



LUND UNIVERSITY

## Small firms are not little big firms

A study of Corporate Social Responsibility in Swedish Small- and  
Medium- Sized Enterprises

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*A thesis submitted in partial fulfillment of the requirements for the degree of Master of Science in Environmental  
Studies and Sustainability Science (LUMES) at Lund University  
May 2011*

## Abstract

During the last decade, the concept of corporate social responsibility (CSR) has gained increased attention. Research in relation to CSR has predominantly been focused on large firms and multi-national corporations whilst insufficient attention has been devoted to CSR in relation to Small- and Medium- Sized Enterprises (SMEs). However, the vast number of SMEs, and the significance of their aggregate contribution to the global economy, calls for more SME specific CSR studies. In Sweden, 99.9 percent of all companies employ less than 250 people and can therefore be considered as SMEs. This paper presents a general overview of the current CSR debate in relation to SMEs. This overview serves as a theoretical foundation for the empirical research, which explores how Swedish SMEs perceive the concept of CSR. In order to address this question, the CSR perceptions of SMEs within three different sectors (textile/ fashion, food/restaurants and travel/ event) were examined. To obtain an understating of the CSR perception, and simultaneously be able to identify trends and regularities, qualitative semi-structured interviews were conducted followed by a quantitative self-completion survey. The findings show that ethical values together with branding and reputation are the key drivers, whilst time constraint is the key barrier, for SMEs in all three sectors. However, what the companies consider relevant to include in the concept of CSR and how they address it varies between the sectors.

**Key Words:** Corporate Social Responsibility, Small- and Medium- Size Enterprises, Sweden, Drivers, Barriers, Sector-Specific research

**Word Count:** 15 577

*“Small firms are not little big firms”  
- Fiona Tilley (2000)*

# Table of Contents

<b>1. INTRODUCTION.....</b>	<b>6</b>
1.1 OBJECTIVES AND RESEARCH QUESTIONS .....	6
1.2 DISPOSITION .....	7
<b>2. METHODOLOGY .....</b>	<b>8</b>
2.1 THEORY .....	8
2.2 RESEARCH METHOD AND DATA COLLECTION .....	8
2.2.1 Defining the broad topic .....	9
2.2.2 Literature Review.....	9
2.2.3 Conference and informal conversations.....	9
2.2.4 Defining the sectors of interest and choosing research strategy.....	10
2.2.5 Semi-structured interviews .....	11
2.2.6 Survey .....	12
2.3.5. Comparative Analysis.....	12
2.3 SCOPE, LIMITATIONS AND SYSTEM BOUNDARIES .....	13
<b>3. BACKGROUND – SOCIAL RESPONSIBILITY AND SMES.....</b>	<b>14</b>
3.1 CORPORATE SOCIAL RESPONSIBILITY AND SMALL- AND MEDIUM- SIZED ENTERPRISES.....	14
3.2 DIFFERENT DIMENSIONS OF THE CSR DISCOURSE.....	15
3.3 SIZE -RELATED CHARACTERISTICS OF A COMPANY .....	17
3.4 HOW CAN SME CHARACTERISTICS FOSTER CSR ACTIVITIES AND WHAT ARE THE MAIN DRIVERS AND MOTIVATIONS FOR CSR IN SMES?.....	18
3.5 THE MAIN CHALLENGES AND BARRIERS FOR SMES TO INVEST IN CSR ACTIVITIES.....	19
3.6 HOW TO OVERCOME THE CHALLENGES.....	19
3.6.1 Is there a business case for CSR in SMES?.....	20
3.6.2 Regulation and Formalization .....	20
3.6.3 Certification schemes and guidelines.....	21
3.6.4 Supply-chain pressure .....	21
<b>4. FINDINGS AND ANALYSIS .....</b>	<b>23</b>
4.1 DESCRIPTIONS OF THE COMPANIES AND HOW THEY VIEW CERTIFICATIONS/ STANDARDS .....	23
4.1.1 Survey findings.....	23
4.1.2 Interview findings.....	24
4.1.3 Analysis and connection to background literature.....	25
4.2 INTERPRETATIONS OF WHAT CSR MEANS AND HOW THE COMPANIES ADDRESS IT .....	26
4.2.1 Survey findings.....	26

4.2.2 Interview findings.....	29
4.2.3 Analysis and connection to background literature.....	30
4.3 WHY COMPANIES WORK WITH CSR – WHAT ARE THE MAIN DRIVERS? .....	31
4.3.1 Survey findings.....	31
4.3.2 Interview findings.....	33
4.3.3 Analysis and connection to background literature.....	34
4.4 WHAT ARE THE MAIN BARRIERS TO ENGAGE IN SOCIAL RESPONSIBILITY? .....	34
4.4.1 Survey findings.....	34
4.4.2 Interview findings.....	35
4.4.3 Analysis and connection to background literature.....	36
4.5 DIFFERENT STAKEHOLDERS THAT INFLUENCE THE WORK WITH SOCIAL RESPONSIBILITY .....	37
4.5.1 Survey findings.....	37
4.5.2 Interview findings.....	38
4.5.3 Analysis and connection to background literature.....	39
5. CONCLUSION AND DISCUSSION .....	40
6. REFERENCES .....	42
APPENDIX 1 – DESCRIPTION OF THE INTERVIEWED COMPANIES.....	46
APPENDIX 2 – INTERVIEW QUESTIONS ABOUT SOCIAL RESPONSIBLY.....	50
APPENDIX 3 – COMPANIES THAT WERE ASKED TO PARTICIPATE IN THE SURVEY ..	51
APPENDIX 4 – THE SURVEY.....	59

## List of figures

2.2.1 Flow chart of the research Process.....	8
3.1.1 EU Definition of SME.....	15
3.2.1 Five Dimensions of CSR according to Vilanova et al., (2009).....	16
3.2.2 The 7 core subjects of Social Responsibility according to ISO 26.000.....	16
4.1.1 a, b Survey responses by sector.....	23
4.1.2 How many percent of the SMEs have certifications or standards.....	24
4.2.1 Which areas are relevant to include in the concept of CSR.....	26
4.2.2 In which areas do SMEs address CSR.....	27
4.2.3 How many percent of the companies have incorporated CSR in their strategy.....	28
4.2.4 How many companies communicate their CSR initiatives.....	29
4.3.1 What are the main drivers for SMEs to engage in CSR activities, by sector.....	32
4.3.2 What are the main drivers for SMEs to engage in CSR activities, divided by SMEs with CSR in the strategy, those that do it on the side and those that not do it at all.....	32
4.4.1 What are the main barriers for SMEs to engage in CSR activities, by sector.....	35
4.4.2 What are the main barriers for SMEs to engage in CSR activities, divided by SMEs with CSR in the strategy, those that do it on the side and those that not do it at all.....	35
4.5.1 Which are the important stakeholders.....	37
4.5.2 Which are the external sources of requirements and expectations.....	38
4.5.3 How many percent of the SMEs have requirements for their own suppliers.....	38

## List of Tables

4.1.1 a,b,c Employee statistics for survey respondents.....	24
4.2.1 Top 5 most relevant and most addressed area of CSR for each sector.....	28

## Abbreviations

CSR – Corporate Social Responsibility  
SME – Small- and Medium- Sized Enterprise  
SP – Social Performace  
CC – Corporate Citizenship  
CS – Corporate Sustainability  
TBL – Triple Bottom Line  
MNC – Multi National Corporations  
ISO – International Organization for Standardization  
EMS – Environmnetal Management System

# 1. Introduction

The concept of Corporate Social Responsibility (CSR) refers to the role of business in society (Carroll, 1999). However, the lack of a generally accepted definition has resulted in a variety of interpretations and the CSR concept is commonly referred to as vague and ambiguous (Murillo and Lozano, 2006; Castka, 2004). Despite the ambiguity, the CSR agenda has received increasing attention during the last decade (Russo and Perrini, 2010) and businesses are under mounting pressure to engage in socially responsible initiatives (Jenkins, 2009).

Previous research in relation to CSR has predominantly been focused on large firms and multi-national corporations, whilst insufficient consideration has been devoted to SMEs (Jenkins, 2009; Castka, 2004; Pedersen, 2009; Hammann et al., 2009; Morsing and Perrini, 2009). However, the vast number of SMEs, and the significance of their accumulated contribution to the global economy, justifies the need for further attention to SMEs (Ciliberti et al., 2008; Baden et al., 2009; Preuss and Pershke, 2010). It is also commonly emphasized in SME literature that “*small firms are not little big firms*” (Tilley, 2000 p.33) and consequently, they require a different approach to CSR than large companies.

This research is commissioned by The Swedish Agency for Economic and Regional Growth – Tillväxtverket, an agency working for the Swedish Ministry of Industry. “*The aim of the Swedish Agency for Economic and Regional Growth - Tillväxtverket - is to work to achieve more enterprises, growing enterprises and sustainable, competitive business and industry throughout Sweden*” (Tillväxtverket, 2011). Their aspiration to gain increased understanding about the social aspect of sustainability, combined with a personal interest for the perception of sustainability amongst Swedish companies, were the points of departure for this research.

## 1.1 Objectives and Research Questions

This thesis aims to provide an overview of the current CSR debate for SMEs as well as to contribute to the limited information of how Swedish SMEs perceive and address CSR. Given that the current research in this area is limited, this thesis can be considered as a pre-study of exploratory nature.

The main research question for this study is:

*How do Swedish SMEs perceive Corporate Social Responsibility?*

A number of sub-questions have guided the research process:

- *How do SMEs address social responsibility?*
- *What are the main drivers and barriers for SMEs to engage in social responsibility initiatives?*
- *How are different stakeholders influencing the CSR approach of SMEs?*
- *How does the perception about social responsibility differ between SMEs in different sectors?*
- *How does the perception about social responsibility differ between enterprises that explicitly incorporate CSR in their core business and those that do not?*

In order to answer these questions, the perception of social responsibility amongst SMEs in three different sectors (textile/fashion, food/restaurants and travel/event) has been examined.

## **1.2 Disposition**

The following chapter (2) of this paper will describe the research methodology and the process of the research together with the scope and limitations of the research. Following is a background chapter (3), which summarizes previous literature in the area of CSR and SMEs. After that, the findings will be presented and analysed in chapter 4, organised based on the categories of the question. Hence, both interview findings, survey findings and analysis will be presented for each question category in sub sections of chapter 4. Finally, conclusions and thoughts are presented in the chapter 5.

## 2. Methodology

### 2.1 Theory

In many social research studies, the background literature is used as a proxy for theory as it provides a theoretical foundation and steers the focus of the research, leading to different enquiries (Bryman, 2004). In a similar fashion, the background literature on CSR in SMEs acted as the equivalent of a theory for this paper. The previous literature did provide a theoretical ground for how SMEs relate to CSR and it also influenced the focus of the research as it illuminated the lack of both sector specific, and Swedish concentrated, studies within the field of CSR in SMEs.

According to Bryman (2004), most studies include, to some extent, both deductive<sup>1</sup> and inductive<sup>2</sup> tendencies. This study is deductive in the sense that it used previous literature as a proxy for theory and developed the research questions based on the literature. However, it is also inductive as it aims to identify trends and regularities that can be generalized from the empirical research.

### 2.2 Research Method and Data Collection

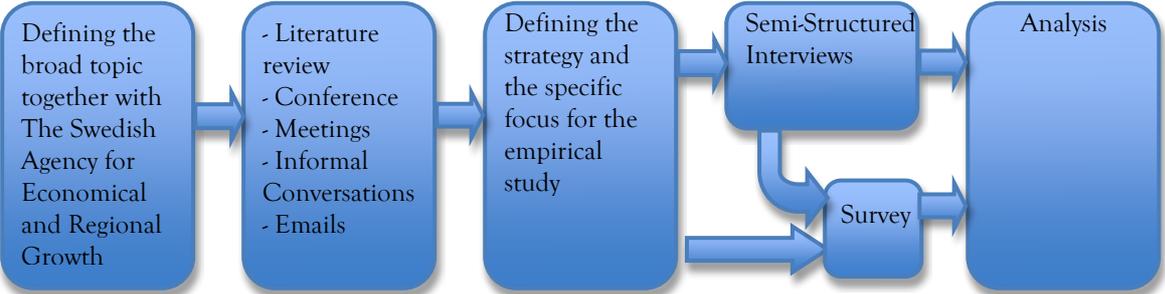


Figure 2.2.1: Flow - chart of the research process

In this study, multiple methods have been applied at various stages of the research, including both qualitative and quantitative research. This has been done in order to corroborate different sources of information and this can according to Silverman (2005) be referred to as a form of methodological triangulation. An illustration of the working progress is presented in figure 2.2.1 above. The broad topic was first identified together with the Swedish Agency for Economic and Regional growth. Afterwards, as a preparative method prior to the empirical research, a literature review was conducted in order to give an overview of the research field and to direct the focus of the research. Similarly, informal conversations with consultants and researchers added to the overview and understanding. Together, the literature review and the informal conversations provided a solid foundation for the development of a research strategy and a specific focus for the empirical study.

<sup>1</sup> A deductive research approach, in basic terms, starts with the theory and then go to observations/findings (Bryman, 2004)

<sup>2</sup> An inductive research approach, in basic terms, starts with observations/findings and then builds theory (Bryman, 2004).

As mentioned earlier, the perception of CSR was examined through three different sectors: textile/fashion, food/restaurants and travel/event. When these sectors had been identified, qualitative semi-structured interviews were conducted with representatives from 10 SMEs within these sectors for an in depth understanding of their CSR perception. Based on the findings in the interviews, a quantitative self-completion survey was produced and sent out to a wider sample group of companies within the three sectors of interest in order for trends and regularities to be identified. The approach of conducting interviews and then use the findings to develop a survey, was inspired by researchers such as Baden et al., (2009). Finally, a comparative analysis of the CSR perception between the sectors was conducted. In the following sections, each step of the process will be described in detail in a chronological order.

### **2.2.1 Defining the broad topic**

When discussing sustainability and a potential thesis project with The Swedish Agency for Economic and Regional Growth, they expressed specific interest in the social part of sustainability for Swedish small and medium sized companies. Compared to the environmental and economical perspective of sustainability, they have less knowledge and experience within the social perspective (Uebel and Wahlström, Tillväxtverket). Based upon that, and on personal interest in the sustainability approach by Swedish companies, the broad topic of this project was developed: social responsibility within Swedish SMEs.

### **2.2.2 Literature Review**

A literature review was conducted in order to provide an overview of previous studies and findings in the field of CSR in SMEs. The previous literature, as mentioned above, acted as a proxy for theory for this study. The literature review was mainly based on academic articles, books and research reports. In order to find relevant literature, key words and recognized authors were searched for in the Lund University library browser. The references used in relevant articles were in turn also located; creating a sort of snowballing effect in the literature search. Due to the lack of studies focusing on CSR in SMEs in the Swedish setting, the majority of the empirical studies that were taken into account for the review were based in other European nations. In addition to providing an overview of previous studies, the literature review enabled further significant questions to be developed.

### **2.2.3 Conference and informal conversations**

Additional methods were employed, simultaneously with the literature review, in order to find more information about the current debate on CSR in Swedish SMEs. A full day conference in Stockholm, *The Social Responsibility Day*<sup>3</sup>, was attended. It offered information about the new ISO 26.000 standard and gave examples of corporate social responsibility in practice. Conversations and email correspondence with consultants, researchers and branch organisations also gave a better understanding of CSR in Swedish SMEs (for a list of the contacts, see the end of the reference list). Hence, together with the literature review, it enabled the identification of a relevant research focus and the development of a suitable research strategy.

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<sup>3</sup> The Swedish Standards Institute (SIS) and the newspaper Miljöaktuellt arranged the Social Responsibility Day on the 20<sup>th</sup> of January 2011 (The Social Responsibility Day, 2011)

#### 2.2.4 Defining the sectors of interest and choosing research strategy

The need to narrow down the scope of the research was recognized from the beginning. However, the literature review and the informal conversations were needed prior to a definition of a specific research topic, in order to make the focus as relevant as possible. Previous studies on CSR in SMEs tend to have a general approach to SMEs whilst the sector specific information is very limited. Many researchers emphasize the need for size- and sector-specific research in the area of CSR in SMEs (Roberts et al., 2006; Udayasankar, 2008; Preuss and Perschke, 2010). Hence, the three sectors were identified and they were studied with a research approach very similar to that of a multiple case study. However, the way in which the sectors were studied does not necessarily fulfil all requirements for the sectors to qualify as cases. A case, according to Silverman (2005), is normally studied in detail with the objective to achieve a deep and comprehensive understanding of the whole case. In this study, the three sectors are treated as cases (with the companies as embedded units, Yin (2003)) but it is only their CSR perception that is of interest. A comprehensive understanding of all three sectors is, due to time and resource limitations, outside the scope of this paper.

The three sectors - Textile/Fashion, Food/Restaurants and Travel/Event - were carefully chosen after numerous of conversations with branch organisations, consultants, supervisors at the University and supervisors at The Swedish Agency for Economic and Regional growth. The reasons for these particular choices are multiple. First, many of the informal conversations pointed out sectors with a close connection to consumers, such as textile and food, as sectors where there is most interest and the companies have most well developed CSR approaches (Kyrkling, Zandén, Haraldsson, Örvall). On the contrary, during the conference in January *The social Responsibility Day*, the event/travel sector was mentioned as an example of where the CSR engagement is not very developed. Similarly Eriksson (2009) conclude that the CSR-work in the majority of the Swedish Travel Agencies have not even reached an idea stage yet. A second reason to why these three sectors were chosen is because food and textile normally are related to production and products, whilst travel/ event companies are service-oriented. These differences provide a good foundation for a comparative analysis. Finally, it was possible to identify SMEs from all of these three sectors that explicitly work with CSR through different CSR Networks, which was an important requirement for the interview part of the research.

The research strategy that has been adopted in this study is a multiple, comparative, case study approach of CSR in Swedish SMEs within different sectors. However, it is recognized, as mentioned earlier, that the research strategy does not aim for a comprehensive understanding of the whole sectors but is limited to their CSR perception, and that the sectors therefore not necessarily qualify for the traditional definition of cases. With that said, case studies are normally used when complex social phenomena need to be understood (Yin, 2003) and the aim for this study is to understand how SMEs perceive CSR and how they address the issue. According to Yin (2003), three different conditions can determine whether case study is a suitable strategy: if the research questions are of “how” and “why” character, if the behaviour events are un-controllable by the researcher, and if the focus is on contemporary events. This research fulfils all three conditions. Multiple case studies are also commonly argued to improve the possibility to make generalisations (Bryman, 2004) and it allows for a combination of qualitative and quantitative methods (Yin, 2003).

### 2.2.5 Semi-structured interviews

In order to understand the companies interpretation of CSR within the different sectors, semi-structured interview were conducted. Interviews are, according to Yin (2003), an essential source of information for case studies and one of the most commonly applied research methods in relation to qualitative research (Bryman, 2004). According to Kvale (1996), “*The qualitative research interview attempts to understand the world from the subjects’ point of view*” and through these semi-structured interviews, the attempt was to understand the companies’ attitudes towards CSR from the companies perspective.

10 people in total were interviewed, representing 4 SMEs within the textile/fashion sector, 3 within the food/restaurants sector, and 3 within the travel/events sector. For a description of each company, see Appendix 1. The interviewed SMEs were all chosen because of their explicit active engagement in social responsibility questions. Whilst CSR engagement does not necessarily indicate best practice examples, it does represent companies that perceive CSR as something important and have overcome the barriers to work with it. How that perception varies between the sectors is of interest for this study.

All SMEs that operate in one of the sectors of interest, and have a membership in one out of 5 CSR Networks<sup>4</sup>, were asked to participate in an interview. The 5 CSR Networks that were reviewed had a total of 255 members but only 11 of these were SMEs operating in one of the three sectors. The 11 companies were contacted and 6 of them agreed to an interview. The additional 4 SMEs that were interviewed were identified through a company register called ‘Klimatsmart’<sup>5</sup> and by their communication of CSR engagement through their webpage.

The interview questions were divided into 5 overarching categories:

- Description of the company and how they view certifications and standards
- The companies’ interpretation of what Social Responsibility implies
- Why the company works with CSR – what are the main drivers and benefits?
- What are the greatest barriers for social responsibility and how to overcome them?
- How other groups and stakeholders influence the work with social responsibility?

The semi-structured nature of the interview allowed for discussion around the different topics and the interview questions were used mainly as a guide (for all interview questions, see Appendix 2). The duration of the interviews varied between 30 minutes and an hour, and 8 of the interview were conducted over the phone whilst 2 were personal meetings. All interviews were held in Swedish and, with the permission from the interviewees, they were all recorded. The interviews were transcribed in Swedish; hence, any quotes or comments made with reference to the interviewees have been translated to English by the author of this paper.

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<sup>4</sup> The following Networks were searched for SME members; CSR VästSverige, CSR Skåne, CSR Sweden, Social Venture Network Sweden, ISO 26.000 Network.

<sup>5</sup> ‘Klimatsmart’ means Climate smart and is an online register ranking different companies based on their climate and sustainability consideration (Klimatsmart, 2011)

### 2.2.6 Survey

The insight gained during the discussions in the semi-structured interviews, together with information from the background literature, were used to guide the development of a self-completion survey, aiming to access the opinions and perceptions of a larger sample of companies within the three sectors. The survey was designed through a free online survey tool called Kwik Survey<sup>6</sup> and it contained mainly closed questions where the respondents were given a set of possible answers to choose from. The questions fell within the same 5 areas as the interviews (see section 2.2.5) but were either multiple-choice questions or questions requiring a ranking or grading of some given alternatives. Whilst the qualitative nature of the semi-structured interviews aimed at getting a deeper understanding, the quantitative nature of the survey aimed at indentifying trends and regularities based on a greater number of companies. The survey was written in Swedish but for a translated English version of the complete survey, see appendix 4.

The survey was sent out by email to a total of 713 Swedish SMEs and 89 companies responded. The companies were identified through an online company register called FöretagsFakta<sup>7</sup>. Six separate Swedish keywords were used in order to search for companies within the sectors of interest; *resor* (travels), *event* (event), *textil* (textile), *kläder* (clothes), *livsmedel-tillverkare/grossiter* (food-producers/wholesalers) and *café* (café). All companies that fulfilled all of the following 3 criteria received an email asking them to participate in the survey (see Appendix 3 for a list of all the 713 companies that were contacted):

1. Companies that were identified by the company register through any of the 6 keywords
2. Companies that had an available email address presented on the register website
3. Companies that had 5 - 99 employees (travels, events, textile and clothes) or 9 - 99 employees (food - producer/ wholesaler and café)

### 2.3.5. Comparative Analysis

The analysis looks at the findings from the survey to identify trends and regularities, and from the interviews to get a deeper understanding of the differences between the sectors. The findings will also be analysed in relation to the background literature, which, as mentioned earlier, will act as a proxy for theory. It is acknowledged that a more complex strategy approaches could be used to analyse the data. However, according to Silverman (2005) it can be preferable to have a more descriptive analysis approach when the aim is to present the perception of someone else.

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<sup>6</sup> Kwik Survey is available at [www.kwiksurveys.com](http://www.kwiksurveys.com) and offers a free survey tool with unlimited number of questions and responses over an unlimited time period.

<sup>7</sup> FöretagsFakta is a search-engine with a register of Swedish companies and it is available at [www.företagsfakta.se](http://www.företagsfakta.se). The companies are presented together with sector information, contact information and information about the number of employees.

## 2.3 Scope, Limitations and System Boundaries

The empirical research in this study is solely focused on the three sectors mentioned above and in a Swedish setting. However, due to the limited Swedish specific literature in this research area, the literature review and background are primarily based on studies in other European countries. The vast majority of the previous literature uses the term SME as a uniform concept for companies with 1-250 employees, and that definition is represented in the background section of this paper. However, in the empirical research of this study, only companies with less than 100 employees have been considered. Excluding the largest companies within the SME category was partly based on the demand for more size-specific studies expressed in the background literature and partly because the Swedish Agency of Economical and Region Growth expressed a greater interest in the smaller firms than for the medium sized companies. Their justification was that there are a greater number of small companies in Sweden than medium sized companies. The interviewed companies had between 1 and 75 employees, see appendix 1 for specifics, and the survey was sent out to companies with 5 to 99 employees, see appendix 3 for specifics.

The survey was sent out to companies that according to the company register had 5-99 employees within the Textile/Fashion- and Event/Travel sector, whilst it was sent out to companies with 9-99 employees in the Food/Restaurants sector. The reason for this inconsistency was to balance the number of companies within the sectors. Time and resource constrains for this research was the reason to why the survey was not sent to any company with less than 5 employees. The survey was sent to companies independent of their CSR attitude, however, chances are that companies that are interested in CSR were more prone to participate and respond the survey.

Moreover, due to time constrains, not all interviews were reviewed and analysed prior the construction of the survey. Some points were made in the later interviews that were not considered in the development of the survey, which could have been interesting. As an example, some of the interviewees said that their employees have influenced their CSR approach and are considered a driver to pursue CSR, this was not given as a potential driver in the survey.

It is possible that companies have misunderstood some of the survey questions, although supervisors reviewed the survey before it was sent out to the companies in order to avoid misunderstandings. It is also important to note that the survey present quantitative data but based on subjective grading by all the individuals that filled in the survey. Interpretations of the questions and the grading scale are most likely different for each individual. The low reply rate on the survey, 12.5 percent, is probably a result of sending it from a student email account. However, this is a pre-study and more research and in-depth information about the specific sectors are needed in order to explain and make further generalisations in the area.

### 3. Background – Social Responsibility and SMEs

This chapter presents an overview of previous literature on the topic of social responsibility in Small- and Medium- Sized Enterprises (SMEs). First, there will be a discussion on terminology and definitions, followed by identification of distinctive SME characteristics and what other studies have recognized as the most prominent drivers and barriers for SMEs to practice CSR. Finally, the chapter presents the main arguments in a number of the most debated topics within the CSR and SME field, such as business case opportunity, formalization and regulations, and supply chain management.

#### 3.1 Corporate Social Responsibility and Small- and Medium- Sized Enterprises

The modern concept of corporate social responsibility (CSR) was introduced in the early 1950s but the concern for society has been present in the business community for centuries (Carroll, 1999). The foundation of CSR relates to the role of business in society, and to management practices that have a positive impact on society and environment (Carroll, 1999; Jenkins, 2009; Vilanova et al., 2009). However, the lack of a generally accepted definition has resulted in a variety of interpretations and the CSR concept is commonly described as vague and malleable (De Geer et al., 2009; Sweeney, 2007; Murillo and Lozano, 2006). Castka (2004) and Perrini (2006) even argue that terms such as CSR, Social Performance (SP), Corporate Citizenship (CC), Corporate Sustainability (CS) and Triple Bottom Line (TBL) are used interchangeably in the modern attempt to define the meaning of ‘ethical business’.

Despite the ambiguity of the concept, increased attention has been devoted to the CSR agenda in the last decade, and it is now considered a critical approach to the strategy orientation of corporations (Russo and Perrini, 2010). Many researchers in the 21<sup>st</sup> century have referred to the definition by the European Union, which defines CSR as “A *concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis*” (EC, 2001). Although this particular research paper will focus more on the social aspects than on the environmental, the EU definition relates to how the term has been used in previous literature and it may also increase the legitimacy of this paper in the global research community.

The recent increased attention on CSR is a result of pertinacious work by governments, media and NGOs, holding large corporations responsible for the societal and environmental consequences of their business practices (Porter and Kramer, 2006). Media orientation has been mirrored by academia; research in relation to CSR has predominantly been focused on large firms and Multi-National Corporations (MNC), whilst insufficient consideration has been devoted to SMEs (Jenkins, 2009; Hammann et al., 2009; Castka et al., 2004, Pedersen, 2009; Morsing and Perrini, 2009). Jenkins (2004) wrote, “SMEs are frequently seen as a problem within the CSR debate, because of their failure to become engaged with it. An alternative interpretation is that it is the CSR debate that is the problem, because of its failure to engage SMEs.”

However, the recently growing interest in CSR has also been accompanied by increasing consideration of SME-oriented CSR practices (Jenkins, 2009; Hammann et al., 2009; Castka et al., 2004, Pedersen, 2009; Morsing and Perrini, 2009). The vast number of SMEs, and the significance of their accumulated contribution to the global economy, is the most frequently emphasised motivation for SME specific CSR research (Ciliberti et al., 2008; Baden et al.,

2009; Preuss and Perschke, 2010). Based on the EU definition of SMEs, see figure 3.1.1 below, more than 99 percent of all companies in Europe can be classified as SMEs. Moreover, SMEs provide two out of three employment opportunities in the private sector and contribute to more than 50 percent of the total added value in the European economy (EC, 2011). In Sweden, 99,4 percent of all companies have less than 50 employees and only 0.1 percent of all companies employ more than 250 people (Ekonomifakta, 2011).

SME Definition				
Enterprise category	Ceilings			
	Staff Headcount (number of persons expressed in annual work units)	Turnover	Or	Balance sheet total
Medium-sized	< 250	≤ € 50 million		≤ € 43 million
Small	< 50	≤ € 10 million		≤ € 10 million
Micro	< 10	≤ € 2 million		≤ € 2 million

Figure 3.1.1: EU definition of SME (EC, 2009).

### 3.2 Different dimensions of the CSR discourse

The lack of an accepted CSR definition has generated diverging interpretations and opinions of what kind of responsibilities the concept actually entails. Consequently, a variety of frameworks dividing the concept into different dimensions have emerged within the CSR research field (Castka, 2004; Blombäck and Wigren, 2009). As several of the dimensions in various frameworks overlap and interrelate, telling them apart can sometimes be difficult (Blombäck and Wigren, 2009). In order to illustrate the great variance between these frameworks, and the division of dimensions within them, this section will briefly present a few examples.

The framework that distinguishes between an *economic*, *environmental* and *social* dimension of CSR is commonly used and it relates to the concept of TBL (Castka, 2004). Dividing the dimensions into economic, environmental and social is also common within the sustainability discourse. Hence, Gelbmann (2010) argues that this comprehensive CSR approach is closely related to CS. Another accepted perspective, normally used in combination with other frameworks, distinguishes between the *internal* and *external* dimensions of CSR. The internal dimension refers to practices within the company, often related to health, safety and human capital. The external dimension on the other hand, considers stakeholders outside the organisation, such as customers, suppliers, communities and the environment (Castka, 2004).

Carroll (1999) offers a four-dimension perspective of the CSR concept; the first three dimensions are based on societal expectations whilst the fourth represent the philanthropy dimension. First, the *economic* dimension is based on societal expectations that businesses should make profit out of products and services. Secondly, the *legal* dimension represents the societal expectations of business to play by the rules, fulfilling the economic objectives within the legal boundaries of the society. The third, *ethical*, dimension expects businesses to behave according to the norms of the society, going beyond legal obedience and the fourth and final

dimension is called the *discretionary* responsibility and relates to voluntary actions, not necessarily expected by the society, and has also been referred to as the philanthropic part.



Figure 3.2.1: The 5 dimensions of CSR according to Vilanova et al., (2009)

In order to explore the relationship between CSR and competitiveness, Vilanova et al., (2009) divided CSR issues into five different dimensions, see figure 3.2.1 to the left. *Vision*, referring to reputation, values, ethics and the development of theoretical CSR in the company. The dimension of *community relations* includes interactions with the community and partnerships with other stakeholders. *Workplace* is related to human rights questions and labour practices. The *accountability* dimension includes issues of transparency and how the company reports and communicates their CSR practices. Finally, *Marketplace* concerns business practices, such as fair competition and pricing.

The final example is a standard on social responsibility, published by the International Organisation for Standardization (ISO) in the end of 2010. This standard is called ‘ISO 26.000 – Guidance on Social Responsibility’, it is not certifiable but intends to provide guidance on social responsibility. The standard was developed in a multi-stakeholder context and provides guidance for all kinds of organisations, independent of size, geographical location and sector (private, public or non-profit). In this standard, the core subjects of social responsibility are divided into 7 groups (see figure 3.2.2); *Organizational governance*, *Human rights*, *Labour practices*, *The environment*, *Fair operating practices*, *Consumer issues*, *Community involvement and development* (ISO 26.000).

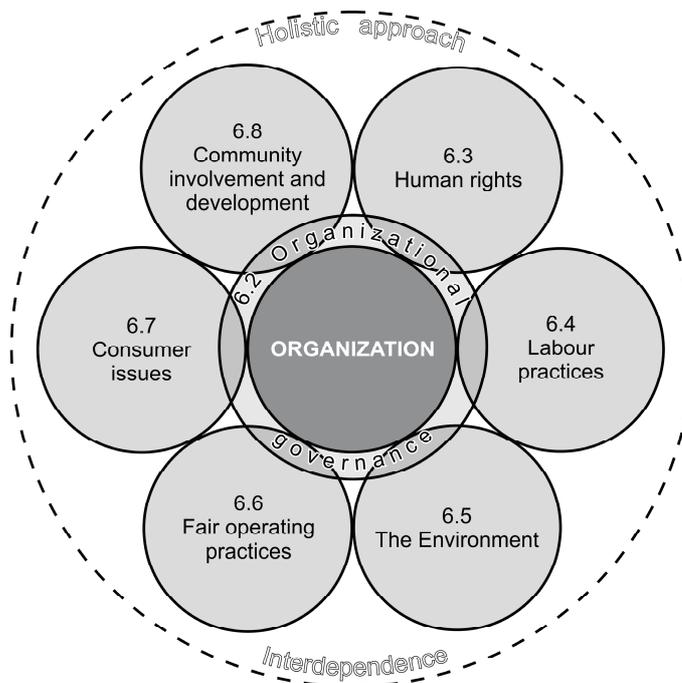


Figure 3.2.2: The 7 core subjects of social responsibility according to ISO 26.000 standard (ISO 26.000).

### 3.3 Size -related characteristics of a company

Researchers, who concentrate on CSR practices in SMEs, commonly justify their studies by emphasising the great differences between large firms and SMEs (Battaglia et al., 2010; Russo and Perrini, 2010; Jenkins, 2009; Castka, 2004). An oft-cited statement is that “*Small firms are not little big firms*” (Tilley, 2000, p.33). Consequently, many argue, SMEs need to be studied independent from large firms. The characteristics of a company tend to influence the CSR practices; hence, understanding the characteristics of SMEs is crucial in order to study their CSR approach (Battaglia et al., 2010; Udayasankar, 2008; Jenkins, 2006; Jenkins, 2009). This section will therefore discuss common characteristics of SMEs, mainly how they differ from large firms, but also differences within the SME category.

In contrast with large firms, SMEs are commonly owned and managed by the same person. The personal characteristics of this ‘owner-manager’ tend to have strong influence on the structures, strategies and social behaviour of the company (Spence, 1999; Jenkins 2009; Hammann, 2009). Moreover, it is uncommon that SMEs seek to cooperate or establish partnerships with external stakeholders; they have therefore been described as independent (Spence, 1999; Russo and Perrini, 2010). The lack of external financing causes SMEs to struggle with resources and they normally face constant cash-limitation (Perrini, 2007; Russo and Perrini, 2010; Spence, 1999). With financial constrains and few employees, SME staff is often required to be flexible and to manage several business tasks simultaneously in order to handle everyday challenges. Hence, multitasking, flexibility and informal management structures have become distinctive attributes of SMEs (Jenkins, 2009).

Further features that distinguish SMEs from large firms are their direct connection with local communities, the local scale of their operational networks and how they tend to be invisible to media (Russo and Perrini, 2010). Personal relationships and informal communication between employees, owner-manager and stakeholders, together with an un-bureaucratic management system, are also representative characteristics of SMEs (Battaglia et al., 2010; Castka, 2004, Murillo and Lozano, 2006).

A small number of recent studies suggest that the characteristics of the groups within the SME category (micro, small and medium- sized companies) also differ significantly. Consequently, there is a demand for more differentiation between the SME groups, both based on size and on sector (Roberts et al., 2006; Udayasankar, 2008; Preuss and Perschke, 2010). Udayasankar (2008), conducted an analysis of CSR performance based on three attributes normally associated with the corporate size discussion; resource access, visibility and scope of operation. The conclusion shows a U-shaped relationship between company size and the likelihood of investing in CSR. In other words, the smallest and the largest companies are, despite exceptionally different motivations, equally prone to engage in CSR initiatives. The medium-sized companies on the other hand, are least likely to do so. Similarly, Preuss and Perschke (2010) suggest that the CSR approach within medium-sized companies not only differ from that of large firms but also from the approach of small enterprises.

Blombäck and Wigren (2008), express a somewhat unconventional position by saying that analysing CSR activities in firms, based on their size, may limit the whole CSR discourse. Aligned with other researchers, they conclude that the connection with the local community, the corporate governance and the owner’s individual motivations determine a company’s CSR

approach. However, whilst other researchers claim that these factors are strongly related to the size of a company, Blombäck and Wigren argue that size per se should be taken out of the discussion entirely. As their main argument to why size does not matter, they give examples of CSR practices in large firms that are influenced by classical SME characteristics and, on the contrary, CSR practices in small companies influenced by traditionally large firm attributes.

### **3.4 How can SME characteristics foster CSR activities and what are the main drivers and motivations for CSR in SMEs?**

The characteristics identified in the previous section, as distinctive for SMEs, have shown to influence how companies relate to CSR (Battaglia et al., 2010; Russo and Perrini, 2010; Udayasankar, 2008; Jenkins 2009). What kind of CSR initiatives that can be fostered by these characteristics have been of high interest in the still limited literature body that relates to CSR in SMEs (Jenkins, 2006; Pedersen, 2009; etc.).

In the previous section, flexibility was identified as a common SME characteristic. Through being flexible and adaptable, SMEs can rapidly respond to changes in the market and explore new niche market opportunities, which is a strong motive for CSR practices (Jenkins, 2006). Moreover, Davis and Crane (2010) suggest that 'employee buy-in' is a crucial factor for strategic CSR in SMEs. This means that all employees need to believe in, and work with CSR if it is to become part of the strategy. The informal and personal relationships between owner-manager and employees, which commonly exist in SMEs, make it easier for company values and CSR information to reach and engage everyone in the organisation. The informal and un-bureaucratic structure of SMEs also implies that potential benefits from undertaken CSR activities can be recognized faster throughout the organisation, especially initiatives aiming at employee benefits (Jenkins, 2009).

Jenkins (2009) conducted a collective case study based on 24 SMEs, all award winners for good CSR practices, in the UK. Whilst all companies in the case study could recognize a potential business case for CSR, the most important drivers according to all of them were based on moral and ethical foundations (Jenkins, 2006; Jenkins, 2009). Similarly, after comparing 83 empirical studies from all around the world, Kusyk and Lozano (2007) concluded that the most frequently mentioned driver is moral and ethical values set by the owner-managers and the companies.

Castka et al., (2004) and Ciliberti et al., (2008) all said that SMEs have a tendency to focus their CSR practices on internal issues, mainly on initiatives that impact the employees. Along similar lines, Hammann et al., (2009) identified employees, followed by customers and society, as the most important stakeholders for SMEs. Battaglia et al., (2010) concluded that employees, and clients, are the most important stakeholders for SME clusters. Consistent with all researchers who identified employees as the most important stakeholder for SMEs, Jenkins (2009) shows that motivation and retention of employees is a key driver and a main focus area of CSR initiatives within SMEs. Correspondingly, Pedersen (2009) shows that workforce related initiatives are the most common of all CSR practices within SMEs.

### **3.5 The main challenges and barriers for SMEs to invest in CSR activities**

Many of the identified challenges and barriers for SMEs to include CSR activities in their companies are, just as the drivers and motivations, closely related to the distinctive SME characteristics (Battaglia et al., 2010; Russo and Perrini, 2010; Jenkins 2009). The perception, and fear, that CSR activities induce high costs and require time and complex bureaucracy has been identified as the main barriers to the normally informal and resource constrained SMEs (Battaglia et al., 2010; Sweeney, 2007; Jenkins 2006).

In relation to the fear of high costs, SMEs seem concerned that with CSR practices they would not be able to keep prices of their goods and services low enough to be competitive on the market of suppliers (Kusyk and Lozano, 2007). Similarly, Battaglia (2010) says that SMEs worry that CSR would give them a disadvantageous position in the local competition since other suppliers can lower their prices by having lower product quality and not taking social responsibility.

Additional to time and resource constrains, Jenkins (2006) mentions getting employees involved as a key challenge. Moreover, the CSR concept, as mentioned earlier, is normally referred to as vague and the terminology is complicated. This has proven to be discouraging, and even intimidating, for SMEs and SME employees. The employees are normally busy multitasking to handle everyday challenges and there are neither time nor resources to educate, or hire, experts with CSR training (Hammann, 2009; Murillo and Lozano, 2006; Roberts et al, 2006).

Castka et al., (2004) interestingly concluded that the key barriers are mainly based on perceptions rather than on reality. This means that, although many SMEs believe that CSR practices require plenty of resources, those SMEs who actually have included CSR in their strategies do not necessarily agree. These kinds of inaccurate perceptions can be related to the lack of appropriate information and support systems, which have been identified as another key barrier by Roberts et al., (2006).

### **3.6 How to overcome the challenges**

Although the interest for CSR practices in SMEs is increasing, the current literature on the topic is still very limited (Jenkins, 2009; Hammann et al., 2009; Castka et al., 2004, Pedersen, 2009; Morsing and Perrini, 2009). There are, however, a variety of suggested tools, models and approaches of how to overcome the challenges SMEs face in relation to CSR issues. Whilst some tools and models have suggestions on how to tackle the challenges from within the companies, others focus on external support and promotion of CSR. The following sections will cover the debates on a few of these suggested approaches. First, there is a discussion on whether there is a business case for CSR in SMEs, followed by a section on whether formalizing and regulating CSR would be beneficial for the SMEs. After that comes a section on certification schemes and guidelines and finally, a discussion on how supply-chain pressures impact the CSR approach for SMEs. There are strong proponents and opponents to each debate; the following sections aim to illustrate the diverging opinions by presenting arguments from both sides.

### 3.6.1 Is there a business case for CSR in SMEs?

Competitiveness is currently considered a driver for CSR but exactly how CSR relates to competitiveness, or competitive advantage, is still unclear (Vilanova et al., 2009). The literature connecting CSR and competitiveness is limited, and most of the existing studies define competitiveness in terms of financial performance or productivity. By doing so, they fail to incorporate intangible capital such as knowledge, reputation, skills and relationships (Vilanova et al., 2009). SMEs that are practicing CSR normally talk about their perceived benefits, but the lack of measurement frameworks or tools that can incorporate the intangibles have caused a shortage of empirical evidence of actual measurable benefits gained through CSR practices (Battaglia et al., 2010).

Porter and Kramer (2006) describe the strong potential for *shared value creation*, where investing in social issues strengthen the competitiveness of the company, and at the same time benefits the community. Both company success, and benefits in the communities, will be reinforcing due to the natural interdependence. Although for this shared value to be realized, the CSR approach needs to be strategic. This means that the social dimension has to become a part of the core business strategy and not just seen as an add-on activity on the side (Porter and Kramer, 2006). Many researchers, both those who focus on CSR in general and those who focus on SME specifically, have realized that a strategic approach is crucial for success (Jenkins, 2009; Vilanova, 2009; Porter and Kramer, 2006). Unfortunately, however, it is still uncommon that companies incorporate CSR issues as a core value in the business strategy; hence they fail to maximize their competitiveness (Jenkins, 2009). The reason why most companies fail to realize the shared value today is partly because the companies consider business and society a zero-sum game and hold them against each other, and partly because the CSR initiatives are designed in a generic fashion instead of being tailored to suit the individual strategy of each company (Porter and Kramer, 2006).

Hahn et al., (2010 p.226) offer another perspective, they criticize the “win-win” paradigm and say that “...we are convinced that, given the complexity and diversity of sustainability issues, it is safe to assume that trade-offs and conflicts in corporate sustainability are the rule rather than the exception.” They argue that the exclusive focus on a win-win model is limiting the analyses of business sustainability and that recognizing the trade-offs is essential for a more comprehensive understanding of sustainability.

### 3.6.2 Regulation and Formalization

Many previous studies conclude that informal CSR is common within SMEs; that SMEs can have excellent CSR performance without either being aware of it, knowing how to use it for competitive advantage or knowing how to report it (Battaglia et al., 2010, Gelbmann, 2010, Castka, 2004). This informal and un-strategic approach has been referred to as “silent CSR” (Jenkins, 2004) or “sunken CSR” (Perrini, 2006). Whether formalization or regulation of CSR would be beneficial for SMEs, and increase the amount and quality of the CSR practices, is a highly disputed topic in the CSR and SME debate (Baden et al., 2009).

Battaglia et al. (2010) acknowledge that formalizing CSR requires human, organizational, and technical resources from the SMEs. To overcome this, they propose a cluster-based model of

how to formalize CSR for SMEs. By helping each other and sharing the resource costs, they argue, SMEs can maximize their benefits.

According to Fassin (2008), all arguments in favour of formalizing CSR for SMEs are based on false assumptions and fallacies. He claims that the most important stakeholders in this question, the SME owner-managers, have been excluded from the debate. After multiple interviews with owner-managers, he summaries by discussing the most common false assumptions. Arguing against the fallacies, he says that SMEs can have great CSR practices without reporting it, that CSR reports are no valid evidence for ethical behaviour, and that increased regulations will not prevent unethical behaviour but only increase the workload for SMEs.

Others have argued that, as long as CSR performance is consider voluntary, most SMEs will avoid it. The fear of high expenses and time consumption will supersede any chances of potential benefits. The optional approach also allow for an unfair market where the 'non-responsible' companies can gain competitiveness by reducing their market prices on the cost of quality, fair workforce conditions and other responsibility areas (Baden et al., 2009).

### **3.6.3 Certification schemes and guidelines**

The ISO 26.000 standard, as mentioned earlier, is not certifiable but is meant as a guide in social responsibility for all kinds of organisations (ISO 26000). Since this standard was published relatively recently, at the end of 2010, there are no long-term analyses evaluating the effects of it yet. Other social responsibility or sustainability certification and reporting schemes have been criticized for not being accessible to SMEs. They tend to be complicated and require more time, money and bureaucracy than any SME can afford (Gelbmann, 2010).

Many empirical studies have independently concluded that SMEs need external support and guidance to realize the opportunities with CSR and to overcome the challenges they are facing in relation to CSR practices. Advice and information coming from multiple directions are confusing for the SMEs; they would prefer to have one reliable local source to provide them with simplified information, networking opportunities, best practice examples and CSR advice (Castka, 2004). Similarly, the SMEs participating in the study conducted by Roberts et al., (2006) suggest that their CSR performance likely would improve with more SME tailored advice, best practice examples, and demonstrated links between CSR initiatives and competitiveness.

### **3.6.4 Supply- chain pressure**

SMEs are normally supplying goods and services to larger companies and have to consider the procurement requirements in order to not risk exclusion from the supply chain (Ciliberti et al., 2008). There are diverging perceptions on how these supply-chain pressures affect the CSR performance of SMEs, but it is also interesting to look at the requirements set by the SMEs on their own suppliers (Ciliberti et al., 2008; Baden et al., 2009). According to an empirical study on Danish SMEs, only about 20-30 percent of the companies that receive social requirements from the buyers pass on the requirements to their own suppliers (Jorgensen and Knudsen, 2006). Supply-chain pressure has been considered a stronger force to promote CSR than any

regulations, and it is also assumed to have increasing effect on the social performance of SMEs in the future (Baden et al., 2009).

There is another perception suggesting that most European SMEs consider CSR a burden and that supply-chain pressure makes the market unfair. SMEs fear that meeting the expensive requirements of buyers may cost them a potential good position in the global markets (Morsing and Perrini, 2009). SMEs also seem to think that the buyers, although announcing requirements, still base their purchases on price and delivery time. This may lead to mock compliance; either the SMEs tick the box without actually fulfilling the requirements, or they do not even see the point of trying (Baden et al., 2009). The result of a study with 103 SMEs in England show that 49 percent believe that social requirement in the supply-chain is a good incentive for CSR amongst SMEs, 12 percent on the other hand, think it is counter productive. Finally, a ceiling effect is another potential risk associated with supply chain pressure, basically meaning that initiatives above the required levels are unlikely. The required initiatives would discourage SMEs to do more than what is required (Baden et al., 2009).

## 4. Findings and Analysis

The findings and analyses will be presented in similar categories as the interview questions (see section 2.2.5). The findings for each category will start with the results from the survey, describing trends and regularities, followed by the findings from the interviews, aiming at describing the perception of the interviewees from each sector. The result for each question - category will also be discussed and related to the background literature. As the main purpose is to distinguish differences between the sectors, the comments and quotes from the interviews will only be referenced to the sector, not to the specific interviewee. This also protects the confidentiality of the company, which they were promised when they agreed to participate. For more information about the interviewed companies, the questions, the survey companies and the survey, see the appendices.

### 4.1 Descriptions of the companies and how they view certifications/ standards

#### 4.1.1 Survey findings

The survey was sent out to 713 Swedish SMEs and responses were received from 89 companies, giving a response rate of 12.5 percent. Figure 4.1.1a below shows the number of responses per sector. As the scope of this research is limited to 3 sectors; textile/fashion, food/restaurants and travel/event, the responses from the 9 companies that said they belong in another sector will be disregarded for the purpose of this research. Similarly, 3 additional responses were disregarded because the companies had more than 100 employees, a system boundary for this study. After disregarding these 12 SMEs, the responses from 77 companies remained. The division between the sectors of these 77 is presented in figure 4.1.1b below and these 77 responses is the foundation of all the survey findings presented in this chapter.

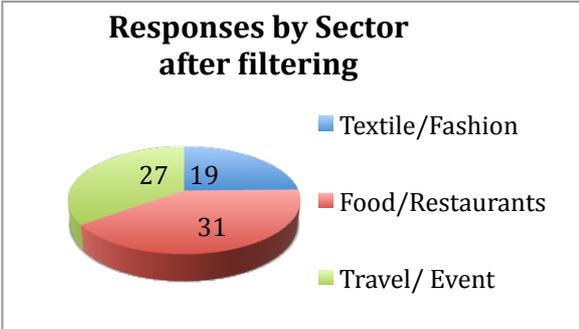
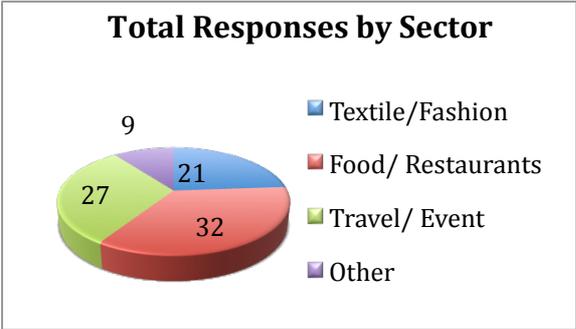


Figure 4.1.1a: Number of responses per sector

Figure 4.1.1b: Number of responses per sector after filtering

The number of employees in the 77 companies varied from 3 to 60. Table 4.1.1a,b and c below present employee statistics for each sector. The average and median values for the number of employees are very similar for the textile/fashion sector and the travel/ event sector, whilst the values are approximately double for the food/ restaurants sector.

Textile / Fashion		Food / Restaurants		Travel /Event	
Total Responses	19	Total Responses	31	Total Responses	27
Range	36 (4 - 40)	Range	54 (6 - 60)	Range	47 (3 - 50)
Average	12.6	Average	24.6	Average	12.5
Median	10	Median	22	Median	10

Table 4.1.1a,b and c; The tables represents the employee statistics for each sector.

The assumption that the travel/ event sector sell more services, whilst the other two sectors sell more products, accord with the results of the survey. In the textile/fashion sector, all companies except one sell more products than services. In the food/ restaurant sector, all companies sell more products than services. And in the event/ travel sector, all companies except one sell more services than products.

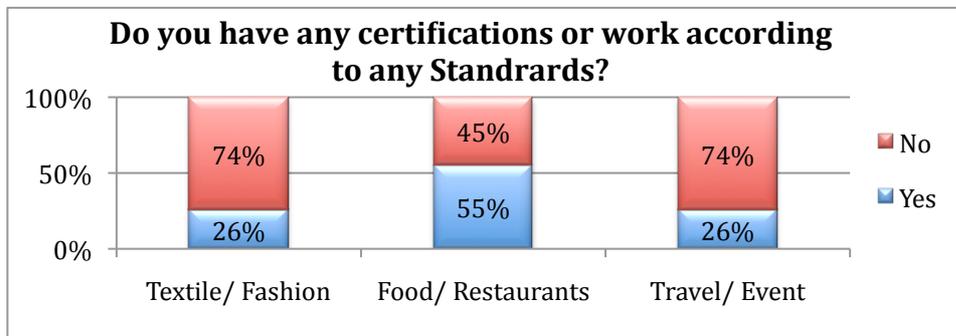


Figure 4.1.2: The percentage of companies in each sector that do have certificates or work according to standards related to social responsibility or sustainability.

Figure 4.1.2 above shows how many percent of the companies in each sector that has certifications or work according to standards that are related to social responsibility or sustainability. In the food/ restaurant sector, 55 percent said yes whilst only 26 percent from the textile/ fashion and travel/ event sector did. Concerning the new ISO 26.000 standard, almost 90 percent of the respondents had either never heard about it or had heard about it but do not know what it means.

#### 4.1.2 Interview findings

The majority of the interviewed SMEs currently do not work according to any certifications or standards related to social responsibility or sustainability. The few exceptions were; one of the textile companies that recently started their work with ISO 26.000 and one of the food companies that have the KRAV- label on all their products. The following paragraphs present the interviewees main explanations of why the companies do not have any certifications.

**Textile/ Fashion:** In the textile sector, the most frequently mentioned reason for not being certified was that it is not relevant for small companies. One interviewee said that certifications are “*more for large corporations and not relevant to us, we do not have the resources that are required to go through a certification process.*” Another interviewee similarly said that, “*it does*

*not feel relevant for such a small company, especially not since the whole business idea is based on sustainability anyway, and there is so much administration and bureaucracy around certifications”.*

**Food/ Restaurants:** Although certificates were rare amongst the interviewed companies in the food sector as well, they presented other ways of securing the quality as to why they were not certified, *“we do not have any certificates but we are working with Good Manufacturing Practice in the production”*. Another company said *“we do not have any certificates but we are recommended by the Swedish Federation of Trade... and we do secure the quality for ourselves through our customers all the time”*. It was also mentioned by one interviewee that, *“we pay enough for bureaucracy within the company as it is without certification systems”*.

**Travel/ Event:** The arguments in the travel/event sector were slightly more critical to the whole certification process *“I am honestly not very interested in ISO certifications, it feels like certifications only proof that you want to do something, but it does not say anything about what you actually have accomplished”*. Along similar lines, another event company said *“What does it actually mean to have an Environmental Management System (EMS); absolutely nothing!”* Moreover, it was said that *“we are a small company, we are relatively new and do not have that much resources, so we have not looked into that yet”*. A final argument from the event sector for not working with certifications or standards was *“since we only sell services, it is normally the products we sell from others that needs to be certified and that is why we have not certified our company”*.

#### **4.1.3 Analysis and connection to background literature**

As mentioned in the background chapter, certification schemes have been criticised for requiring more time, resources and bureaucracy than most SMEs can afford (Gelbmann, 2010). Interviewees in all three sectors mentioned these factors as reasons to why they do not have certifications, which indicates that the factors can explain why the number of certifications and standards in Swedish SMEs is low in general. However, it does not offer an explanation to why a higher percentage of the food/ restaurant companies have certifications compared to the other two sectors. An interviewee in the travel/ event sector argued that it is normally products that need to be certified, not companies selling services. This offers a potential explanation to why fewer companies in the service-oriented travel/ event sector have certifications compared to the product-oriented food/ restaurant sector. However, the textile/ fashion sector is as product-oriented as the food/ restaurant sector, but still has as low percentage of certifications as the travel/ event sector.

Previous literature has connected the factors mentioned above (time, resources and bureaucracy) as size related characteristics (Udayasankar, 2008; Preuss and Perschke, 2010, etc). The 4.1.1a,b and c tables show that the average food/restaurant company participating in the survey have about twice as many employees as the average company from the other two sectors. Hence, it is likely that the factors of time, resource and bureaucracy can explain the differences in percentage of certifications between the sectors after all. Not because the factors influence the sectors per se differently, but through the relationship between the factors (time, resources and bureaucracy) and company size. The survey results shows very similar patterns of employee statistics and certification statistics, and although many other factors may play a role in determining whether a company decides to go through a certification process, this correlation is likely to be part of the explanation. Another potential explanation will be discussed in relation to supply-chain requirements in section 4.3.3.

In relation to this question of how companies view certifications, it is also interesting to emphasise the comment made by an interviewee from the textile/fashion sector saying that certifications are not relevant when their whole business idea is based on sustainability. So the certifications are not necessarily perceived as a proof of good practices but more as support system for companies that needs guidance in how to be more sustainable, or as one of the interviewees from the travel/ event sector said, it is a proof of companies that want to accomplish something but it does not say much about what they actually do.

## 4.2 Interpretations of what CSR means and how the companies address it

### 4.2.1 Survey findings

The lack of an accepted definition for CSR made it interesting to ask all companies what they think is relevant to include in the concept. Whilst the interviewees were asked to talk freely about the meaning of the concept, the survey companies were given alternative areas, and were asked to say which of these areas they thought were relevant to include in the concept of social responsibility. These alternative areas provided in the survey were based on a summery of the categories mentioned in the background literature together with what was discussed in the interviews. Figure 4.2.1 below illustrates the percentage of companies in each sector that considers the areas relevant.

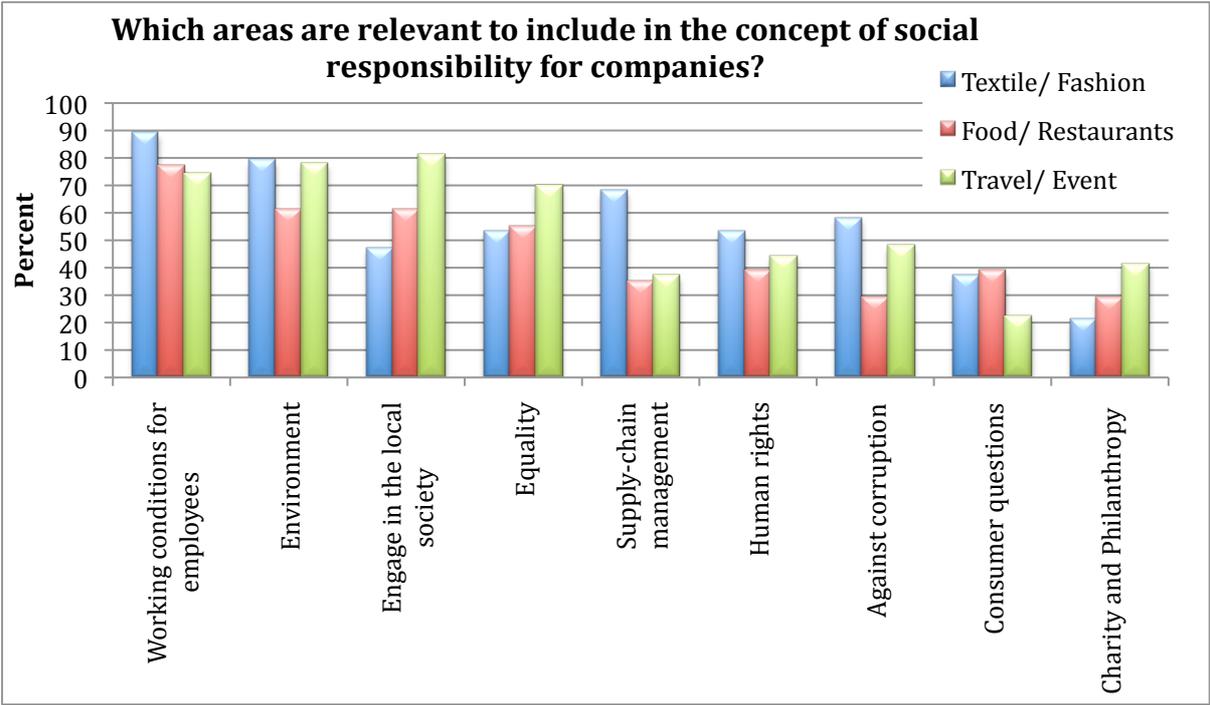


Figure 4.2.1: The percentages of companies in each sector that consider the areas relevant to include in CSR.

Figure 4.2.1 above shows that working conditions, the environment and engagement in the local society are the three areas most companies in total find relevant to include in the concept of social responsibility for companies. However, it differs somewhat between the sectors. Interesting to observe is for example how almost 70 percent of the companies in the textile/ fashion sector consider ‘working with the supply-chain management’ relevant, whilst

less than 40 percent of the other two sectors agree. On the other hand, less than 50 percent of the companies in the textile sector find engagement in the local society relevant, which is considered relevant by more than 80 percent in the travel/ event sector.

What most of the companies find relevant to include in the concept of social responsibility, presented in figure 4.2.1 above, is not necessarily mirrored in how they distribute their initiatives addressing it. The companies were asked to grade the same areas as in the previous question, based on how much they address social responsibility in them, on a scale from 1 to 5. An additional alternative area called “controlling and reporting” were added in this question. Figure 4.2.2 below present the average value between 1 and 5 for each sector and each area respectively.

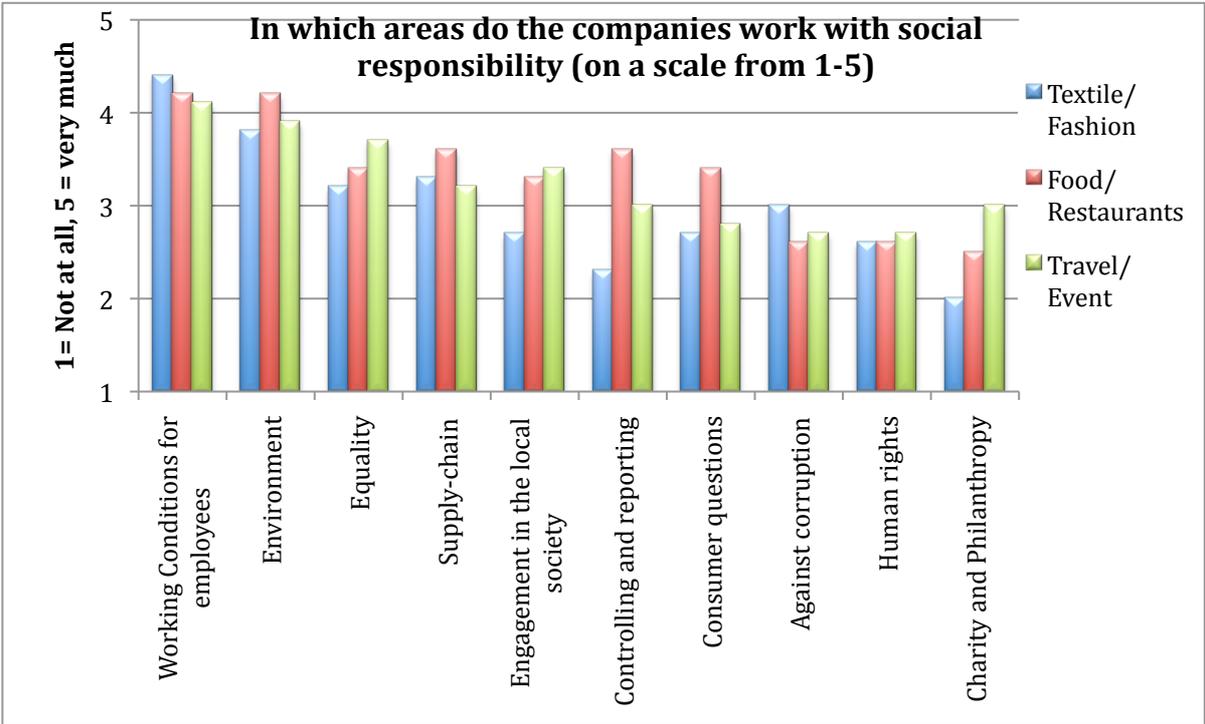


Figure 4.2.2: This diagram shows how much in average, on a scale from 1-5, the companies in the three sectors address social responsibility in different areas.

Similar to what was considered relevant by most companies, working condition and the environment are also the areas in which companies work the most with social responsibility. Controlling and reporting, together with charity and philanthropy, are the two areas in which there is most variation between how much the sectors address it. As a summery and comparison of the previous two graphs (figure 4.2.1 and 4.2.2), table 4.2.1 below shows the top 5 most relevant and most addressed areas in each sector.

	Textile/ Fashion		Food/ Restaurants		Travel/ Event	
	Relevant	Addressed	Relevant	Addressed	Relevant	Addressed
1	Working Condition	Working Condition	Working Condition	Working Conditions	Engagement-Local Society	Working Condition
2	Environment	Environment	Environment	Environment	Environment	Environment
3	Supply-Chain	Supply- Chain	Engagement - Local society	Supply- Chain	Working Conditions	Equity
4	Against Corruption	Equality	Equality	Consumer Questions/ Equality	Equality	Engagement-Local Society
5	Equality/ Human Rights	Against Corruption	Consumer Questions/ Human Rights	Engagement-Local Society	Against Corruption	Supply- Chain

Table 4.2.1: The top 5 most relevant and most addressed areas in each sector.

It is interesting to see for example that engagement in local societies is the category that most companies in the travel/ event sector consider relevant but it is only the fourth most addressed category. In the food/ restaurant sector, working with supply-chain procedures is the third most common category, but less than 40 percent of the companies consider it to be a relevant area and it does not make it into the top 5 of most relevant areas for the food sector.

In the background literature, it was emphasized that social responsibility needs to be a part of the business strategy in order to be successful (Porter and Kramer, 2006; Jenkins, 2009). Based on that, it was relevant to include a question in the survey of whether the companies see social responsibility as something they include in their strategy, something they do on the side or not work with at all. The survey results the responses vary considerably between the sectors, as can be seen in figure 4.2.3 below.

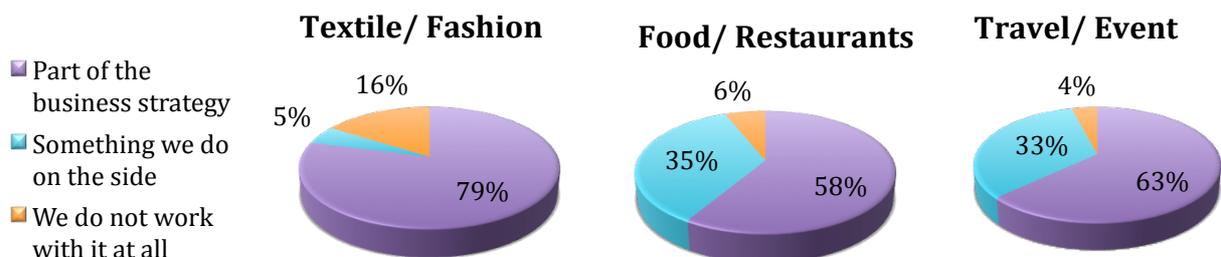


Figure 4.2.3: These diagrams show the percentage of companies in each sector that consider CSR as part of their strategy (purple), those that see it as something they do on the side (turquoise) and those that do not work with it at all (orange).

It is also emphasized in the background literature that it is common for SMEs to be doing CSR initiatives without communicating it (Castka et al., 2004) and according to the survey results, less than 50 percent in each sector communicate their socially responsible activities. The majority of the companies that actually do communicate their CSR initiatives are companies that consider CSR a part of their business strategy.

Figure 5.2.4 to the right illustrates the number of companies in total that communicate their CSR and whether they consider social responsibility part of their strategy, something they do on the side, or if they do not work with social responsibility at all. Some of the companies commented on how they communicate it and the most frequently mentioned channels for communication are through their webpage and in contact with their clients or customers.

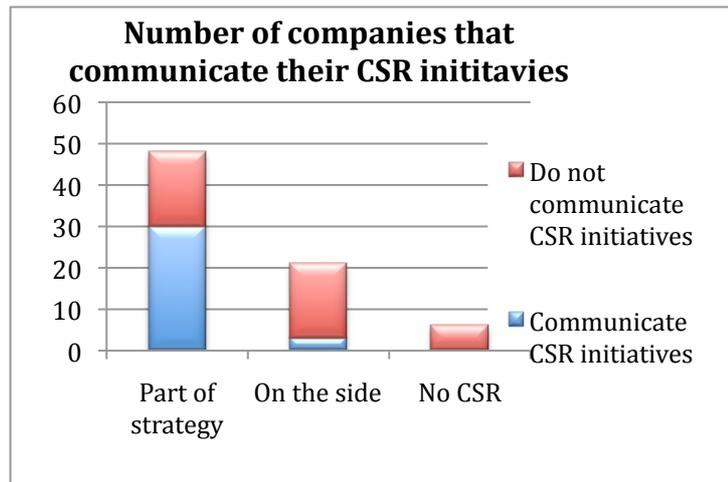


Figure 4.2.4 The number of companies that communicate their CSR.

#### 4.2.2 Interview findings

All of the interviewees mentioned at some part of the interview that social responsibility is included in their business strategy and as a core value in their business idea. The explanation of what social responsibility means to the companies, and how they address it, varies both between the sectors and within the sectors.

**Textile/ Fashion:** When describing the meaning of the concept, most of the companies presented a rather broad view. One interviewee for example referred to the title of Muhammad Yanus (2010) book; 'Building Social Business: The New Kind of Capitalism That Serves Humanity's Most Pressing Needs' and said "Any kind of company-form that can address these needs and at the same time earn money can be included in the concept, but I have not thought about it in terms of social responsibility but more as a 'planet - earth' responsibility." A second textile company explained that, "The responsibility is that your business' or company's action does not harm anyone for the sake of personal gain". One company had a more structured definition and said; "We have defined CSR for us as; leadership, human rights, working condition and health, equality and diversity, consumer questions, societal engagement and producer responsibility. But it does not include charity, we do not do charity!"

Another company in the textile/fashion sector had a very different interpretation of the concept social responsibility, or at least disagreed with the terminology, and argued that "CSR is something large firms do on the side of their core business and that is not how we do things, we prefer to call it social entrepreneurship or social business". Examples of how the companies address social responsibility are for example by only selling ecological products, offering spots for internships and practice, having long term contracts with suppliers, not choosing factories that are cheap but choosing those that are best, repair and recycle clothes for free for their customers, supporting local sport team and school classes, shipping clothes with boat instead of flying etc.

**Food/ restaurants:** Similar to the last comment in the textile sector, an interviewee from the food sector also expressed scepticism to the whole concept, "I think it is ridiculous to say that some companies are socially responsible and others are not... For me, to have a successful business today means that you have to address questions people think is important and build your business around that, and that is what we do, it is as simple as that." The other food companies described the concept

based on how they address it with examples such as, *“Our big social responsibility is that we collaborate with local businesses on each location (...) we provide healthy food and educate people in how to cook with easy recipes where no food gets wasted. All the food is transported collectively from the local stores which also makes it better for the environment”* or *“We create a competitive product for all customers that care about what they eat and what they feed their children. The farmers are given reasonable pay and good working conditions without pesticides and poison and they are given a 5 years contract to secure their income. We help with education in organic farming and so on.”*

**Travel/ Event:** The event companies also presented broad explanations of the concepts before describing how they address it. An example of a description is; *“it is all about taking responsibility in everything that we do. Not just how we run the company but for all the products that we sell as well”*, or as another company put it; *“There are 2 ways of looking at it, either how we take our social responsibility or how we help others to take their responsibility. But when you dig into it, it is a very comprehensive concept.”* Examples of how these companies address social responsibility are: employ people from groups that have a hard time entering the labour market, listen to- and think about- the employees, give away money to charity organisations, work with exposed and vulnerable children and societies around the world, helping clients to chose environmentally certified conference premises etc.

#### 4.2.3 Analysis and connection to background literature

As mentioned in section 3.4, many researchers have concluded that employee related initiatives are the most common CSR initiatives amongst SMEs (Castka, 2004; Ciliberti et al., 2008; Pedersen, 2009). Based on the survey results, that is also valid for Swedish SMEs in all the three sectors of this research. Initiatives in the area of environment and equality are also amongst the most common in all three categories, but it is interesting to look at the areas with biggest difference between the sectors. The area of ‘controlling and reporting’ is one in which the difference is considerable and it is most addressed by the food/restaurant sector. That could potentially be explained by similar arguments as to why the food/ restaurant sector has a higher percentage of companies with certifications (see section 4.1.3), and that is likely because the survey respondents from the food/ restaurant sector had a higher average number of employees or perhaps through requirements in the supply-chain, see further discussion in 4.3.3. The food/ restaurant sector is also the one in which ‘consumer questions’ are addressed the most. Food products are more related to human health than both clothes and travels/events and this may explain why consumer questions are addressed more. One of the interviewees from the food/ restaurant sector said that the extent to which people care about what they eat is extreme, hence, they address consumer-question in their CSR approach.

Another area in which the difference between the sectors engagement is large is the ‘charity and philanthropy’ area. This area is mostly addressed by the travel/ event sector, which also coincides with the information gained during the interviewees. Two out of three interviewees in this sector emphasised charity as their major approach to social responsibility whilst no interviewees in the other sectors mentioned it in relation to their work. It was also more companies in the travel/event sector that considered the area of ‘charity and philanthropy’ relevant to include in the concept than in the other sectors. To know exactly why that is would require more specific knowledge about the sector. However, according to one interviewee in the travel/ event sector, travelling around the world and facing less fortunate people can create a desire of wanting to help and wanting to give.

During the undertaking of the literature review for this paper, no studies looking at the companies' perspective of what is relevant to include in the concept of social responsibility were found. Hence, that particular part of this research cannot be connected to previous literature but some findings are interesting to point out. Supply-chain management for example, an area that about 70 percent of the textile companies find relevant to include in the concept of social responsibility whilst less than 40 percent of the other sectors agree. This can be related to all media attention around the supply chain in the textile industry but to fully explain why, further sector specific knowledge is required. In the travel/ event sector, the largest number of companies thought 'engagement in the local society' is relevant to include in the concept. If that local society is in Sweden by the office, the local society at the travel destination or by the event location is a question of interpretation. It was not defined in the survey and it is possible that this has been interpreted differently between the sectors.

It was mentioned in section 3.6.1 that many researcher in previous literature have recognized that a strategic approach to CSR, where the social dimension becomes part of the core business strategy, is necessary for success and for the shared value between company and society is to be created (Porter and Kramer, 2006; Jenkins, 2009; Vilanova, 2007). However, Jenkins (2009) also points out that it is currently uncommon that companies actually incorporate CSR in their business strategy. The perceptions of the companies participating in this research are of another opinion and the majority of the survey companies, and all the interviewed companies, consider CSR as part of their strategy. However, the research results are very much aligned with the conclusion made by other researchers (Castka, 2004; Battaglia et al., 2010; Perrini, 2006), saying that many SMEs are engaged in CSR questions without communicating it.

Porter and Kramer (2006) argues that one of the reasons to why companies today fail to create shared value between the company and society is because the CSR initiatives are designed in a generic fashion and not tailor made for each company. As mentioned earlier, the way in which the interviewed companies address CSR varies significantly, both between the sectors and within the sectors, and all the interviewees presented different approaches specifically developed after their abilities and capacities. This may be why they all consider working with social responsibility as something beneficial.

## **4.3 Why companies work with CSR – what are the main drivers?**

### **4.3.1 Survey findings**

The companies were asked about their main drivers to engage in social responsibility. Through a summary of the drivers discussed in the background literature and during the interviews, 5 potential drivers were chosen and the companies were asked to grade them from 1 to 5 (1 = not a driver at all, 5 = very important driver). The average grades from 1 to 5 for each sector and each potential driver are presented in figure 4.3.1 below.

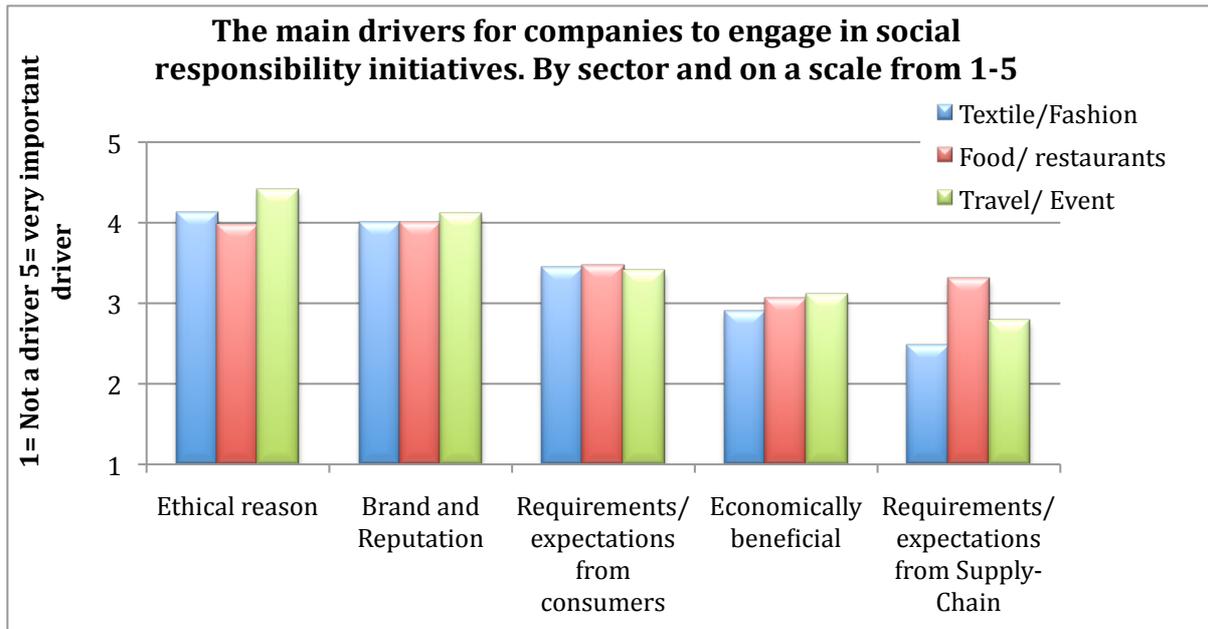


Figure 4.3.1: This diagram shows how companies in the different sectors grade the drivers to engage in social responsibility on a scale from 1 to 5.

Figure 4.3.1 above shows that ethical reasons, together with getting a good brand and reputation, are the strongest incentives for companies within all three sectors to get engaged in social responsibility activities. The three different sectors have graded the potential drivers similarly; it is only for the driver “requirements/expectations from the supply-chain” that the highest and lowest values from the different sectors differ with more than 0.5 units on the 1 - 5 scale. The food sector was the only one in which “economically beneficial” was graded as the least important out of the 5 given drivers, the other two sectors graded “requirements/expectations from the supply chain” as the least important.

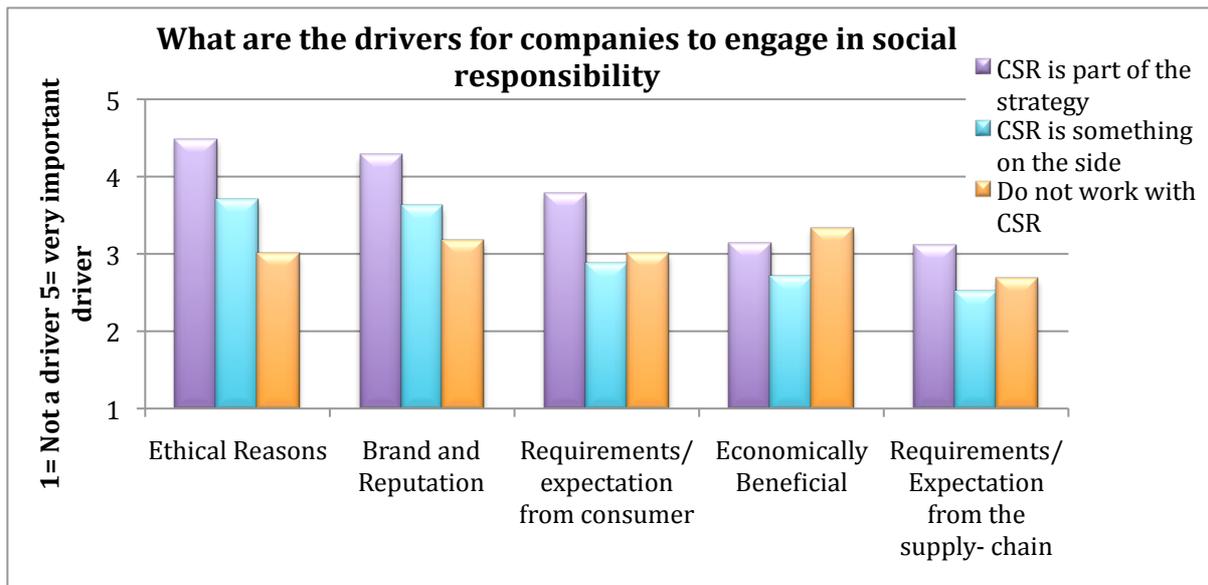


Figure 4.3.2: This diagram shows how the average grade of the drivers differ dependent of whether the companies see CSR as part of their strategy, something on the side, or something they do not work with at all.

In order to see if companies that explicitly have incorporated social responsibility in their strategy grade the potential drivers differently from those that do social responsibility initiatives on the side or not at all, the survey data was analysed from a perspective of these three groups instead of by sector. The result can be seen in figure 4.3.2 above.

#### 4.3.2 Interview findings

The interviewees answers to which the main drivers are varies between the sectors but also sometimes within the sectors. But the most commonly mentioned driver is the desire to do something good.

**Textile/ Fashion:** In this sector, ideology of the founders and the desire of doing something good seem to be the common thread. One interviewee said: *“Humans can always raise their voices to demonstrate, but nature cannot, that is why I have prioritised the ecological part. It has to do with the values and ideology that influenced my upbringing”*. Another interviewee claimed that *“Our founder has a passion for these questions, and they have been considered from the start. But it is also because we think it is beneficial in the long-term to building a brand around this”*. Moreover, comments from another company were, *“We do it to make the world a better place, we are a profit driven company but not profit maximizing.”* Another interviewee said, *“It is the personal ideology and engagement from the founders. Profit maximization is not in focus, it is actually about passion and love for a lifestyle and an expression. And we are building a brand; reputation and trustworthiness that I think will pay off soon.”* Some of the benefits that were mentioned were; customers trust, positive media attention, good image, immediate payback on resource efficiency, long term risk reduction etc.

**Food/ Restaurant:** The main drivers described by the companies in this sector are very different from each other. One company claimed a very capitalistic approach and said; *“I have always been very interested in the area of social benefits approached by a capitalistic perspective. We want to show that it is possible to run a company like this without compromising the profitability. We are building our company for a competitive situation tomorrow, not today, and we do not do anything based on altruistic reasons, it is all about maximizing the return on our investors money”*. According to another interviewee, you have to start in the other end; *“You do not start a company because you want to make money, you start because you want to accomplish something. The whole point of our existence is to give people better food, save the Baltic sea and so on, but we need to earn money to do so.”* The last company saw an issue in today’s society that they wanted to address, *“people today are stressed and normally eat fast and unhealthy, and do not really know how to cook! Additionally, a lot of food is thrown away today. So the passion for food, my background working with teenager, and the opportunity to be able to give people the knowledge of how to make easy and health food without wasting ingredients are the foundation of this business”*. Some of the benefits that were mentioned were higher quality of the product and higher loyalty by the producers.

**Travel/ Event:** The interviewees in this sector all agree that the desire of doing something good is the main driver. *“We want to leave the world in a better shape than it was when we came, it is actually only because of that.”* Similarly another company said *“It is out of ideological reasons, everyone who is working here have travelled and enjoy helping people, perhaps it is in our DNA... that is why we do it”*. Additional arguments were *“it is a combination of profitability thoughts and wanting to do something good. We have noticed that it goes hand in hand and it has worked out very well.”*

### **4.3.3 Analysis and connection to background literature**

It has been concluded by previous researchers that the key drivers for SMEs to engage in social responsibility are based on ethical and moral foundations (Jenkins, 2009; Kusyk and Lozano, 2007). ‘Ethical reasons’ is also the driver that all three sectors graded as the strongest incentive (see fig 4.3.1), and most of the interviewees agreed as well. However, all three sectors almost graded ‘Brand and Reputation’ as an equally important driver. This is an interesting finding as previous literature has argued that reputation is a key driver for larger firms with high visibility in media (Vilanova, 2009), but more as a received benefit for SMEs and not so much as a key driver. It is also interesting to relate this particular finding to one of the findings from section 4.2, showing that less than 50 percent of the companies in all three sectors communicate their CSR initiatives. If getting a good reputation is a key driver, why are the companies not putting more emphasize on communicating their initiatives? According to Jenkins (2009), many SMEs are uncomfortable promoting and boasting about their CSR because it is related to something that large companies do for profit reasons, and since the SMEs undertake CSR for more moral reasons, they do not feel comfortable ‘bragging’ about it. One of the interviewees in this research explained it slightly different by saying that ethical and environmental questions are sensitive topics to many people and that a discrete marketing approach therefore is preferable.

The driver ‘requirements in the supply-chain’ is one of the least strong drivers out of the 5 the companies were asked to grade according to all three sectors. Baden et al., (2009), argued that supply-chain pressure is a very strong force to promote CSR but the Swedish SMEs in this research does not seem to completely agree. This driver, ‘requirements in the supply-chain’ is however considered a more important driver by the food/ restaurant sector than by the other sectors (see figure 4.3.1). This is very interesting when related to the result from the two previous sections, 4.1.1 and 4.2.1, where the findings show that the food/ restaurant sector is the sector where the highest percentage of the companies has certifications but it is also the sector in which the companies address reporting and controlling the most. Perceiving high requirements and expectations from the supply-chain, and considering that a stronger driver can be an explanation to why the food/ restaurant sector also address controlling and reporting more as well as certification processes.

It is also interesting to see (figure 4.3.2) that all 5 potential drivers are graded in the same order by companies that see CSR as something included in the strategy and by those that do CSR on the side. The difference between the two however, is that the companies that see social responsibility as part of their strategy see all the drivers as stronger incentives than the other companies do. The third category, companies that do not work with CSR at all, graded the driver “economically beneficial” as the strongest driver. However, it is important to have in mind that the dataset of companies that do not work with CSR at all is very limited; they represent 8 percent of the respondents, which is only 6 companies in total.

## **4.4 What are the main barriers to engage in social responsibility?**

### **4.4.1 Survey findings**

In a similar fashion as for the drivers, the companies were asked to grade a few potential barriers on a scale from 1 to 5 (1 = not a barrier at all, 5 = a very large barrier). The potential

barriers were chosen based on a summary of the barriers discussed in the background literature and during the interviews. Figure 4.4.1 below illustrates the results.

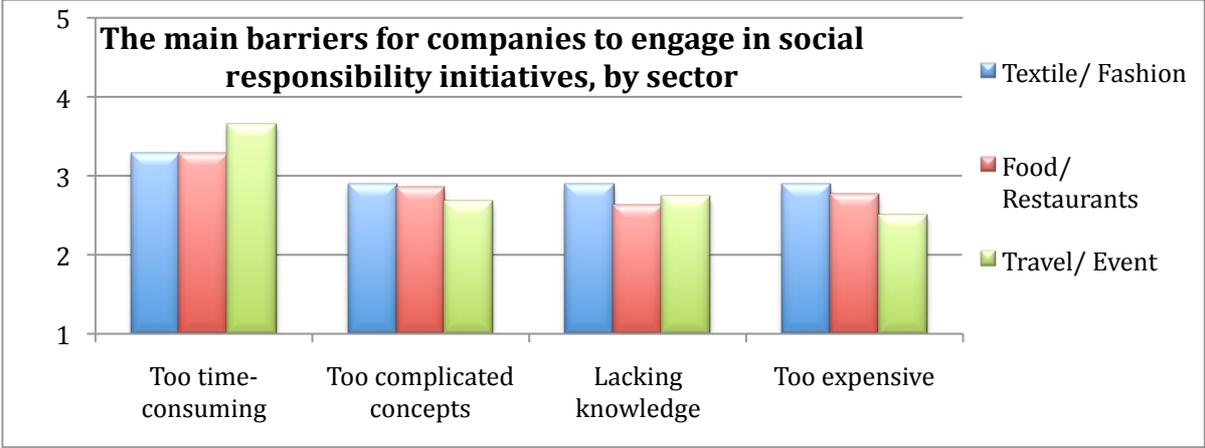


Figure 4.4.1: The diagram shows how companies in the different sectors graded the barriers to engage in CSR.

Figure 4.4.1 above shows that all three sectors graded the potential driver “it requires too much time” as the greatest barrier to get engaged in social responsibility initiatives. The other three potential drivers are graded with very similar importance by all the sectors.

Figure 4.4.2 below shows that companies in which social responsibility is part of the strategy considered the barriers less important than the companies that do CSR as something on the side or not at all, on a scale from 1 to 5 as in previous graphs.

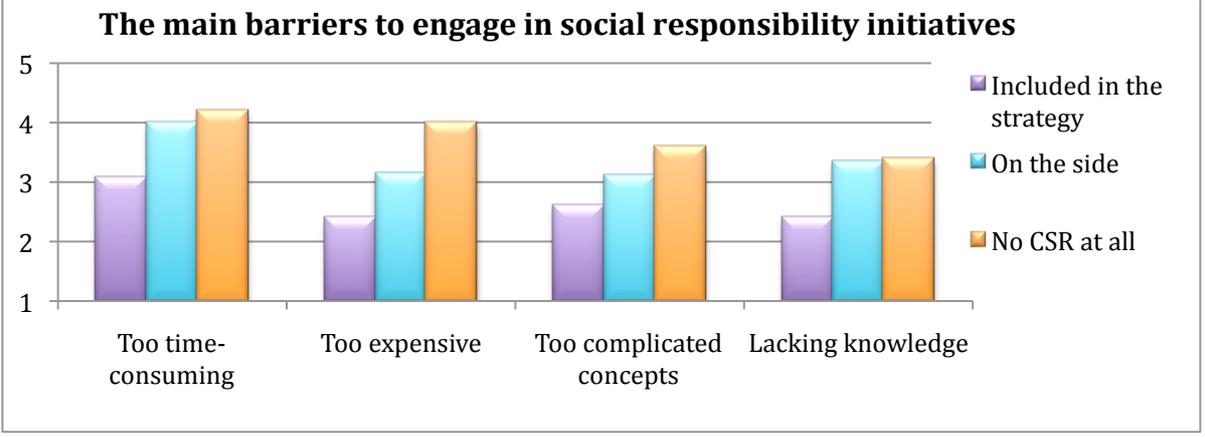


Figure 4.4.2: This diagram shows how the average grade of the barriers differ dependent on whether the companies see social responsibility as part of their strategy, something on the side, or not work with it at all.

**4.4.2 Interview findings**

**Textile/ Fashion:** The companies in this sector point out a number of different barriers and sometimes also how they work to overcome them. Finding the time was mentioned frequently as a key barrier and so was the lack of knowledge and that it is a very complicated concept. “It is a big and complicated area to get involved in and there are no good summaries of the related literature or accepted and practical frameworks”. A few of the companies have specific CSR positions within their companies to overcome the time issue and one has hired a consultant to overcome the

knowledge gap. Marketing and communication is also brought up more than once and according to one interviewee *“it is hard to communicate ethics and environmental and consumption behaviour because they are sensitive topics to many.”*

**Food/ Restaurant:** In this sector, the three interviewees identified one key barrier each. Two of them were related to money but in different ways. One of the interviewees said that their products are a bit more expensive than others, *“The way it is today, humans and nature have to pay the price because we want as cheap food as possible, but we do not support that and therefore, our products become a bit more expensive”*. The other key barrier that is related to money is by an interviewee who said that *“the hardest part has been to communicate this new business model to the financial market, the financial investors would rather invest “green money” in oil and war material, they want fast stable cash flows in traditional ways but with some green paint on it so that they can call it sustainable investments”*. Another interviewee brought up the communication issue and said that *“reaching out through the media noise has been the hardest part for us, there are companies in this particular sector that prioritize a low price before quality and we have not had the strength to reach through with our message.”*

**Travel/ Event:** Similar to in the food/ restaurant sector, the three interviewees in this sector also point out one main barrier each. One mentions that choosing projects to work with based on their sustainability potential can involve choosing projects that pay a bit less. Another interviewee said that one of their main issues is related to booking conferences abroad because *“the flights cause an environmental problem of course but it is also a social issue since we lack control over the hotels and suppliers abroad”*. The last interviewee in this sector is the only one who mentioned the Swedish attitude as a main barrier throughout all interviews. According to the interviewee *“Swedes are not used to the CSR approach in general but especially not to the voluntary approach. I think people in Anglo-Saxon countries, like the US and the UK, are much more used to it and they have a more developed social responsibility and voluntary work is more frequent. I think there are tax explanations to this, in the UK and the US you can get tax reduction by giving money to charity but Sweden is one of few countries where it is not tax-deductable to give money to charity which makes it a slow business.”*

#### 4.4.3 Analysis and connection to background literature

According to previous literature, SMEs fear that CSR initiatives involve high costs and require time and complex bureaucracy, which have been identified as the key barriers for SMEs to pursue CSR (Battaglia et al., 2010; Sweeney, 2007; Jenkins, 2006). The time requirement has been identified in this research, both by survey respondents and many interviewees, as the key challenge. Castka et al., (2004) argued that many of the barriers are based on perception rather than on reality, but since the interviewees that have included CSR in their strategy still see the time requirement as a challenge, this research does not support that conclusion completely. However, the companies that consider CSR as part of their strategy see all the barriers as less important, or less strong, than the other companies, which support the conclusion to some extent.

It is also interesting to point out that the companies that do not pursue CSR at all see the economical cost as one of the key barriers. These companies considered the potential for economic profitability as the main driver, although the perceived economical barriers must have overcome that driver, as they do not engage in social responsibility at all.

## 4.5 Different stakeholders that influence the work with social responsibility

### 4.5.1 Survey findings

The companies were asked to identify their most important stakeholders in relation to social responsibility. Based on stakeholder groups discussed in the background literature and what was said in the interviews, 5 different potential stakeholders were provided in the survey. The companies were asked to grade them on a scale from 1-5 (1= not a stakeholder at all, 5 = very important stakeholder). The result is presented in figure 4.5.1 below.

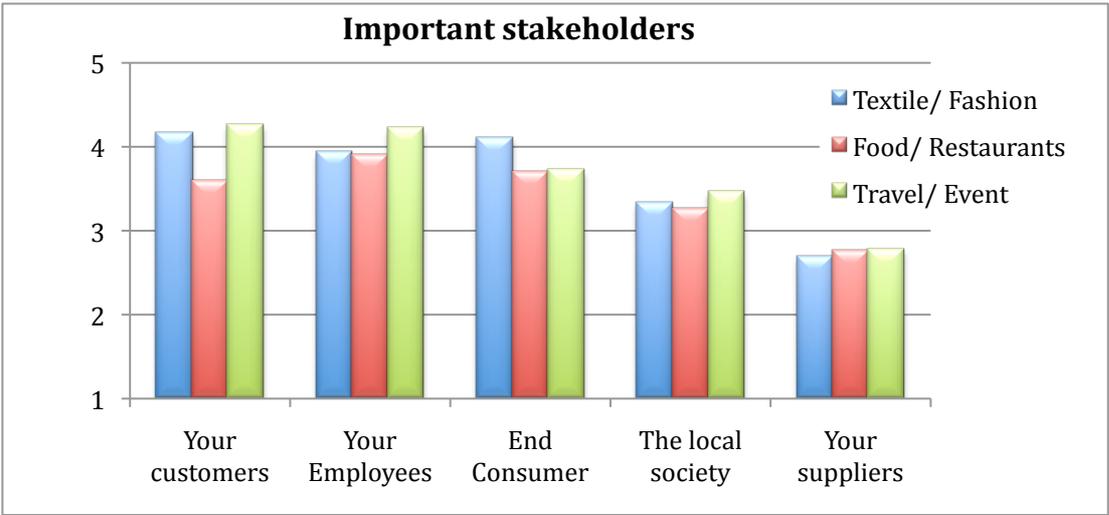


Figure 4.5.1. This diagram shows how companies in the different sectors graded the importance of the stakeholder groups in relation to social responsibility initiatives.

The textile/ fashion- and the travel/ event sectors, both graded their customers as the most important stakeholder, whilst the food/ restaurant sector graded their employees as the number one most important. However, the differences between the grades of the top three most important stakeholders are marginal. All sectors graded their suppliers as the least important stakeholder of the 5 proposed in the survey.

The companies were also asked whether they experience any external requirements or expectation to work with social responsibility, and where in that case the requirements come from. Similar to previous questions, the companies were given 4 potential sources of requirements and expectations, and were asked to grade them according to a scale from 1 to 5 (1 = no requirements/ expectations at all, 5 = very much requirements/ expectations). Figure 4.5.2 below shows the result and the external requirements and expectations appear to be perceived as strongest from the customers in all three sectors. The order in which the companies graded the four suggested sources of requirement is the same for all three sectors with only marginal differences between them.

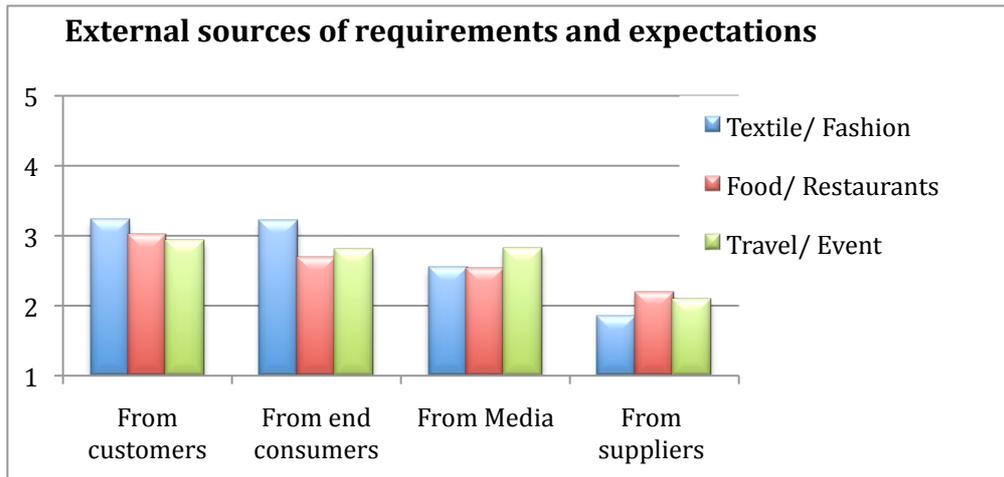


Figure 4.5.2: This diagram shows how the companies perceive requirements and expectations from external sources.

Finally, the companies were asked whether they have any requirements for their own suppliers to fulfil. The result can be seen in figure 4.5.3 below and there is a significant difference between the sectors. 68 percent of the companies in the textile/ fashion sector have requirements for their suppliers, whilst only 26 percent of travel/ event sector do.

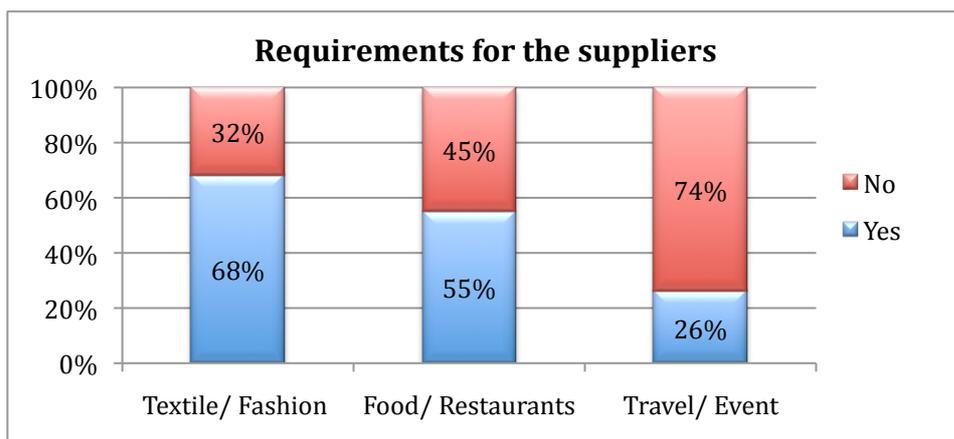


Figure 4.5.3: This shows how many percent of the firms in each sector that have requirements for their suppliers.

#### 4.5.2 Interview findings

When asked about how they perceive the external pressure and requirements on socially responsible business behaviour, all interviewees in the textile/fashion and the food/restaurant sectors emphasized an increasing knowledge, and with that an increasing demand, from people to get good food and nice clothes, produced in a fair way. *“Media and consumer seem to think it is more and more important.”* In the travel/event sector on the other hand, this was not the general perception, and one interviewee said, *“We have never been asked to fulfil any requirements that we cannot deliver, it is more us trying to influence the clients so far.”* Another company in the travel/ event sector said that they had felt that the requirements increase but more in relation to procurement by larger companies. The companies were also asked whether they themselves have requirements for their own suppliers and the replies and explanations are presented below.

**Textile/ Fashion:** All the interviewees in this sector express that they have some sort of requirements on their suppliers but not necessarily in form of a certificate. One interviewee said, *“we require that everything is ecological but since the suppliers normally are small companies, there is no need for a certificate but it can be based on personal contact”*. Another interviewee said that *“yes, we have requirements for our producers but making sure they follow them is more about having a dialogue, we always strive for close relationships with our suppliers”*.

**Food/ Restaurant:** The interviewees in this sector all mentioned that they have requirements for their suppliers but not necessarily in form of any certifications either. The requirements that they mentioned varied from how the transportation of the food should be handled to having fair working conditions for the farmers and food producers but one interviewee said *“we have requirements on our suppliers but you cannot always have full control of how things are done in every step of the supply-chain, that is impossible”*.

**Travel/ Event:** In the travel/ event sector the answers differed as well, one interviewee said *“we do not have any requirements, we try to influence and give recommendations, but no requirements.”* The other two both said that they have high requirements on the projects they choose to work with based on for example how embedded the projects are in the local society, if there are potential to work sustainably and what the thought behind the project is, but not necessarily based on certifications at all.

#### 4.2.3 Analysis and connection to background literature

It is interesting to note that all three sectors graded their suppliers as the least important stakeholder group out of the 5 they were asked to grade; especially since the textile/ fashion sector identified the supply-chain as one of the top three most relevant areas to include in the concept of social responsibility (figure 4.2.1) and also as one of the top three areas in which they address social responsibility the most (figure 4.2.2). However, they have graded their customers as their most important stakeholder and also the customers as the greatest source of external requirements and pressure. Hence, addressing issues in the supply-chain may be on request from the customers. It is also the textile/ fashion sector in which the companies apply most requirements on their own suppliers, which accord with the previous assumption.

In a study of Danish SMEs, Jorgensen and Knudsen (2006) found that only about 20-30 percent of the SMEs that receive requirements from the customers pass on requirements to their suppliers. The question was not asked in those terms to the companies participating in this research but it shows that almost half of all the companies have requirements for their suppliers. However, it differs significantly between the sectors and the textile/ fashion companies are the one with most requirements whilst travel/ event have the least.

It is also interesting to note that none of the potential external sources of requirements are given an average value much higher than 3. Assumptions based on the earlier informal conversations in this research expected media pressure to be higher in the consumer close sectors such as the textile/ fashion sector and food/ restaurant sector. This may be related to the quote by Jenkins (2004), see page 14, where she says that the CSR debate has failed to engage SMEs.

## 5. Conclusion and Discussion

The main research question - *How do Swedish SMEs perceive Corporate Social Responsibility?* - have been addressed throughout this project by the guidance of the sub-research questions. Although the research was exploratory and developed as a pre-study for further research, many interesting trends and regularities have been identified and analysed. The great divergence in what SMEs from the three sectors consider relevant to include in the concept of social responsibility is an interesting finding that emphasizes the ambiguity of the concept. However, the lack of a single accepted definition of the concept also makes it malleable, as De Geer et al, (2009) expressed it, and enables each company to interpret it freely, which can be used in their advantage.

Contrary to their differences, the similarities in how companies in the three sectors grade their main driver, barriers and to some extent also their stakeholder, are also interesting. It indicates that, independent on sector, the main drivers for Swedish companies with less than 100 employees to engage in CSR activities are ethical reasons and to build a good brand and reputation. Similarly, independent on sector, time constraint has proven to be the major barrier. But further sector specific research is needed in order to make any major generalisations or to draw any conclusions.

The analysis of how the empirical research findings from this study correspond to the previous studies made in non-Swedish settings without sector specification, show that similar findings and conclusions to what this research has developed have been made for almost all question categories in previous studies. However, some findings are opposing the mainstream results from previous studies. One example of this is the finding showing that the majority of the companies, even as much as 79 percent of the textile/ fashion sector, consider CSR as a part of their core strategy. Brand and reputation, being an equally strong driver as the ethical reasons for companies to engage in CSR, is another example of results that do not correspond with results from previous research. However, in order to understand if these differentiations are related to the Swedish setting, to the different sectors that were considered for the research, to the limited amount of data or to other circumstances; further research is required.

The interviewed companies all said that social responsibility is part of their core business strategy, which may not be so surprising as they were chosen based on their explicit active engagement in social responsibility activities. However, many of the interviewees pointed out that they have been able to get to where they are today because social responsibility was incorporated into the core of the business from the very beginning. A company that is started without those values and then, after the company structure and organisations are already established, have to make major changes was argued by many of the interviewees as much more challenging. This relates to a different perspective of CSR, where it can be viewed more as a work of change in the business management. This perspective can be related to the work of change that has been required from companies in connection with EMS and there are most likely lessons to be learned in relation to that. That is another area that would be suitable for further research in the field of CSR and SMEs.

Another interesting point of discussion during the interviews was related to barriers and how to overcome them. Most of the interviewees explained that their CSR initiatives are only

based on their own drive and interest. In relation to this, however, many of them pointed out that there are very limited external support schemes to help the smaller companies that want to engage in CSR but that do not really know how. Almost all of them expressed a need for easier practical tools that do not cost too much or take too much time to get involved in. This is an area where further research is really needed, in how to develop practical tools to assist SMEs in developing CSR approaches that are adapted after their own capabilities and expertise.

As mentioned in the beginning of this chapter, the lack of a single definition enables companies to interpret and address the topic according to their best interest. The 10 interviewees all presented different definitions and significantly different methods to address social responsibility. All of their different approaches were designed based on the specific values and capabilities within their companies, and despite the complete dissimilarity between their approaches, they all felt that they had created shared value for the company and the society. On those terms, I would like to end this paper in a positive spirit with a quote by Anne Frank:

*- How wonderful it is that nobody need wait a single moment before starting to improve the world -*

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## Contacts for informal conversations and email correspondence

**Båge Friberg, Christina;** Consultant and CSR Specialist at Ethos International, informal phone conversation, February 2011

**Haraldsson, Anna;** Sustainability Business Consultant at Sustainia, email correspondence, February 2011

**Kyrling, Ulf;** working with social entrepreneurship at Skänst Näringsliv, meeting in Malmö on the 16<sup>th</sup> February

**Skog, Eva;** Working at Swerea and is responsible for the CSR Network for SMEs called Ansvarslyftet, Informal phone conversation and email correspondence, March 2011

**Steinholtz, Daniel;** Speaker at The Social Responsible Day Conference and Consultant at Allies, email correspondence, February 2011

**Sweet, Susanne;** Speaker at The Social Responsible Day Conference and Associate Professor in the Department of Marketing and Strategy at the University of Stockholm, informal conversation and email correspondence, January 2011

**Zandén, Niklas;** Researcher at the Centre for Business in Society at the University of Gothenburg, with focus on CSR and Sustainability. Email correspondence, February 2011.

**Örvall, Helen;** Working at Almi Företagspartner, informal phone conversation, February 2011

## Appendix 1 – Description of the Interviewed Companies



<b>BokningsBolaget – BB Conferences</b>	
Interviewee (2011-04-13): Ingela Engblom – Director of Marketing and partner	
Number of Staff: Approximately 35	Webpage: <a href="http://www.bokningsbolaget.se">www.bokningsbolaget.se</a>
Sector (for the purpose of this study): Travels and Events	

BokningsBolaget was founded in 1984 and was identified for the purpose of this study through their membership in the network ‘Social Venture network Sweden’. They organize meetings, conferences, and conventions around the world. They have been supporting 4 different charity organisations for more than 10 years; Save the Children, Amnesty International, The Red Cross and WWF, and they give 0.03 percent of their yearly turnover to these organisations.

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**EVENT EVOLUTION**  
*By Ecogentian*

<b>Event Evolution</b>	
Interviewee (2011-04-18): Mofte Lundberg – Manager	
Number of Staff: 2	Webpage: <a href="http://www.eventevolution.se">www.eventevolution.se</a>
Sector (for the purpose of this study): Travels and Events	

Event Evolution was founded in 2009 and was identified for the purpose of this study through their membership in the network ‘Social Venture network Sweden’. Event Evolution organizes events, conferences and conventions and everything else included in the event sector with the ambition of doing it in a smarter, nicer and more sustainable fashion. They also host seminars of how to be more sustainable and responsible in the event sector.



<b>GoodTravel</b>	
Interviewee (2011-04-19): Paul Anderlind – Founder and Manager	
Number of Staff: 3	Webpage: <a href="http://www.goodtravel.se">www.goodtravel.se</a>
Sector (for the purpose of this study): Travels and Events	

GoodTravel was founded in 2010 and was identified for the purpose of this study through their webpage where they communicate great consideration of responsibility and sustainability. It is a travel agency that offers trips where vacations are combined with volunteer work. They collaborate with projects supporting underprivileged children, societies and animals in a variety of ways around the world.



### Granular – Real Stevia

Interviewee 2011-04-12: Carl Horn af Rantzien – Founder and CEO

Number of Staff: 12 in Sweden, 9 in Paraguay, 2 in Kina | Webpage: [www.realstevia.se](http://www.realstevia.se)

Sector (for the purpose of this study): Food and Restaurants

The company Granular, with the trademark Real Stevia, was founded in 2003 and was identified for the purpose of this study through their membership in the network 'Social Venture network Sweden'. Stevia is a natural, calorie-free, sweetener that originates from Paraguay in South America and the company has been trying to get Stevia accepted in the EU market since 2003, which is likely to go through later this year. They claim to be a capitalistic company with three important P's in focus; People, Planet and Profit.



### MiddagsKorgen

Interviewee 2011-04-21: Cecilia Strömberg – Founder and Manager

Number of Staff: 2 | Webpage: [www.middagskorgen.se](http://www.middagskorgen.se)

Sector (for the purpose of this study): Food and Restaurants

Middagskorgen (The dinner basket) was founded in 2008 and was identified for the purpose of this study through their webpage where they communicate great consideration of responsibility and sustainability. They sell well-planned dinner bags with healthy food, recipes and easy cooking instructions. The food is bought from local stores and is preferably also locally produced or ecological.

### NEWBODY®

#### Newbody

Interviewee (2011-04-12): Emelie Renholm – CSR Manager

Number of Staff: Approximately 30 | Webpage: [www.newbody.se](http://www.newbody.se)

Sector (for the purpose of this study): Textile and Fashion

Newbody was founded in 1987 and was identified for the purpose of this study through their membership in the network 'CSR VästSverige'. Newbody's products, mainly underwear and socks, are sold to the end consumer by sport associations and school classes. Through this collaboration, they help financing various different school trips, training camps and sport events. 'Win-win' is an important guiding concept for the business model of Newbody, they want all their stakeholders to benefit from their decisions and activities. Newbody also recently started to work with the ISO 26000 standard – guidance on social responsibility.

Nudie Jeans Co

### Nudie Jeans Co

Interviewee (2011-04-15): Karin Stenmar - CSR Manager

Number of Staff: Approximately 30

Webpage: [www.nudiejeans.com](http://www.nudiejeans.com)

Sector (for the purpose of this study): Textile and Fashion

Nudie Jeans was founded 10 years ago and was identified for the purpose of this study through the company register 'Klimatsmart' and through their webpage where they communicate great consideration of responsibility and sustainability. Their main products, the jeans, are produced in Italy to ensure great handicraft and quality. Their products are sold in 20 different countries and 40 percent of their production is ecological. It is all about quality and the love for denim.



M-TANKE

### Planet Blå - Om Tanke

Interviewee (2011-04-14): Sara Nelson - Owner and Manager

Number of Staff: 1

Webpage: [www.planetbla.se](http://www.planetbla.se)

Sector (for the purpose of this study): textile and Fashion

The company Planet Blå (Planet Blue) was founded in 2008 and was identified for the purpose of this study through the company register 'Klimatsmart' and through their webpage where they communicate great consideration of responsibility and sustainability. They are working with approximately 40 different suppliers, mainly small companies, and everything in the ecostore Om-Tanke is ecological. Nature has no voice to rise, which is why the ecological consideration is the most important



### Saltå Kvarn

Interviewee 2011-04-20: Johan Ununger - CEO

Number of Staff: 70-75

Webpage: [www.saltakvarn.se](http://www.saltakvarn.se)

Sector (for the purpose of this study): Food and Restaurants

Saltå Kvarn was founded in 1964 and was identified for the purpose of this study through their membership in the network 'Social Venture network Sweden'. Saltå Kvarn is an ecological food company and all their products are 'Krav' certified. It is based on what nature has to give, and nothing else.



## The Fair Tailor

Interviewee (2011-04-15): Sebastian Stjern – Founder and Manager

Number of Staff: 1

Webpage: [www.thefairtailor.com](http://www.thefairtailor.com)

Sector (for the purpose of this study): Textile and Fashion

The fair Tailor was founded in 2009 and was identified for the purpose of this study through their membership in the network ‘Social Venture network Sweden’. They are selling tailor made shirts online in order to make the world a better place. They are educating tailors in Nepal, where their shirts are produced. They are a profit driven company but not profit maximizing and they believe that it is possible to earn money and contribute to sustainable development at the same time.

## Appendix 2 – Interview Questions about Social Responsibility

### Short description of the company and your how you view certifications and standards

- How many employees?
- How does your supply-chain look and what is your role in the supply-chain?
- Do you have any certifications or do you work according to any standards within sustainability, environment or social responsibility?
- Have you heard about the ISO 26000 standard? If so, what do you think about it?

### The company's interpretation of what Social Responsibility implies?

- What does the concept of social responsibility mean for your company?
- Can you tell me about your how you work with social responsibility?
- Do you communicate your social responsibility initiatives? Are you using the term CSR?
- Do you consider social responsibility as a part of the company's strategy or as a branch on the side of the business operations?

### Why the company works with social responsibility – what are the main drivers?

- What are the main drivers or motivations for your company to address questions of social responsibility?
- How do you perceive the profitability or benefits of social responsibility in measurable factors?
- How do you perceive the profitability or benefits of social responsibility in intangible factors?
- *Have the membership in the CSR network affected you? If so, how?*

### What are the greatest barriers for social responsibility and how to overcome them?

- What do you consider the greatest barriers to work with social responsibility?
- How have you approached these barriers in order to overcome them?
- What kinds of barriers are preventing you from developing your social responsibility further?
- Do you think any external help could ease the work with social responsibility for you and other smaller companies in Sweden?
- Have you experienced any trade-offs whilst working with social responsibility?

### What other groups or stakeholders influence your work with social responsibility?

- Who do you consider your most important stakeholders to regard when you design your social responsibility initiatives?
- Are you experiencing any requirements, either from the supply-chain or other external stakeholder, to work with social responsibility? If so, from who?
- Have you put any requirements of social responsibility on your suppliers or customers? If so, how?

### (Other question if there is time)

- How do you think you will work with social responsibility in the future?
- What do you think about social responsibility in SMEs in the next 10 years?
- Do you think it is possible for all companies to experience a win-win situation?
- Is there anything you would like to add to this discussion?

## **Appendix 3 – Companies that were asked to participate in the survey**

The survey was sent out to 713 companies in Sweden. For the number of companies identified through each keyword, and by the number of employees, see below. Following is also a list of all the 713 companies that received an email with the survey.

### **Resor (Travels) and Event (Event): 251 Companies in total**

- Resor (Travels): 201 Companies
  - o 50-99 employees: 12
  - o 20-49 employees: 33
  - o 10-19 employees: 54
  - o 5-9 employees: 102
  
- Event (Event): 50 Companies
  - o 50-99 employees: 1
  - o 20-49 employees: 9
  - o 10-19 employees: 23
  - o 5-9 employees: 17

### **Textil (Textile) och Kläder (Clothes): 265 Companies in total**

- Textil (Textile): 69 Companies
  - o 50-99 employees: 5
  - o 20-49 employees: 11
  - o 10-19 employees: 17
  - o 5-9 employees: 36
  
- Kläder (Clothes): 196 Companies
  - o 50-99 employees: 9
  - o 20-49 employees: 27
  - o 10-19 employees: 49
  - o 5-9 employees: 111

### **Livsmedel – Tillverkare/Grossister (Food – Producers/Wholesalers) and Café (Café): 197 Companies in total**

- Livsmedel - Tillverkare/Grossister (Food – Producers/Wholesalers): 168 Companies
  - o 50-99 employees: 28
  - o 20-49 employees: 76
  - o 10- 19 employees: 64
  
- Café (Café): 29 Companies
  - o 50-99 employees: 3
  - o 20-49 employees: 7
  - o 10- 19 employees: 19

**Resor (Travels) 50-99 employees: 12**

1. Hallandstrafiken AB
2. Birka Cruises
3. KILROY Sweden AB
4. Lingmerths Resebyrå AB, Huvudkontor
5. Nilsbuss AB
6. Säfsen Resort AB/Svenska Möten
7. Sankt Jörgen Park Resort AB/Svenska Möten
8. Sembo AB
9. Solresor AB
10. STS Alpresor
11. Travellink AB
12. Västanhede Trafik AB

**Resor (Travels) 20-49 employees: 33**

1. Arvidsjaur Flygplats AB
2. Swanson's Travel AB
3. Ystads Resebyrå, AB
4. Tjörnarpsbuss
5. NEX Resebyrå AB
6. Airtours
7. Ar Resebyråer AB
8. Botkyrka Buss AB
9. Carlsson Trafik AB, Sven
10. Carlsteins Trafik AB
11. Ceris Resor AB
12. Color Line
13. Frakt & Spedition Polferries
14. Gesunda Resort AB
15. Golf Plaisir Resebyrå AB
16. Hansen Conference & Event AB
17. Hovslätts Bussresor AB
18. Inca Tours AB
19. Jambo Tours Scandinavia AB
20. Kinaresor
21. Novasol AB
22. Reseguiden Interactive AB
23. Rese-Konsulterna AB
24. Resevaruhuset HK
25. Seat24 Travel AB
26. Select Travel AB
27. SmålandsBussen Resebyrå AB.
28. TA Travel AB
29. Ticket
30. Tranås Resebyrå AB
31. Travelflow
32. Travelpartner
33. Tumlare Corporation

**Resor (Travels) 10-19 employees: 54**

1. Vimmerby Trafik AB
2. Señor Svensson Resor AB
3. Sabre Sverige AB
4. Företagsresor i Umeå AB Affärsresor
5. Bromölla Busstrafik
6. Olka Sportresor AB
7. Specialresor AB
8. AKI Golftravel AB

9. Åmmebergs Buss AB
10. Baltic Gateway AB
11. Bengt-Martins AB
12. Buss-Bengt i Nybro AB
13. Detur AB
14. Euro Business Travel AB
15. Favorit Kultur och Temaresor AB
16. Flygpoolen i Stockholm AB
17. Flygstolen Nordic AB
18. Forsbergs Buss AB
19. Godsservice i Väst AB
20. Gruppresor AB
21. HRG Nordic
22. Jade Travel AB
23. Kiruna Guidetur
24. Koch & Ljungberg AB
25. LÅS och RES
26. Lime Travel
27. Linköpings Resebyrå Aktiebolag
28. Lotus Travel Euroasia AB
29. MyPlanet Sweden AB
30. Net Travel Service
31. Travel Service
32. Norrbottens Resebyrå AB
33. Norrtelje Resebyrå AB
34. Odenresor AB
35. Omnibuslinjen Habo-Hjo AB
36. PolarQuest Expedition
37. Resehuset
38. Respartner i Ängelholm AB
39. Rolfs Flyg- & Bussresor AB
40. Sea & Sky Travel
41. Seascape Tours AB
42. Silverstrands Trafik AB
43. Svenska Lloyd Resebyrå AB
44. Svenska ReseBolaget i Halmstad AB
45. Svenska ReseBolaget i Kungälv AB
46. The Lodge Resort
47. TjeckienExperten AB
48. Torsby Buss AB
49. Tour Pacific
50. Travel Service
51. Trestads Bussresor AB
52. Vikingbuss Resecenter
53. Vulkan Resor AB
54. Winbergs Resebyrå/Winberg Travel

**Resor (Travels) 5-9 employees: 102**

1. Islandia Resor
2. Resia
3. Halmbergs Busstrafik
4. Rese-Konsulterna Grupp & Konferens
5. Reseproffsen Enköping AB
6. Bankekinds Buss AB
7. Getnö Gärd AB Lake Åsnen Resort
8. Odenresor
9. A K Busstrafik
10. AB Afro-Caribbean Travel

11. AIR & Arrangements Skagerlind AB
  12. Australienresor AB
  13. Björk & Boström Sportresor
  14. BJÖRNRESOR
  15. Blomgren Travelgroup
  16. Blue Wings AB / Bw Scandinavia AB
  17. Blueberry Språkresebyrå
  18. Bollnäs Busstrafik AB
  19. Borås Affärsresebyrå AB
  20. Brasiliexperten AB
  21. Carlshamns Resebyrå AB
  22. Contour Air AB
  23. Dorothy Tours
  24. E Gustafsson Touring AB
  25. Erlings Resor AB
  26. First Class Travel i Höllviken AB
  27. Flygspecialisten AB
  28. Företagsresor i Boden AB
  29. Första ReseByrån
  30. Framtidsresor
  31. Gårdbybuss
  32. Giibee Travel Agency AB
  33. GO Sport Travel
  34. Golf Tours
  35. Göran Starck Buss AB
  36. Grand Tours AB
  37. Hedemora Resebyrå
  38. Hummingbird Lifestyle Travel
  39. Indcen Resor
  40. Israel Tours
  41. Iventus International Travel AB
  42. Järfälla Resebyrå AB
  43. JÖRNs RESOR AB
  44. Kirunas Affärs & Privat Resebyrå AB
  45. Kleins Resebureau AB
  46. L K Buss AB
  47. La Villa Travel AB
  48. Latitude Travel AB
  49. Nordic Incoming Konferens & Specialresor AB
  50. Nygren & Lind Resebyrå AB
  51. Olka Golf & Konferensresor AB
  52. OmniaResor
  53. Östra Ryds Busstrafik AB
  54. Pensionat Gula Hönan
  55. Perssons Resor AB
  56. Phoenix
  57. Pool-resor AB
  58. Resdax Ski AB
  59. Resecentrum i City AB
  60. Resecentrum i Stockholm AB
  61. Resecity
  62. Resecity AB, Härnösands
  63. Resecity i Mora AB
  64. Resecity Resebyrå
  65. Resekompani AB i Sandviken
  66. Resekompaniet i Kungälv AB
  67. Resemakarn
  68. Resenavet Transporter AB
  69. Reseproducenten AB
  70. Resia
  71. Resia Affärsresor
  72. Resia, Birsta (IKEA)
  73. Resman i Falun Borlänge AB
  74. Revent Golfresor
  75. Rolf Olofssons Företags
  76. Sabra Tours AB
  77. Samelandsresor
  78. Skidinfo Stockholm AB
  79. Smålandsbussen Resebyrå AB
  80. Springtime Resor
  81. Stockholms Specialresor AB
  82. Stureplans AffärsResebyrå
  83. Svanbergs Resebyrå Eftr AB
  84. Svenska ReseBolaget AB
  85. Svenska Resebolaget i Ludvika AB
  86. Svensk-kinesiska Resebyrån AB
  87. Sverigeflyg
  88. Täby Resebyrå AB
  89. Tobbes Resor AB
  90. Travel Design AB
  91. Travel Point AB
  92. Travelnet Gotland
  93. Travelshop
  94. Triangelresor AB
  95. Tur & Retur Resebyrå i Helsingborg AB
  96. Världens Resor
  97. Vega Resor AB
  98. VETLANDA RESEBYRÅ AB/B Q Travel
  99. VIA Travel
  100. Visit Skärgården AB
  101. Where 2 Production AB
  102. Work & Travel Company Sweden AB
- Event (Event) 20-99 employees: 10**
1. Ahlbom Production AB/Storstad/Hotellet
  2. Halmstad Travet
  3. Octanorm AB
  4. Glasklart Event & Restaurang Vip Room
  5. Backup AB
  6. Elite Hotel Savoy
  7. Stark Film & Event AB
  8. Cous Cous Catering & Event
  9. LHC Event (50-99)
  10. MWM Events AB
- Event (Events) 10-19 employees: 23**
1. Projecta Event & Konferens AB
  2. Lastberget Konferens & Upplevelse
  3. First Hotel Garden
  4. Hitech Konferens & Event AB
  5. NetConnect Systems Sweden AB/ Meet24.se
  6. Borstahuset Restaurang & Nöjen AB
  7. Aktiva Event AB
  8. Björksäter Event Nattklubb & Bar
  9. Blick Event AB
  10. Extrem Events AB

11. Facio Event & Bemanning i Sverige AB
12. Fredag Eventbyrå AB
13. Kosmonaut Events AB
14. Liquid Event i Malmö AB
15. Münchenbryggeriet Event & Konferens
16. Nordic Event AB
17. Occasion Euro Events AB
18. P W Creative Events AB
19. Skellefteå Aik Hockey Event AB
20. Succé Event & Catering
21. Swedish Power Event AB
22. Tent for Event Scandinavia AB
23. Uddevalla Event AB

**Event (Event) 5-9 employees: 17**

1. Luleå Expo AB
2. PA Kompaniet AB
3. Varberg Event AB
4. Fegge & Mattes Ljud Ljus Event AB
5. BT Event AB
6. Clipper Bygg & Event AB
7. Demo Eventproduktion
8. Diner Buffé och Event
9. Event & Activity in West AB
10. Eventab Smart Communication Sweden Event AB
11. Lucas Events AB
12. Nordic Gokart & Events
13. Qwinsta Event AB
14. Smart Eventbyrå
15. Tält & Eventbyggarna AB
16. Telegraf Event & Branding
17. Trippus Event Solutions

**Textil (Textile) 50-99 employees: 5**

1. Berendsen Textil Service AB
2. Industri-Textil Job AB
3. Kuvertteamet
4. Sjuhäradsbygdens Färgeri AB
5. Woolpower AB

**Textil (Textile) 20-49 employees: 11**

1. ACG Nyström AB
2. Arvidssons Textil AB
3. Indukta Progenta AB
4. MERi Textil & Reklam
5. Rudholm & Haak AB
6. Stf Svenska Textilfilter AB
7. Svanefors Textil AB
8. Tranemo Textil AB
9. Väveriet i Uddebo
10. Wästgöta Textilindustri AB
11. Winters, Textil AB Olle

**Textil (Textile) 10-19 employees: 17**

1. Industriprofil AB
2. Tillskärarakademin i Göteborg
3. Heinex AB

4. Text & Dekor
5. Vithalatvätten AB
6. TVÄTTAB Textilservice
7. Berger & Co AB, Y
8. Brink Textile Agency, AB Sonny
9. Cordgarn AB
10. Fruit Distribution AB
11. Jahn AB, C
12. Korallen AB
13. Swelogent
14. Textilgrossisten AB
15. Textilgrossisten Wernfeldt & Co AB
16. Textilhuset AB
17. Vic Textiltvätt AB

**Textil (Textile) 5-9 employees: 36**

1. FRED Textiltryck AB
2. RC Reklam
3. Egetaeppe-Sverige AB
4. Lidingö Silk Screen
5. PR Marking AB
6. Kents Textiltryck i Halmstad AB
7. Sundbybergs Textilcentrum
8. INSLAGET Smålands Textiltryck AB
9. Bauer & C:o AB
10. Baumann Textil AB
11. CADORO Agenturer AB
12. Flocking Technology Logomix
13. Franzén's Textil i Kinna AB
14. Frösö Handtryck Textil AB
15. Galant Plast
16. Gt Screenpower AB
17. Ideal Lädervarufabrik, AB
18. Jobs Handtryck AB
19. Kristianstad Textil, AB
20. Lingbo Textilinredning AB
21. Ljungby Textiltryck & Brodyr AB
22. Lyel
23. Navigera Profilcenter
24. Noll33 Screen AB
25. Scandinavian Nonwoven AB
26. Skapa Reklam AB
27. Skåve Mekaniska Industri AB
28. Svegea of Sweden AB
29. Swagg Screen & Textil AB
30. Swegmark-Invest, AB
31. Teko-Sveriges Textil & Modeföretag
32. Textil- & Läderlaboratoriet Stockholm AB
33. Textil & Reklamtryck H Sandberg AB
34. Textil Interiör i Forserum AB
35. Textiltryckar'n AB
36. Tobex AB

**Kläder (Clothes) 50-99 employees: 9**

1. Atlas Design AB
2. Bestseller Sverige AB
3. Boomerangbutiken
4. Haglöfs Scandinavia AB

5. J.Lindeberg
6. New Wave Mode AB
7. Rabalder AB
8. Snickers Workwear AB
9. Vingåkers Factory Outlet AB

**Kläder (Clothes) 20-49 employees: 27**

1. Team Sportia
2. Abeko Konfektions AB
3. Bagheera AB
4. Benetton
5. Bex of Scandinavia AB
6. Cross Sportswear International AB
7. Desam Fashion Group AB
8. Eliasson & Lundgren AB
9. Esprit
10. Filippa K Butik AB
11. Forsbacka-Tvätten AB
12. Galvin Green AB
13. Göte David Teko AB
14. Hanzens
15. Hellenic Trading
16. HOLMENS Herr
17. INTERSPORT
18. JC- Butiken
19. Kompaniet Kalmar AB
20. Lindgrens
21. Max Collection AB
22. Pollyflame Concept Scandinavia AB
23. Rågärds Modehus
24. Stenströms Skjortfabrik, AB
25. Trendmark AB
26. Vila
27. Wiges AB

**Kläder (Clothes) 10-19 employees 49**

1. Strumpan
2. Cai AB
3. Älvsereds Shoppingcenter
4. Amanda Christensen AB
5. ASSBECKS fashionhouse
6. Bola
7. Boob Design AB
8. Brands Factory Levis and Dockers outlet AB
9. Byxshopen
10. Cavaliere AB
11. Company family and friends
12. Damella AB
13. Didriksons Regnkläder AB
14. Ewa i Walla – Art Design AB
15. FREEPORT Designer outlet
16. Fribergs Herr o. Damkläder
17. Giotti, Butik
18. Grattes
19. HEAB/HESTRA AB
20. Hedströms Herr och Dam
21. Högfelds Design AB
22. Ivanhoe AB

23. Jack and Jones
24. Klädhuset
25. Londré-Hatten AB
26. Martinson Konfektion AB
27. Newhouse Design
28. Norén o. Englund
29. Nya Thulins
- 30 Nyman AB, Bröderna
31. Nytello AB
32. Öhmans Kläder
33. Oscarskjortan
34. Pondums Clothing Company Torp AB
35. Portia AB
36. Priskrossaren i Ösmo Centrum och Nynäshamn Centrum
37. PSS Profil och Souvenir i Sverige AB
38. R M Läder AB
39. Rappson AB
40. Rydéns Yrkeskläder
41. Sea Trika AB
42. SeaSea Båttillbehör Butikskedja
43. Siden Selma AB
44. Stil i Jönköping AB
45. Timarco AB
46. TROLLTYG
47. Vila
48. Wramborgs Strumpfabrik AB
49. Yllet AB

**Kläder (Clothes) 5-9 employees: 111**

1. Sahlins Kläder
2. Helens Kläder
3. Reklamprofilen AB
4. Toni-Lee AB
5. Driva AB, United
6. 4 Work Yrkeskläder AB
7. Agassi Donna AB
8. AJ Eriksen AB
9. Amira
10. Andreasson i Göteborg AB
- 11- ANN PureNature AB
12. Ann-Cathrines Kläder
13. Art Trend International AB
14. Ateljé MB
15. Axel & Ebba
16. Behrington AB
17. Benetton
18. Bergström AB Eftr., Bröderna
19. Berns Mens Wear AB
20. Bijas Produktion AB
21. Björklund & Malmkvist AB
22. Blue Fox AB
23. Bröderna Johansson i Varberg AB
24. Burmans Skor
25. Butik Grön
26. C M T Andréasson & Son
27. Centrum AB
28. Cosy House AB

29. Dobsom AB  
 30. Dunderdon Hagbergans Konfektion  
 31. Ekdahl Ingvar AB  
 32. Elfrida  
 33. Elvine AB  
 34. EVA  
 35. Falkenklevs Mode AB  
 36. Fjällräven Sverige AB  
 37. GANT Store  
 38. Garda of Sweden AB  
 39. Greens i Värnamo AB  
 40. Gregers AB  
 41. Grundéns Regnkläder AB  
 42. Handelsboden Skinn- & Mc-Kläder Karlstad AB  
 43. Hansen & Jacob  
 44. Härnö Maskinkonsult AB  
 45. Hk Sports & Golf AB/Donnay Outlet Store  
 46. Intima 4 Å AB  
 47. Jacett AB  
 48. Janemars Herr  
 49. Jdm i Malmfälten AB  
 50. Jeans Factory AB  
 51. Jenkins Produktion Link AB  
 52. Johnells  
 53. Kihléns Konfektion  
 54. Klädbutiken  
 55. Klädhuset Mest o. Bäst AB  
 56. Klädjätten i Linköping AB  
 57. Klädkompaniet  
 58. Klädpiraten  
 59. Klättermusen AB  
 60. Labelle AB, Modehuset  
 61. Lawinett Mode AB  
 62. Maggie Kista  
 63. Maritza Götgatan  
 64. Maruschka Concept AB, Maria  
 65. Matterhorn , NOTEC Trading AB  
 66. Mays Shop  
 67. MBK Mode i Uppsala AB  
 68. Metz  
 69. Miss Elly AB  
 70. Mode Eva i Borlänge AB  
 71. Modevillan  
 72. Never Mind AB  
 73. Nicco Dam & Herrkläder  
 74. Nordlunds Man & Woman  
 75. Nygårds Anna Bengtsson AB  
 76. Old Macs AB  
 77. Örjans Jeans & Kläder i Boden AB  
 78. Pelle Ström Agenturer  
 79. Peobe AB  
 80. Pinewood AB  
 81. Pondus Partille AB  
 82. POPS P-O Persson AB  
 83. Primo Kläder AB  
 84. Pure and Simple i Stockholm AB  
 85. Ralston Design AB  
 86. Savann Corp. AB

87. Scampiab  
 88. Scorett  
 89. Simu Nordic AB  
 90. Skölds Modehus  
 91. Sköna Under  
 92. Södra Päls AB  
 93. Standard  
 94. StayDirt.se  
 95. Stiliga Högtidskläder  
 96. SUPROD AB  
 97. Tajms Collecollection AB  
 98. Tangent 1991 AB  
 99. Thernlunds Modehus AB  
 100. Thornbergs Modehus  
 101. Tierra Products AB  
 102. TKSTrend House i Värnamo AB  
 103. Tretton  
 104. Villervalla AB  
 105. Westvalls  
 106. Wilma Modebutik  
 107. Twilfit  
 108. Ullcentrum  
 109. United Fashion Herr och Dam  
 110. Unlimited Licenses AB  
 111. Viktors Menswear

**Livsmedel - Tillverkare/Grossister (Food – Producers and Wholesalers) 50-99 employees: 28**

1. RP Frukt AB  
 2. Dr PersFood AB  
 3. Findus Sverige AB  
 4. Almondy AB  
 5. Nyäkers Pepparkakor, AB  
 6. AB Karamellpojarna  
 7. Abdon Mills AB  
 8. Alba Handels  
 9. ALLMANS Kött & Chark Snabbgross AB  
 10. Biodynamiska Produkter, Stiftelsen  
 11. Björnekulla Fruktindustrier AB  
 12. Bröderna Nilsson Delikatesser AB  
 13. Dr Persfood Production AB  
 14. Falköpings Mejeri  
 15. Fram Foods AB  
 16. Fruktservice AB  
 17. Jakobsdals Charkuteri, AB  
 18. Källbergs Industri AB  
 19. Lantmännen Reppe AB  
 20. Leksandsbröd  
 21. Mältidslösningar AB  
 22. Mårdskog & Lindkvist AB  
 23. Mirim Gruppen AB  
 24. Nordqvists Fiskexport AB  
 25. Norfoods Sweden AB  
 26. Polarica  
 27. SIA Glass AB  
 28. Sohlbergs Chark AB

**Livsmedel - Tillverkare/Grossister (Food – Producers and Wholesalers) 20-49 employees: 76**

1. IFF Norden AB
2. Årsta Kött AB
3. Ceres i Skåne AB
4. Lantmännen Solanum AB
5. Munka Charkuteriet AB
6. Mattes Bröd
7. Svea Kött AB
8. 3N Produkter AB
9. Alpnaering Sverige AB
10. Äppelriket Österlen Ek. För.
11. B & S Foods AB
12. Bageriprodukter AB
13. BD Fisk AB
14. Bergströms Rökeri AB
15. Biofood AB
16. Bordsjö Skogar AB
17. Bromölla Charkuterifabrik AB
18. Candeco Konfektyr AB
19. Cocandy Konfektyr AB
20. Dalsjöfors Kött
21. Danica Foods AB
22. Drivabolagen AB
23. Engelhardt & Co AB, B
24. Engelholms Glass AB
25. Falkenbergs Laxrökeri AB
26. Färskvarugruppen AB
27. Feldts Fisk o Skaldjur AB
28. Finax Bakhjälp AB
29. Fiskexporten Varberg AB
30. Fontana Food AB
31. Formidabel i Malmö AB
32. Fria Bröd AB
33. Fyrstads Bröd AB
34. Gotlandsägg AB
35. Gourmetgruppen AB
36. Hanson & Möhring AB
37. Hung Fat Trading Asien Livs
38. ICA Supermarket Larsberg
39. Jojjen Korv AB
40. Kallskänks Gormé i Växjö AB
41. Kalmar Kebab AB
42. Kalmar-Ölands Trädgårdsprodukter Ekonomisk Förening
43. Keges Grosshandel AB
44. Kellogg Sverige
45. Konservkompaniet AB
46. Korvpojnkarnas Charkuteri AB
47. Köttcentralen AB
48. Kung Markatta AB
49. Laggen i Ludvika AB
50. Lecora AB
51. Lerøy Nordhav AB
52. Lindvalls Charkuteri AB
53. Magnihill AB
54. Mat på Jobbet (tm) Svenska AB
55. Matkompaniet AB

56. Meet i Linköping AB
57. Mixum AB
58. MOAB Michael Oldin AB
59. Mossagården Eko AB
60. Movement Sales Partner Nordic AB
61. Polfärskt Bröd / Allbröd Borlänge
62. Probi AB
63. Råkor- & Laxgrossisten
64. Saturnus AB
65. Skal-Mans Potatis AB
66. Skåne-möllan AB
67. Solna Korv AB
68. Ståhl, AB Åke
69. Stockmos Fruktindustrier AB
70. Svantes Vilt o. Bär
71. Swed-Jam AB
72. Torebrings Grossist AB
73. Trinity Försäljnings AB
- 74 Tulip AB
75. Vika Bröd i Dalarna AB
76. Werners GourméService

**Livsmedel - Tillverkare/Grossister (Food – Producers and Wholesalers) 10-19 employees: 64**

1. Sunco Food AB
2. Lpm-Potatis AB
3. NordArom AB
4. Svensk Honungsförädling AB
5. Mantorpsköket, AB
6. Kemikalia AB
7. Protista International AB/ Protista Gruppen
8. Paulssons Bär & Grönsaker AB, K-G
9. Åke Schreiber AB
10. Alsbo Ägg
11. Anacardia AB
12. Ancrona AB
13. Arvidsjaur Renslakt AB
14. Åse-Glass AB
15. Axel Johnson AB
16. Björk & Co
17. Bodén & Lindeberg AB
18. Bodens Kött & Vilt AB
19. Borgens Konserver AB
20. Bull-Olles Bageri AB
21. Ca Cedergren AB
22. Carlshamn Mejeri AB
23. CT Food AB
24. Dotetorps Ägg AB
25. Dryckesbolaget Gustaf Wasa AB
26. Erzz Mat AB
27. E-Säljinvest AB
28. Eskilstuna Kebabfabrik AB
29. FDC Grossist AB
30. Femtorp Trading AB
31. Fiskcentralen Matgard
32. Ge Be Frukt AB
33. Gesala Ägg AB
34. Glasshuset

35. Gustafskorv AB
36. Halmstad Frukt & Grönt AB
37. Helhetshälsa Sverige AB
38. HISAB Joker Company AB
39. Käseberga Fisk AB
40. Lindblom, AB Tage
41. Lohmandergruppen AB
42. Matprodukter AB
43. Möinge Kontrollhönseri AB
44. MP-Produkter
45. Nordfalks Industri AB
46. Norrlandsägg Ekonomisk Förening
47. Orex AB
48. Oriental Food
49. Plivit Trade
50. Polfärskt Bröd / Allbröd Gällivare
51. Polfärskt Bröd / Allbröd Tvååker
52. Potatis- & Grönsaksprodukter
53. Roslagsbröd
54. SH:s Säljlager
55. Sonjo Produkter AB
56. Sörensen AB, Ludvig
57. Sorunda Korvfabrik AB
58. Source Food Production i Skåne AB
59. Stockholmsgården AB
60. Sundlings Handels AB
61. Swedish Oat Fiber
62. Västerbottens Potatis AB
63. Vendia Foods AB
64. Viltpoolen AB

8. CaféUH
9. Graffiti Café
10. Graffiti Café
11. Kroatorpets Restaurang & Café
12. Landhs Konditori Restaurang & Café
13. Lasse-Maja Bageri & Café
14. Matkult Kök & Café
15. Nicke 's & Tudde 's Café & Handel AB
16. Norra Hamngatan Restaurang & Cafe AB
17. Restaurang Café Finn
18. River Café
19. Ubbe's Bageri & Café

**Café (Café) 50-99 employees: 3**

1. Café La Casita
2. Hard Rock Cafe
3. Stigs Café och Bageri i Värnamo AB

**Café (Café) 20-49 employees: 7**

1. Landings Konditori AB
2. Toftastrand/ Villavik Hotell och Konditori
3. Åre Ski Inn
4. Amaranten Konditori och Café AB
5. Café Charm
6. Café Gyllen
7. Café Mäster Hans i Malmö AB

**Café (Café) 9-19 employees: 19**

1. Thores Bageri o. Konditori
2. Café Sandhem Vä
3. Café Safari
4. Amazon Kök Bar Café
5. Bärnarps Konditori & Café AB
6. Boulevard Café & Conditori
7. Café Lusthuset (Plantmarknaden)

## Appendix 4 – The Survey

Following is a translation of what was written in the survey that was sent out to 713 Swedish SMEs and responded by 89 companies.

*This survey is part of a study on behalf of Tillväxtverket, conducted as a master thesis of Elin Olsson who studies sustainability science at the University of Lund. The study explores social responsibility from the perspective of small Swedish companies and your contribution is highly appreciated. The questions are short but comments and further information is warmly welcome. When you consider yourself done with the survey, press the little grey button that says "finish survey" at the bottom of the page. Please accept our thanks in advance!*

**\* 1. How many employees does your company have, including the owner?**

**\* 2. In which sector does your company fit best?**

- Textile/ Fashion
- Food/ Restaurants
- Travel-/ Event Organizers
- Other (Write what in the textbox below)

**3. Do you sell mainly services or products?**

- Services
- Products

**4. There are many different definitions of Social Responsibility or CSR (corporate social responsibility), how do you interpret it? Check of the alternatives that you consider relevant for social responsibility in companies?**

- Working for equality
- Working against corruption
- Good working conditions for employees
- Working for human rights
- Working with consumer questions
- Working for better procedures through the supply-chain

- Charity and Philanthropy
- Engaging in, and developing, the local society
- Environment
- Other (Write what in the textbox below)

5. Do you have any certifications or work according to any standards within social responsibility, environment or sustainability such as ISO standards, EMAS, Krav, etc?

- No
- Yes (Write which in the textbox below)

6. What do you think about the new ISO 26000 standard that is suppose to be a guide for social responsibility? Check of all the alternatives that accord with your opinion

- I have never heard of it
- I have heard of it but I do not know what it implies
- It seems complicated
- We are not interested in ISO 26000
- It seems like a good guide for Social Responsibility
- It is good that it is not certifiable
- It would be better if it was certifiable
- We already work according to ISO 26000
- We will soon start to work according to ISO 26000
- We will probably not use ISO 26000 in the future
- Other

7. Which is your role in the supply chain? Check of the alternative that best describe your company?

- We are selling most of our products/services to other companies (B2B)
- We are selling most of our products/services to public sector
- We are selling most of our products/services to consumers (B2C)

8. In which areas do you work with social responsibility? Grade the alternatives between 1 and 5 where  
 1= Not at all  
 5= Very much

	1	2	3	4	5
Working conditions for the employees	<input type="checkbox"/>				
Reporting and controlling	<input type="checkbox"/>				
Within the supply-chain	<input type="checkbox"/>				
Consumer questions	<input type="checkbox"/>				
Local community engagement	<input type="checkbox"/>				
Charity and Philanthropy	<input type="checkbox"/>				
Human Rights	<input type="checkbox"/>				
Equality	<input type="checkbox"/>				
Against corruption	<input type="checkbox"/>				
Environment	<input type="checkbox"/>				
Other	<input type="checkbox"/>				

9. Do you consider social responsibility as a part of your business strategy, as something you do on the side of the business operations or as something you do not work with at all?

- Part of the business strategy
- A branch on the side of the business operations
- We do not work with social responsibility

10. Are you communicating your social responsibility initiatives?

- Yes (please write how in the textbox below)
- No (Please write why in the text box below)

11. What are the main drivers and motivations for you to work with social responsibility. Grade the alternatives between 1 and 5 where  
 1= Not a driver at all  
 5= A very strong driver

	1	2	3	4	5
It can be economically beneficial	<input type="checkbox"/>				
Ethical reasons, we want to be responsible	<input type="checkbox"/>				
It creates a good reputation and brand	<input type="checkbox"/>				
Requirements and expectations with the supply-chain	<input type="checkbox"/>				
Requirements and expectations from the consumer	<input type="checkbox"/>				
Other	<input type="checkbox"/>				

12. What do you consider as barriers for you to work (more) with social responsibility? Grade the alternatives from 1 to 5 where  
 1= Not at all a barrier  
 5= A very important barrier

	1	2	3	4	5
It requires too much money	<input type="checkbox"/>				
It requires too much time	<input type="checkbox"/>				
We lack the knowledge of how to work with it	<input type="checkbox"/>				
CSR and social responsibility are complicated terms	<input type="checkbox"/>				
Other	<input type="checkbox"/>				

13. Which are your most important stakeholders regarding social responsibility? Grade the alternatives from 1 to 5 where  
 1 = Not important at all  
 5 = Very important

	1	2	3	4	5
Your customers	<input type="checkbox"/>				
The end consumer	<input type="checkbox"/>				
Your employees	<input type="checkbox"/>				
Era suppliers	<input type="checkbox"/>				
The local society	<input type="checkbox"/>				
Other	<input type="checkbox"/>				

14. Are you experiencing any requirements or expectations that you should work with social responsibility? If so, where does these requirements and expectations come from? Grade the alternatives from 1 to 5 where  
1 = No requirements or expectations  
5 = Very high requirements and expectations

	1	2	3	4	5
From the end consumer	<input type="checkbox"/>				
From your customers and purchasers	<input type="checkbox"/>				
From your suppliers	<input type="checkbox"/>				
From Media	<input type="checkbox"/>				
Other	<input type="checkbox"/>				

15. Are you putting any requirements regarding social responsibility on your suppliers? If yes, please write how in the textbox below

- Yes
- No

16. Is there anything else you find important in the discussion about social responsibility that has not been asked about in this survey?

17. Do you wish to receive a copy of the report with the final result when the study is completed? If yes, write the email address to which you wish to receive the report in the textbox below.