

Sustainability as a “new normal” for modern businesses: Are smes of pakistan ready to adopt it?

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Abstract

While in developed countries, the concept of sustainability is being recognized as a “new normal” for modern businesses, the situation is entirely different in the context of developing and underdeveloped regions of the world. Shockingly, most of the developing nations do not consider the environmental dimension of CSR as their priority, and this is one of the reasons that the issue of climate change is a hot topic of debate among contemporary researchers and policymakers from developing economies. The present study aims to explore the type and level of CSR engagement among different organizations of the SME sector in Pakistan. Further, the study also intends to uncover any potential difference between medium-sized enterprises and small-sized enterprises in terms of their CSR preferences and engagements. The study uses a qualitative approach in order to get deeper insights to meet study objectives through in-depth semi-structured interviews. In this regard, the data were collected from nine SMEs belonging to different sectors in Lahore city of Pakistan. The authors used thematic analysis in order to analyze in-depth interviews, and three main themes were extracted, including social CSR, economic CSR, and environmental CSR. The results revealed that most of the medium-sized enterprises prefer the social dimension of CSR, whereas small-sized enterprises are largely concerned with the economic dimension of CSR. It has also been revealed that the environmental dimension of CSR is non-existent in the case of small-sized enterprises. The results of the present study will help policymakers to better understand the phenomenon of CSR and to rethink their CSR policies for a better and sustainable future.

Author keywords

Economic CSR
Environmental CSR
SME
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