, 2007; Pastrana, & Sriramesh, 2014; Perrini, 2006; Tilley et al., 2003) in the area. Meanwhile, only a couple of studies (Tilley, 2000; Spence, 2007) distinguish small and medium-sized enterprises and focus specifically on small companies. This section is based on the research related to CSR in small businesses as well as in SMEs in general. However, it should be kept in mind that there are some aspects differing in small and medium enterprises (Spence, 1999; Tilley, 2000; Gibb, 2000; Johnson et al., 2001; Perez-Sanchez et al., 2003) which may affect CSR practices. Therefore, very little is known specifically about CSR in small businesses. Researchers studying on CSR in SMEs investigated the determinants of CSR (e.g., Perez-Sanchez et al., 2003; Hopkins, 2012; Spence et al., 2000), the constraints of small businesses to engage in CSR (e.g., Vives, 2005; Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006), how CSR is perceived by the members of the organization (e.g., Murillo, & Lozano, 2006; Perrini, 2006; Sweeney, 2007), and how companies put effort into the engagement in CSR (e.g., Sweeney, 2007; Longo et al., 2005, Jenkins, 2006).

The determinants of CSR in small businesses are often different than those in large corporations (Jenkins, 2004; Lepoutre, & Heene, 2006; Vives, 2006; Kusyk, & Lozano, 2007; Spence, 2007). Based on the literature, the determinants for small businesses can be categorized into three groups, which are the institutional environment, employees and local communities, and the owners themselves.

Spence et al. (2000) found that the institutional environment influences small companies' environmental behavior. The institutional environment is defined as a set of regulations, customs, and taken-for-granted norms, which are widespread in states, societies, and organizations whereas influencing organizational behavior and outcomes (Swaminathan, & Wade, 2016). In the environmental context, Spence et al. (2000) refer to the institutional environment as the effect of government legislation and the support of trade organizations. The study by Spence et al. (2000) shows that the Dutch companies exceed the international agreements on protecting the environment with the effect of the consultation of trade associations and the requirements set by the government for licensing and permitting for small companies.

Conversely, the companies in the UK do not perform at the same level due to less pressure to sustain environmental strategies. It is clear that small companies can be less likely to engage in CSR when the institutional environment does not take CSR seriously enough and has only a little effect on organizations.

Various studies demonstrate that the needs and expectations of employees and the local community are the main motivations for CSR in some small companies (Jenkins, 2004; Murillo, & Lozano, 2006; Vives, 2005). The awareness of the positive effects of CSR such as employee morale and retention, and an improved reputation can be the reasons behind this finding. Further, companies tend to engage in CSR when the employees have a clear perception of CSR and if they consider CSR activities important (Pastrana, & Sriramesh, 2014). An important factor of a strong engagement is the internalization of the purposes of CSR activities to the management philosophy and core values of the company before the implementation of CSR activities (Rowley, 1997; McShane, & Cunningham, 2012). Moreover, according to McShane and Cunningham (2012), when the understanding of the actual meaning of CSR is provided, employees have a more precise understanding of the CSR of a company than external stakeholders have. The reason behind this finding is that employees' knowledge related to organizational culture and the fact that employees better access to the information occurring within the company (McShane, & Cunningham, 2012). It is seen in the literature that a weak understanding of employees regarding CSR can be a potential barrier for CSR engagement. Murillo and Lozano (2006) demonstrate that internal members of small businesses usually cannot define CSR clearly and they usually find CSR term confusing.

The owners' personal values in small businesses are the most frequently cited determinant in the literature regarding small business engagement in CSR. It has a strong relation with the fact that owners' values and beliefs are translated into practices within the organization (Longo et al., 2005; Jenkins, 2006; Kusyk, & Lozano, 2007; Lepoutre, & Heene, 2006; Murillo, & Lozano, 2006; Sweeney, 2007). Perez-Sanchez et al. (2003), and Hopkins (2012) found that the acceptance of CSR in small businesses depends primarily on the personal values and attitudes of the owners. It is essential that the success of CSR practices in small businesses can be achieved when the owners / managers lead to these practices (Gray, & Smeltzer, 1989; Jenkins, 2006). In some cases, the personal characteristics of owners are accepted as a barrier to CSR (Massoud, 2010). This finding can be linked to the general characteristics of small businesses, which are mentioned in Section 2.2.2., as the management styles and decisions are influenced by the personal values of owners. If the owner does not accept CSR to implement, the potential

result may be unethical behavior (Lepoutre, & Heene, 2006; Longenecker, Moore, Petty, Palich, & McKinney, 2006).

Along with the determinants mentioned above, the literature found some constraints that small businesses face and may have an effect on the engagement in CSR. The main constraints are the lack of organizational CSR knowledge (Conill et al., 2000; Vyakarnam, Bailey, Myers, & Burnett, 1997), lack of time due to other immediate issues (Spence, & Lozano, 2000; Spence, 1999), and limited financial resources (Vives, 2005; Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006; Kusyk, & Lozano, 2007; Sweeney, 2007).

A couple of studies (Conill et al., 2000; Vyakarnam et al., 1997) conducted in various regions show that small businesses are insufficiently aware of concerning CSR because of a lack of knowledge about how to engage in CSR. In general, small companies have less CSR instruments, less formal CSR strategies, and less reporting activities than larger organizations (Graafland, Van de Ven, & Stoffele, 2003). Despite the lack of formal tools, codes, reports, and social, environmental, and ethical standards in small businesses, small businesses sometimes commit informal CSR strategies (Perrini, 2006). According to the study by Deusto University (n.d.), only 6% of small businesses developing formal external or internal CSR strategies demonstrate a high level of commitment to their determined practices. This finding may be related to the CSR culture of the company and the effect of the lack of knowledge or support to maintain the momentum of practices (Jenkins, 2006). The study also suggests that as the company size is bigger, the company tends to commit the practices more. In this regard, Jenkins (2006) also proposes that small businesses should focus more on the practicalities of CSR activities instead of formal policies and procedures. In addition, small companies are sometimes not aware that they are involved in CSR activities as they do not call them CSR (Perrini, 2006; Sweeney, 2007). A good illustration of this misconception is that, in the study by Sweeney (2007), it became clear that the company has a recycling initiative only after the discussion about the cost of this initiative. Perrini (2006), and Jenkins (2004) describe such cases as sunken CSR or silent CSR.

Another constraint that small businesses face is that they often face stress to survive (Massoud, 2010). It means that they focus on solving day-to-day problems, and CSR is usually not an immediate concern for small businesses. Therefore, small companies have a limited time to be interested in CSR due to other immediate issues to be solved (Vives, 2005). A short-term focus of small businesses causes a low degree of importance given to the investment in long-term CSR projects (Spence, & Lozano, 2000; Spence, 1999).

In addition to the lack of knowledge and limited time, Vives (2005) argues that small companies are constrained by financial resources. More researchers support this claim and indicate the shortage of financial resources (Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006; Kusyk, & Lozano, 2007; Sweeney, 2007). Nevertheless, a few studies (Spence, & Lozano, 2000; Jenkins, 2006) highlight the activities which are costless or need a very little financial resources, such as open dialogues with employees, and waste minimization.

According to the studies by Longo et al. (2005), and Sweeney (2007), the common activities practiced by small businesses are the working free of charge for charities, making charitable donations, and recycling initiatives. Along with these studies, the results of the studies by Spence (1999), and Spence and Lozano (2000) demonstrate that owners / managers of small businesses which engage in CSR generally focus on the working environment and employee loyalty in the CSR context and perceive CSR as being responsible for the employees' health, safety, and welfare. Along these same lines, the study focused on the Catalan region by Murillo and Lozano (2006) shows that the improvement of relations between employees and the company is the fundamental concern of small businesses. Thus, employees matter more than external stakeholders for these organizations. Some of the companies that participated in the study by Spence and Lozano (2000) show that it is important to provide a balance between work and life for employees and to care about their families whereas some others adopt occupational safety certificates to keep the safety in operations. Additionally, several companies in the research provide ongoing training programs for the development of employees, organize open dialogues and workshops to discuss the current issues within the organization (Spence, & Lozano, 2000).

In addition to the practice-oriented studies mentioned above, Jenkins (2006) applied a study to the award-winning small companies operating in the UK, whose CSR activities are highlighted as best practices. It was found that key matters for these companies are the employees, local communities, supply chain, and the environment, although the relative importance differs from company to company. The manufacturing and engineering companies focus primarily on environmental management whereas the construction and service-oriented companies focus mainly on employees and the local communities. Waste minimization, reduction in the use of harmful chemicals, reduction in atmospheric emissions, and use of renewable energy sources, and environmental reporting are the main focus of the companies which have a strategic environmental approach. For these companies, it is also common to integrate the International Organization for Standardization (ISO) 14001 and Eco-Management and Audit Scheme

(EMAS) standards into their business. For the companies which give importance mainly to employees and the local communities, it is important to create a good work-life balance and family-friendly employment. Moreover, training and development programs and social events that the company organizes are the other key implementations of such companies. It is commonly seen that the companies with the focus on employees have concerns about disabled people and tend to hire them to some extent. In terms of society, the companies are likely to donate a percentage of profits to charity, support homeless people, work with local schools on projects, and work on community projects in developing countries. Transparency to all stakeholders with particular reports, the establishment of a long-term relationship with suppliers and customers, the support suppliers to be more socially responsible are seen as the practices in the supply chain category. ISO9001 quality standard is also commonly adopted in these organizations in order to have a responsible supply chain.

On the one hand, a number of previous studies suggest that there are basic issues that all companies can take responsibility for, but, small businesses are negatively portrayed regarding these issues such as protection of the environment and providing a diverse working environment (Bacon, Ackers, Storey, & Coates, 1996; Gibb, 2000) and CSR is usually seen as a cost burden by small companies (Tilley et al., 2003). On the other hand, the studies by Joseph (2000), and Irwin (2002) show that there is a growth in the engagement of small businesses in the CSR agenda to some extent. The results of the studies by Spence and Lozano (2000) in Spain and the UK and Jenkins (2006) in the UK are also in the same line and prove that there are some small companies putting effort into CSR and exemplifying good CSR practices. CSR may not be only a cost burden or a threat. According to Tilley et al. (2003), it is a significant scope provider for competitive advantage for small businesses due to their close relationships with stakeholders. The study conducted by Ketola, Blomback, and Wigren (2009) also indicates that small companies have a stronger knowledge of the local needs than large organizations have. Consequently, assuming that the concept of CSR is applicable regardless of the size and the findings of the few practice-oriented studies, it may be considered that small businesses can also engage in CSR. Despite the different range of activities than large companies, small businesses may perform well in terms of CSR engagement.

The current literature shows that small businesses may have critical effects on the environment, and society through their operations while they can gain advantages from CSR engagement. However, the practices that they commit are still limited due to some constraints mentioned above. In order to provide guidance to small businesses, it is needed to study small

businesses in the CSR context. Despite some dedicated studies in the area, the important ways to engage in CSR for small businesses, as well as suitable activities that can be implemented are still not clear. In addition, previous studies suggest that companies having a digital platform business model have different characteristics that make them incomparable to typical small companies whereas the digital platform business model demonstrates continuous growth. In order to determine the important ways to engage in CSR and suitable activities that can be implemented to engage in CSR by these ways for small businesses, the present study focuses on a digital platform and aims to fill the gap in research on CSR for small businesses.

### **3. Methodology**

#### **3.1. Research Design**

The nature of the research questions guides the researcher in the choice of research methodology. In this study, qualitative research techniques were used in order to ensure the coherence between the research questions and the research design since the research questions are ‘what’ questions.

Qualitative research is the research that produces results that are not arrived by statistical procedures or quantification (Strauss, & Corbin, 1990). The fundamental objective of qualitative research is to understand the words, opinions, experiences, and consequently explore a certain phenomenon in a specific context (Bryman, 2008). Furthermore, qualitative studies also rely on a theoretical framework like quantitative studies, however, the data guide the study instead of theory (Taylor, & Bogdan, 1998).

Considering the research objective, the case study research design was chosen for the present study. Case study is a research method that is used to achieve an in-depth exploration of an issue, event, or phenomenon in its natural real-life context (Yin, 2003; Crowe et al., 2011).

There are several reasons behind the choice of the case study research design in the present study.

First, different insights that may not be achieved with other approaches may be offered by case studies (Rowley, 2002). It is because there is a collaboration established between the researcher and participants in the case study approach thanks to the stories told by participants. This collaboration helps the researcher to better understand the opinions and actions of participants (Lather, 1992).

Second, the case study method is a well-suited method to gain a holistic understanding of the nature of current processes when the area is previously little studied (Benbasat, Goldstein, & Mead, 1987; Creswell, 1998; Eisenhardt, 1989). In other words, the case study method is appropriate to be applied in exploring situations if the intervention being assessed has no clear, single set of outcomes yet and it is often seen as a useful tool for the preliminary, explanatory stage of research (Rowley, 2002; Yin, 2003). As mentioned in Section 2.4., the limited number of studies focusing on small businesses in the CSR context and the lack of studies examining digital platforms in terms of CSR demonstrate that this study represents an early stage of research. This study aims to propose a collective set of important ways and suitable activities that can be implemented by small businesses to engage in CSR. Accordingly, the case study method was used to gain an in-depth insight into CSR in small businesses and participants' understanding related to the CSR concept.

Last, the case study method supports the development of more structured tools like surveys and experiments when it is implemented in the early stage of research (Rowley, 2002; Yin, 2003). Based on this argument, this research has the purpose of guiding future research in the development of various tools for further investigation in the area.

### **3.1.1. xChange Solutions GmbH (Container xChange)**

xChange Solutions GmbH (Container xChange) is a small business that was incorporated in 2017. The headquarter of the company is located in Hamburg, Germany. The company operates in the maritime logistics industry and it is a digital platform operating under the name of Container xChange. The main objective of Container xChange is to connect carriers, container leasing companies, freight forwarders, non-vessel operating common carriers, container traders, and container leasing companies. It provides container users the opportunity to use third-party shipping containers for their freight whereas provides container suppliers to supply their containers to be used by others. Therefore, the online platform leads to preventing empty container repositioning costs for suppliers while container users can easily find a business partner to move their freight.

The story of Container xChange started in one of the world's largest consulting companies in 2014. There are two owners of the company and both of them used to work in that consulting company in the past. At the time that they work there, one of the owners worked for container operations with big shipping lines. The company faced a challenge that the containers were positioned empty and sometimes in the wrong places. In order to make the containers

bookable, the owner of Container xChange started to work on an Excel Sheet and keep the balances of companies to avoid empty containers in the wrong places. Meanwhile, the other owner of Container xChange got his Doctor of Philosophy (PhD) degree in the same area and started to collaborate to overcome this challenge. In early 2015, they decided to get funding to improve the process, from the company that they used to work for. The improvements in the area were conducted as a side project of the company from 2015 to 2017. Since it was difficult to grow inside the corporation due to formal regulations, both employees left the company to establish their own company in 2017 under the purpose of starting a business focusing on solving the above-mentioned challenge of the players in the container logistics.

Today, the company has 38 employees excluding the employees who are in maternity / parental leave as well as apprentices / students working under an apprenticeship or vocational training contracts. It closed the year 2019 with an annual turnover of less than €10 million, however, the exact turnover cannot be shared here since the company asked us to keep it confidential. Therefore, the company fits the definition of small business by EC (2001), which was stated in Section 2.2.1.

In order to make sure that Container xChange is a suitable company to apply the present study on, we conducted short informal interviews with both owners of the company and the talent manager. Based on the answers to our questions in these short interviews, we analyzed the company in terms of the distinctive characteristics of small businesses. These distinctive characteristics are ownership, formal structures, and the extent to organizational resources (See Section 2.2.2.).

First, ownership and management are not separated in Container xChange. Both owners have multiple roles within the company. They both have chief executive officer (CEO) roles as well as various operational roles. One of the owners takes responsibility for sales and customer success while the other one is responsible for HR and product development, along with their CEO positions.

Second, regarding the formal structures, it is understood that Container xChange does not have a formalized organizational chart. The talent manager of the company describes the organization as an organization adopting a flat hierarchy. Along with the informal relationships within the company, the company gives importance to establish strong and close relationships with its employees. In addition, both owners pointed out that the company has close relationships with local authorities such as tax authority.

Last, the resources of Container xChange are distributed mainly by the control of owners. Although employees can express the needs of departments in terms of resources in a comfortable manner, the owners usually make the final decision of how to distribute, particularly financial resources.

Our analysis regarding what extent Container xChange meets the distinctive characteristics of small businesses, which make them different from large companies, shows that all key characteristics are in line with the current literature. Therefore, we decided that the company is an appropriate choice for the present study.

Container xChange, as a rapidly growing small business, needs to improve its knowledge of CSR and engage in CSR in order to be prepared for future challenges such as stakeholder pressure, governmental regulations, and continuously changing consumer expectations. The advanced knowledge in the area of CSR and the contribution of the company to the environment and society may provide the company to grow by taking organizational advantages of CSR engagement (See Section 2.1.2.). It is also clear that CSR engagement increases the ability of the company to meet the expectations of its stakeholders. To be able to understand how the company can engage in CSR in practice, it is needed to have a clear insight on the important ways to engage in CSR for small businesses along with the suitable activities to be implemented for the engagement by these important ways. Therefore, it is aimed to advance the knowledge of small businesses in the area of CSR, in light of the present study conducted in Container xChange as an example.

### **3.2. Data Collection**

Personal semi-structured in-depth interviews were chosen as the suitable data collection method for this study. They are dominant and widely used in the data collection process within the social sciences (Bradford, & Cullen, 2013) and accepted as a combination of unstructured and structured interviews. This combination means that semi-structured interviews benefit from the advantages of both structured and unstructured interviews.

One of the reasons to choose semi-structured interviews in the present study is the flexibility offered by them. We have the opportunity to collect reliable and comparable data with the structured aspect of semi-structured interviews, while the additional unformulated questions allow us to gain more detailed information about the reasons for participants' answers. It can be ensured that the theoretical issues are covered in the conversation, which also facilitates

categorizing the data and helps data analysis, whereas the participants are permitted to express their additional thoughts (Pole, & Lampard, 2002). Another reason behind the selection of semi-structured interviews is that they let us collect rich and in-depth data while exploring the subjective opinions, experiences, and viewpoints of the participants (Bryman, 2008; Kajornboon, 2005; DeJonckheere, & Vaughn, 2019; Braun, & Clarke, 2006).

Data was gathered from a sample of employees of a small company that has a digital platform business model (See Section 3.1.1.). It is because the current literature demonstrates that small companies have a close relationship with their employees (Spence, & Lozano, 2000; Longo et al., 2005) and employees are one of the key stakeholders of small businesses. Moreover, previous studies (Rowley, 1997; McShane, & Cunningham, 2012) show that in the initial step of CSR engagement, it is necessary to internalize it within the company philosophy and core values. Therefore, in this early stage of research, it is critical to explore the approaches of employees to CSR as well as their expectations as internal stakeholders of the company. In addition, employees may have an important role in CSR engagement in practice as human resources are required for the implementation of CSR activities.

### **3.2.1. Development of Interviews**

In order to gain insight into the relevant theoretical framework, and the central themes to be adapted to the interviews, the current literature was studied deeply before conducting the interviews. The relevance of each interview question is met based on the literature to achieve the major objective of the study. The interview questions can be found in Appendix A. Moreover, an interview guide was developed before the interviews to keep the orientation during the interviews and make sure that every point which needed to be addressed are covered (See Appendix B).

The interview questions were categorized into two groups.

One of these groups covers the questions related to the relevant theoretical framework proposed by Elkington (1994), which is called the Triple Bottom Line (TBL). The presentation of the results was also designed based on the TBL since it incorporates three dimensions of CSR: (1) Environmental Dimension, (2) Social Dimension, and (3) Economic Dimension.

The other group of questions includes the relevant central themes selected by reviewing previous studies regarding CSR. The central themes were determined as the definition of CSR, current CSR activities of the company, the role of CSR activities at the personal and company

level, and the potential barriers for CSR in small businesses. The intention behind the questions related to the central themes was to use them as supportive questions for the additional analyses and see the general understanding of the participants. However, the answers to these questions also yielded critical information that is directly relevant to the research questions and contributed to the answering research questions.

At the beginning of the interviews, a brief introduction to the topic and the objectives of the study were presented to the participants, as shown in the interview guide (See Appendix B). Further, it was specified that the personal information of the participants is kept confidential. It was intended to conduct fluent and goal-oriented interviews, which will not take more than half an hour due to the limited time of participants. Along the same line, each interview took between 14 and 30 minutes.

### **3.2.1.1. Triple Bottom Line (TBL)**

In order to provide insight into the dimensions of CSR and the reason for the significance of addressing these dimensions in the interviews, it is necessary to look into the TBL framework that shapes the design of the interview questions and the presentation of results.

The notion of the TBL is defined as a concept describing the environmental, social, and economic responsibilities of a company (Elkington, 1998; Elkington, Henriques, & Richardson, 2004). It was initially introduced by The UN Brundtland Commission in 1987, however, Elkington formally named and developed the concept of TBL in 1994 to connect the sustainability concept to business performance (Elkington, 2013; Slaper, & Hall, 2011). TBL is also called the 3Ps of CSR, which refers to people, planet, and profits (Elkington, 1994; Conway, 2018).

The fundamental idea behind the TBL is that it is necessary to manage a company by focusing on people's lives and the improvement of the planet while earning financial profits in order to be prepared for future challenges since the business world is getting more complex (Elkington, 1998). The theory of the TBL claims that companies must commit to focusing on social, environmental and economic elements to create greater and sustainable business value for all stakeholders, and underpin the CSR / sustainability goals (Slaper, & Hall, 2011; Elkington, 1998; Conway, 2018). It means that the performance of companies should not be measured based on only the profits, return on investment, and shareholder value. In this aspect, it is understood that the TBL differs from the traditional performance measurement methods and it is

beyond an accounting methodology as it is strongly linked to CSR. An important point is that the TBL can be adopted by any organization regardless of the organization's type or size (Stoddard, Pollard, & Evans, 2012).

It is important to perceive that companies need to examine how they interact socially to see the whole picture of their activities and the full cost of doing business, which is provided by the TBL approach (Elkington, 2018). Savitz (2013) suggests that companies allow themselves to measure the impact of the business activities comprehensively when they take the TBL approach in their business practices because this approach captures the essence of sustainability.

Based on the logic of the TBL, it can be claimed that the long-term success of businesses can only be achieved by the concern over environmental and social issues. It is argued that the TBL adoption provides organizations a long-term perspective and enables them to assess the future results of their decisions (Slaper, & Hall, 2011). The long-term perspective captured by the adoption of the TBL approach helps companies to quickly respond to stakeholders' demands as well as the behavioral changes of stakeholders (Alhaddi, 2015).

It is needed to well understand what environmental, social, and economic dimensions of CSR refer to and which aspects are included under each dimension.

#### *The Environmental Dimension of CSR*

The environmental dimension of CSR refers to the impact of companies on the natural environment and the activities which do not compromise the natural resources for future generations (Alhaddi, 2015). The use of renewable resources, contribution to the low emissions, producing low waste, protecting biodiversity, and pollution prevention in air, water, and land are covered under the environmental dimension (Stoddard et al., 2012).

#### *The Social Dimension of CSR*

The social dimension of CSR refers to the impact of companies on the human and social capital of communities and all activities related to social concerns (Dyllick, & Hockerts, 2002). It encompasses aspects called contribution to equality and diversity, supporting the well-being of society, development of society, following labor standards, and providing health and safety at work (Stoddard et al., 2012).

### *The Economic Dimension of CSR*

The economic dimension of CSR refers to the impact of companies on the economic system and includes the activities conducted to balance costs and revenues in business activities without harming the environment and society (Elkington, 1998; Bansal, 2005). This dimension consists of economic variables such as profit, return on investment, business stability, financial resilience, and long-term viability (Stoddard et al., 2012).

In light of the CSR dimensions mentioned above, the interviews include some questions regarding participants' suggestions related to CSR activities to be implemented in the environmental, social, and economic areas. It is because small companies should think about CSR engagement multidimensional in order to sustain their growth in the long run. Moreover, designing interviews by the consideration of all three dimensions helps to reach results yielded by holistic points of view. In the scope of the TBL related interview questions, participants faced another question associated with the activities that they would like to participate in. The reason behind this question is that it is vital to get the support of the employees in order to strongly engage in CSR. It is needed to understand the willingness of employees on an activity basis for continuity and success in CSR engagement. Otherwise, the implementation of CSR may be under risk to terminate the activities after a short time due to poor motivation and interest by the company itself.

#### **3.2.1.2. Choice of Central Themes**

The definition of CSR, current CSR activities of the company, the role of CSR activities at the personal and company level, and the potential barriers for CSR in small businesses are the central themes that are addressed in the interview questions.

Firstly, the definition of CSR was asked to the participants in order to understand if they know the meaning of the CSR and to what extent they can describe it. The fundamental reason behind this question is that, as Pastrana and Sriramesh (2014) suggest, employees need to have a clear understanding of CSR for CSR engagement. In addition, the case study conducted by Murillo and Lozano (2006) demonstrates that most employees of small businesses do not feel comfortable with the meaning of CSR. Therefore, it is necessary to see if the present study supports the findings of these studies since employees' understanding of the term can be accepted as a key to start to CSR engagement.

The current CSR activities of the company are investigated with an interview question to figure out if any formal or unintentional CSR activities exist within the company. This question supports our perception of which activities are qualified as CSR activities by the employees and owners and their impressions against these activities. As Perrini (2006) and Jenkins (2004) found, companies are sometimes not aware that they are engaging in CSR although they actually do, which is called sunken / silent CSR. Therefore, the answers to this question show the current status of the company in the CSR engagement. In connection with this, the owners of the company faced one additional question related to CSR strategies. The question investigates whether they have ever had consideration for the CSR strategies that can be adopted into the company. The main logic behind this additional question comes from the significance of the CSR acceptance of owners for successful and strong engagement in CSR, as previously argued in the literature (Perez-Sanchez et al., 2003; Hopkins, 2012). Accordingly, it was intended to assess the level of owners' motivation to accept CSR as well as how much they give importance to the issues related to CSR.

Moreover, it is required to see if employees find CSR engagement beneficial for the company and for themselves as people. Based on this requirement, the role of CSR activities at the personal and company level is included as one of the central themes of the interviews. Two questions associated with this theme were asked to the participants. One of these questions is related to the contributions of the current CSR activities, if exist, whereas the other one is a more general question which is related to the overall role of CSR activities in small businesses. It can be assumed that in case employees know the potential advantages of engaging in CSR as a company, they may be more motivated in the implementation, which potentially yields long-term success of the activities.

Finally, the intention of handling the potential barriers to implementing CSR activities in the interviews is to interpret if the employees of the case company also see any constraints such as lack of knowledge (Conill et al., 2000; Vyakarnam et al., 1997), limited time (Spence, & Lozano, 2000; Spence, 1999, or limited financial resources (Vives, 2005; Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006; Kussyk, & Lozano, 2007; Sweeney, 2007).

### **3.2.2. Sampling**

Qualitative methods do not aim to generalize the whole population since the sample size is relatively smaller than quantitative research. The focus is rather on individual cases (Mayring, 2007). Therefore, the present study does not have the purpose of generalizing the results for the

whole population since the nature of the research, and case study design is not suitable to represent the whole population. In this sense, it focuses on a single case and information-rich participants due to the limited time in order to deeply investigate and understand the important ways to engage in CSR for small companies and suitable activities to be implemented to engage in CSR by these ways. The sample size was determined as 10 interviews after the consideration of the limited time available for the research process.

Purposive sampling was used to conduct the present study because it is seen as the sampling strategy that can best achieve the in-depth exploration of a central phenomenon (Creswell, & Poth, 2007). In purposive sampling, the participants are selected based on particular characteristics that are previously determined by the researcher (Etikan, Musa, & Alkassim, 2016). This aspect of purposive sampling helps this research to access the right people to conduct the interviews, which increases the validity of the study.

In order to hear different points of view and ensure the existence of maximum variability of the primary data, it is needed to select participants with diverse characteristics. Under this aim, maximum variation sampling was used as the subcategory of purposive sampling.

Maximum variation sampling is the sampling technique in which the researcher's judgment determines the criteria for the selection of participants (Etikan et al., 2016). The criteria before the selection of participants were determined as the position in the company, duration of experience in the company, and the department which is worked for. Consequently, as seen in Appendix C, employees from seven different departments, who occupy eight different positions along with two owners of the company participated in the study. Three employees have had less than one year of experience in the company whereas another three of them have been employed by the company for one to two years. Two participants have had more than 2 years of experience in the company.

### **3.3. Data Analysis**

In this qualitative research, thematic analysis was carried out to analyze the data and find answers to the research questions under the study. Thematic analysis is one of the most common methods used by researchers in social sciences to analyze qualitative data (Boyatzis, 1998; Braun, & Clarke, 2006; Guest, MacQueen, & Namey, 2011). It is defined as a systematic method of searching for and identification of themes that are significant to describe a phenomenon (Daly, Kellehear, & Glicksman, 1997; Evans, & Lewis, 2018). Braun and Clarke (2006)

argue that thematic analysis is helpful for studies that are positioned within realist and constructivist paradigms (Braun, & Clarke, 2006). Therefore, thematic analysis is the appropriate data analysis method in the present study since it is designed as a case study.

In the context of thematic analysis, themes are the key ideas about the data related to the research questions and that have some level of shared patterned meaning within the data set (Braun, & Clarke, 2015; Braun, & Clarke, 2019). In interview studies, themes summarize everything that participants said in relation to the specific topic and the research questions (Braun, & Clarke, 2019). Moreover, themes are formed by codes which have a common reference point (Bradley, Curry, & Devers, 2007).

Thematic analysis is a method that can be used in inductive or deductive manners (Frith, & Gleeson; 2004; Hayes, 1997). An inductive approach was used in this study as recognized themes are strongly related to the data collected and the analysis does not rely on an existing theory or framework in this approach (Boyatzis, 1998). In contrast with the studies that can use a deductive approach to thematic analysis, this study does not have an objective to test any hypothesis. The objective is rather developing a theory, which makes the inductive approach suitable to be used.

In addition to the inductive approach, a semantic approach to the data was adopted in the coding process with the same reason for the choice of the inductive approach. The semantic approach in thematic analysis offers a brief summary of the unique content of the data (Braun, & Clarke, 2013). Conversely, the latent approach looks at the data from theoretical lenses, which means the researcher interprets beyond what participants actually said (Clarke, Braun, & Hayfield, 2015). The adoption of the semantic approach helped us to avoid the researcher's bias and to analyze participants' experiences in a more realist as well as a descriptive way.

We did not use any software to analyze the data. However, we followed the phases proposed by Braun and Clarke (2006) to conduct a rigor thematic analysis.

In the initial step, all audio records of the interviews were transcribed as text (See Electronic Appendix) and transcripts of the interviews were read three times to fully engage in the data and pay specific attention to patterns occurring.

Secondly, the preliminary codes that appear interesting and meaningful in the dataset were generated. 11 codes in the environmental dimension, 17 codes in the social dimension, and 5 codes in the economic dimension occurred. In the next phase of data analysis, 11 various

categories, which are the themes found, were created by the interpretive analysis of the preliminary codes. 4 of these themes are related to the environmental dimension, while 5 themes present the ones associated with the social dimension. Relatively fewer themes occurred under the economic dimension, which contains 2 themes.

Following this, a deeper review of identified themes and codes in the previous phase was conducted in order to decide if it is needed to combine, refine, separate, or discard the initial version of them. Although there was not any change amended in this step, we made sure that the initial codes cohere together meaningfully under one theme. It was found that the occurring codes are directly related to the suitable activities that were suggested by the participants. Each activity is associated with one of the important ways to engage in CSR for small businesses. Therefore, the codes create suitable activities whereas the themes consist of important ways to CSR engagement for small businesses. After themes were named reflecting all the codes, a scheme was created showing each code and theme with the number of participants addressed that specific code and theme (See Appendix D).

Finally, the themes and codes to be presented as the main findings of the study were selected since the study was overwhelmed with many themes and codes after data analysis. The selected themes and codes were converted into written text to be presented as the main findings, by using examples appearing in the dataset and linking to current literature (See Section 4.).

### **3.3.1. The Use of the Pareto Principle**

In order to select the themes and codes to be presented as the main findings, the Pareto principle was used.

The Pareto principle is also known as the 80/20 rule and the traditional fundamental idea behind this principle is that 80% of the effects come from 20% of the causes (Kiremire, 2011; Noor, & Milo, 2012). It was linked to population and wealth when the principle first came up and showed that 80% of Italy's land belongs to 20% of the population (Kiremire, 2011). Today, it is seen that there are many areas that often use the Pareto principle as a decision-making technique such as business management, computing, and sports. For example, Craft and Leake (2002) show how manufacturers can prioritize their resources by figuring out the ones creating the greatest value.

In the selection of the important ways to engage in CSR to be presented, firstly, the sum of the total number of participants referring to the themes under each CSR dimension was

calculated. Secondly, the share of each theme was found by dividing the number of participants referring to that specific theme to the total number of people mentioning the themes under the CSR dimension that the theme belongs to. Finally, the most commonly mentioned themes that occurred were chosen until the cumulative percentage corresponds to 80% of the themes under that specific CSR dimension.

In the selection of the suitable activities that can be implemented to engage in CSR to be presented, the calculation was done only on the codes revealed under the themes revealed as needed to be presented in the selection of the important ways to engage in CSR. Firstly, the sum of the total number of participants referring to the codes under each theme was calculated. Secondly, the share of each code was found by dividing the number of participants referring to that specific code to the total number of people mentioning the codes under the theme that the code belongs to. Finally, the most commonly mentioned codes that occurred were chosen until the cumulative percentage corresponds to 80% of the codes under that specific theme.

It can be seen that some of the themes and codes presented in the Results Section (See Section 4.) are the ones that only a minority mentioned, which means less than half of the participants. Although it is an effect of the calculations based on the Pareto principle, it is important to understand the relevance of the data in qualitative studies as the sample size is relatively smaller than quantitative studies. As mentioned in Section 3.1., the data guides the study and even if only a small minority from the sample points out a specific point, it represents an important theme or code within the data set.

#### **4. Results**

This section presents the main findings of the present study. The findings to the first research question take place in Section 4.1. while Section 4.2. examines the findings to the second research question. Both sections are designed with the consideration of three dimensions of CSR, which are the environmental, social, and economic dimensions.

As the second research question is the sub-question linked to the first research question, each suitable activity that small businesses can implement to engage in CSR is presented under the relevant important way to engage in CSR for small businesses in Section 4.2.

Besides, in Section 4.3., the findings from the additional analyses can be found.

## **4.1. What Can Be the Important Ways to Engage in CSR for Small Businesses?**

### **4.1.1. Environmental Dimension**

#### **4.1.1.1. Improvement of Environmental Awareness of Employees and**

##### **Stakeholders**

The data reveals that small businesses can engage in CSR by the improvement of environmental awareness of their employees and stakeholders. Six of the ten participants referred to the theme of improvement of environmental awareness of employees and stakeholders. Previous studies in the existing literature do not show any small business focusing on the improvement of environmental awareness of employees and stakeholders for CSR engagement. The interviews indicate that this theme consists of two important issues which lead to the improvement in employees' and stakeholders' environmental awareness. The first one is (1) the demonstration that the environmental problems are critical for the company while the second one is (2) the improvement of knowledge of employees in terms of environmental issues and potential solutions to these issues.

Five of the six participants addressing this theme mentioned the first issue above and reported that environmental awareness of employees and stakeholders can be improved by showing that the company gives importance to environmental issues. The following quote exemplifies that the efforts of the company to improve the environmental awareness of employees and stakeholders can be accepted as a contribution to the protection of the environment.

[...] These kinds of environmental activities will create awareness for customers, employees, and society, which ends up an environmental contribution of our company. (Talent Manager)

Likewise, Gadenne, Kennedy, and McKeiver (2009) found that companies have an impact on environmental awareness of their stakeholders in case they show environmentally responsible behavior and the importance of the environment for the company.

Furthermore, two of the six participants who addressed the theme of the improvement of environmental awareness of employees and stakeholders pointed out the second issue raised under the theme. These participants suggested that the improvement of employees' environmental knowledge related to environmental problems as well as potential solutions to these issues improves employees' environmental awareness, which results in CSR engagement by the company. It is clear that this issue is directly related to the improvement of environmental

awareness of employees whereas the first issue covers both employees and stakeholders. The following quotes show that if employees share knowledge and learn more about environmental problems and potential solutions, their environmental awareness improves.

[...] we can share our knowledge of how can we just become a little more environmentally-friendly by doing a small step. It should be also a way to increase employees' awareness of this topic and they can take it more seriously. (Customer Success Specialist)

We could potentially have team events related to environmental sustainability, some activities to learn about this issue [...] It is a very small thing, but especially for us if something well organized, we can learn a lot from it. (Finance Manager)

This finding is in good agreement with previous studies by Hale (1995), and Madsen and Ulhøi (2001). They indicate that the improved environmental knowledge of employees helps them to become more aware of their responsibility in environmental solutions. Moreover, their motivation to take environmentally responsible decisions within the company is likely to be higher with the improved knowledge in this regard (Hale, 1995; Madsen, & Ulhøi, 2001).

The present study demonstrates that the improvement of environmental awareness of employees and stakeholders can be an important way to engage in CSR for small businesses. As supported by the current literature, the improvement can be achieved by demonstrating that environmental issues are important for the company and improving the knowledge of employees in terms of environmental problems and solutions. Moreover, it can be commented that the improvement in employees' environmental knowledge can be supportive for other environmental CSR engagement ways as it reinforces employees' understanding in this area.

#### **4.1.1.2. Effective Management of Resources and Waste**

The interviews demonstrate that one of the important ways to engage in CSR for small businesses can be the effective management of resources and waste. Six of the ten participants addressed the theme of effective management of resources and waste. Our finding is supported by some studies in the current literature, which show that some small companies engage in CSR by managing resources and waste effectively (Longo et al., 2005; Jenkins, 2006; Sweeney, 2007). In the data set of the present research, this theme mainly includes two issues which are (1) employees' environmentally-friendly behavior to resources and wastes as well as (2) the regular purchasing habits of the company.

Five of the six participants addressing the theme of effective management of resources and waste pointed out the first issue under this theme and suggested that employees have an important role in the use of resources as well as the management of waste. In other words, the study shows that employees' individual green attitudes to resources and waste create a positive impact on the environment, which results in CSR engagement by the company. The following quotes demonstrate the importance of employees' environmentally-friendly behavior in the effective management of resources and waste.

It starts with people, right? This can be anything related to natural resources, energy, or waste we generate. (Owner 2)

We should be more considerate as employees. We could separate waste better. (Customer Success Specialist)

Along the same lines, Lülfs and Hahn (2013) indicate that the individual environmentally-friendly behavior of employees to resources has a strong impact on corporate responsibility, which is created by a collective effort.

In addition, five of the six participants pointing out the theme of effective management of resources and waste mentioned the second issue raised under this theme and suggested that the company can integrate environmentally responsible behavior into its regular purchasing habits. In this regard, adopting a range of processes where the company acquires environmentally-friendly products is one of the important points that emerged within the data. It is also called green procurement in the literature (Fischer, 2010). The below quote demonstrates that green procurement can be adopted not only in core business operations but also in other forms of routines of the company.

[...] they could use environmentally-friendly cleaning products, cleaners in the evening could use them for washing up. (Network Development Specialist)

This finding does not find any direct support from the current literature. Even though Jenkins (2006) states that there are small companies which engage in CSR with the purchase of renewable energy sources, which is accepted as a green procurement activity, it is not clear if these companies integrate this behavior into core business activities only or different kinds of routines.

Regarding the second issue raised under this theme, another interesting finding is that the regular purchasing habits of the company do not cover only green procurement. It also

covers the consideration of the necessity of the products in the pre-purchasing stage, as shown in the following quote.

[...] purchasing things in the office [...] every company purchases something which is not a hundred percent necessary. (Talent Manager)

The current literature suffers from the lack of any study demonstrating that companies are likely to buy unnecessary products or indicating if they critically think before buying.

The findings of the present study show that small businesses can engage in CSR with the effective management of resources and waste, which is supported by some previous studies. In this sense, based on our findings, employees' environmentally-friendly behavior to resources and waste is important as well as the regular purchasing habits of the company in the pre-purchasing and purchasing steps.

#### **4.1.1.3. Development of Mobility Policies**

It was found that small businesses can engage in CSR by the development of mobility policies. Five of the ten participants addressed this theme throughout the interviews. Previous studies related to small businesses in the CSR context do not show that small businesses develop mobility policies as a CSR engagement way. The issues that the participants pointed out under the theme of development of mobility policies are (1) the employee mobility caused by access to the workplace and (2) the employee mobility caused by business trips.

Four of the five participants addressing the theme of the development of mobility policies suggested that small businesses can contribute to the protection of the environment if they make employees drive cars less often to reach the workplace. The below quote shows that companies can affect employees' choice of the mode of transportation to be used while accessing the workplace.

Nobody is coming by car every morning [...] companies can do prevent people to go to work by car (Product Leader).

Consistently with the present study, the current literature shows that companies can develop mobility policies that focus on reducing the employees' use of cars to the workplace for increasing the contribution of the company to the protection of the environment (Van Malderen et al., 2012).

Four of the participants addressed the second issue raised under the theme of the development of mobility policies. They advocated that mobility policies can be developed by the consideration of the frequency of business trips. It was suggested that employees should travel for business only if necessary. In the following quote, it is seen that the digital business processes of the company help the company to reduce the necessity of traveling.

I think generally as a software or a cloud base company, we don't require our employees or our customers to travel around the world to do business. (Owner 1)

There is a lack of any study indicating the impact of digital business processes on the environmental contribution in the current literature. However, it is argued that digitalization provides an opportunity for companies to save time caused by traveling (Bieser, & Hilter, 2018), which can be one of the solutions for the effective management of small businesses' limited time.

It is understood that one of the important ways to engage in CSR for small businesses can be the development of mobility policies, although there is not any study supporting this finding in the existing literature. Our findings show that it is possible to contribute to the protection of the environment by affecting the transportation mode that employees choose to use to access the workplace, which is supported by Van Malderen et al. with the studies conducted in 2009 and 2012. In addition, digital business processes prepare an environment for fewer business trips, which is another environmental contribution. Nevertheless, none of the previous studies emphasizes any similar results related to the relationship between digitalization and the environment.

#### **4.1.2. Social Dimension**

##### **4.1.2.1. Promotion of Employee Development**

The promotion of employee development emerged as one of the important ways to engage in CSR for small businesses. Eight of the ten participants pointed out the theme of the promotion of employee development. Spence and Lozano (2000), and Jenkins (2006) support our finding by showing that some small companies engage in CSR with employee development programs. In the data set of the present study, the important issue raised under this theme is the significance of the promotion of employee development for organizational benefits.

Four of the eight participants who addressed the theme of the promotion of employee development shared only their positive perception related to the current practices of the company to promote employee development. In addition, as illustrated in the below quote, the other four of the eight participants specified that the promotion of employee development has various advantages not only at the personal but also at the organizational level.

[...] individual training, giving them responsibility, giving them people to lead, giving them ideas to follow [...] Teaching them to become or helping them to become decision-makers themselves [...] that is also something to do with CSR because you are building growing grownups. This helps your company to have professional employees who bring success to the company. (Owner 1)

Obviously, further educating employees, get enabling them to grow and learn, organizing events to develop their skills. The company needs self-motivated employees of course but yes on a professional level, you can get any support you need on your personal growth. We can consider this a win-win situation for the company. (Product Leader)

Along the same lines, the current literature shows that the promotion of employee development increases employees' motivation (Shahzadi, Javed, Pirzada, Nasreen, & Khanam, 2014), the organizational performance (Blundell, Dearden, Meghir, & Sianesi, 1999), employee retention (Logan, 2000), and employees' job satisfaction (Rosenwald, 2000).

The present study shows that the promotion of employee development can be an important way to engage in CSR, which has particular advantages to employees as well as the company, as supported by previous studies.

#### **4.1.2.2. Fair Employee Treatment**

The interviews show that one of the important ways to engage in CSR for small businesses can be fair employee treatment. Eight of the participants addressed the theme of fair employee treatment. Even though past studies related to CSR in small businesses do not address fair employee treatment, our study confirms the findings of the study by Zulfiqar, Sadaf, Popp, Vveinhardt, and Máté (2019), suggesting that fair treatment of employees is particularly important for any organization in the CSR context since it fosters employees to fulfill their responsibilities to achieve organizational goals. The important issue raised under the theme of fair employee treatment is the role of HR policies and practices in the fair treatment of employees.

It was found that the current status of fair employee treatment within the case company is perceived as positive and as a contribution to CSR by six of the participants who addressed this theme. Meanwhile, all eight participants indicating this theme came up with a suggestion that fair employee treatment is closely related to the HR policies and practices of the company such as non-discrimination in different aspects. The following quotes show that the participants consider fair employee treatment a positive social impact.

It is really important to force equal payment in regards to male and female to make sure that there is no pay gap. (Talent Manager)

We are speaking about an employer that hires people from any ethnicity with any kind of background and puts them together, which has also societal impact [...] (Product Leader)

Our findings share a similarity with Guerci and Pedrini's (2014) findings that demonstrate that fairly designed HR policies and practices are a key element for organizations on the way to treat employees fairly and consequently taking responsibility for society.

It is clear that small businesses can engage in CSR by fair employee treatment. As confirmed by previous studies, the role of HR policies and practices for fair employee treatment should not be underestimated. It can be argued that the fair, non-discriminatory HR policies and practices allow companies to treat employees fairly, which results in a positive influence on society.

#### **4.1.2.3. Promotion of Work-Life Balance for Employees**

The data reveals that the promotion of work-life balance for employees can be one of the important ways to engage in CSR for small businesses. Six of the ten participants addressed the theme of the promotion of the work-life balance for employees throughout the interviews. Research on CSR for small businesses also demonstrates that some companies promote work-life balance for employees to engage in CSR (Spence, & Lozano, 2000; Jenkins, 2006). In the present research, two important issues under this theme are (1) promoting work-family life balance for employees and (2) promoting work-social life balance for employees.

Three of the six participants addressed the theme of the promotion of work-life balance for employees expressed that it is important for small companies to consider the family lives of employees. The interviews show that the company should consider the unique life situation of each employee, which mainly includes employees' unique family lives. Therefore, the

participants indicating this issue believe that small companies need to take steps to make employees' family life easier and not to affect their families because of their jobs. In this regard, the most given example was the employees with kids. The below quote illustrates the importance of the promotion of work-life balance in terms of the family lives of employees.

[...] in general, it is really important to provide a working model [...] which suit to every kind of personal living situation [...] this is also a really important point in regards to making good big socially responsible regards to family life. (Talent Manager)

Klöpping (2011) confirms the quote above and claims that a general guideline cannot be created for the work-life balance of all employees since all of them have different priorities. Moreover, Prerna (2012) suggests that the promotion of the balance between work and family leads to the successful achievement of personal and professional goals. Our finding is in line with the study by Jenkins (2006), which indicates the small companies giving importance to promotion of work-life balance for employees are likely to adopt practices especially for family reasons.

The second issue that emerged under the theme of the promotion of work-life balance for employees demonstrates that employees expect from the employer to promote to balance their work and social lives. Three of the six participants addressed this issue. It is understood that the promotion of the work-social life balance refers to the company's effort to make employees socialize with other people within the company. The following quote shows that these efforts provide an opportunity for employees to know their colleagues better.

It is nice that on Fridays you can stay until the end and people might go somewhere to drink or do some activities [...] with your colleagues. It is good that the company pays for that and you can do that sort of thing [...] we could do an activity like going to another city on a weekend. That is more cultural. (Network Development Specialist)

The current literature suffers from the lack of any study investigating or showing the importance of the promotion of the work-social lives balance for employees as a component of the promotion of work-life balance for employees.

Under the theme of the promotion of work-life balance for employees, an additional interesting finding is that one of the company owners believes that the promotion of work-life balance is always challenging, which is shown in the below quote. However, when the company

allows employees to keep the balance between work and other aspects of life, it yields positive results for the company as well.

Always a challenge [...] it is not we want people to sit here for x many hours [...] He can spend time with his family or can complete the work needed to be done outside his job. By focusing on outcomes [...] it is probably the right way to go. (Owner 1)

Along the same lines, Coff (1997), and Pfeffer (1996) suggest that the promotion of work-life balance is one of the main challenges for organizational leaders whereas it is also a source of competitive advantage. Additionally, a positive correlation between the promotion of work-life balance and employee motivation was found by Huselid (1995). Other benefits of the promotion of work-life balance are retainment of skillful employees (Konrad & Managel, 2000), and return on investment in human capital (Yamamoto, & Matsura, 2014).

It is clear that the promotion of work-life balance for employees can be an important way to engage in CSR, which consists of the promotion of work-family life balance and the work-social life balance of employees. Although the aspect of the promotion of the work-family life balance finds support from the current literature (Prerna, 2012; Jenkins, 2006), the promotion of the work-social life balance is not focused on by any previous study. Despite our finding supported by the current literature (Coff, 1997; Pfeffer, 1996) that shows that promoting work-life balance is challenging for small businesses, there are different benefits for the organization in case of the achievement of the promotion of work-life balance for employees.

### **4.1.3. Economic Dimension**

#### **4.1.3.1. Creation of a Sustainable Business Model**

The interviews show that the creation of a sustainable business model can be an important way to engage in CSR for small businesses. All participants pointed out the theme of the creation of a sustainable business model during the interviews. They believe that CSR should be incorporated with the business model to keep the economic growth of the company. Despite the lack of any study that directly supports our finding for small businesses, our finding is in good agreement with the study by Bocken, Short, Rana, and Evans (2014) as they suggest that a sustainable business model does not deliver only economic value but also other forms of values for variable stakeholders. The main issues raised under the theme of the creation of a sustainable business model are (1) the positive impact of a sustainable business model on the

economic growth of the company and (2) the possible effective components that make the business model sustainable.

All participants that joined the study addressed the first issue raised under the theme of the creation of a sustainable business model. It was found that a sustainable business model has a positive impact on the economic growth of the company in the long-term. The participants specified that the more growth of a company having a sustainable business model means more contribution to environmental and social engagement. The following quote emphasizes the relationship between a sustainable business model and economic growth in the long-term.

[...] the sustainable business model has the potential to economically growth [...] If you decide on sustainable reasons to leak your company in a sustainable way, definitely you are going to make profit later on. (Talent Manager)

Schaltegger, Lüdeke-Freund and Hansen (2012) support our finding and indicate that sustainable business models deliver environmental and social benefits while enhancing companies to capture economic value in the long-term.

Regarding the second issue that emerged under the theme of the creation of a sustainable business model, the interviews demonstrate that a sustainable business model can be created by the integration of one or more components to the business model of the company. The below quotes show that the case company integrates two components, namely a sustainable product and digitalization, to its business model. It is also seen in these quotes that the integration of these components decreases the negative impact of the company on the environment and society.

[...] our core business, our product has also a social effect, social impact by increasing efficiency reducing greenhouse gas emissions, and helping the environment. (Owner 2)

xChange is an online platform [...] It is not an industry that produces something. xChange doesn't have direct issues with growth and environmental or social impact. (Customer Success Specialist)

Along the same lines, various studies in the current literature show that it is possible to create a sustainable business with the integration of different components to the business model, such as digitalization (Martin, 2016; Demailly, & Novel, 2014) and the products that the company offers (Dangelico, & Pontrandolfo, 2015).

The creation of a sustainable business model can be an important way to engage in CSR, which does not contribute only to the environment and society. It can also enable small companies to find economic success in the long-term. The creation of sustainable products and the adoption of digital processes into the business can be the possible effective methods to create a sustainable business model, which is supported by previous studies.

## **4.2. What Can Be the Suitable Activities Which Small Businesses Can Implement to Engage in CSR by These Important Ways?**

### **4.2.1. Environmental Dimension**

#### **4.2.1.1. Improvement of Environmental Awareness of Employees and**

##### **Stakeholders**

##### **4.2.1.1.1. Organizing Environmental Team Events**

Five of the six participants addressing the theme of the improvement of environmental awareness of employees and stakeholders suggested that small businesses can organize environmental team events to improve awareness. There is not any previous study indicating that this activity is implemented by small businesses.

The common examples given under this activity throughout the interviews are the clean-up sessions outside and the environmental demonstrations, which are actively participated by the employees. The interviews show that organizing environmental team events does not have a positive impact only on the existing employees and stakeholders, but also attract the potential workforce for the company. Moreover, it was commented that employees can have positive feelings with their active participation in these events while their environmental awareness improves. In addition to these findings, it is seen in the following quotes that the company does not have to organize its own events since it is also possible to participate in existing events of other organizations such as the Fridays for Future.

For example, a Berlin digital freight forwarding company is a part of the Fridays for Future in Berlin [...] most people would find it more attractive to work for the company if they see that they do something good. (Marketing Manager)

Even though there is not any study supporting the finding that the environmental team events attract the potential workforce, this finding can be linked to the finding of previous

studies (Turban, & Greening, 1997; Hansen, 2004; Schaltegger, & Burritt, 2005; Meister, 2012) mentioned in Section 2.1.2., which indicates that CSR engagement increases the company attractiveness for the potential workforce. Furthermore, there is not any evidence showing that environmental team events have an impact on the personal feelings of employees.

Organizing environmental team events can be a suitable activity to be implemented to engage in CSR by the way of the improvement of environmental awareness of employees and stakeholders. These events can make existing employees feel good whereas the company becomes more attractive to be worked for. This activity can be linked to both issues mentioned in Section 4.1.2.1., which means that they can be a part of the demonstration that the environmental issues are important for the company and they can allow employees to improve their knowledge in terms of environmental issues and the potential solutions to these issues.

#### **4.2.1.2. Effective Management of Resources and Waste**

##### **4.2.1.2.1. Managing Resources and Waste Effectively in the Office**

Four of the six participants referring to the theme of the effective management of resources and waste suggested that small businesses can manage resources and waste effectively in the office as an activity under this theme. Although the existing literature demonstrates that some small businesses put effort into waste minimization and recycling initiatives (Murillo, & Lozano, 2006; Jenkins, 2006), it is not clear if these activities are executed in the office or in other facilities.

The main examples given by the participants under this activity are the considerate use of electricity, waste separation in the right way, and less paper use in the office. Meanwhile, the below quote shows that this activity is seen as one of the simplest activities to engage in CSR.

[...] it starts with simple things like switching off the lights when we leave the room, closing the door of the fridge, not keeping the window open, or the heater in the full throttle. (Owner 2)

Despite our finding showing that the effective management of energy and waste in the office is relatively simple to be applied, there is not any study suggesting a similar result.

Small businesses can manage resources and waste effectively in the office as a suitable activity to engage in CSR. Based on the findings, it can be claimed that this activity is not complicated to be implemented as they do not require much resources or efforts of people. It

should be kept in mind that this activity is closely related to the employees' environmentally-friendly behavior to resources and wastes, which is named as the first issue in Section 4.1.2.2.

#### **4.2.1.2.2. Purchasing Green Office Supplies and Employee / Customer Gifts**

Four of the six participants addressing the theme of the effective management of resources and waste either suggested that the company can purchase green office supplies or employee / customer gifts to engage in CSR. There is a lack of any study showing that small businesses consider green options while they buy office supplies or employee / customer gifts.

The use of environmentally-friendly cleaning products in the office, the choice of coffee in the office from fair trade options, and the ecological choice of products that the company gives as gifts to employees and customers are the examples given throughout the interviews under this activity. The following quotes show that the company can implement this activity if it purchases ecological products that are produced in light of fair trade, which is named green office supplies and employee / customer gifts in the present study.

Other things that we could do [...] buy organic fair-trade coffee [...] (Product Leader)

[...] when we decided on which jumpers / sweaters to buy for the company. We choose to invest more money to buy fair-trade cotton jumpers [...] (Owner 2)

There is not any previous study showing that companies' green purchasing activities are conducted by the purchase of ecological products to the office or for employees and customers, that are produced under fair-trade conditions.

Small businesses can choose green products while they buy office supplies and employee / customer gifts to engage in CSR by the way of the effective management of resources and waste. The indirect impact of companies on resources occurring by the products that they purchase and the waste generated because of these purchased products should be considered in this sense. Therefore, this activity is associated with the second issue mentioned in Section 4.1.2.2., namely the regular purchasing habits of the company.

### **4.2.1.3. Development of Mobility Policies**

#### **4.2.1.3.1. Decreasing the Frequency of Business Trips**

Four of the five participants addressing the theme of the development of mobility policies suggested that small businesses can decrease the frequency of business trips under this theme. The previous studies do not demonstrate any effort of small businesses regarding decreasing the frequency of business trips while engaging in CSR.

Firstly, the interviews show that the frequency of business trips can be decreased by the consideration of the necessity of traveling for an event such as a meeting and tradeshow in advance. If traveling is necessary, environmentally-friendly transportation modes to be used to access the place where the event is executed should be considered. Secondly, the participants suggested that the online attendance to the events should be adopted, where possible. The first quote below shows that small companies can decrease the frequency of business trips in case these two suggestions are considered and they contribute to the reduction of carbon emissions as a result of the decrease in the frequency of business trips. The second quote illustrates our finding related to the adoption of online attendance.

We could decrease the number of our flights, but I don't think we fly a lot and we only fly if it is really necessary. If we think about our previous event in Antwerp, Rotterdam...I don't take the plane to Amsterdam and then get a rental car rather take the train for the whole journey, it takes too long but still, it is part of not pushing out CO<sub>2</sub>. (Product Leader)

[...] we do not require our employees or our customers to travel around the world to do business. They can do it online, which generally is environmentally-friendly. (Owner 1)

The study conducted by Van Malderen et al. (2009) in Belgium is consistent with the present study. Although they did not conduct the study specifically for small businesses, they argue that if companies consider the necessity of traveling before business trips, choose the alternative, environmentally-friendly modes of transportation and conducting business by telecommuting where it is possible, they can decrease the frequency of business trips, which can be parts of successful mobility policies.

Decreasing the frequency of business trips can be a suitable activity that can be implemented under the theme of the development of mobility policies for small businesses. It is possible to decrease the frequency of business trips by the consideration of the necessity of traveling and the adoption of online attendance to events in different cities or countries. These

methods are seen as important to decrease the frequency of business trips by the participants of the present study while they find support from the current literature. It is clear that this activity is closely related to the second issue mentioned in Section 4.1.2.3., which is the employee mobility caused by business trips.

#### **4.2.1.3.2. Giving Incentives for the Use of Public Transportation to Employees**

Four of the five participants addressing the theme of the development of mobility policies suggested that small businesses can give incentives for the use of public transportation to employees. In the current literature, there is not any study showing that there are small businesses giving such incentives.

The data reveals that cooperation with local transportation authorities can be established to give incentives for the use of public transportation to employees. It was mentioned in the interviews that the cooperation between the case company and the local transportation authority of Hamburg provides special discounts to employees to use public transportation. It is shown in the following quotes that the cooperation between the company and the local transportation authority is a way to prevent employees' drive to the workplace as much as possible to avoid environmental pollution occurring when employees access the workplace by the implementation of this activity.

Our employees get the HVV card, so they don't have to take a car. (Owner 1)

[...] do we are trying to get enough people together to get a discount on public transportation [...] this would have an impact. (Product Leader)

Despite there is not any previous study showing that cooperation with local transportation authorities can be established for CSR engagement, the study conducted by Van Malderen et al. (2009) suggests that different sized companies give financial incentives such as rewards for the use of the public transportation in Belgium. They also found that the main reason for the employee interest in the use of public transportation with the incentives is that employees avoid costs such as parking fees (Van Malderen et al., 2012).

Giving incentives for the use of public transportation to employees can be a suitable activity to be implemented, which gives the company an opportunity to contribute to the environment on a regular basis. Because this activity is associated with employee mobility caused by access to the workplace, which is the first issue raised under the theme of the development

of mobility policies (See Section 4.1.2.3.). The present study shows that the implementation of this activity is possible by direct cooperation with the local transportation authorities in addition to other financial incentives which are demonstrated by the existing literature.

## **4.2.2. Social Dimension**

### **4.2.2.1. Promotion of Employee Development**

#### **4.2.2.1.1. Organizing Occupational Learning Events**

Three of the eight participants that addressed the theme of the promotion of employee development suggested that small businesses can organize occupational learning events. Spence and Lozano (2000) also demonstrate that some occupational learning events are a part of CSR engagement by some small companies.

The main examples given by the participants, related to the occupational learning events are open dialogues and workshops which are related to the occupational development of the employees. In this context, the participants mentioned the improvement of the knowledge of employees in terms of shipping and containers which are related to the core business of the case company. The below quotes indicate that open dialogues and workshops can improve the knowledge of employees having different educational backgrounds. In addition, as one of the examples for the workshops is related to coding, it is understood that occupational learning events do not have to be directly related to the main tasks of employees. These events can also be related to some useful topics in business which can be attended by employees from various departments.

[...] working and learning at the same time [...] we are sort of a lot of different backgrounds and usually don't have expertise in containers. We can set up some informative sessions like in the evenings or in an afternoon on a workday, where there is a topic and we can talk about the topic [...] in the new year, I will be starting a learning program for us, which will be very informal. There will be a topic, a short presentation, and an open dialogue. (Network Development Specialist)

[...] it would be nice if we could give like workshops for people to learn how to write codes for example or to teach people how shipping works. (Marketing Manager)

The study by Spence and Lozano (2000) is in line with the present study as it demonstrates that small businesses engaging in CSR by the promotion of employee development organizes open dialogues and workshops, which are conducted for the occupational improvement

of employees. Further, it is argued by Sung and Choi (2014) that any kind of occupational learning event encourages employees to be more learning-oriented while it leads to better performance in their tasks.

It is seen that organizing occupational learning events can be a suitable activity to engage in CSR for small businesses by the promotion of employee development. As the present study and the current literature show, this activity can be implemented mainly by open dialogues and workshops. It is important to understand that organizing occupational learning events does not contribute only to employees, but also to the organization as the current literature shows that employees perform their tasks better when they attend such events. Therefore, this activity has a direct connection to the issue raised under the theme of the promotion of employee development, namely the significance of the promotion of employee development for organizational benefits (See Section 4.1.2.1.).

#### **4.2.2.1.2. Offering Language Classes to Employees**

Three of the eight participants referring to the promotion of employee development as a way to engage in CSR for small businesses suggested that small businesses can offer language classes to employees. The existing literature suffers from any study indicating that small businesses have an effort to offer language classes to their employees as an activity to engage in CSR.

The interviews demonstrate that the language classes offered by companies are important especially for foreign employees as it is considered a way to accelerate integration in the country. The below quote illustrates that the language classes paid by the company have a positive impact not only on employees but also for the whole society due to the social integration effect.

[...] we already do sponsor language classes, which foster integration, which is good for society as a whole. (Owner 2)

Even though previous studies related to social integration do not focus specifically on the impact of employers' approach to the improvement of employees' language skills, our study is in line with the study by Derwing and Waugh (2012). They found that when employees improve their language skills in the official language of the country that they live in, they better integrate socially in their workplaces and society.

Offering language classes to employees can be implemented as a suitable activity in small businesses to engage in CSR by the promotion of employee development. The positive social impact of this activity can be accepted as wide since it does not affect only the communication flow within the company, but also accelerates the integration of these employees to society in general, as supported by the current literature. In this aspect, it can be claimed that this activity is also directly related to the issue raised under the theme of the promotion of employee development, namely the significance of the promotion of employee development for organizational benefits (See Section 4.1.2.1.), while it offers individual benefits to employees.

#### **4.2.2.2. Fair Employee Treatment**

##### **4.2.2.2.1. Adopting Fair Pay and Vacation Policy**

Five of the eight participants who addressed the theme of the fair employee treatment suggested that small businesses can adopt fair pay and vacation policy to treat employees fairly. The existing literature does not show any finding that small businesses consider adopting fair pay and vacation policy to engage in CSR.

The interviews demonstrate that one of the positive aspects of the current state of the case company is the fair pay and vacation policy, which is directly related to the HR policies of the company. The following quote demonstrates that small businesses should adopt fair pay and vacation policy regardless of gender or the level of the position in the company. It means that this activity should be conducted in light of the non-discriminative approach.

We pay really fair rates on the internship, for example. Overall, it is also a really fair payment between male-female [...] (Talent Manager)

Despite the lack of information regarding fair vacation policy implemented in companies in the current literature, Cornish (2006) shows that there are still many companies that have different sizes and perform discriminative payment practices in different parts of the world. Cornish (2006) found that these companies discriminate against employees especially in terms of gender.

The adoption of fair pay and vacation policy can be a suitable activity for small businesses to treat employees fairly and engage in CSR in this way. The role of HR policies and practices is seen for the fair treatment of employees with this activity, which is named as the

important issue raised under the theme of the fair employee treatment in Section 4.1.2.2. It is needed to understand that this activity should be implemented regardless of any discriminative approach to foster sustainable development as shown in the current literature as well.

#### **4.2.2.2.2. Considering Diversity in Hiring**

Five of the eight participants indicating fair employee treatment as a way to engage in CSR suggested that small companies can consider the diversity of employees within the company in hiring. It is not seen in the existing literature that small businesses have a special concern on the diversity of the employees for CSR engagement.

Based on the interviews, the diversity of employees within the company is a part of the contribution to sustainability since it has a strong positive social effect. Further, the following quotes show that this activity is seen as a great help to foreign people living in the country as it fosters social integration whereas diversity improves the work that the company does thanks to different backgrounds.

We do have great diversity. It is also a great cultural, communication part which is also a really sustainable way to show how people of different nations, beliefs, nations, and so on can make a great effort together. (Talent Manager)

In line with the present study, Karataş-Özkan, Nicolopoulou, and Özbilgin (2014) argue that considering diversity in hiring is an important activity to engage in CSR in all sized companies. On the other hand, there is not any study confirming our finding related to the relationship between diversity in employment and its effects on the social integration of foreign employees.

It is seen that considering diversity in hiring can be a suitable activity that small businesses can implement to engage in CSR by the way of fair employee treatment. It is clear that this activity allows the company to treat the potential employees fairly as well, which shows the important role of HR policies and practices as mentioned in Section 4.1.2.2. In addition, despite the lack of evidence in the current literature, foreigners living in the country can take the chance to be employed by this activity of the company, which results in better social integration.

### **4.2.2.3. Promotion of Work-Life Balance for Employees**

#### **4.2.2.3.1. Adopting Flexible Working Hours**

Four of the six participants that addressed the theme of the promotion of work-life balance for employees suggested that small businesses can adopt flexible working hours as an activity to promote work-life balance for employees. In the current literature, it is not clear that small businesses engaging in CSR by the promotion of work-life balance implement this activity.

The interviews show that adopting flexible working hours has an effect especially on the family lives of employees, which means that this activity addresses the first issue raised under the theme of the promotion of work-life balance for employees (See Section 4.1.2.3.). Moreover, it is seen that the adoption of flexible working hours in the company is considered as a result of being an employer which is result-oriented. The following quotes exemplify these findings.

I think the business has flexible working hours, and it could have a big impact on arranging family life, with kids [...] (Talent Manager)

[...] if somebody for example has children and due to his children has specific needs for working hours. This is an employer that is open to that and rather relies on employees generating results than micromanaging them and not giving them the freedom that they need to make a meaningful living. (Product Leader)

Along the same lines, previous studies (Crompton, 2002; Papalexandris, & Kramar, 1997; Shagvaliyeva, & Yazdanifard, 2014) show that the adoption of flexible working hours leads to the better work-life balance of employees and possibly solves the work-family conflict of employees. On the other hand, there is no evidence showing that the adoption of flexible working hours is a result of being result-oriented as a company.

The present study shows that adopting flexible working hours can be a suitable activity that can be implemented by small businesses to engage in CSR by the promotion of work-life balance for employees. This activity can help employees to balance their family and work lives, as suggested in the existing literature as well. At the same time, even though there is not any evidence related to the motivation of companies while implementing this activity, our case study demonstrates that one of the reasons for this activity is that companies give importance to the results of employees' work rather than the amount of their time dedicated to their jobs.

#### **4.2.2.3.2. Organizing Cultural and Social Events for Employees**

Three of the six participants indicating the promotion of work-life balance for employees as a way to engage in CSR suggested that small businesses can organize cultural and social events for employees to engage in CSR by the way of the promotion of work-life balance for employees. The study by Jenkins (2006) is also in line with the present study and shows that there are small businesses engaging in CSR with social events organized for employees. However, it is not seen in the existing literature that small businesses execute these events in a cultural manner.

The interviews demonstrate that organizing various leisure or cultural activities helps employees to find opportunities to socialize even if they do not have the opportunity in their personal lives for some reason. The following quotations show that this existing activity in the case company has a positive impact on the integration of the employees from different cities or countries to society as these events bring employees within the company together and help all employees to know their colleagues better.

We have a lot of people coming from foreign countries or other cities. In order to have them socially integrated here in Hamburg and Germany, I think after-work events are a good fit. Could maybe more after work to bring people even more together. It seems like people kind of find their friends and people they hang out with are also here at work. Immigrant workers so to say, that they kind of do something with the Germans and get access to social circles. (Product Leader)

[...] xChange meetings outside of the office, like we do the trips or just one evening gatherings which make people know each other better, make these connections at a personal level. (Customer Success Specialist)

The existing literature suffers from any study having similar results related to the effects of organizing social and cultural events for employees on employees.

Organizing social and cultural events for employees can be a suitable activity to promote work-life balance for employees within small businesses since it provides the opportunity for employees to socialize with colleagues, know colleagues better, and fill the gap in employees' personal social lives. It can be argued that this activity is important especially for small businesses having employees from different parts of the world due to the social integration effect. This suggested activity is related to the second issue raised under the theme of the promotion of work-social life balance for employees, which is stated in Section 4.1.2.3.

### **4.2.3. Economic Dimension**

#### **4.2.3.1. Creation of a Sustainable Business Model**

##### **4.2.3.1.1. Developing Sustainable Products**

Eight of the ten participants suggested that small businesses can develop sustainable products to engage in CSR not to affect the economic growth of the company negatively. There is not any previous study indicating that there are small businesses focusing on the development of sustainable products to engage in CSR.

It was found that the case company engages in CSR directly since the idea behind the product offered fosters environmental and social sustainability. It is because the product that the company offers contributes to the protection of the environment by reducing carbon emissions, which also has a social impact relatively. It is seen in the below quote that the more products that the company sells lead to more contribution to the protection of the environment whereas the company keeps the economic growth thanks to the products sold.

[...] our product itself enables companies to save CO<sub>2</sub>, which can be considered CSR [...] An argument could be that the more economically we grow we more CO<sub>2</sub> emissions can be saved by big shipping companies, so I actually want to say that the more successful we are, the less CO<sub>2</sub> is created through logistics processes. (Product Leader)

Along the same line, a recent survey study (Dangelico, & Pontrandolfo, 2015) indicates that developing products that have a contribution to the protection of the environment provides economic and market advantages for companies simultaneously.

Small businesses may have the opportunity to keep economic growth when they create a sustainable business model by the development of sustainable products. One of the advantages of the activity of developing sustainable products is that small companies can engage in CSR directly by this activity, as the existing literature also suggests. It is seen that the product of the case company contributes to the environment without negatively impacting the economic growth of the company and has an indirect contribution to society. The activity of developing sustainable products can be linked to both issues mentioned under the theme of the creation of a sustainable business model (See Section 4.1.3.1.). It is because the product represents the component that creates a sustainable business model in this case while the positive impact of

the sustainable business model created by the product on the economic growth of the company is seen.

#### **4.2.3.1.2. Digitalizing Business Processes**

Five of the ten participants suggested that small businesses can digitalize business processes to keep the economic growth of the company while engaging in CSR. The existing literature suffers from any study demonstrating that digitalizing business processes are an activity that small businesses implement for CSR engagement.

The interviews show that the digital business processes of the case company are a result of the nature of being a company having the digital platform business model, which operates in the service industry. Nevertheless, it is also understood from the following quote that the digital business processes decrease the negative impact of the company on the environment and society.

I think as a service company having digital processes the impact of us is not that big. Because we don't need for example factories or we don't need to buy any commodities. So, it is a technology company and I think as I mentioned in the very first questions, the more movements we provide to our customers, we are contributing more. (Finance Manager)

Along the same lines, Martin (2016) claims that digitalizing business processes can be accepted as an opportunity to find new ways to monetize assets, time, and skills, which results in the economic development of the company. Besides, based on the studies related to the environmental dimension of CSR and digitalization, digital business processes lead to a solution for environmental problems such as overconsumption of natural resources (Martin, 2016; Aksin-Sivrikaya, & Bhattacharya, 2017), waste generation and carbon emissions (Demailly, & Novel, 2014). On the other hand, Gensch, Prakash, and Hilbert (2017) argue that digitalization may cause a rebound effect instead of creating a sustainable business model.

Small businesses can engage in CSR by the activity of digitalizing business processes to reduce the impact of the company while keeping the economic growth, which is in line with the existing literature. Despite the fact that the applicability of this activity may be limited for manufacturing companies, we suggest that small businesses can digitalize business processes where it is possible to engage in CSR. It should be kept in mind that it is needed to avoid rebound effects while digitalizing business processes, as the current literature suggests. Digitalizing business processes can be used as a component to create a sustainable business model,

which addresses the second issue raised under the theme of the creation of a sustainable business model as a way to engage in CSR for small businesses (See Section 4.1.3.1.).

### **4.3. Additional Analyses**

This section presents remarkable findings of the study, which do not directly relate to the research questions.

Firstly, the interviews show that the case company currently has not any formal CSR strategies or activities. The owners specified that they have never thought about formal CSR strategies for the company. However, their suggestions in the interviews demonstrate that the owners are open to CSR engagement although they do not consider CSR engagement is vital for running the business. Moreover, the present study shows that most of the participants are interested in participating in all CSR activities which they can have the opportunity to participate in. It is because they believe that they can know their colleagues better with these activities and will have positive feelings while contributing to the environment and society thanks to the company. It means that the case company can find success in CSR engagement because the personal values and attitudes of owners are essential in this regard (Perez-Sanchez et al., 2003; Hopkins, 2012), and employees will be the main contributors to organize and sustain the activities which are implemented to engage in CSR.

Despite the lack of formal CSR strategies and activities, it was found that the company engages in CSR with various activities without the concern to engage in CSR. It demonstrates that the case company experiences sunken / silent CSR, which are the terms named by Jenkins (2004), and Perrini (2006). Nevertheless, some of the employees are not aware of these activities. For instance, although most of the participants know the sustainable idea behind the product that the company offers and know that the product itself allows reducing carbon emissions, some of the participants argued that the company does not have any effort into carbon offsetting. Many previous studies (e.g., McDonald, 1999; Foreman, 1997; Piercy, & Morgan, 1994) emphasize the significance of effective internal communication to avoid such cases. It was found by McDonald (1999), and Foreman (1997) that the understanding of employees regarding the organizational objectives and goals can be ensured only by effective internal communication. In addition, effective communication within the company fosters employees' full understanding of product and service standards, which also positively affects the understanding of customers' needs at every level of organization (Acito, & Ford, 1980; Piercy, & Morgan, 1994; Ruekert, & Walker, 1987). Therefore, it is suggested to the case company that it should ensure

that it delivers the objectives and goals of the company as well as product and service standards clearly to employees by communicating effectively with them.

Secondly, additional analyses of the data show that some of the employees' knowledge regarding CSR and sustainability is weak. In contrast to the study by Murillo and Lozano (2006), most of the participants feel comfortable with the definition of CSR. However, a few participants were not sure about their description of CSR and wanted to get confirmation of their description from the interviewer. Meanwhile, all participants addressed at least one of the environmental and social dimensions of CSR while describing the term whereas none of them addressed the economic dimension of CSR. In addition to the weakness of the descriptions of the participants, it was found that some of the suggestions given by the participants are not in the right direction to positively impact the environment. They believe that their suggestions under the environmental dimension can make the company take more responsibility in terms of the environment, in fact, the suggested activities also have a negative impact on the environment. As discussed in Section 2.4., the lack of knowledge of employees in this regard may lead to a barrier to engage in CSR for small businesses. It is clear that the company needs to improve the knowledge of employees, in the area of CSR and sustainability since employees have a crucial role in the CSR engagement.

Finally, the main barriers to engage in CSR for small businesses are named as the limited financial resources and time by the participants, which are in line with previous studies in the current literature (e.g., Spence, & Lozano, 2000; Spence, 1999; Carlisle, & Faulkner, 2004; Lepoutre, & Heene, 2006). The interviews indicate that small businesses should behave selectively in CSR engagement to overcome these barriers. It means that small companies should focus on certain CSR issues instead of trying to address all issues. In this regard, Zou (2015) suggests that the CSR issues to be focused on and the activities to be conducted for CSR engagement should be selected by giving priority to the needs and expectations of key stakeholders of the company. It can be commented that one of the key stakeholders of the case company is employees since the most common themes found in the study are directly related to employees (e.g., promotion of employee development, promotion of work-life balance for employees), particularly under the social dimension of CSR. This finding is in good agreement with previous studies in the existing literature (Jenkins, 2004; Murillo, & Lozano, 2006; Vives, 2005) as they also indicate that the needs and expectations of employees are the main motivation of small businesses that engage in CSR. Therefore, it can be claimed that it would be appropriate for small businesses to focus on the important ways and suitable activities to engage in CSR, which

are directly related to employees and require relatively fewer financial resources and time dedicated. On the other hand, it is important to make sure that all dimensions of CSR are addressed to some extent with some of the important ways and suitable activities to meet the needs and expectations of other stakeholders and to have a long-term success of the business, as suggested by the TBL framework of Elkington (1994).

## **5. Discussion**

### **5.1. Main Contributions of the Study**

This study has some theoretical and methodological contributions to the existing literature, which are also important for managerial implications.

The present study advances existing knowledge about CSR for small businesses. Despite a large number of small businesses all around the world and the significance of small businesses, in the existing literature, there is only a limited number of studies focusing on small businesses in the area of CSR. Additionally, none of these studies explores the important ways and suitable activities to be implemented to engage in CSR for small businesses. Therefore, the present study is an initial contribution to the CSR literature for small businesses.

The results of the study are not useful only for small businesses that do not engage in CSR formally or informally yet but also for small businesses that already have effort put into CSR engagement. Because the study reveals that there are some additional ways and activities to the existing CSR implementations of small businesses that were previously studied in the literature.


Regarding the ways which can be important to engage in CSR for small businesses, some important ways which are not on the focus of small businesses studied in the current literature were found under each dimension of CSR. In addition to the existing ways that small businesses engage in CSR, the study shows that small businesses can engage in CSR by the improvement of environmental awareness of employees and stakeholders and the development of mobility policies under the environmental dimension. Under the social dimension, it was found that fair employee treatment is an important way to engage in CSR although it is not adopted as a way to engage in CSR by small businesses shown in the existing literature. Additionally, the study indicates a new finding showing that the creation of a sustainable business model may allow small businesses to keep economic growth, which is associated with the economic dimension. Section 4.1. discusses these findings.

Regarding the suitable activities to engage in CSR by the important ways that we found, most of the activities suggested are not stated in the existing literature as the activities of small businesses that engage in CSR. Our findings show that all activities suggested under the environmental dimension in the present study are new contributions to the existing literature. To be more clear, in addition to the existing activities conducted by small businesses, the study shows that organizing environmental team events, managing resources and waste effectively in the office, purchasing green office supplies and employee / customer gifts, decreasing the frequency of business trips, and giving incentives for the use of public transportation to employees can be suitable activities to engage in CSR environmentally. It is also seen that most of the suggested activities under the social dimension are not implemented by small businesses in previous studies. Under the social dimension, offering language classes to employees, adopting fair pay and vacation policy, considering diversity in hiring, and adopting flexible working hours were found as activities that can be suitable for small businesses in addition to the existing activities. The suitable activities found under the economic dimension are also new contributions to the literature. Developing sustainable products and digitalizing business processes were found as suitable activities that prevent to affect the economic growth of the company negatively, which are not seen as conducted by small businesses. These findings are discussed in Section 4.2.

Another important contribution of the study is the findings that are related to the important ways and suitable activities found to engage in CSR for small businesses. These findings are presented just before each quote in the Results Section (See Section 4.) and provide a holistic view of the important ways and suitable activities. Because they offer beneficial knowledge to small businesses such as organizational advantages of that specific way or activity. In addition, all of these findings are compared to the findings by previous studies after each quote to see the similarities and differences. In this aspect, it is important that the present study can be accepted as a supportive and confirmatory study for these previous studies since none of these findings is in contrast. Furthermore, new knowledge is provided by these findings which are not stated in the current literature. These findings are listed below.

- Companies do not critically think about the necessity of the products that they want to buy in the pre-purchasing step, and they tend to purchase unnecessary products (See Section 4.1.2.2.).
- Environmental team events organized by companies attract potential workforce (See Section 4.2.1.1.1.).

- The effective management of energy and waste in the office is a relatively simple activity to be applied by small businesses to engage in CSR (See Section 4.2.1.2.1.).
- Green purchasing activities can be conducted by the purchase of ecological products to the office or for employees and customers, that are produced under fair-trade conditions (See Section 4.2.1.2.2.).
- Employers' approach to the improvement of employees' language skills affects the social integration of foreign employees (See Section 4.2.2.1.2.).
- There is a positive relationship between diversity in employment and the social integration of foreign people within the country (See Section 4.2.2.2.2.).
- The social and cultural events organized for employees by the company has a positive impact on the social integration of employees from different cities or countries (See Section 4.2.2.3.2.).



Moreover, the present study does not have contributions only for typical small businesses, but also for digital platforms. Even though there are many distinctive characteristics of digital platforms, none of the previous studies related to CSR for small businesses focuses specifically on digital platforms. The significant market shares of digital platforms in the world and the attractiveness of the digital platform business model give an idea that the number of digital platforms across small businesses will increase in the future. This research fills the gap in the literature by studying a small business working with the digital platform business model. Therefore, our study guides digital platforms along with typical small businesses to integrate CSR into their business.

In addition to the contributions discussed so far, there are two important methodological contributions of the present study. One of them is the interviews developed while the second one is the use of the Pareto principle in a qualitative study.

In order to collect data, the interviews were developed without adapting interview questions from any previous study since the present study is an initial study in the explored area. The strength of the developed interviews is that the questions were created by the collection of the central themes associated with the area of CSR from the current literature and combination of these themes with three dimensions of CSR, which are presented by the TBL framework. Consequently, the interview questions allowed our data set to become comprehensive. It shows that the developed interviews may be a useful tool to collect data for future studies that will be conducted in the area of CSR for small businesses.

The study also shows how the Pareto principle can be adapted to qualitative research. Even though the Pareto principle is not a common method used in qualitative studies, we used it in the decision-making process of the presentation of our results as the study was overwhelmed with different themes and codes after data analysis. Therefore, the study demonstrates that the Pareto principle can be used by researchers to choose the most important themes and codes that the data reveals and choose the ones to be presented as main findings in qualitative research.

## **5.2. Limitations of the Study**

The present study is subject to certain limitations although the advantages of qualitative research were used, and despite the contributions mentioned in the previous section.

First, the generalizability of the results is limited due to the use of a single case study approach. In order to mitigate the effects of this limitation and to make the results represent as many small businesses as possible, we gave more general names to the determined themes and codes in the data analysis process. Even though the participants suggested some activities which are directly related to the container or maritime businesses, the names of the themes and codes were adapted to each kind of business. However, it is still possible that the results may not widely applicable to different small businesses. It is seen in the study by Jenkins (2006) that small businesses operating in different industries have different priorities in terms of CSR issues. Therefore, for example, it should be kept in mind that the findings may have limited applicability for manufacturing companies. In this context, a multiple case study approach would be helpful to make results more generalizable and improve the reliability of results.

Another limitation is that the sample size is small in the study. The limited-time that we had to complete the study is the reason for the low number of interviews. The diversity of participants in terms of the departments that they work for, the level of their positions within the company, and the duration of their experience in the company helped us to have more representative results. Nevertheless, the involvement of more employees would help explore the important ways to engage in CSR and suitable activities to be implemented for the engagement, from a broader perspective.

Moreover, more criteria to choose participants would yield more representative results. For example, the education level of all participants is close to each other. It is a result of the

fact that all employees of the case company are at least university graduates. Some additional criteria such as variability of education level could affect the results to some extent.

Last, participants were chosen only from the employees of the company. Even though employees are one of the key stakeholder groups of the case company, the involvement of other key stakeholder groups in the study would help understand the needs and expectations of them and might make some changes in the main findings of the study.

### **5.3. Recommendations for Future Research**

This research may open new avenues for future research.

Our case study shows the ways that can be important for small businesses to engage in CSR and suitable activities to be implemented for CSR engagement by these ways. Nevertheless, as discussed in the previous section, the width of applicability might be limited due to the single case study approach. It is needed to investigate more small businesses from different industries. Therefore, future studies might adopt a multiple case study approach and select case companies from different industries in the service and manufacturing sectors. It would help find out if the industry that the company operates affects the results.

We recommend that future studies should choose the sample from a broader perspective. Firstly, future studies should be applied to larger sample sizes to gain more information produced from more points of view. Secondly, all key stakeholder groups should be considered in future studies and the sample from these various groups should be chosen such as local communities, customers, and suppliers. The choice of the sample from a broader perspective would provide knowledge of other stakeholder groups' needs and expectations from small businesses and help current small businesses in possible sustainability challenges that they can face while they are getting larger.

Further, in the case company, the background of participants such as education level was similar to each other. However, it should not be forgotten that there may be small businesses with employees coming from different levels of educational background. In the present study, the criteria to select participants were directly related to the relationship between the participants and the company. Despite the diversity in the sample provided in the sample by choosing participants from different departments, positions, and the duration of experience in the company, there may be more factors affecting individuals' understanding of CSR. There is not any study exploring these factors in the current literature. Therefore, future research should

focus on understanding what factors influence individuals' understanding of CSR. In particular, studies that will contribute to the knowledge of the important ways and suitable activities to engage in CSR should add these factors as criteria in the choice of participants.

Another recommendation for future research is that they should focus on the new findings that are related to important ways and suitable activities to engage in CSR for small businesses. These findings are listed with bullet points in Section 5.1. It may be appropriate to test these findings as hypotheses in future studies.

## **6. Conclusion**

The literature review demonstrated that previous studies in the area of CSR mainly focus on large companies. However, a large number of small businesses around the world and the effects of small businesses on local economies as well as market structures show the potential of small businesses to contribute to the protection of the environment and the growth of societies.

Even though small businesses are not currently on the focus regarding CSR engagement, the global interest in CSR shows that they should be ready for future challenges in this regard while they grow. However, the lack of understanding of small businesses how to integrate CSR into their business prevents them to increase their contribution to the environment and society and to gain advantages from CSR engagement.

Due to the distinctive characteristics of small businesses, it is not possible to generalize the results of studies focusing on large companies as these characteristics may have an effect on CSR activities (Sarbutts, 2003; Lepoutre, & Heene, 2006; Spence, 2007; Ketola, Blomback, & Wigren, 2009). Therefore, the aim of this study was to explore the important ways to engage in CSR and the suitable activities to be implemented to engage in CSR by these ways, for small businesses.

For that purpose, the case study approach was adopted since it is initial research that is investigating the important ways and suitable activities to engage in CSR for small businesses. xChange Solutions GmbH was chosen as the case company with the consideration of the small business definition by the EC (2001). The company works with the digital platform business model and is located in Hamburg, Germany. The choice of a digital platform as the case company allowed us to guide not only typical small businesses but also small-sized digital platforms to engage in CSR.

The data was collected by semi-structured in-depth interviews to cover theoretical issues during the interviews while understanding the personal thoughts, experiences, and viewpoints of the participants. Due to the significance of employees in CSR engagement, and the finding in the current literature that one of the key stakeholder groups of small businesses is employees (Jenkins, 2004; Murillo, & Lozano, 2006; Vives, 2005), a sample from employees of the case company was chosen. The interview questions were created based on the TBL framework proposed by Elkington (1994) and the central themes covered by the CSR literature. A comprehensive dataset was obtained with the effect of this approach. The data was analyzed by thematic analysis and 11 themes from 33 codes were created. Since the answers to interview questions mainly showed the suitable activities to engage in CSR for small businesses, the suitable activities formed codes whereas the categorization of these codes created the themes representing the important ways to engage in CSR for small businesses.

In order to find the most common suggested ways and activities to be presented as results, the Pareto principle was used. Consequently, 7 of the 11 important ways to engage in CSR whereas 13 of the 33 suitable activities that can be implemented for CSR engagement were stated as results. Each engagement way and activity were presented under the relevant dimension of CSR, proposed by the TBL framework and which are called the environmental, social, and economic dimensions of CSR.

Three important ways for small businesses to engage in CSR revealed under the environmental dimension. Small businesses can engage in CSR environmentally by (1) the improvement of environmental awareness of employees and stakeholders, (2) effective management of resources and waste, and (3) development of mobility policies. Organizing environmental team events was found as the activity that can be suitable to engage in CSR by the improvement of environmental awareness of employees and stakeholders. Managing resources and waste effectively in the office and purchasing green office supplies and employee / customer gifts occurred as suitable activities to engage in CSR by the effective management of resources and waste. Moreover, decreasing the frequency of business trips and giving incentives for the use of public transportation to employees were found as suitable to engage in CSR by the way of the development of mobility policies.

Under the social dimension, three of the important ways for small businesses to engage in CSR were presented. These important ways were named as (1) promotion of employee development, (2) fair employee treatment, and (3) promotion of work-life balance for employees. It was indicated that small businesses can engage in CSR by organizing occupational learning

events and offering language classes to employees, which are the activities for CSR engagement by the promotion of employee development. In addition, fair employee treatment consists of two suitable activities, namely adopting fair pay and vacation policy and considering diversity in hiring. In light of the aim of engaging in CSR by the promotion of work-life balance for employees, small businesses can adopt flexible working hours and organize cultural and social events for employees as suitable activities.

The results showed that the creation of a sustainable business model can be an important way to keep the economic growth of the company while engaging in CSR, which was suggested by all participants. The suitable activities occurring under the way of the creation of a sustainable business model are developing sustainable products and digitalizing business processes.

In addition to the findings mentioned above, the additional analyses demonstrated that the case company xChange Solutions GmbH can engage in CSR strongly as owners and employees are open to the idea of CSR engagement. However, there is a lack of understanding of employees in terms of CSR, sustainability, and the sustainable idea behind the product that the company offers. We recommended that the company should improve employees' knowledge regarding CSR and sustainability for a strong CSR engagement as employees are crucial for long-term success in practice. Further, it was recommended that the company should make sure that there is effective internal communication between organizational members to improve their understanding related to the product and service standards of the company.

In line with the current literature, our additional analyses also showed that the main barriers to engaging in CSR for small businesses are limited time and limited financial resources. In order to overcome these barriers, small businesses should adopt selective engagement in CSR. In other words, small businesses should engage in CSR by focusing on particular activities instead of handling all CSR issues. The adoption of selective engagement may allow small businesses to find the right courses to be implemented, which requires fewer financial resources and time dedicated to CSR engagement.

The study sheds light on small businesses and future research with its contributions. It showed, for the first time, the important ways to engage in CSR and suitable activities to be implemented to engage in CSR by these ways. Small businesses that do not engage in CSR as well as small businesses putting effort into CSR engagement can benefit from the findings of the study. It is seen in our study that there may be other important ways and suitable activities in addition to the ones currently adopted and implemented by small businesses.

In addition, the study fills the gap in the current literature that does not include any study related to digital platforms in regard to CSR. Therefore, it does not carry importance only with its contributions to CSR and small business literature, but also with the contribution to the research on digital platforms.

The combination of central themes associated with the current literature and three dimensions of CSR in the interview questions led to a comprehensive data set in the present study and can be used in future research. An important point related to the methodology of the study is that our study is the first one in the area, which brings central themes from the CSR literature together and covers all dimensions of CSR along with the central themes to gather data. Moreover, it was shown that the Pareto principle can be adopted to qualitative studies that are overwhelmed with the data in the decision-making process of the presentation of results.

Despite the strengths of the study and it sheds light on small businesses and future research with its contributions, the limitations of the study should also be considered. One of these limitations is the adoption of the case study, which limits the generalizability of the results. Further, the small sample size, the similar backgrounds of the participants, and selecting a sample only from employees and excluding stakeholder groups of the company are the other limitations of the study.

Thus, we opened up new avenues for future research. First, our study can be replicated by the adoption of a multiple case study approach, which may support our results and increase the generalizability. It is needed to apply the study on small businesses from dissimilar industries as the existing literature indicates that the industry operated in has an effect on the priorities in the area of CSR. Second, the sample size in future research should be larger than the present study. It may allow future studies to get data from a broader perspective. Third, future research should choose a sample from different groups of stakeholders to understand their needs and expectations along with employees' needs and expectations from small businesses.

In conclusion, our study provides an initial contribution to the determination of important ways and suitable activities to engage in CSR for small businesses. It has a guideline feature for small businesses in CSR engagement. Meanwhile, the findings of the study have important implications for future research on CSR for small businesses. In light of our contributions to the literature, future studies should expand the knowledge related to the important ways and suitable activities to be implemented to engage in CSR for small businesses. Considering the significance of small businesses around the world, we strongly believe that further

developments in the literature along with our study will help small businesses to improve the knowledge related to how to integrate CSR into their businesses. As a result of integrating CSR into small businesses, small businesses can contribute to the environment and society to an important extent and can play a critical role in the acceleration of sustainable development. From the company perspective, the improvement in the knowledge of small businesses in CSR gives these companies an opportunity to benefit from the organizational advantages of CSR engagement. It is important to engage in CSR for small businesses as CSR engagement helps them to be ready for future challenges such as continuously changing consumer expectations and stakeholder pressure. It is clear that along with the organizational advantages that small businesses can gain from CSR engagement, they can establish long-lasting stakeholder relationships and gain a competitive advantage from CSR engagement when they integrate CSR into their business.

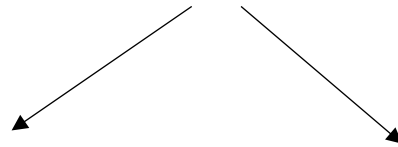


## Appendices

### Appendix A: Interview Questions

1. How would you describe corporate social responsibility?

2. Do you think that xChange does any CSR activities?



**YES**

**NO**

1. What are they?

2. What do these activities provide to the company and to you as an individual?

3. What can xChange do to contribute to protection of the environment?

4. What activities can xChange do to support its employees and society to meet their individual needs and wellbeing?

5. How can xChange sustain its economic growth without negatively impacting society and the environment?

6. Which of potential CSR activities would you like to participate in? Why?

7. Do you see any barriers to implement CSR activities in small companies such as xChange?

What are they?

8. What is the role of CSR activities in small businesses such as xChange?

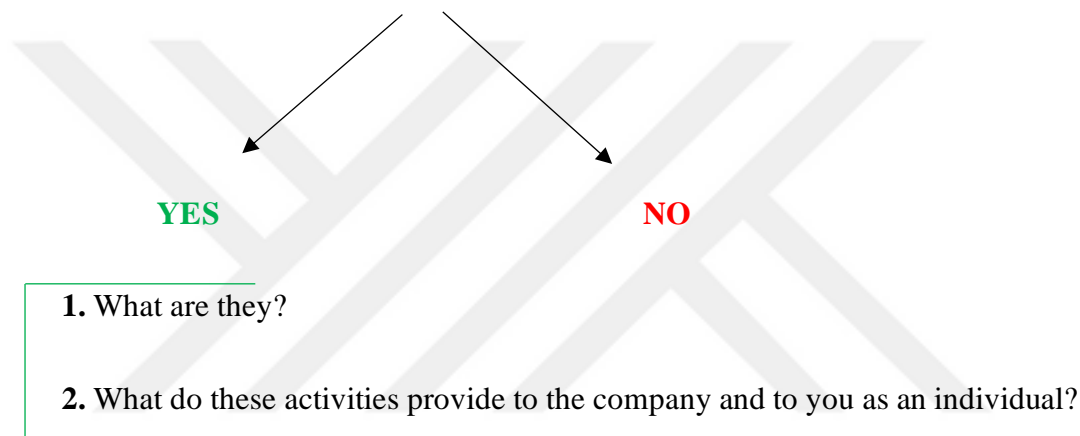
## Appendix B: Interview Guide

- *Start with a brief introduction to the topic.*
- *Present the objectives of the study.*
- *Specify that the personal information of the participants is kept confidential.*

1. How would you describe corporate social responsibility?

- *In case the participant does not have any idea about CSR, it will be described briefly to proceed with the questions below.*

2. Do you think that xChange does any CSR activities?



- *The dimensions of the Triple Bottom Line framework will be explained briefly before asking the below questions.*

3. What can xChange do to contribute to protection of the environment?

4. What activities can xChange do to support its employees and society to meet their individual needs and wellbeing?

5. How can xChange sustain its economic growth without negatively impacting society and the environment?

6. Which of potential CSR activities would you like to participate in? Why?

7. Do you see any barriers to implement CSR activities in small companies such as xChange?

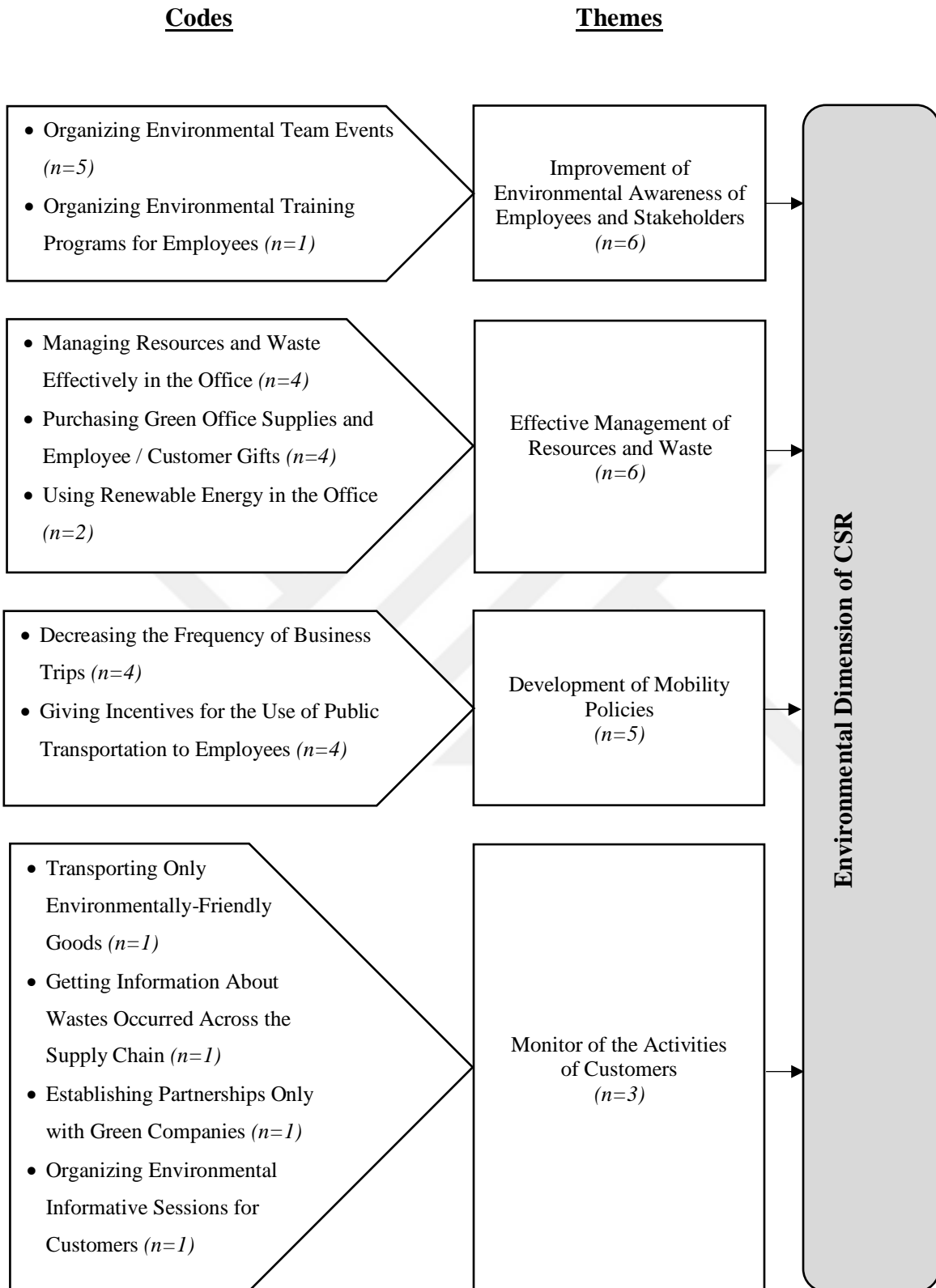
What are they?

8. What is the role of CSR activities in small businesses such as xChange?

## Appendix C: Profiles of the Participants

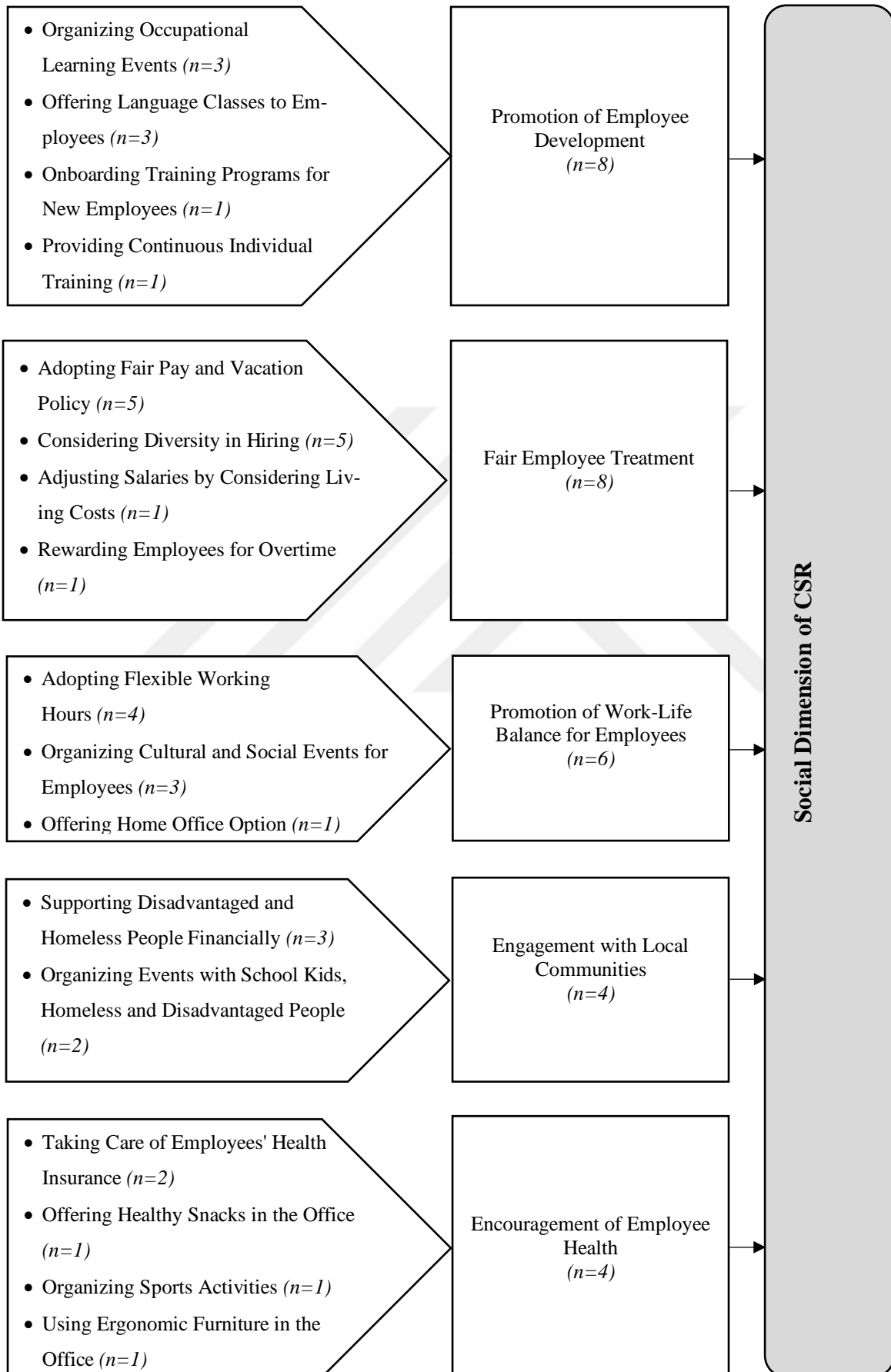
<b>Participant</b>	<b>Department</b>	<b>Duration of Experience in the Company</b>
Customer Success Specialist	Customer Success Management	4 months
Finance Manager	Finance	3 years
Marketing Manager	Marketing	1.5 years
Network Development Specialist	Sales	2 months
Onboarding Manager	Customer Success Management	2 years
Owner 1		4 years
Owner 2		4 years
Product Leader	Product Development	2 years
Senior Software Developer	Information Technologies	2.5 years
Talent Manager	Human Resources	7 months

## Appendix D: Codes and Themes



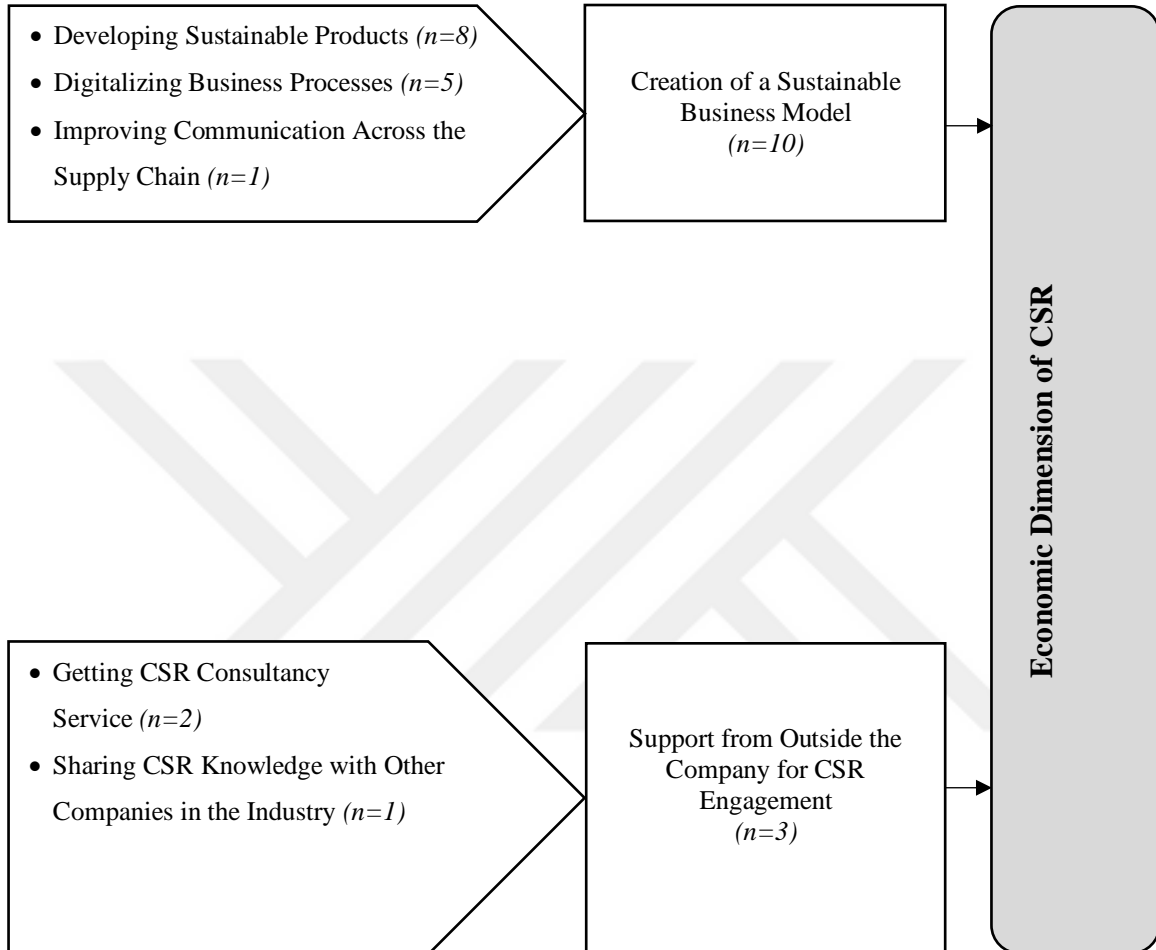
**Codes**

**Themes**



**Codes**

**Themes**



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