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Entrepreneurial Profile and Environmental Commitment of SMEs: A Comparative Analysis in France and in Tunisia

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Abstract

A pillar of sustainable development (SD), environmental commitment is the subject of many academic studies often devoted to large enterprises located in developed countries. This article analyzes the environmental commitment of SMEs in terms of public policies in favor of SD in two national contexts, namely France and Tunisia, based on a frame of reference of entrepreneurs' profile. The deductive qualitative methodological approach is essentially based on analysis of interviews conducted in twelve SMEs in each country. The results show that the environmental commitment of SMEs and their motivations are influenced by the managers' entrepreneurial characteristics as well as their education level, degree of innovation and integration in social networks. The comparative analysis shows convergence and divergence between the French and Tunisian contexts, particularly because of public policy, a mirror image of national cultures.

Keywords: environmental commitment, entrepreneurs, SME, public policy, profile

1. Introduction

Environmental commitment is one of the three components of sustainable development (SD). The recent changes in the business world lead all firms of different sizes and geographical locations to feel concerned about SD in order to ensure their own sustainability.

Over the years, environmental management has become a major strategic issue (Allenby, 1999; Boiral, 2007), but it remains marginal and poorly documented in the context of SMEs. However, among the economic actors, SMEs which represent the majority of companies in the world (Levratto, 2009) are significant sources of national wealth, but also of potential harm to the natural environment. They have therefore a legitimate active role to play in SD.

Aware of the issue at stake, several countries including France and Tunisia strengthened their regulatory instruments. They also implemented incentive public policies and awareness raising campaigns conducted by the regional authorities, governmental and supranational organizations. Hence, in France, where the landscape of SMEs is largely dominated by small and very small enterprises, the Green New Deal resulting from the Grenelle Environment Forum of October 2007 will affect all economic sectors as well as French entrepreneurs in the near future. In the economic context of Tunisia, large enterprises are marginal since 99.02% of enterprises in the country employ less than 200 workers (INS, 2005). Incentive public environmental policies are explicitly directed towards SMEs because of their weight, but also their weaknesses in a globalized world.

Broadly, environmental commitment seems to move towards an increased awareness reflected in a more apparent integration of ecological principles in the management practices of SMEs (ADEME, 2009). Despite this tendency and significant public resources devoted to raising awareness and encouraging corporate environmental commitment, until the early 2000s, most SMEs did not have organized practices (Madsen & Ulhoi, 1996; Spence et al., 1998). Difficulties persist, particularly SMEs' poor resources (Gunningham et al., 1997; Spence et al., 1998) and the chronic lack of information (Allenby, 1999; Clarck, 2000). Voluntary processes initiated by SMEs generally meet little success (Madsen & Ulhoi, 1996). SME managers are alleged to be poorly motivated to go

beyond legal requirements (Greening & Gray, 1994; Russo & Fouts, 1997). The conditions of effectiveness of public policies in favor of environmental commitment of SMEs can legitimately be questioned in both North and South economic contexts to ensure a sustainable active commitment of the economic world to SD (Palpacuer et al., 2010). Answering this question involves the realization of theoretically based and comparative studies of environmental strategies in the specific environment of SMEs and of their explanatory factors in different, though comparable, cultural and institutional contexts.

North-South comparative studies are needed because they help build a solid theory of sustainable entrepreneurship, taking into account the influence of contextual dimensions by exploring the universal and the contingent shares in SME practices related to SD to better target them and support them in this movement.

Several previous studies have speculated about the influence of entrepreneurial variables on SME commitment to SD (Kuhndt et al., 2004; Hemingway, 2005; Spence et al., 2007b). While some practices and certifications can lead to denaturing SMEs (Torrès, 2003), the decisions taken within these enterprises often remain personalized, reflecting the manager's logic of action. At the same time, authors such as Scholtens and Dam (2007) or Westerman et al. (2007) showed that the commitment to a policy of SD or corporate social responsibility (CSR) was dependent on the national culture. However most studies (Bondy et al., 2004; Kaptein, 2004) covered (often large) enterprises of industrialized countries. Less frequently, researchers focused on emerging countries such as Melé et al. (2006), but research into the appropriation of SD by SMEs in developing countries remains very marginal and not well known (Luetkenhorst, 2004). Even if these countries do not constitute a homogeneous group (Torrès, 2001), many of these contexts are difficult for SMEs, adding to the challenge of small size, that of the development level of the country and low living standards and environmental awareness of local consumers. In the absence of institutional incentives, there is a lack of support by businesses to CSR values and hence, a limitation or an absence of environmental practices in companies often confined to relations of sponsorship and philanthropy (Jamali & Mirshak, 2007). The main factors favoring CSR are the values and beliefs of the manager, the search for legitimacy and belonging to a committed multinational company (Gherib et al., 2009). Rice (2006) in turn shows the role played by the individual values promoted by Islam in Egypt, to promote environmental causes of citizens.

From a North-South comparative perspective and primarily based on entrepreneurial theory, our research question concerns the link between environmental commitment of SMEs and the profile of their owner-managers. It takes place in two entrepreneurial situations that are different but historically and economically related and yet previously explored in the field of environmental commitment of SMEs, namely France and Tunisia.

The second section of the article presents the theoretical framework and outline of the research through a synthesis of previous studies. We specify, in the third section, the research methods and empirical fields in their context. Our findings are presented and analyzed by country in the fourth section, before being compared and discussed in the fifth section.

2. Theoretical Background

2.1 Summary of Previous Studies

Due to the emerging and complex character of the issue of SD ownership by enterprises, tensions, both at the level of objectives and that of the concept's content still exist (Lauriol, 2004). This doctrinal weakness associated with the difficult operationalization diminishes the rigor of the conducted research in the absence of theoretical background and of systematic specification of the content of the constructs used by researchers (Déjean & Gond, 2002; Kolk & Mauser, 2002). Therefore, previous studies were often focused on the explanatory factors. Hence, the concept of SMEs' commitment was rarely challenged and operationalized in a frontal way. However, unlike large enterprises, which show their commitments, SMEs have more discreet and less formalized practices (Lapointe & Gendron, 2004; Berger-Douce, 2006). Some SMEs "*are achieving SD unknowingly.*" (CBSR, 2003). Consequently, it is necessary to specify the definition of corporate environmental commitment to SMEs (Spence et al., 2007a). In this article, we report the findings of previous studies on strategies and dimensions of environmental commitment (2.1.1) as well as the factors explaining this commitment (2.1.2).

2.1.1 Strategies and Dimensions of Environmental Commitment of SMEs

Environmental commitment is subject to extensive research aimed at identifying environmental strategies since the late 1980s (Kolk & Mauser, 2002). The analysis of these different models shows on the one hand, the strong heterogeneity of the terms used by authors to describe the environmental strategies (defensive, proactive, reactive, preventive, marginal, ecological, etc.) and on the other hand the dominance of purely conceptual models. These strategies are presented either as a continuum (Hunt & Auster, 1990; Fischer & Schot, 1993;

Shrivastava, 1995; Gendron, 2004), or as typologies (Steger, 1988; Rondinelli & Vastag, 1996; Brockhoff et al., 1999; Bellini, 2003; Martinet & Reynaud, 2004). These different models are rich and interesting, but they do not take into account the specificities of SMEs, unlike the research conducted by Berger-Douce (2006) and Marchesnay (2009) that explicitly and respectively addresses SME and very small enterprises.

Alongside this typological work, researchers have focused on dimensions of the enterprise's environmental commitment on the basis of corporate practices. Hence, Spence et al. (2007a) propose a three-dimensional operationalization of the construct "commitment of SMEs to SD" retaining 1 / the formalization of practices through the adoption of standards and norms; 2 / the integration of SD principles in strategic company actions and 3 / the voluntarism of the approach and the extent to which laws and regulations are exceeded.

By separating the formalization and integration of SD principles in the strategies of the enterprise, this construct allows to report on the formal aspect of the commitment of the SMEs, while grasping its concrete implementation into business practices. It also allows, through this separation, and by emphasizing the voluntary nature of the process to seize the multiple forms of commitment other than the adoption of standards, which seems more appropriate for SMEs.

The interest of this construct is emphasized by the fact that qualitative indicators have been generated and validated through empirical research in Cameroon, Canada and Tunisia (Spence et al., 2007a; Gherib et al., 2009; Spence et al., 2011).

2.1.2 Explanatory Factors of SMEs' Environmental Commitment

Several factors are pointed out in the literature to explain environmental commitment of SMEs, drawing on both the contingency theory and entrepreneurial theory.

The economic, political and socio-cultural environments in which the SME operates undoubtedly influence the decisions taken by the entrepreneur. However, resorting to entrepreneurial theory to explain SMEs' commitment to SD seems dominant because of the personalized nature of management in such firms. Organizational and environmental aspects identified in the literature are the identity (size, ownership structure, sector, location, corporate capital, cultural, social and political context, age, economic performance), the structure (technology, product / market, organization) and the company personnel (hierarchical structure, age distribution, social structures, level of qualification). (Gondran, 2001; Delchet, 2006; Spence et al., 2007b). The manager's personal characteristics that would condition his individual commitment (of affective, normative or calculated type) and consequently that of the SME to SD, would be his beliefs and values (Quairel & Auberger, 2005; Paradis, 2006; Spence et al., 2007a, b).

2.2 Research Framework

2.2.1 Methodological Approach of the Research

Because of the emerging nature of research on environmental commitment of SMEs, and also of the existence of previous exploratory work rooted in entrepreneurial theory, this empirical research is part of a qualitative deductive approach (Bergadaà & Nyeck, 1992). Qualitative methods offer the advantage of seeking to give meaning to empirical data in order to understand a phenomenon (Hlady-Rispal, 2002). We consider this type of methods as particularly suitable for international comparative research subject to strong requirements of contextualization because they are more likely to: "[...] *respect the temporal dimension, assess local causality and formulate fruitful explanations.*" (Miles & Huberman, 1991)

Our rationale for qualitative research is deductive in the sense of Bergadaà and Nyeck (1992) insofar as the analysis is guided by a previously defined conceptual framework as recommended by Yin (2003). This deductive qualitative approach is more original and less frequently used particularly in the development of propositions, testing theories and their possible refutation (Hlady Rispal, 2002).

Yin emphasizes the role of theoretical development and the definition of research propositions before data collection as a feature distinguishing case studies from similar methods such as ethnography or the "grounded theory" which intentionally avoid formulating research propositions: "*Only if you are forced to state some propositions will you move in the right direction. (...) this proposition, besides reflecting an important theoretical issue, also begins to tell you where to look for relevant evidence*" (Yin, 2003).

In this research, we formulate research propositions linking the profile of the manager to the environmental commitment of the SME that we test through case studies allowing an analytical and non statistical generalization of results (Yin, 2003).

2.2.2 Research Questions and Propositions

The main question raised in this research is “*how and why do managers belonging to different contexts involve their SME in the environmental field?*”

Previous work having shown that in SMEs, the profile of the manager significantly influences choices, the theoretical grounding of our research is the entrepreneurial theory. The latter defines the entrepreneurial phenomenon as the initiative of an organization generating value by an individual with specific characteristics (Daval et al., 2002). It postulates that the profile of the manager determines strategic decision-making including the adoption of SD practices (Kuhndt et al., 2004).

Applying this theory, we therefore seek to identify the profiles of managers which are most conducive to a high environmental commitment.

Several typologies of entrepreneurs have been pointed out in the literature. But, given the heterogeneity of the studies and because of methodological and conceptual differences inherent to the field of entrepreneurship, we choose with Daval et al. (2002) to go back to the dimensions synthesized in an integrative interpretative framework which is situated between the (predictive) model and typology “*reflecting the diversity of cases of entrepreneurs, without seeking generalization, or determinism.*”

The grid adopted by Daval et al. (2002) separates the individual and the organizational analysis levels and considers organizational behavior as a response to the manager’s expectations. The three first central categories of behavior concern the entrepreneur’s profile as an individual. We find in the first category his history and inherent characteristics. This history determines the second category which includes entrepreneurial skills or character traits of the individual. These first two categories jointly condition the third category which is the nature of the entrepreneur’s needs. The latter are finally expressed in terms of conscious motivations and then translated into actions. At the organizational level, two categories emerge from the analysis of the authors: the policy (or vision) and the management (actions and concrete implementation of the strategy). Contextual variables (opportunities, socio-economic variables) are involved as triggering factors, conditioning and accompanying the entrepreneurial phenomenon.

When applied to environmental commitment of the SME, the model of Daval et al. (2002) provides an explanatory conceptual model illustrated in Figure 1.

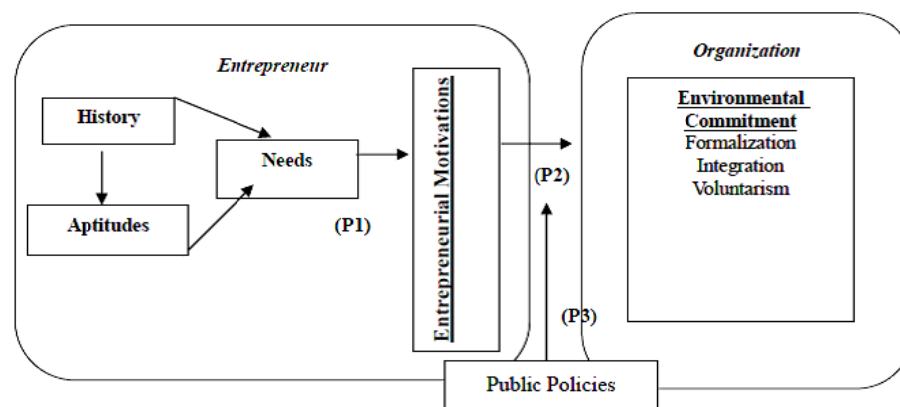


Figure 1. Manager’s Profile and Environmental Commitment

Note: Adapted from Daval et al., 2002.

The chosen model enables us to formulate the following general research propositions: “The environmental commitment of SMEs varies according to the profile of the manager.”

We subdivide this general proposition into a series of propositions linking the environmental commitment of the SME to the manager’s profile. Hence, “the environmental commitment of the SME would vary depending on the entrepreneurial motivations of the manager” (P2), while “the motivations would vary depending on the history, aptitudes and needs of the entrepreneur” (P1). The competitive and socio-cultural environment reflecting the implemented environmental public policies is introduced as an additional variable, supporting our comparative analysis between French and Tunisian SMEs. Hence the third research proposal (P3): “The relationship between the profile of the SME manager and environmental commitment is influenced by national environmental public policy.”

The third section of the article specifies the context of public management in France and Tunisia in terms of environmental management (3.1) before introducing the methods of data collection and analysis (3.2).

3. Empirical Framework of the Study

3.1 The Context of Environmental Commitment of SMEs in France and Tunisia

3.1.1 The French Context

If awareness of SD issues among French entrepreneurs increases from year to year, progress in the dissemination of information are always desirable (Gondran, 2001). Environmental management is a voluntary process launched about twenty years ago, most often following the implementation of a quality system. The National Sustainable Development Strategy (NSDS) 2003-2008 explicitly provided for facilitating access of SMEs to environmental certification. Following the Grenelle Environment Forum of 2007, AFNOR (French Standards Association) initiated in 2008 some communication activities to further sensitize SMEs to environmental issues. Based on the 2003-2008 NSDS, the 2009-2013 NSDS encourages further efforts in terms of dissemination of this public policy while making it binding to public authorities (EESC, 2010). In this regard, SD consists in working otherwise which is to say, from a perspective involving individuals, enterprises and public authorities in a collaborative approach. Developed in line with the European Strategy for Sustainable Development (ESSD), the NSSD presents mobilization of all stakeholders as essential to progress towards a sustainable development mode.

Environmental collective actions, the relevance of which has been emphasized in the literature, (Persais, 1999; Schneider-Maunoury, 2000) are implemented in France since the 1990s. More than three-quarters of the SMEs surveyed by ACFCI in 2006 reported having received support, particularly from ICC, consulting firms and AFNOR. Between 2000 and 2005, 45% of pre diagnoses (Note 1) financially supported by ADEME were conducted as part of collective projects. Between 2000 and 2005, ADEME has financially supported the assistance of 300 midsize enterprises per year. Within three years after receiving the ADEME assistance, 88% of supported enterprises were ISO 14001 certified, reflecting the relevance of this support (Chatelain, 2006).

3.1.2 The Tunisian Context

In Tunisia, the establishment of a free trade area in manufactured goods with the EU in 2008 has led to an extensive upgrading of the Tunisian firms since 1995. The Tunisian industry being dominated by subcontracting activities (about 70% of exports), the new world order made this type of activity subject to stiff competition, increasing dependence and vulnerability of local enterprises. New conditions, including environmental management, are becoming essential requirements to access markets for a number of exporting firms. This has led to a harmonization of the national regulatory framework with that of the European countries and to the implementation of an ambitious incentive framework to support Tunisian enterprises in their environmental commitment.

This incentive framework is part of the broader context of a national environmental policy that dates back to fifteen years ago. The state budget devotes 1.2% of GDP to environmental protection programs (MEDD, 2008) and the stated aim is to reach 500 ISO 14001 certified enterprises and to develop a Tunisian Ecolabel by 2014. The approach adopted in the economic world, since the 2000's was to multiply awareness conferences and offer financial and tax benefits to businesses. Since 2004, the diagnosis of the environmental aspect is an essential element in evaluating the enterprise applying for the Upgrade Program (PMN) in order to strengthen its competitiveness (OTED, 2007). In 2001 a program of environmental upgrading (PMNE) was launched providing expertise and grants and targeting five voluntary sectors of activity and SMEs are the main beneficiaries of the program. Applying to the PMNE is explicitly presented as a first step towards the implementation of a certified Environmental Management System. A public-private partnership for the environment was also signed in December 2006 to ensure better integration of environmental aspects within firms.

However, there are few studies analyzing (or allowing to analyze) the effectiveness of public actions conducted in favor of SD using clear and updated indicators as well as the motivations and obstacles of Tunisian enterprises in environmental commitment. Available figures highlight the small number of enterprises that are formally committed (Gherib et al., 2009). This suggests that these companies are still hesitant especially since environmental protection rank only third in their concerns (Social Consult, 2005).

3.2 Data Analysis and Collection Methods

Empirical research is part of a qualitative approach and has as unit of analysis the practices of SME environmental commitment, the profiles of their managers and national public policies.

Data collection was performed by multiplying the number of contacted firms, data sources (interviews, internal and external documents in SMEs) and the interviewed actors in these enterprises. The choice of the number of SMEs was in compliance with the theoretical grounds and settled at twelve (Note 2) enterprises per country because the theoretical saturation was achieved (Mucchielli, 1991). For the sake of variety and balance (Avenier, 1989; Hlady Rispal, 2002), SMEs were identified in various but comparable business sectors in order to reflect the reality of the economic context of each country while enabling comparison of results. The study covers in both countries not only the enterprises involved in incentive processes (Note 3) in favor of environmental commitment but also non involved enterprises. All these SMEs are independent enterprises mainly oriented towards the local market.

Semi-structured interviews, which to allow a shared involvement and the control of researcher (Wacheux, 1996) have therefore been conducted with managers and, when appropriate, with environmental managers from twelve SMEs in each country. Electronic and printed documentation provided by the enterprises as well as external documentation (press articles) were also analyzed to reach a better understanding of field reality.

The interview starts with questions about the history of the enterprise's creation and its current management mode, before dealing with the understanding, sensitivity and attitude of the respondents towards the issue of SD in general and environment in particular. Subsequently, the interview seeks to mobilize the construct of Spence et al. (2011) to approach the environmental commitment of the enterprise. Then the difficulty or the easiness that they found (whether actually or potentially) is addressed to capture the manager's aptitudes, needs as well as motivations for an environmental commitment of the SME. Elements of the manager's history, such as his age, education and entrepreneurial environment are then searched, in case they did not emerge in prior phases of the interview.

Lasting from one to three hours, these interviews were recorded and then transcribed so as to preserve the significance of words and minimize misinterpretations.

Case analysis is one of the least developed and most difficult aspects to address (Yin, 2003); summary sheets were prepared to facilitate its conduct. Among the three analytic strategies proposed by Yin (2003), we chose to base our approach on the propositions formulated following the theoretical development phase of our research as a recommended and favored strategy. The authors having conducted their analysis independently compared then the results to enhance their objectivity.

This analysis strategy was based mainly on the technique of data reduction and enriched by a matrix analysis intra-site and inter-site of the main themes emerging from the interviews. As a first step, matrices were constructed for each studied case based on the previously defined themes and categories and emerging themes (Miles & Huberman, 1991). Conceptual matrices were realized for each case in order to reach an integration of the data structure according to the predefined conceptual framework. This type of matrix is used to group two or three research questions. It shows the analyst how to proceed to conduct more detailed analysis in the form of clusters and makes it easier to realize inter-site analysis without having to resort to an overhaul (Miles & Huberman, 1991). A summary table (meta-matrix) was finally realized grouping the synthesized and codified data of the 12 cases in each country (Table 1).

In each case, the intensity of environmental commitment was characterized in terms of degrees of formalization, voluntarism and integration. Each dimension is rated on a scale of 1 to 3 (low, average, high) and the synthesis of results provides the overall level of environmental commitment. A high level corresponds to a total over the three dimensions between 7 and 9. An average level corresponds to a total between 5 and 7 and a low level to a total below 5. According to the respondent's statements, the manager's needs are identified and classified according to the following categories: self-realization, recognition, sense of belonging, security, power. The entrepreneurial motivations for environmental commitment are categorized as 1 / emotional and depending on the manager's ethics, 2/ coercive in response to pressure from stakeholders or the quest for legitimacy or 3 / calculated resulting from the search for efficiency or competitiveness (Bansal & Roth, 2000).

To better grasp the foreseen influence of the SME manager's profile on environmental commitment, the links between the entrepreneur's motivations and profile as well as public policies were explored in every case and in each country. After the constitution of three groups according to the degree of environmental commitment of the SME (high, average, low), the same analysis is conducted again by group and between groups in each country. Comparisons between the two countries were then performed using a comparative qualitative method recommended for international research (Wacheux, 1996).

Table 1. Relationship between the environmental commitment and the entrepreneur's profile

Companies	Identification Sheet of the Company			Organizational Features Dimensions of Environmental Management				Individual Features						
								History			Aptitudes		Needs	Motivations
	Activity	Workforce	Incentive Programme	Integration	Voluntarism	Formalization	Total	Age (Sex)	Background	Entrepreneurial Milieu	Attitude / Risk	Creativity & Innovation		
A	Ionization by electrical source	9	Yes	3	3	3	(9)	45 years (F)	Master	Yes	Cautious	Strong	Security Recognition Autonomy	Affect Values
B	Production of pigments for paints	42	Yes	2	2	3	(7)	57 years (M)	Bachelor	No	Cautious	Average	Security Recognition Self-achievement	Coercion Law respect
C	Cleaning of industrial wastelands	20	No	3	3	3	(9)	42 years (M)	Master	Yes	Cautious	Strong	Security Recognition Self-achievement	Affect Law Respect
D	Pharmaceutic Chemistry	180	No	3	2	3	(8)	44 years (M)	Master	Yes	Cautious	Strong	Security Power Recognition	Coercion Law Respect
E	Bottling of Mineral Water	65	Yes	3	1	3	(7)	58 years (M)	Bachelor	Yes	Cautious	Average	Security Recognition Self-achievement	Coercion Law Respect Values
F	Foundry	49	Yes	2	2	2	(6)	47 years (M)	High School Diploma	No	Cautious	Average	Self-achievement Autonomy Recognition	Calculation Coercion Law respect
G	Food-industry	180	No	2	2	1	(5)	55 years (M)	Master	Yes	Cautious	Strong	Recognition Self-achievement Power	Coercion Law Respect Calculation
H	Solar Energy	130	No	2	3	1	(6)	56 years (M)	Master	Yes	Proactive	Strong	Autonomy Recognition Power	Affect Values Calculation
I	Communication	6	No	2	2	1	(5)	39 years (M)	Bachelor	Yes	Cautious	Strong	Autonomy Recognition	Affect Calculation Coercion
J	Microcomputing	20	No	1	1	1	(3)	40 years (M)	Bachelor	Yes	Proactive	Weak	Power Recognition Self-achievement	Coercion Calculation
K	Transportation	14	No	1	1	1	(3)	52 years (M)	High School Diploma	No	Cautious	Weak	Power Autonomy Recognition	Coercion Law Respect Calculation
L	Printing House	65	No	1	1	1	(3)	55 years (M)	High School Diploma	No	Cautious	Weak	Recognition Power	Coercion Calculation
M	Renewable Energies	20	Yes	3	3	3	(9)	56 years (M)	Doctorate	Yes	Cautious	Strong	Self-achievement Power Recognition	Calculation Affect (Search of excellence)
N	Food-Chemistry	45	Yes	3	3	3	(9)	50 years (M)	Master	Yes	Proactive	Strong	Self-achievement Recognition Security	Affect Calculation
O	Chemistry	120	Yes	3	1	3	(7)	65 years (M)	None	Yes	Cautious	Strong	Recognition Power Security	Affect Coercion Calculation (Values, Legislations, Incentives)
P	Waste Management	25	Yes	2	2	3	(7)	35 years (F)	Master	No	Cautious	Average	Affiliation Autonomy Recognition	Affect (Will to conduct a project)
Q	Leather	80	Yes	2	2	3	(7)	39 years (F)	Master	Yes	Proactive	Strong	Affiliation Security Recognition	Affect Calculation (Personal Values, Incentives)
R	Food- Industry	8	No	2	1	2	(5)	39 years (F)	Master	No	Proactive	Strong	Autonomy Self-achievement Recognition	Affect (Values, Image)
S	Solar Energy	25	Yes	1	2	3	(6)	55 years (M)	Bachelor	No	Cautious	Weak	Security Autonomy Power	Calculation (Incentives)
T	Transportation	160	No	2	1	2	(5)	70 years (M)	Master	Yes	Cautious	Weak	Power Security Recognition	Coercion Calculation (Law Respect)
U	Building Materials	65	Yes	1	2	1	(4)	65 years (M)	None	Yes	Cautious	Weak	Power Security Reconnaissance	Calculation Coercion
V	Organization of events	4	No	1	1	1	(3)	35 years (F)	Master	No	Cautious	Average	Autonomy Self-achievement	Affect (Personal Values)
W	Services to enterprises	10	No	1	1	1	(3)	40 years (M)	Master	No	Cautious	Weak	Security Recognition	Calculation Coercion
X	Printing	25	No	1	1	1	(3)	50 years (M)	High School Diploma	No	Cautious	Weak	Security Power	Coercion Calculation

Note: Inspired by the grid of Daval et al., 2002.

In the fourth section of the article, we analyze the results of the environmental commitment of SMEs in each national context (4.1 and 4.2). Elements of generalization concerning the profile of SME manager presenting a high degree of environmental commitment are then provided by country (4.3).

4. Analysis of Results by Country

4.1 Environmental Commitment of French SMEs

4.1.1 General Description of Environmental Commitment of French SMEs

As shown in Table 1, the French sites are part of three different competitive contexts: seven SMEs operate in the industrial sector (A, B, D, E, F, G, L), two in the field of environment (C, H) and three in services (I, J, K). Out of these SMEs, four (A, B, E, F) were involved in environmentally oriented incentive processes. In terms of environmental commitment (Spence et al., 2007a), five of these SMEs (A, B, C, D, E) present a high level. The commitment of four SMEs (F, G, H, I) is considered as average and three SMEs (J, K, L) present a low level.

The analysis of the entrepreneurial characteristics related to the history of French managers shows the importance of a high level of education (8 leaders have at least a three-year university degree) and of the presence of an entrepreneurial environment (observed in 8 SMEs out of 12). In terms of abilities, creativity and innovation are generally quite high (high in 6 SMEs and average in 3 SMEs). As regards their attitude towards risk, interviewed French managers are overwhelmingly cautious: *"The company intends to ensure its sustainability through constant dialogue with any authority about environment."* (Enterprise B). Only two of them can be described as proactive.

The motivations for environmental commitment of the French managers are essentially of coercive type (9 out of 12 SMEs) and the compliance with the regulations strongly impregnated their statements: *"Procedures existed, but were not formalized. This formalization is primarily perceived as a constraint by the operators who are rather old in the workshops"* (Enterprise B). The calculated type of commitment (7 SMEs out of 12) is well ahead of emotional motivations linked to the personal values of the manager (4 SMEs out of 12). The calculated nature of environmental commitment is reflected in verbatim records such as: *"We are audited five to ten times a year by our customers, which requires us to continually improve our EMS."* (Enterprise D) or even: *"The watchword of the Management is efficiency. So sure we can conduct environmental management, but it has to be profitable."* (Enterprise F).

4.1.2 French Managers' Profile by Level of Environmental Commitment

Out of the three poorly committed SMEs two are operating in services (J, K) and one in industry (L). The convergence of Managers' profiles relate to their lower educational level, their poor creative capacity, their quest for power and recognition, as well as predominantly coercive and calculated motivations for the environmental commitment of their enterprises.

Three of the four managers of French SMEs with medium commitment (G, H, I) have quite similar profiles in terms of high level of education (Four-year university degree or more), the presence of an entrepreneurial environment, a cautious attitude toward risk and high creative capacity. Only the manager of the industrial SME F is characterized by a lower education level and the absence of an entrepreneurial environment, he is also characterized by his involvement in a collective incentive process, unlike the other three SMEs with average commitment, which can rely on their manager's profile. Regarding the motivations of the four SME managers, they are predominantly emotional for enterprise H (environment) and I (services) and predominantly coercive for F and G, two industrial SMEs submitted to more drastic regulatory pressures. As for their requirements, they appear rather similar because they are based on autonomy, self-realization, social recognition and power.

French SME managers with the highest commitment (A, B, C, D, E) all have more than a three-year university degree, three of which having a five-year university degree, aged between 42 and 58 and enjoy a well established entrepreneurial environment (for four out of five). With regard to their abilities, they all adopt a cautious attitude towards risk and show some creative capacity (High for (A, C, D) and average for (B, E)): *"Our director, with an engineering background, created the company in 1979. At that time, it was a real innovation to provide a solar collector serving as roofing."* (Enterprise H). In terms of needs, they all seek security, social recognition and, to a lesser extent, self-realization. Their motivations are predominantly coercive (for three out of five), but predominantly emotional for the other two (A, C), while being strongly imbued with respect for law (B, C, D, E).

In France, high environmental commitment is characterized by the managers' history (P1), particularly by their level of education and the existence of an entrepreneurial environment. Creation and innovation (P1) also play an important role among French managers who demonstrate a high (A, C, D) or average (B, E) capacity for innovation. As for the attitude to risk, it is not crucial since most French managers in our study are cautious (P1).

The analysis of the managers' needs highlights security, before (social and / or technical) recognition and self-realization (P1). Our results suggest that the motivations for environmental commitment are largely coercive in nature and, more marginally, emotional (P2). In addition, involvement in a collective incentive process seems to be a necessary but not sufficient factor to justify a high environmental commitment. In other words, even if environmental public policies play a significant role in this commitment, they can not alone explain it (P3). Indeed, out of the five highly involved French SMEs, three participated in a collective process. In contrast, none of the weakly committed SMEs undertook the experience previously.

4.2 Environmental Commitment of Tunisian SMEs

4.2.1 General Description of Environmental Commitment of Tunisian SMEs

The Tunisian sites (Table 1) belong to three different competitive contexts: environment (M, P, S), industry (N, O, Q, R, U, X) and services (T, V, W). Seven SMEs were involved in programs favoring environmental commitment either for the creation of the business (M, P, S) or for its environmental upgrade (N, O, Q, U). Out of the 12 SMEs, five present a high commitment level (M, N, O, P, Q). The three following SMEs are moderately committed (R, S, T), while the remaining four present a low commitment level (U, V, W, X).

The studied Tunisian SMEs present a balance in terms of the age of the decision maker (5 entrepreneurs are less than 40 years and three are over 65). The educational level is high particularly among young entrepreneurs (6 managers have more than a 4-year university degree). Four of the analyzed SMES are managed by women. We note the importance of the manager's entrepreneurial environment and his integration in the network in 6 SMEs. As for abilities, creativity in the studied SMEs is limited, compared with their French counterparts, with 7 moderately or strongly innovative SMEs: *"We consistently seek new products, I was ahead of my time, we have transformed the Tunisian habits."* (enterprise N). The attitude to risk is mainly reluctant since 9 out of the 12 encountered managers make cautious statements: *"There are opportunities, the market is growing, but I also go ahead."* (enterprise P). Environmental commitment corresponds to an adventure or to actual risk taking only for enterprises T and N, which attack new markets with new products, integrating social and environmental criteria in their choices.

The analysis of the needs of entrepreneurs shows they are varied. The young enterprises ran by managers who are less than forty years (P, R, V), were created to satisfy the need for autonomy and self-realization to which environmental commitment contributes *"I felt that I could not progress in my previous job, now I earn less [...] but I do things the way I want, I participate in my own way to make things better."* (enterprise R). The enterprises created during the 70s and 80s and managed by the founder (N, O, U, X) seem to respond to needs of power, recognition and security. The last category concerns the entrepreneurs who, after an experience in the Tunisian administration have created, for purposes of security and power, companies in new sectors encouraged by the state such as environment (M, S) or private transport (T). Enterprises Q and W are exceptions because the first is managed by an heir who seeks a sense of belonging and security and the second was created as a source of income.

The selected sites exporting little in general, the motivations for environmental commitment in the twelve Tunisian SMEs are rarely coercive. They engage primarily in environmental actions driven by the manager's will and / or state incentives: *"I have always wanted my company to be at the forefront of innovation, that is what SD is about... in addition, the state helps....."* (Enterprise O).

4.2.2 Tunisian Managers' Profile by Level of Environmental Commitment

The managers' profiles in SMEs with low commitment present very few common features that would link them or differentiate them from other more committed enterprises. Only the calculated and coercive motivations are common to the SMEs W and X.

SMEs with medium commitment belong to three competitive contexts. Their entrepreneurial motivations are various. Enterprises S and T manage their SMEs according to a managerial approach and try to manage risk *"penalties must be avoided."* (Enterprise T). Their degree of creativity is however limited *"what's the point of proposing something else, if this was worth it, we would be more numerous (in the sector)"* (Enterprise S). Enterprise R is in a different situation since it is managed according to the entrepreneurial approach by a young woman badly inserted into professional networks, but with high creativity and quest for singularity: *"I want to be part of those who change things."* The commitment of the SME is however low due to a lack of formalization and of resources, particularly human resources. We can assert thus, that moderately committed SMEs are: 1/ small structures that are convinced, but poorly integrated in networks and lacking information and resources and

2/ SMEs that are involved by the nature of their business (polluting or environment) but which scarcely go beyond the law and the practices of competitors. They are responsive and proceed by successive adjustments.

Among the SMEs which are strongly committed and which operate in various sectors, the motivations are in 4 enterprises out of 5 (M, N, O, Q) of emotional and calculated nature. This combination of motivations does not exist in SMEs with medium or low commitment. The stories of managers are different. The common feature for strongly committed SMEs in both contexts (environment and industry) seems to be the presence of an entrepreneurial environment and a connection to professional networks for four SMEs. Among the capabilities, creativity is never low in this group of SMEs unlike the other two. The quest for power is also not an essential need that determines the behavior of managers, who primarily look for recognition, sense of belonging or self-realization.

A strong environmental commitment seems to be associated in Tunisia with innovating managers who are personally aware of environmental issues but with different profiles: 1/ the founder of enterprises dating back to more than 20 years, highly integrated in professional networks or 2/ the new entrepreneur presenting a high educational level and characterized by autonomy, recognition or a sense of belonging. Investing in SD is considered by enterprises' managers adopting an entrepreneurial approach as an opportunity that can provide leadership and secure a head start on competitors. It is therefore pursued for the purpose of recognition and self-realization (P1). It is considered by entrepreneurs as a set of constraints or high-risk activities to be minimized and followed for security reasons (P1). Motivations for environmental commitment are on an equal stand emotional and calculated (P2). Participation to incentive programs involves all highly committed enterprises and also enterprises with low commitment. It could hence respond to financial and political reasons. Therefore, involvement in the incentive process represents an important indicator of the environmental commitment of Tunisian SMEs of this study (P3), but it can lead to a real environmental commitment only if the entrepreneur is convinced.

The fifth section of the article discusses the relationship between the environmental commitment of the SME and the profile of its manager in an international comparative perspective.

5. Discussion of Results

Based on the comparison between the profiles of SME managers that are highly committed in France and Tunisia, our results are discussed in terms of similarities (5.1) and differences (5.2) between the two national contexts.

5.1 Similarity of Results between French and Tunisian Managers

If we compare the profiles of French and Tunisian managers with a high level of commitment, few elements are really different, which calls into question many previous conclusions regarding the influence of national culture (P3), especially when public policies are comparable and the educational level of managers is high, as is the case in this research.

Thus, the relational network and the presence of an entrepreneurial environment appear also important to allow the entrepreneur access to information and resources and to encourage his commitment from an environmental perspective (P1). This is consistent with the idea of the importance of "*community, extended family, clan and networks*" in both contexts (Marchesnay et al., 2006). However, the presence of an entrepreneurial environment is not totally discriminating: B (in France) and P (Tunisia) do not receive such support and have yet implemented important environmental practices. Similarly, creativity and innovation (P1) appear to favor a high level of environmental commitment: the concerned SMEs in both countries were identified as playing this card moderately (B, E, P) or highly (A, C, D, M, N, O, Q). This confirms previous studies that present entrepreneurial orientation as a prerequisite for the commitment of SMEs in SD (Spence et al., 2007a, b). Indeed, in the absence of strong pressure from stakeholders and / or dissemination of responsible practices among competitors, environmental commitment can be considered as a form of innovation. It requires organizational changes that proactive and visionary entrepreneurs face more easily than others (Portugal et Yulk, 1994; Shrivastava, 1994). Moreover, a high educational level of the manager (P1) (even if does not explain alone a high commitment) could constitute an indication in favor of a high environmental commitment in both countries, the only exception being the self-taught manager of enterprise N. This result is hardly surprising since the higher level of education is supposed to allow the acquisition of information research methods on various topics and the dissemination of universal managerial practices. However, caution is advised because of the relatively high level of education in the surveyed SMEs.

While some authors call for challenging the cliché according to which "*the Mediterranean area is reluctant to entrepreneurship*," (Marchesnay et al., 2006), the fields of investigation selected for our study appear to have

common characteristics reflecting weak entrepreneurial tradition (Zghal, 2002; Fayolle & Hernandez, 2008). Both countries are characterized by the presence of a welfare state that has implemented incentive schemes for several years and by SME managers showing a very cautious attitude towards risk. Among the most committed SMEs in both countries there is a majority of enterprises that participated in an incentive process initiated by public authorities. In contrast, only one poorly committed SME received an environment-oriented support in the framework of environmental public policy. Therefore we consider as legitimate to emphasize the need to keep these incentive schemes that are likely to play a catalytic role in environmental processes among SMEs (P3). However, in the absence of a universal panacea, these policies are only one of the mechanisms of environmental commitment of these economic actors in view of their specific features particularly in terms of management customization. Hence, emerges the importance of questioning the influence of the manager's profile on the commitment of SMEs. Considering the global phenomenon of SD, the calculated attitude in environmental commitment seems important in both contexts (seven citations in France and nine citations in Tunisia) (P2). Even if it is not enough to motivate a manager, it can contribute effectively and hardly to his commitment. This calculated commitment may lead to a risk of customer loss, fear of paying fines, but more cynically, to an opportunity to benefit from government subsidies or political support. However, this opportunistic approach alone seems insufficient to trigger a process of high commitment among the managers of both countries.

5.2 Divergence of Results between French and Tunisian Managers

Some differences in behavior towards environment however appear between French and Tunisian entrepreneurs.

The needs of SME managers differ according to the national context. While the five strongly committed managers of French SMEs primarily seek security (before social recognition and self-realization), their Tunisian counterparts seem more eclectic in their choices. Hence, the need for security is less frequently cited than the sense of belonging, recognition and self-realization. This hierarchy of needs, added to the importance of the entrepreneurial environment as explanatory factors of the commitment of Tunisian SMEs confirms the very important role of the managers' social capital (particularly founders) and of the privileges pertaining thereto in the creation of enterprises and their competitiveness at the expense of more tangible and reproducible resources (Benhassine, 2009).

A divergence in the motivations of SMEs in both contexts is also visible. Indeed, despite the harmonization of legal frameworks between the two countries. French managers evoke particularly compliance with increasingly binding regulations, highlighting a significant coercive aspect emphasized in the 2009-2013 NSDS, in their statements. Tunisian managers report more about their environmental commitment in terms of affect but often along with the calculated incentive, which, does not imply a higher sensitivity to environmental concerns. It would be the result of a combination of the manager's long-term vision and the perceived absence of obligation whether social or legal. The present low commitment to SD values of the Tunisian civil society as well as the lack of resources available to the Tunisian Administration to conduct a rigorous control on enforcement of laws by entrepreneurs in Tunisia (OTED, 2007) lead to this feeling of lack of obligation among some of the encountered Tunisian entrepreneurs.

Beyond national institutional frameworks, this difference needs to be informed by the impact of the national culture on management of organizations. According to Zghal (2002), Tunisian entrepreneurs tend to tolerate uncertainty, which is expressed by a relative lack of written rules and procedures, making enforcement problematic and difficult to reconcile with formalized practices. Environmental commitment in the Tunisian SMEs of this research covered by our research is not of normative nature, since it does not correspond to a pressing social demand that is supported by the collectivist dimension of arabic societies as defined by Hofstede (1980). From this perspective, French managers, strongly marked by the seal of individualism, would be inclined to commit themselves to environment, primarily, under coercion.

Taking advantage of incentive public policy, entrepreneurs demonstrate a calculated commitment in both countries. However, among the selected enterprises, those adhering to incentive programs are more numerous in Tunisia. But this does not entail higher environmental commitment. This could be the translation of a systematic adherence "*in order to ingratiate themselves*" (Hibou, 2005) combined with a certain distrust vis-à-vis the actions taken because of "*the risk of collusion between political rhetoric and advocated economic measures*" (Zghal, 2002). These incentive programs, have thus been interpreted as "*a control process [...] as a new expression of the relationship between companies and the central authority, formalized in administrative and financial terms*" (Hibou, 2005). The efficiency of these programs is also often criticized because of administrative delays and difficulties in obtaining subsidies. Like in the French context, the incentive mechanisms are largely unknown by SME managers. Hence, the pervasiveness of informal culture and of the

influence of networks in Tunisia (P3) leads to large information asymmetries between economic actors, a phenomenon that tends to penalize young entrepreneurs less integrated than seniors in the business community.

6. Conclusion

This deductive qualitative research analyzed environmental commitment of SMEs in France and in Tunisia. It is part of the comparative studies between North and South countries within a global context characterized by increasingly present public policies focused on SD. Based on the entrepreneurial theory, our analysis focused on the relationship between environmental commitment of the SME and the profile of its manager and was enhanced by the analysis of the influence of environmental public policy understood as a reflection of national culture.

Our results suggest that environmental commitment of SMEs varies depending on the manager's entrepreneurial characteristic features and, more particularly, on his profile. The constituent elements of this profile (history, aptitudes and needs of the manager) (P1) seem likely to guide the manager towards an environmental commitment of varying intensity according to his motivations (P2) and the implemented environmental public policies (P3). The analysis of similarities suggests that if the SME manager has a profile characterized by a high educational level, an expanded relational network and a strong capacity for innovation and creativity associated with high needs for security and self-realization, then the environmental commitment of his enterprise is likely to be high. The analysis also suggests that if a commitment of calculated type is common to both studied contexts, the differences are nevertheless perceptible. Thus, in a highly regulated environment (like France), the SME manager is submitted to social and institutional pressure which are likely to lead to a commitment of normative type. In a less coercive environment (such as Tunisia), the calculated commitment of the manager would, in turn, be associated with a greater emotional dimension. It also appears that even in the presence of a significant incentive, asymmetric information among economic actors and a lack of targeting beneficiaries can result in a lack of confidence in public policy despite the costs borne by the State. The environmental commitment of SME managers fully inserted into the networks, but not convinced by the environmental dimension, would thus be limited to ad hoc and opportunistic adherence to the proposed incentive programs. It would not result in a formalized, voluntary and integrated environmental management, which is likely to reduce the effectiveness of these programs. In other words, the public environmental policies whether coercive or incentive, appear as potential catalysts of environmental commitment of SMEs, but can in no way change alone the practices of SME managers.

A limitation of this comparative study concerns the number of analyzed enterprises, and their diversity in terms of size. This does not allow a statistical generalization of the results to the SME population. But the adopted approach allows an analytic generalization (Yin, 2002) by validating theoretically based research propositions and allows us to suggest the trends to be confirmed or refuted by future research. Hence, the quantitative analysis of representative samples of SMEs in both countries would be useful to confirm or refute these initial results statistically. Furthermore, our results are largely based on the interpretation of speech, which implies a risk of social desirability bias.

On a theoretical level, the importance of the influence of manager's profile (and his entrepreneurial environment) on the environmental commitment of the SME, highlighted in our study, invites to expand the conceptual framework used. It allows to resort to the social capital theory and to the notion of proximity (Torrès, 2003) for a better understanding of the studied phenomenon from a perspective aiming at reconciling global and local issues. From a managerial point of view, this analysis suggests to consider and question the relevance of procedures of awareness and support of SME managers in their environmental commitment. Indeed, the transposition of proven methods in a socio-economic context, if taken alone, cannot be considered as a sufficient guarantee to convince a significant number of managers. In the context of globalization often experienced as a threat by SME managers, recommendations common to both contexts can be proposed to public authorities. We consider, stressing the need to inform these economic actors about the opportunities related to a potential environmental commitment, as crucial. A successful dissemination of information should be a priority target entrepreneurs demonstrating a spirit of innovation and already sensitized by their involvement in managers' associations.

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Notes

Note 1. Conducted by the ICC Project Coordinator for environment to identify the broad lines of the enterprises' environmental situation, the pre-diagnosis consists of a detailed questionnaire on water, air, noise, waste, security, land and administrative situation with respect to the classified installations.

Note 2. For reasons of convenience of field access, these SMEs were located in the northern regions of France and Tunisia.

Note 3. These SMEs were identified through the authors' contacts with the supporting institutions involved in environmental commitment.

Integrating Corporate Social Responsibility at the Start-up Level: Constraint or Catalyst for Opportunity Identification?

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Abstract

This conceptual paper examines the issue of integrating CSR at the start-up level with the aim of increasing the firm's ability to identify new opportunities. Both a constraint and an occasion to strengthen the company's legitimacy and competitive advantage, CSR principles and practices are a key vehicle for opportunity identification and implementation. Historically, SMEs have contributed significantly to the improvement of existing products and services, and the creation of new ones. Grounding CSR in the strategy of enterprises at the start-up level is increasingly examined as an effective management tool with multiple benefits for opportunity identification. CSR may be promoted as a means of nurturing creativity and innovation at the start-up level and beyond, through pushing entrepreneurs to imagine new business models, to discover new raw materials, as well as to create new products and services so as to respond to both economic and social expectations.

Keywords: opportunity recognition, entrepreneurial opportunity, CSR, entrepreneurship, creativity

1. Introduction

Over the last decades, business organizations, regardless of their size or sector, have acknowledged an increasing pressure to comply with corporate social responsibility (CSR) imperatives and principles (Lepoutre & Heene, 2006). From a practical standpoint, CSR is about how enterprises “manage their business processes to produce an overall positive impact on society” (Jenkins, 2009: 22). According to Dahlsrud (2006), there are at least 37 academic definitions of CSR emphasizing the main responsibility categories and issues, as well as the type of business responses “required”, “expected” or “desired” so as to achieve more than economic performance purposes (Carroll, 1979, 1991; Carroll & Shabana, 2010). Social responsibility in enterprises has been characterized in many ways, as “going beyond economic and legal requirements” (McGuire, 1963), “voluntary activities” (Manne & Wallich, 1972), and a “concern for the broader social system” (Eells & Walton, 1961) “giving way to social responsiveness” (Ackermann & Bauer, 1976).

Derided first as a “joke, an oxymoron and a contradiction in terms” (Lyndenbergh, 2005), CSR is today one of the most widely established guidelines of business organizations' goal setting agendas (Lee, 2008). In the 1960s, Friedman (1962) passionately opposed the idea of CSR because he thought it imposed an unreasonable and expensive burden on shareholders. However, empirical studies have demonstrated that CSR positively impacts enterprise performance (Margolis & Walsh, 2003). Indeed, according to McWilliams and colleagues (2006), CSR may be envisioned as a “strategic resource to be used to improve the bottom line performance of the corporation”, through increasing the firm's reputation and consumer loyalty (Kotler & Lee, 2005), attracting responsible employees (Laszlo, 2003) and developing new markets (Porter & Kramer, 2006).

SMEs represent 99% of all business and 66% of total employment in Europe, and generate half of the total value added in the European Union (Observatory of European SMEs, 2003). Traditionally, CSR academic literature predominantly investigated large-scale corporations, whereas little empirical research was conducted in small and medium-sized businesses and start-up contexts (Thompson & Smith, 1991). The small business social responsibility research was actually hindered by the assumption that young firms genuinely lack the required time and/or resources to implement CSR processes (Lepoutre & Heene, 2006). However, recent studies and reports indicate that SMEs and start-up companies may be “better positioned and equipped for socially

responsible behavior than large firms” (ibid.: 258), because of their flexibility and their embeddedness in local community values and interests (European Commission, 2002). Moreover, start-ups and small businesses may benefit from CSR practices through maximizing corporate social opportunities described as “commercially viable activities which also advance environmental and social sustainability” (Grayson & Hodges, 2004: 11). These new opportunities can be identified in three main domains: innovation in products and services, serving niche markets and elaborating new business models (Jenkins, 2009). This conceptual paper aims to examine the issue of integrating CSR categories and issues at the start-up level so as to increase the firm’s ability to identify new opportunities and gain competitive advantage.

2. Corporate Social Responsibility, Prerequisite and Vehicle of Competitive Advantage

According to Porter (1985), competitive advantage stems from the company’s “designing, producing, marketing, delivering and supporting” its products and services. In small businesses and start-up companies, CSR principles and practices may help entrepreneurs to add value to the company and differentiate from competitors (Jenkins, 2009). In an instrumental and integrative perspective, CSR assimilation into core business activities at the start-up level may be analyzed as an innovative dynamic capability (Teece et al., 1997) enabling companies to take advantage of new niche markets that incorporate social and/or environmental benefits (Jenkins, ibid.: 29). Rather than thinking about CSR as a costly externality, it may be beneficial for start-up companies to build it into the company’s business strategy right from the beginning in order to prepare the favorable conditions to gaining competitive advantage from socially and environmentally responsible activities (Grayson & Hodges, 2004).

2.1 Brief History of CSR Theories

Academic and professional concerns for CSR can be traced back to the period 1945-1960, but the CSR roots extend to before World War II (Acquier & Gond, 2007). Howard R. Bowen’s seminal work, “Social Responsibilities of the Businessman” (1953), shaped the future development of CSR literature through stressing the image of manager as public trustee with the obligation of providing corporate contribution and responsibility to society. During the 1960s and 1970s, the CSR literature expanded progressively along with broader social concerns about “corporate social responsiveness” (Frederick, 2008), that is the ability of a company “to achieve a responsive posture towards society” (Carroll & Shabana, 2010: 88). In the 1970s, the focus was on corporate social performance, with an interest in assessing the outcomes of socially responsible initiatives (Wood, 1991). More empirical research was conducted during the 1980s, a decade committed to fostering business ethics principles and practices in organizations (Frederick, 2008). The rise of the “global corporate citizenship” was the culminating point of CSR research and business during the 1990s. Nowadays, CSR scholars and business actors emphasize the notions of sustainability and sustainable development.

According to Garriga and Melé (2004), CSR theories can be classified into four major categories: instrumental theories (economics issues), political theories (social power issues), integrative theories (social demands issues), and ethical theories (values issues).

1. *Instrumental theories* envisage CSR as a strategic tool to achieve profit (Friedman, 1970) through the maximization of shareholder value (Jensen & Meckling, 1976), the achieving of competitive advantage (Porter & Kramer, 2006), or the implementation of cause-related marketing (McWilliams & Siegel, 2001).
2. *Political theories* see CSR as a means for companies to use their social power responsibly (Davis, 1960), *through* taking responsibility in the social arena and accepting social duties and rights. CSR is analyzed as an expression of the implicit social contract between business and society, with companies envisioned as “citizens” of the communities where they are operating (Andriof & McIntosh, 2001).
3. *Integrative theories* view CSR as a way of responding to social demands in order to achieve social legitimacy and *prestige* through issues management (Sethi, 1975), public responsibility (Preston & Post, 1981), stakeholder management (Ogden & Watson, 1999), and corporate social performance management (Carroll, 1979).
4. *Ethical theories* consider CSR to be an ethical requirement for attaining a good society, through protecting human and labor rights (Cassel, 2001), promoting and implementing sustainable development measures (Van Marrewijk & Were, 2003), and achieving common good (Velasquez, 1992).

2.2 Corporate Social Performance and Competitive Advantage

According to Carroll (1979), the most cited scholar of CSR integrative theories approach, corporate social performance consists in the integration of corporate social responsibility, corporate social responsiveness, and social issues. The first to highlight the idea that the companies’ economic and social goals are not genuinely

incompatible, Carroll (1979) explained that they all belong to the “total social responsibility” of business, which includes economic, legal, ethical and discretionary objectives to be met simultaneously (Lee, 2008: 60):

1. Economic responsibilities consist in the production of goods and services, which is the primary role of a firm;
2. Legal responsibilities consist in the fulfillment of legal requirements while assuming an economic function;
3. Ethical responsibilities consist in additional social missions that companies are expected to perform, even though they are ill defined and consequently difficult to identify and achieve;
4. Discretionary responsibilities consist in voluntary activities, such as philanthropic contributions, that are left up to the decision of the company.

These four kinds of responsibilities are linked to six major social issues: consumerism, environment, discrimination, product safety, occupational safety, and shareholders. In order to respond to these social issues, companies may choose from among three action strategies ranging from no response to proactive behavior. Wilson (1975) identified four potential business action strategies: reaction, defense, accommodation, and proaction, that Carroll (1979) integrated into his model of corporate performance.

The concern for profit and the concern for society are therefore reconciled in the “pyramid of corporate social responsibilities” conceptualized by Carroll (1991). Tensions among the company’s four responsibilities are acknowledged, but the role of manager is that of deciding when and how to satisfy the various social and business obligations and expectations so as to strengthen both competitive advantage and the community’s quality of life (Carroll, 1991: 40-42; Jenkins, 2009: 28). Within this perspective, corporate performance includes both financial and social dimensions (Paine, 2003), with business and society interwoven rather than completely separated entities (Wood, 1991). The assessment of corporate performance therefore includes customer satisfaction and retention, employee turnover, new products and services development, market growth and competitiveness (Brancato, 1995). Empirical studies demonstrated that there is a positive correlation between corporate social performance and financial performance (Carroll & Shabana, 2010; Orlitzky et al., 2003). CSR-oriented enterprises have 18% higher profits, with CSR emerging as a commercial tool directly connected to brand value and competitive advantage (Gupta & Sharma, 2009). Among the key benefits of integrating CSR principles and practices, scholars have emphasized the importance of cost savings, risk reduction, revenue increase, reputation, and access to capital (Been & Bolton, 2011; Crane et al., 2008).

2.3 Corporate Social Responsibility in Small Businesses and Start-up Companies

The European Commission (2002) defined small businesses as those companies with fewer than fifty employees and a turnover or balance sheet that does not exceed ten million Euros. There are a very limited number of studies dealing with CSR in small businesses, probably because they are perceived as lacking sufficient time, resources and knowledge to implement social actions. Therefore, theories and methodologies have been developed in the context of large-scale corporations, more visible and accessible for research than small businesses (Lepoutre & Heene, 2006: 262; Thompson & Smith, 1991: 31). As a result, we know little about the meaning, the practices and the outcomes of CSR for small businesses and start-up companies (Jenkins, 2004; Lee, 2008). However, the existing findings indicate that the primary social responsibility of small businesses is customer satisfaction (Chrisman & Archer, 1984). Also, entrepreneurs of small businesses and start-up companies stress the importance of product quality and employee responsibilities (ibid.). Although they seem to hold similar views about ethical, social and environmental principles as those in large-scale companies, entrepreneurs and small business managers tend to be very sensitive mostly to their *immediate* internal stakeholders, such as customers, employees and suppliers (Lahdesmaki, 2005).

Fairness, honesty, care about health and safety are perceived as characterizing the “responsible entrepreneur” (European Commission, 2002). According to Solymossy and Masters (2002), entrepreneurs are associated with specific personality traits, such as the internal locus of control (Shaver & Scott, 1991), that increase the likelihood of responsible and ethical behavior. The general country value system, the specific sector expectations, as well as the pressures from local community and peers are the most important drivers for socially responsible actions in small businesses (Petts et al., 1999; Tilley, 2000). From a comparative standpoint, the country’s level of welfare has an impact on CSR in small businesses and start-up companies (Matten & Moon, 2008; Vives et al., 2005). The highest involvement was found in Northern European countries, such as Finland, Denmark, Iceland and Norway, whereas lower welfare countries, such as Spain and Greece showed a significantly lower involvement. However, according to Vyakarnam and colleagues (1997: 1633), industry norms and practices may exert a stronger influence on entrepreneurs’ CSR decisions and actions than the national culture.

Both a constraint and an occasion to strengthen the company's legitimacy and competitive advantage, CSR principles and practices are presented by Jenkins (2009) as a key vehicle for opportunity identification and implementation. Building on twenty-four case studies of UK small businesses, Jenkins (ibid.) demonstrated that CSR may help entrepreneurs to achieve added value and competitive advantage mostly by increasing the motivation and ability of small businesses and start-up managers "to seek opportunities in less traditional ways" while aiming to reconcile and take advantage of the articulation of economic and social requirements (ibid.: 24). Since competitiveness derives from the ability to build core competencies that allow companies to meet emerging and shifting market needs (Kurucz, Colbert & Wheeler, 2008; Prahalad & Hamel, 1990), the necessity of integrating CSR categories and issues at the start-up level is crucial as it allows entrepreneurs to structure the company's system and culture in a way that aligns "the business values, purpose and strategy with the social and economic needs of customers" (Grayson & Hodges, 2004: 13).

3. Corporate Social Responsibility, a Strategic Resource for Opportunity Identification at the Start-up Level

Opportunities may be identified prior to the launching of a new business but may also occur throughout the life of the enterprise (Hills & Shrader, 1998; Lindsay & Craig, 2002). Grégoire, Barr and Shepherd (2010) observe that "opportunities arise from changes" in the macro-environment and the behavior of customers and enterprises, which make current practices, products and services suboptimal and therefore trigger future market adjustments, modifications and sometimes radical transformations. The development of new goods and services is of strategic importance for companies, as it is associated with wealth creation (Kirzner, 1997) and competitive advantage (Ahuja & Kahila, 2004; Alvarez & Busenitz, 2001; Shepherd & DeTienne, 2005). Historically, SMEs have significantly contributed to the improvement of existing products and services, and the creation of new ones (Acs & Audretsch, 1988; Lefebvre & Lefebvre, 1993). Grounding CSR in the strategy of enterprises at the start-up level is increasingly examined as an effective management tool with multiple benefits for the opportunity identification processes within SMEs (Gupta & Sharma, 2009; Jenkins, 2006, 2009).

3.1 Entrepreneurial Opportunities: Nature, Sources and Types

According to Shane and Venkataraman (2000: 218), entrepreneurship is "the scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited". Entrepreneurial opportunities represent "new ways of doing things" whereas other profit-oriented market opportunities consist in the optimization of existing means-ends relationships (Kirzner, 1973, 1997). The notion of "entrepreneurial opportunity" has been approached from a variety of theoretical perspectives, generating a wide range of different definitions (Hansen, Shrader & Monllor, 2011), entrepreneurial opportunities being either conceptualized as an objective phenomenon distinct from the individual who identify them (Shane, 2003) or as a subjective experience endogenous to the individual who elaborate them (Sarason, Dean & Dillard, 2006). After examining 56 articles dedicated to the topic of entrepreneurial opportunity in the last 19 years, Hansen, Shrader and Monllor (2011: 292) identified six main definitions coexisting in the entrepreneurial literature:

1. "The possibility of introducing a new product to the market at a profit" (Lee & Venkataraman, 2006; Smith, Matthews, & Schenkel, 2009);
2. "A situation in which entrepreneurs envision or create new means ends frameworks" (Sarason, Dean & Dillard, 2006);
3. "An idea that has developed into a business form" (Anderson, 2000; Dimov, 2007);
4. "An entrepreneur's perception of a feasible means to obtain/achieve benefits" (Casson & Wadeson, 2007; Krueger, 2000);
5. "An entrepreneur's ability to create a solution to a problem" (Chandler et al., 2003);
6. "The possibility to serve customers differently and better" (Alsos & Kaikkonen, 2004).

Entrepreneurial opportunities are not restricted to new products and services, but also include new organizing methods and new raw materials (Smith, Matthews & Schenkel, 2009). Alvarez and Barney (2010: 558) distinguish *discovery opportunities*, produced by "exogenous shocks to preexisting industries" (changes in technology, consumer behavior, demographics, etc.) and *creation opportunities*, shaped by entrepreneurs "through an enactment process".

Companies and McMullen (2007) acknowledged three major sources of entrepreneurial opportunities: differences in economic information, differences in the interpretation of environment information, and the access to

information enabled by the specific location of social actors in network structures. These three different sources elicit different kinds of opportunities: economic opportunities, cultural cognitive opportunities, and sociopolitical opportunities (ibid.). *Economic opportunities* consist in technological and market opportunities, the first emerging in the form of product and raw materials innovations (Ahuja & Kahila, 2004) whereas the second surface through the discovery of new customer needs or lead user innovations (Slater & Narver, 1998). *Cultural cognitive opportunities* are producer and consumer opportunities, the first introducing new cultural meanings in existing cultural communities (Hargadon & Douglas, 2001) whereas the second are initiated by customers who add new interpretations of existing products and services (Orlikowski, 2000). *Sociopolitical opportunities* may be network and political opportunities, the first resulting from social relations in existing networks (Rodan & Galunic, 2004) whereas the second are generated by exogenous events, such as deregulations and wars that reconfigure network relations and therefore the entrepreneurs' access to information (Kogut & Spicer, 2002).

3.2 Opportunity Identification Processes: The Issue of Creativity

The formulation of an opportunity comprises three major stages: opportunity search, opportunity recognition or identification, and opportunity evaluation (Hills, Lumpkin & Singh, 1997). The opportunity search phase consists in the systematic or implicit scanning of the environment looking for potential sources of profit (Lindsay & Craig, 2002). Entrepreneurship literature stresses three main processes of opportunity identification: accidental discovery in a moment of "insight" (Long & McMullan, 1984), intentional discovery as the result of a systematic information search (Fiet, Piskounov & Patel, 2005) and individual enactment emerging "from within the entrepreneur" (Sarasvathy, 2001). The first category of opportunities was labeled "tacit opportunities" while the second category was characterized as "codified opportunity" (Smith, Matthews & Schenkel, 2009). Finally, opportunity evaluation involves the collection of additional information to verify the desirability and feasibility of the business idea (Lindsay & Craig, 2002). Hansen, Shrader and Mollor (2011) highlight eight definitions of opportunity-related processes developed over the last decade:

1. "A cognitive process of recognizing an idea and transforming it into a business concept" (Lumpkin & Lichtenstein, 2005);
2. "A process of scanning or being alert" (Casson & Wadeson, 2007);
3. "A cognitive process of matching supply and demand" (Schindehutte, Morris & Kocak, 2008);
4. "Perception of a felt need" (Haugh, 2007);
5. "A creative process of generating new alternatives" (Gaglio, 2004);
6. "A special case of problem-solving" (Harper, 2008);
7. "Perceiving a possibility to profitably create a new business or improve an existing one" (Craig & Lindsey, 2001);
8. "A process of social construction within a window of time" (Fletcher, 2004).

These opportunity-related processes were examined as being closely linked to creativity (Dimov, 2007; Hansen & Hills, 2004; Hills et al., 1997; Schumpeter, 1934; Winslow & Solomon, 1993). According to Ray and Cardozo (1996: 12), entrepreneurial creativity is the ability to "rapidly recognize the association between problems and their purported solutions by identification of non-obvious associations and/or by reshaping or reforming available resources in a non-obvious way". Creative thinking is involved in cross-associations of pieces of experience, know-how and knowledge, enabling entrepreneurs to synthesize the various cues and information generated by their prior experience and their present environment (Simon, 1985; Ucbasaran, Westhead & Wright, 2009). This is why opportunity identification is rarely a logical and linear progression, and rather articulates an often intuitive and deductive pathway, one idea leading to another (Lindsay & Craig, 2002). Shackle (1961) emphasized entrepreneurial opportunities as "created perspectives". In this view, individuals may create opportunities "from almost nothing" (DeTienne & Chandler, 2004), if they make use of their imagination appropriately.

3.3 CSR: Additional Constraint or Creativity Driver?

According to Kiran and Sharma (2011), the integration of CSR principles and practices at the start-up level positively affects the perceptions of investors, shareholders, suppliers, customers, and local communities. In our opinion, there are two main challenges for including CSR at the start-up level: the first concerns the opportunity identification processes, while the second is linked to the implementation of CSR in the business model, as well as in the management and operations activities of the company on a daily basis. Concerning the first challenge, we think CSR could play a favorable role during the opportunity identification phase, although it may be initially

perceived as an additional constraint and cost for the start-up venture. Once the entrepreneur and his/her founding team became motivated and committed to incorporate CSR in the start-up venture, this will trigger awareness about different and new ways of doing business and making profit, thus providing competitive advantage (Tilley et al., 2003).

Evidence exists that this approach is highly beneficial for SMEs as it significantly contributes to attracting business partners and customers, while strengthening the company's reputation (Jenkins 2006, 2009). Spense and Rutherford (2000) highlight the existence of four different social perspectives in SMEs regarding CSR:

1. The profit maximization priority consists in focusing mainly on profit-making;
2. The subsistence priority consists in ensuring the long-term survival of the company;
3. The enlightened self-interest consists in involvement in social issues as a tactical tool to enhance business reputation;
4. The social priority consists in integrating social values and actions in the business strategy and structure.

CSR may be promoted as a means of nurturing creativity and innovation at the start-up level and beyond, through pushing entrepreneurs to imagine new ways of organizing activities (new business models), to identify new raw materials, as well as to create new products and services so as to respond to both economic and social expectations (Gupta & Sharma, 2009). Opening oneself to multiple external stimuli so as to increase the "number of repertoires available to compete" may be therefore an effective way of dealing with CSR principles and practices throughout the opportunity identification process (Epstein, 1996).

4. Conclusion

Schumpeter (1934) noticed that entrepreneurs create opportunities through combining already existing products, services or processes. Long and McMullan (1984) also envisioned opportunity identification as a creative structuring process, with Hills, Shrader and Lumpkin (1999) bringing empirical evidence to support this idea. This conceptual paper examined the issue of integrating CSR principles and practices at the start-up level so as to stimulate opportunity identification. Entrepreneurial literature indicates that CSR may be promoted at the start-up level and beyond as a means of nurturing creativity and innovation, through increasing the entrepreneurs' creativity and therefore their ability to elaborate new products, services, and business models.

Indeed, rather than thinking about CSR as a costly externality, start-up ventures may profitably try to integrate CSR in their strategy with a view to gaining competitive advantage on their markets, as evidence exists that CSR positively affects financial performance, customer retention and brand value. However, there are very few studies dealing with CSR in small businesses, and therefore we know little about the meaning, the practices and the outcomes of CSR in start-up companies and SMEs. Quantitative research could be developed to categorize SME's according to their CSR strategy in terms of social issues interest: are they focused mainly on consumerism, the environment, discrimination, product safety, occupational safety, or shareholders (Carroll, 1979)? Complementary research might be elaborated to evaluate the business action strategies SME's and start-up companies set up to deal with CSR issues: are they primarily deploying reactive, defensive, accommodation, or proactive behaviors (Wilson, 1975)? Additional empirical research is also needed to examine the nature and sources of opportunities identified by those SMEs that decided to integrate CSR principles at the start-up level. For instance, qualitative empirical research may be conducted to determine the type of business opportunities entrepreneurs detect where integrating CSR principles at the start-up level: are they mainly linked to products, services or to business models? Also, empirical research could be developed to study the main sources of entrepreneurial opportunities incorporating CSR principles: are they predominantly economic, cultural cognitive or sociopolitical opportunities (Companys & McMullen, 2007)? Finally, one may usefully test the influence of CSR on opportunity identification processes both at the individual and firm level. Moreover, empirical comparisons of SMEs that decided to incorporate CSR at the start-up level or during the early-development phase could help us understand the strategic relevance of CSR as a structuring principle of new ventures.

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International Comparison of Global Perceptions

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Abstract

The recent global economic crisis is affecting people's positions on globalization. In this paper, we examine the views of young managers toward globalization especially in small and medium enterprises. Since globalization has differential impacts in both developed and developing countries, we compare the views of young managers in France and India. We draw upon the social representations theory and its impact on attitudes to identify the differences among young managers. We measure the social profiles of managers (international openness, social background, work environment and education) and link them to social representation. The results show different levels of attitudes according to the manager countries of origin. The results also validate the existence of a link between attitudes and representations which vary according to manager social profiles.

Keywords: globalization, social representations, attitude, managers, SME, France, India

1. Introduction

The rise of the global economy has given birth to a myriad of studies about the role of managers in international firms. Globalization is a complex concept that has been defined differently at different times. Kherdjemil (2000) and Mucchielli (1998) viewed it as a set of economic strategies in the minds of policymakers. Mittelman (1996) described it as a process induced by changes in the market rather than the result of deliberate policies. In this manner, many scholars have focused on various aspects of globalization and experts, scientists, journalists, politicians and activists have joined the debate to disseminate their views on globalization. In addition to this variability in defining the concept, there is a divergence in the media on the effects of globalization. For instance, the World Business Organization argues that inequalities between rich and poor have decreased and that globalization has contributed to this change (CCI, 2003) (Note 1), while the United Nations Development Program published a Global Report on Human Development in 1999 stipulating that the number of people with incomes less than or equal to 1 dollar had not changed in the previous ten years.

Such differences have led to confusion about the meaning and implications of globalization for most of the population and divided peoples' points of view. Is it possible for people to have clarity in their views in light of these arguments? This is surely rare (World Economic Forum 2002) (Note 2), according to Poeschl (2008), and must affect peoples' positions on globalization in an organization. This question is significant for firms because the manager thinking has an impact on the success of its internationalization mission (Nummela, Saarenketo, & Puumalainen, 2004). Consequently, the aim of this paper is to better understand manager image of globalization. To enrich the conclusions, it appears to be necessary to examine managers from different countries so that we can make an international comparison. We chose to focus on two countries, a developed country (France) which strongly benefits from globalization but has a negative view about it (Messerlin, 2004) and an emerging market (India) which is in the opposite situation (Drèze & Sen, 2002; Chopra, 2003). This specific context is extremely interesting since attitudes in both countries toward globalization differ from what their international position would suggest.

The need to study and understand the vision of globalization is decisive for SMEs in particular. Indeed, the leader of an SME plays a significant role by initiating deliberate strategies (Mintzberg, 2008) and the strategic vision is

both intense and personal in the small firm context. The strategy is created through an intuitive process taking place in the CEO's mind whose vision of the world is orienting future strategy (Mintzberg, 2008). In a crisis period, national markets may become insufficient and the firm's need to go abroad increases. This crucial argument justifies the focusing our study on the globalization vision of Indian and French managers.

To analyze the image of globalization, a literature review (§ 1) is first presented to clarify the concepts of social representations and attitudes studied in this paper. Each point of this analysis will be linked to globalization in order to enrich the problem. We then report an empirical study (§ 2) that deals with our questions.

2. Literature Review

2.1 A Paradoxical View of Globalization

The KOF Index of Globalization (Note 3) shows a ranking of the most globalized countries according to criteria such as current economic flows, economic restrictions, data on information flows, data on personal contact, and data on cultural proximity. In 2007, France's rank was 6 and India's rank was 82/122. We would therefore expect the French to have a favorable view of globalization given that they are more advanced in their global integration. However, the French do not react well to globalization. Indeed, they do not benefit as much as they could from the opportunities offered on account of protectionist measures, and miss some of the advantages of world trade (Messerlin, 2004) and therefore view the world pessimistically.

On the other hand, although developing countries are discussed extensively in the literature, they are analyzed together, without any distinction. Thus, studying India will bring a fresh and detached view that is distinct from other developing countries. Moreover, numerous authors have shown that globalization highlights negative issues such as illiteracy, poverty, and premature mortality (Drèze & Sen 2002; Chopra 2003). Yet paradoxically, India is very favorable to globalization (Chopra, 2003).

To conclude, it appears that there is a paradox between the French who have quite an unfavorable perception of globalization while they reap the benefits, and Indians who have favorable views of it while they are suffering from severely negative effects. That's the reason that a comparative analysis of perceptions of young Indian and French managers will bring a new perspective to the origins of manager attitudes and representation toward globalization.

2.2 Social Representations of Globalization

This study required young managers' opinions on globalization in order to understand how views are formed and to anticipate cognitive functions. This is why we chose to tackle the subject from the perspective of social representations, which was defined by Roussiau and Bonardi (2001) as "*an organization of socially constructed views with respect to a given object from a set of social communications, to control the environment and to integrate elements according to their symbolic or its group affiliation*" (p19).

Very few researchers have focused on the social representation of globalization. They have identified a limited number of areas associated with globalization. Thus, students from Brest (France) strongly associate it with the economy, trade and politics. In Goiás (Brazil) it is the economy, politics and falling physical barriers. Students from Mexico associate it strongly with the economic area (Humberto & Campos, 2008). Another study led by Viaud (2008) surveyed respondents engaged in international missions. Nine themes were identified by this survey: psychology, politics, values and ideas, the economy, social progress and technology, information and communication, environment and health, culture and diverse. In order to focus on the areas of a firm's interest, we can remove some inappropriate domains from this list (psychology and diverse). Moreover, values and ideas are linked to attitude and can also be removed. Thus, six fields remain: the economy and society, culture, politics, progress and technology, information and communication, environment and health.

To better enable the decomposition of globalization appropriate to the business environment, we chose to apply the domains proposed by Gopinath (2008, 2012). He identified the economy, business, and political, physical and social domains as a comprehensive decomposition of globalization and matches the two previous studies.

Table 1 summarizes the results from empirical and theoretical papers.

Table 1. Study results of representations toward globalization

Methods	Results	Authors
Empirical	Students identify four areas related to globalization: economics, politics, commerce / business, and physical barriers	Humberto & Campos, 2008
Empirical	Employees identify nine areas related to globalization: psychology, politics, values and ideas, economic and social progress and technology, information and communication, environment and health, culture and a miscellaneous category	Viaud, 2008
Theoretical	Globalization broken down into 5 areas: Economics, Business, Physical, Politics, Social	Gopinath, 2008, 2012

2.3 Impact of Social Representations on Attitudes toward Globalization

Abric's definition of social representations ("product and process of mental activity by which an individual or a group reconstitutes the reality facing it and attaches a specific meaning to it" (Abric, 1988, p. 64)) shows the role of attitudes in the allocation of "a specific meaning". Thus, attitude, defined by Doise as a position for the "evaluation of a social entity" (Doise, 2003, p. 242), is a component of social representations, which will be associated with the individual's meaning of the social object.

Viaud, Uribe Patiño, & Acosta Ávila (2007), measured student representations and attitudes to globalization. They classified respondents in two groups: Supporters (associating globalization with technological advances, the unification and communication) and opponents (gap between rich and poor, loss of cultural specificity and capitalism). Following these results, in accordance with the decomposition of the globalization that was presented earlier, we can expect that the representations of the supporters will be linked to the positive aspect of the physical domain and those of the opponents to the negative aspects of the economy and social fields.

These authors also showed, using a different method, that supporter representations include the economy, technology and union; and opponents identify as central elements the United States, poverty, domination, capitalism, the loss of identity, inequality and uniformity.

Using a similar method on an international cohort, Viaud (2008) found that the strongest supporters evoke progress and a new world (Goiás, Brazil). Moderate supporters evoke a better world (Porto and Tunis). Opponents can be classified in three categories: those who link globalization with the "economy of poverty" (p130) (Aix-en-Provence - France and Mexico); those who associate it with "loss of themselves" (p130) and those who refer to social issues (Brest, France). Finally, indifferent and resigned respondents refer to "world domination" (p130).

The various methods used by authors have led to slightly different results. Although the fields related to globalization may vary, the results are not contradictory, and a common reading of these publications is used to classify subjects as follows: globalization supporters describe the positive side of technological advances contained in the physical domain. Opponents are more influenced by the negative sides of globalization, particularly in the fields of economy and society. It is therefore possible, at the end of this research, to provide a direction to the attitude-representations relationship. Given the differences related earlier in this document, young Indian and French managers must have very different views on globalization. The questionnaire proposed in our research will help to analyze whether these suggestions are relevant to our two samples.

The following research questions summarize the above discussion:

RQ1: Globalization supporters are associated with social representation levels that are different from those of globalization opponents.

RQ2: Globalization supporters have a favorable view of the physical and the economic domains.

RQ3: Globalization opponents have an unfavorable view of the political, economic and the social domains.

RQ4: The relationship between attitude and social representations varies according to a manager's origin.

Manager origin is not the only parameter to be considered while studying social representation-attitude link. Differentiating social groups accurately contributes to the analysis of commonalities throughout our research samples. Therefore, having a large number of demographic questions will improve the overview of the sample's characteristics and will help to find variables that affect these relationships. This will help reduce the sample's variance by differentiating the types of people with the use of control variables. Assuming that social profile breaks down an individual's social representations, we seek to identify all the parameters that are linked to the position within the referential society.

Three studies help to identify the variables we ought to control:

- Living conditions and the ability to have access to a certain type of culture that serves as a guide for information, therefore affect social representations (Dorra, 2008). This gives the first parameters to control: variables characterizing **international openness** and those conditioning its **social environment**.
- Hierarchical or ideological factors modulate the differences between groups (Doise, 1982). Demographical variables must therefore include factors about the subject's position in the company, i.e., the **working environment**.
- Education has a role in reaching and understanding information. It therefore particularly influences representation design and has an impact on establishing attitudes toward globalization (Hainmueller & Hiscox, 2006). Hence, **manager education** must be monitored.

These studies provided four groups of variables that are likely to play a role on the attitude-representation link and help to identify the following research questions:

RQ5: Variations in the international openness, social environment, work environment and education of young managers are associated with variations in attitude and levels of representation.

Table 2 summarizes the previous research questions.

Table 2. Research question summary

Research questions	Content
RQ1	Globalization supporters are associated with social representation levels that are different from those of globalization opponents
RQ2	Globalization supporters have a favorable view of the physical and economic domain
RQ3	Globalization opponents have an unfavorable view of the political, economic and social domains
RQ4	The relationship between attitude and social representations varies according to a manager's origin
RQ5	Variations in the international openness, social environment, work environment and education of young managers are associated with variations in attitude and levels of representation

3. Research Design

A questionnaire was used to collect data from the young managers. Since no previous study has evaluated social representations toward globalization, we designed a new scale for this exploratory study. Items were evaluated on a five-point interval scale ranging from "Strongly agree" to "Strongly disagree". We were guided by the recommendations of Malhotra, Agarwal and Peterson (1996) in the design. Thus, we checked the functional equivalence of the main term of the study ("Globalization"). Moreover, the questionnaire was created in English and translated into French and then reverse translated into English to ensure a perfect correspondence of the questions. The questionnaire was first tested in France. It was then assessed, improved and used to collect data on a second sample. The Indian questionnaire was completed in English as it is the norm in India (the University Fellows International Research Consortium led by David Ralston does the same in its numerous studies).

3.1 Contents of the Questionnaire

As stated in the literature review, the measurement of social representations must include domains that capture the meaning of globalization for young managers. Hence, items must refer to one of the 5 pre-identified domains and to attitude. They are borrowed from broad themes in the literature, as follows:

- Economy: Edwards (2006), Adler and Mittelman (2004),
- Business: Gupta and Govindarajan (2002), Nummela et al. (2004), Bouquet (2005), Arora et al. (2004), Zdravkovic (2007),
- Political: Venard and Hanafi (2008), Nielsen (2007),
- Physical: Zdravkovic (2007), Gopinath (2008), Adler and Mittelman (2004), Khilji (2004),
- Social: Gupta and Govindarajan (2002). Edwards (2006), Adler and Mittelman (2004), Taewon and Ik-Whan (2002), Gopinath (2008),
- Attitude: Arora et al. (2004), Gupta and Govindarajan (2002), Adler and Mittelman (2004), Nummela et al. (2004), Bouquet (2005).

The attitudinal statements include issues involving the individual's position on globalization and force him/her to take a position. This part was constructed to reflect a personal identification ('I think' or 'I believe') associated with a specific aspect of globalization.

The control variables were placed at the end of the questionnaire. They measure the four groups of variables previously identified (international openness, social background, work environment and education) to which we added age and gender.

3.2 Sample Characteristics

The French sample was built on a follow-up process which is known to be efficient to reach a specific population (Royer & Zarlowski, 2007; Jolibert & Jourdan, 2006). The Indian sample was composed of young students based in India. The questionnaire was sent during the global economic crisis and there was a two-month gap between the French and the Indian data collection.

Sample characteristics are provided in Table 3.

Table 3. Sample characteristics

		France	India
General	Sample size	79	56
Informations	Gender	33% Female	35% Female
	Age	86% are under 40 years	100% are under 40 years
Work Environment	Work experience	69% under 10 years of experience	100% under 10 years of experience
Education	Educational level	72% have at least 5 years of study	85% have at least 5 years of study
	Field of study	86% attended courses in management or engineering	84% attended courses in management or engineering
International	Number of countries visited	60% visited between 4 and 10 countries	40% visited between 4 and 10 countries
Openness	Number of countries lived in	50% have lived abroad for more than one year	40% have lived abroad for more than one year
	Number of spoken languages	87% speak more than one language	90% speak more than one language
	Parent(s) immigrant (s)	33% have at least one immigrant parent	50% have at least one immigrant parent
Social Environment	Income	77% between €30 and €60k	N/A
	Parents education	74% have parents with studies	100% have parents with studies

The two samples were made up of young managers with low experience and high level social background:

The field of study was quite concentrated: the majority of respondents (86% of the French and 84% of the Indians) attended courses in management or engineering. This is not surprising, since these courses provide rapid access to managerial positions.

International openness was broad (60% of the French and 40% of the Indian respondents had visited between 4 and 10 countries; 87% and 90% respectively spoke more than one language, 33% and 50% respectively had at least one immigrant parent). 50% of the respondents have lived abroad for more than two years and that figure would increase if we included the students who went abroad for a semester.

The social environment is high (74% of the French have parents who are educated with 100% for the Indians).

Both samples are quite similar. They contain young and highly educated managers who have significant international experience.

4. Results

Individual scores are calculated by summing up the items in each domain followed by a comparison of the French and Indian scores.

These results show that there is a significant difference in the attitude toward globalization between the French and Indian respondents. There were significant differences in how they perceived the trends in the economic, the physical, and the social domains. The relationship between attitude and social representations varies with manager origin, so RQ 4 is validated.

Table 4. Score differences

Variable	Mean French (n=79)	Mean Indian (n=56)	t value (Sign.)
Attitude	3.6	2.6	-7.5($p = 0.00$)
Business	3.8	4.0	
Economic	3.7	3.9	1.6 ($p = 0.1$)
Political	3.1	3.5	
Physical	2.6	3.3	-4.3 ($p = 0.00$)
Social	2.7	3.9	1.8 ($p = 0.1$)

The attitude score was then binary encoded so that we could crosstab the attitude and the domain scores for each country. The cutoff point chosen was the mean of the considered group. The significance of the differences was validated by a *t*-test (only significant values are given in the tables). The results are summarized in the following table.

Table 5. Representations-Attitudes Relationship

	French scores					Indian scores				
	Business	Economic	Political	Physical	Social	Business	Economic	Political	Physical	Social
Attitude Unfavorable	3.7	3.0	3.6	2.4	2.6	3.9	3.5	3.5	3.3	3.1
Attitude Favorable	4.0	3.1	3.8	2.7	2.47	3.9	3.5	3.6	3.2	3.0
Difference significance	0.01			0.05						

French sample: Analyzing this table, we find that a favorable attitude is associated with a high business score and a high physical score. An unfavorable attitude toward globalization is associated with low business and physical scores. This leads to three comments: these results validate RQ 1: the attitudes and representations are linked to the total sample; RQ2, which assumed a link with the physical and economic domains, is partially rejected; RQ3, which assumed a link with the political, economic and social domains, is rejected.

Indian sample: Analyzing this table, we find that there are no significant differences between the attitude scores and the representation scores. This is probably due to the numerous minorities in India that might smooth out differences.

In both samples, attitude is not significantly associated with the economic domain, which suggests that the young managers surveyed in our sample have different perceptions of the impact of the economic side of globalization.

These results were then refined using the demographic variables that were introduced to differentiate respondents. To simplify interpretation of the results, demographic scores were binary encoded in order to separate the demographic variables that were below the average of the others (at least for the demographical variables that can allow such a cut). Representation scores were then reviewed for each demographic variable. The results are grouped in the summary tables presented below. Some demographic variables were removed since they could not be split.

Based on significant differences in demographic dimensions, we suggest that there is a link between demographic variables and the attitude-representation relationship for both samples (RQ5 validation). Furthermore, these results again confirm that the attitudes and representations of young managers are linked.

Table 6 shows that when the level of a demographic variable is low, the attitude toward globalization is poorly associated with the representation. This suggests that a good level in the four latent variables (international openness, social environment, work environment and education) is associated with the different domains of globalization, and therefore better captures the composition of globalization.

Table 6. Representations-Attitudes relationship according to demographic parameters

		Score					
		Attitude	Business	Economic	Political	Physical	Social
Age	High	3	3.9	3.3	3.6	3.1	2.9
	Low	3.5	3.8	3.1	3.7	2.5	2.7
	Difference significance	0.01		0.05		0.01	0.08
Work experience	High	3	3.9	3.4	3.6	3.1	2.9
	Low	3.5	3.8	3.1	3.6	2.5	2.7
	Difference significance	0.01		0.01		0.01	0.05
Educational background	business	3.2	3.9	3.4	3.6	2.9	2.8
	engineering	3.3	3.8	3	3.8	2.9	2.8
	Difference significance			0.01	0.01		
Number of countries traveled in	High	2.7	4	3.5	3.6	3.3	3.1
	Low	3.5	3.8	3.1	3.7	2.6	2.7
	Difference significance	0.01		0.01		0.01	0.01
Number of countries lived in	High	3	3.9	3.4	3.6	3	2.9
	Low	3.6	3.9	3	3.7	2.5	2.8
	Difference significance	0.01		0.01		0.01	
Number of spoken languages	High	3.6	3.7	3.1	3.7	2.6	2.6
	Low	3.7	3.9	3.1	3.8	2.5	2.7
	Difference significance			0.06			
Non immigrant parent	High	2.8	3.9	3.3	3.4	3.5	3.3
	Low	2.5	3.95	3.6	3.6	3.2	3
	Difference significance						
Parent educational level	High	3.6	3.8	3.2	3.6	2.4	2.7
	Low	3.6	3.9	3.0	3.8	2.6	2.7
	Difference significance						

To conclude, the following table summarizes the research questions and their validation:

Table 7. Research question validation

Research questions	Content	State
RQ1	Globalization supporters are associated with social representation levels that are different from those of globalization opponents	Validated
RQ2	Globalization supporters have a favorable view of the physical and economic domain	Partially validated
RQ3	Globalization opponents have an unfavorable view of the political, economic and social domains	Not validated
RQ4	The relationship between attitude and social representations varies according to a manager's origin	Validated
RQ5	Variations in the international openness, social environment, work environment and education of young managers are associated with variations in attitude and levels of representation	Validated

5. Discussion

First, let us examine the results that support the theory. As shown by Tafani (1997) and Doise & Palmonari (1986) with a sample of students, the components of the representations are related to attitudes. Tables 5 and 6 address this issue and significant results were obtained in all of these cases. This is the first demonstration that the components of the representations can be associated with a specific attitude toward globalization by young managers from different countries of origin.

One of the main points of our research was to propose a decomposition of globalization based on five domains: business, economic, political, physical and social. Our study of a young manager's social group successfully applied this theory (all of these domains are linked to young manager attitudes across different demographic variables). It is interesting to note that the relationship of the business aspect of globalization with attitude was strong among young French managers. This would suggest that French representations of globalization are essentially built in a professional context.

We also found that attitude and representation scores vary according to different variables that assess the social profile. This was seen by examining the fluctuations in the variables that measure the social profile (international openness, social environment, work environment and education). These results agree with Dorra (2008) who identified differences in social representations according to social profile, and Scheve & Slaughter (2001) who also noted differences in attitudes between social classes, comparing low and high-level educated individuals.

Some of our results disagree with the current literature. Scheve & Slaughter (2001) predicted that attitude was intimately connected with the poor health of the labor market. Given current world economic instability, we expected young managers' attitudes toward globalization to be low. Our results show an overall favorable attitude of the French sample (mean score of attitude greater than the arithmetic mean), so we cannot fully support this thesis. The people surveyed by Scheve and Slaughter were significantly different from those in our study (their sample of Americans included managers, manual workers, administrative personnel, etc...). Perhaps, as the current economic crisis began in the United States in 2008, that country is much more affected than France, which could partly explain the relatively high attitude level. Moreover, Scheve and Slaughter included workers from various social categories, including jobs which suffered the most from the crisis. We could not check the attitude level before the crisis in our research and that is why a longitudinal study has to be undertaken to demonstrate that the attitude level in the current context is different from the level after the crisis.

Earlier, we referred to the Foreign Policy Magazine ranking, the Messerlin (2004) study on the bad reactions of the French to globalization and Rudra's (2005) results showing that workers in less developed countries are often the losers of globalization. This led us to raise a paradox in the first part of this paper about the French who have quite an unfavorable perception of globalization while they reap the benefits (Messerlin, 2004) and Indians who have favorable views on it while they suffer severely negative effects (Drèze & Sen, 2002; Chopra, 2003). According to this observation, we expected the French to have a lower attitude than the Indians. This is not the case in our sample, which can be explained by the unequal consequences of the crisis: India was more affected than France (Note 4). Hence we suggest that the results presented in this paper cannot easily be generalized to other countries.

What could be the practical implication of such findings for managers? Several scholars have argued that managers need to have a global mindset for their organizations to take advantage of globalization (Tichy et al., 1992; Bartlett & Ghoshal, 1992; Rhinesmith, 1992; Kefalas, 1998). A global mindset was defined by Gupta and Govindarajan (2002) as an openness and an awareness of markets and cultural diversity. This new type of manager (Bartlett & Ghoshal, 1992) plays a crucial role in a global context (Kedia & Mukherji, 1999) and deserves serious study. Furthermore, an international environment creates new constraints for managers. Thus, they have to integrate the whole business in general, regional/national pressures, and global functions. This is why they cannot ignore any of the variables linked to globalization. Our research is promising and informs leaders and human resource managers who would like to hire employees who match global constraints. This must be done by better understanding the link between attitudes and representations of globalization and the positions toward globalization determinants, which has not been adequately studied by earlier researchers.

Often, information which is contrary to a manager's representations will contribute to its transformation, and thus influence attitude (Flament, 2003). Therefore, it is of value to identify demographic variables that are linked to different domains. Table 6 can help to choose a manager with specific characteristics that are in accordance with the job requirements. This will help understand which kind of information will affect the attitudes of managers.

The Nummela et al. (2004) study is one of the few studies that quantified the impact of global thinking on a company or individuals and emphasized the use of having a global way of thinking. The experience and the sector of a manager's company were shown to be success factors in the internationalization of Finland's companies. In addition, the authors showed the positive impact of these determinants on the global mindset of a company's members and its positive impact to improve performance on international markets. Another study led by Arora et al. (2004) also found a positive relationship between a manager's global mindset and internationalization success. They stated that companies should make more efforts in training managers who are assigned international duties.

As attitudes affect individual behavior (Kraus, 1995), it is essential to analyze the relationship between demographic variables and attitude so that we can draw an adequate profile adapted to international missions. This profile should have high international openness, social background, work environment experience and education. According to our study, the most important factors appear to be educational background and parents' education.

6. Conclusion

This exploratory study has enriched knowledge of manager attitudes and representations toward globalization. Focusing on young managers emphasizes their important role in international corporate activities.

The results are consistent with the literature on social representations and additional results have confirmed the relationship between demographic variables (international openness, social environment, work environment and education) and representations of globalization.

However, it should be noted that there is a limitation owing to the low number of respondents. This limits the generality of the results but is sufficient for the preliminary needs of this exploratory study.

Finally, globalization studies show weak representations in periods of positive growth (Poeschl, 2008; Dorra, 2008; Leiser, 2008). Moreover, the image of globalization has been improving with time so far (Ribeiro & Poeschl, 2008). These two statements justify the great interest to study positions toward globalization in the context of crisis. Since a poor representation of globalization could induce a psychological barrier toward internationalization, this subject is decisive in SMEs which are known to be greatly influenced by the CEO's vision, especially given that the current period had provided much bad news on the shocking consequences of globalization which alter positions on globalization (Ribeiro & Poeschl, 2008). Our results should be complemented with a study measuring the evolution of attitudes and representations after the current crisis.

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Notes

Note 1. World Economic Forum, 2002, Global Public Opinion on Globalization.

Note 2. Nouvelles données sur la mondialisation, 2003, la pauvreté et la répartition des revenus, Chambre de Commerce Internationale.

Note 3. <http://globalization.kof.ethz.ch/>.

Note 4. Study from Regus "Business Tracker" (2009) examining 11000 managers from 15 countries.

Strategic CSR Assets within SMEs: A Comparative Case Study

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Abstract

This article aims to show the extent to which strategic organizational resources and assets may determine the type of CSR strategy deployed in SMEs. It is based on the Resource Based View (RBV) approach that allows the authors to propose a theoretical grid to analyse CSR commitment considering the assets mobilized. We have conducted interviews with two SME chief executives with a view to assessing their perception of both internal and external challenges involved in corporate responsibility policy-making, and then have examined the measures implemented in their firms as well as the resources mobilized. We conclude that although the firms have similar resources at their disposal, they actually demonstrate quite different levels of commitment to responsibility in practice.

Keywords: CSR, SME, RBV approach, strategic assets

1. Introduction

The fact that corporate enterprises need to take ecological and social expectations into account in matters of strategic management has been amply demonstrated and confirmed by several research studies (Donaldson & Preston, 1995; Shrivastava & Hart, 1996; Hart, 1997; Reynaud, 1997; Reynaud & Rollet, 2001; Martinet & Reynaud, 2001, 2004; Reynaud *et al.*, 2006). These studies also demonstrate that there is a certain amount of choice offered to the business world in the way responsible strategy can actually be implemented in practice (Carroll, 1979; Rugman & Verbeke, 1998; Martinet & Reynaud, 2004; Sharma & Vredenburg, 1998). In reality, a wide variety of CSR strategies actually exist. These range from complete absence of policy reflecting a very negative approach to the issue, through to indifference, and at the other end of the scale, a proactive approach which attempts to anticipate and even shape environmental demands (Sharma & Vredenburg, 1998; Azzone & Bertelè, 1994). In the case of SMEs, various studies have looked at a selection of responsible practices (Schneider-Maunoury, 2000; Observatory of European SMEs, 2002; CROCIS-CCIP (Regional Centre for Observation of Commerce & Industry based in the Ile de France), 2003; Berger-Douce, 2005; Quairel & Auberger, 2005a; AFCE-CCI, 2006; Berger-Douce, 2006, 2008). This range of contrasting responses e.g. CSR measures barely integrated into overall policy versus militant SMEs which place CSR at the very heart of their strategic planning – has formed the basis of numerous research works carried out to identify the main reasons which motivate SMEs to commit to responsible policy-making.

The latter are brought together and summarized in a recent theoretical study undertaken by Aka and Labelle, 2010. According to this study, individual, organizational and institutional factors explain commitment to responsible policy-making within SMEs and in relation to individual factors, matters such as gender, age, educational level and personal values of the head of the firm are all mentioned. At the organizational level, it would appear that size, economic performance and how long the business has been in operation are important factors. At the institutional level, the determining factors relate to localization, industry sector, structure of ownership and control within the business as well as professional network links.

In any event, even if these factors explain the reasons for commitment to responsible management on the part of SMEs, they only partially explain the actual form this commitment takes. Previous studies therefore have only relative relevance when it comes to understanding the multiplicity of CSR practices actually in use in the SME sector. It is for this reason that we have adopted a Resource Based View (RBV) approach. This approach seems

to us to be vital to gain a proper understanding of why a particular strategy might be chosen and adopted. Our hypothesis is generally that the overall availability of assets and resources an SME has at its disposal will determine the type of CSR strategy deployed. At the same time, our study aims to reveal the particular assets required for the implementation of particular CSR strategies. Furthermore, we hope that this will increase understanding of the role played by these assets in the adoption of a particular CSR strategy. Finally, we hope to demonstrate that whether a company might be more inclined to adopt a particular CSR strategy would specifically depend on whether or not they had particular assets at their disposal.

We have chosen to present our study in three parts. In the first part we discuss the most common CSR policies in practice and propose a typology of assets and resources based on the RBV approach. At the end of this section we produce a theoretical analysis grid. The second part looks at the choice of methodology used to carry out our research as well as case study analysis. The results of these case studies are then analyzed using the theoretical analysis grid. Finally, in the third part we discuss and develop the results of our study. In the conclusion we consider the main ideas, discuss them and suggest how they can be followed up in a future research program.

2. CSR Strategies within SMEs & the RBV Approach

This section is developed in two ways. The first deals with different CSR strategies within SMEs whereas the second puts forward a typology of assets based on the RBV approach. At the end of this dual analysis we produce our results in the form of a theoretical analysis grid.

2.1 Diversity of CSR Strategies within SMEs

A study of 7600 SMEs carried out by the European Commission in 2002 revealed that half of the SMEs interviewed claimed to have responsible strategies actively in place. These results are confirmed by a study of SMEs in the Ile de France area of Paris (CROCIS-CCIP, 2003): namely that 59% of businesses approached said that they included sustainable development in their management planning. Finally, another study carried out amongst SMEs in the Rhône-Alpes area demonstrated that 92.5% of SMEs had adopted responsible management in their businesses (AFCI-CCI, 2006). Although these results are encouraging (between 50 and 90% of SMEs demonstrating commitment to social and/or ecological issues), these results need to be carefully examined (Quairel & Auberger, 2005b). In fact, it would appear that responsibility within SMEs is characterized more by one-off measures or initiatives than by any truly structured or integrated policy (Berger-Douce, 2008). The study produced by the European Observatory demonstrates that the majority of SMEs which are socially and ecologically engaged carry out sponsorship locally such as community initiatives “outside-work hours” which although not un-useful in themselves are nonetheless measures unconnected to the business activities of the company in question. Finally, evidence of successful transfer of theory into actual practice remains limited. For instance, very few SMEs actually have a formal structured policy (e.g. strategy) in place between themselves and other stakeholders and/or have adopted standardized evaluation and monitoring tools adapted for use in SMEs. As Berger-Douce (2008) highlights in relation to responsible practices in the SME sector “*there is probably a gap between theory and practice*”. However, other studies carried out on more restricted sample groups suggest that some SMEs (approx a thousand of them) have placed sustainable development at the very heart of their decision-making process (Berger-Douce, 2008). It is a very different picture in the case of some pioneering SMEs (Schneider-Maunoury, 2000; and Berger-Douce, 2005, 2006). These companies are more actively committed, and, despite a variety of obstacles such as lack of resources, incentives, time and support (Berger-Douce, 2005, 2006) they still manage to implement responsible policy (Schneider-Maunoury, 2000; Berger-Douce, 2005, 2006).

In order to examine the variety of different responsible CSR practices in use, academic research literature has come up with several typologies (Carroll, 1979; Sharma & Vredenburg, 1998; Azzone & Bertelè, 1994; Reynaud & Chandon, 1998; Belling, 2003). Examination of the literature also highlights that whereas for some businesses, sustainable development is synonymous with costly and restrictive requirements, others are able to assimilate socially and ecologically responsible ideas and see sustainable development as a source of opportunity to create and add value (Schneider-Maunoury, 2000; Reynaud & Rollet, 2001; Persaix, 2002). Whereas some are able to adapt to the constraints of a particular sector (legal pressure at both local and national level) which enables them to adjust to the demands being made on a social and ecological level, others seek actively to anticipate legal and administrative requirements and are able, as a matter of choice, to go beyond what is strictly required of them.

In this study we have applied the Bellini classification (2003), inspired itself by the work of Carroll (1979). This classification identifies 3 dominant sustainable development traits namely the eco-defensive position, the

eco-conformity position and the eco-sensitive position. Each particular behavior type is characterized by the decisions it makes in terms of resource allocation (whether in the ecological, social, community or economic domain) which is linked, in turn, to the adoption of a decision-making model which challenges the dominant decision-making logistics of the business - to a greater or lesser degree (Bellini, 2003).

The eco-defensive position is characterized by the exclusive prioritization of the pursuit of profit and immediate economic return. This behavior type tends to think of ecological and social investment as wasteful and costly and also at odds with the economic dynamic. The eco-defensive position is therefore one of maintaining current business practices without integrating either ecological or social considerations into management planning (at the risk of breaking the law). This position has become increasingly rare because the risks (financial or other) associated with breaching administrative regulations have become increasingly more significant.

The eco-conformist position is characterized by conformity to the law, respect for rules and administrative regulations but is limited to doing only that which is legally required, so as to avoid breaking the rigorous laws in place. The eco-conformity position seeks to minimize risk and investment by operating within legal norms. The prime objective of this behavioral type lies in the desire to maintain optimum profits all the while safeguarding the legitimacy of its activities in relation to its stakeholders. Steps taken towards responsible management are considered to be more of a damage limitation exercise in relation to risks generated by this area. For this type of business, responsibility creates technical and organizational constraints, and incurs additional costs associated with adaptation and it does not create value.

On the other hand, the eco-sensitive position does not emphasize immediate financial return. Social and ecological investment produces longer term results. This type of business sees ecological and social investment as viable for a business in the medium to long term. Most often they exceed regulatory standards imposed by law. Nor do they always wait for a law to be actually passed before introducing environmental or social development policies into their management practices. Corporate responsibility issues are considered to be key elements of continuity and growth for a business and are at the very heart of strategic policy making. The objective is two-fold. On the one hand sustainable development generates benefits in terms of expenditure (reduction in costs of production in the long term), legitimacy (image projected to stakeholders, workplace culture...) and market differentiation (quality of products, eco-labellization...) (Reynaud & Rollet, 2001; Reynaud & Martinet, 2004). On the other hand, the business operates in the hope of being able to influence other operators in the chain (clients, suppliers and sometimes competitors). The aim of this group is to push at the boundaries of doing business to bring about changes which appeal both ethically and economically. Establishing new rules for development and obliging competitors to play a game they are a bit unsure of is one of the objectives of pro-active promotion of corporate responsibility (Sharma & Vredenburg, 1998).

Categorization of responsible behavior by type allows us to set out the basis upon which our analysis of CSR strategies within SMEs can be carried out. (Table 1)

Table 1. CSR strategies within SMEs

CSR strategies	Eco-defensive	Eco-conformist	Eco-sensitive
Characteristics and evaluation	1-Positioned just within regulatory norms	1-Complies with regulatory standards	1-Goes beyond regulatory standards
	2-Deploys no responsible policies or practices	2-Deploys responsible policies and practices on non-formal lines	2-Deploys structured, formalized responsible policies and practices
	3-Allocates no resources for SD	3-Allocates similar resources to SD as its average competitor	3-Allocates more resources to SD than its average competitor

In the following section we take a quick look at RBV. Bearing in mind the nature of this study, particular attention is paid to the asset typology.

2.2 RBV and Identification of Asset Typology

For exponents of RBV (Wernerfelt, 1984; Barney, 1991), the performance of a firm and its adoption of strategy depend on its assets. They believe that company strategy will be more successful if it is based on assets at the disposal of the firm. In other words, the choice of strategy depends hugely on assets available to it.

The whole notion of the term assets needs to be addressed and the meaning clarified. In order to do this we have elected to use the 3 following categories of assets: resources, capacity and aptitude.

Resources are ways in which a firm is able to transform input into output and which are attached to it e.g. which the firm possesses and can control. Wernerfelt (1984) makes the distinction between tangible resources (financial, physical, technological and organizational) and intangible resources (culture, relationships, reputation, legitimacy...). These resources can be conceptualized as stocks and shares the accumulation of which depends on the intensity and the rhythm of investments successfully carried out by the firm (or flow of financial resources such as the cost of Research and Development, advertising, personnel training...) (Dierickx & Cool, 1989). However, resources are rarely productive in themselves, they only represent potential. In fact, even though they are very important for the successful production of a firm's output, they are a necessity, yes, but not sufficient in themselves to produce output. In fact resources only become real at the point at which they are mobilized in a process in order to carry out a specific function. The concept of capacity permits a better understanding of the way resources work.

Taking the base-line definition of capacity as described by Amit and Shoemaker (1993), we believe that capacity can be defined as the ability of an organization to implement the deployment, combination and coordination of resources throughout a process of actions in order to implement strategic objectives defined in advance. Lamarque (2001) also notes that "*competence is defined as the capacity to implement a task or an activity as a result of resources available to carry it out. It involves a combination of the latter in accordance with organizational processes and collective savoir-faire*". So, competence is the direct result of resource input. Resources make up the "elementary particles" of competence (Métais, 2003). It is important to note that the grouping of resources would be specific to a particular firm. In fact, not all companies deploy resources in the same way. As a result, organizational capacities depend upon the history of the firm and its development over the years as these factors create a heritage which will determine future development. This phenomenon is known as path dependency.

We consider that there are two different types of organizational capacity. The first is operational in that it enables a firm to exercise its current activities connected to the day-to-day running of the business. The second is dynamic in that it enables creation and design and renewal and evolution of a firm's assets ensuring its adaptation to the never-ending changes which characterize the market environment (Teece *et al.*, 1997; Eisenhardt & Martin, 2000; Zollo & Winter, 2002).

In any event, no matter what the nature of a firm's capacity (operational and oriented towards short-term returns or dynamic and oriented towards the long term), it only exists if it is translated into action. In other words, it only becomes effective, only becomes real from the point at which it is expressed, e.g. put into action in order to obtain a particular result. So, until capacity takes on active form, it can only be considered to be an aptitude, e.g. a capacity in the making, and only exists in a latent form within an organization.

These theoretical discussions enable us to construct an analytical framework for the examination of assets with potential to be used by SMEs as part of management planning with a view to adoption and deployment of a CSR strategy.

Examination of CSR strategies within SMEs enables us to put forward 3 main options: the eco-defensive position, the eco-conformist position and the eco-sensitive position. Following on from this, asset analysis enables us to identify 3 main types of asset: resources, capacity and aptitude. The table below presents our analytical case-study model.

Table 2. Analysis model of assets required for CSR within SMEs

	Eco-defensive	Eco-conformist	Eco-sensitive
Resources	Tangible		
	Intangible		
Capacity	Operational		
	Dynamic		
Aptitudes			

In the following part of our study we reveal the methodological choices we have elected to use as well as analysis of the case studies conducted.

3. Research Methodology and Case Study Presentation

There are two parts to discussion of our empirical methods. Firstly we will demonstrate the methodological choices used in our study. Then we will go on to discuss the cases themselves which form the subject of our research studies.

3.1 Methodology Used in Study

Our research paper is undertaken as a qualitative study for exploratory purposes (Yin, 1989; Wacheux, 1996). We are trying to establish whether assets used by a firm influence the adoption of responsible behaviors. The exploratory nature of our study explains why we chose to study several cases. Since our aim is to identify recurrent behavioral phenomena it seemed appropriate therefore to conduct research into several firms (Eisenhardt, 1989; Yin, 1989).

We conducted a series of interviews with two SME directors both working in the same industry sector – the metal industry and in the same geographical area in France (Indre-et-Loire). By doing this we were in a position to see that, within the same sector, firms have to confront exactly the same type of problem e.g. effective control of resources and the effect this then has upon commitment to CSR within a SME. These 2 particular SMEs were selected because of the difference in approach they demonstrated towards commitment to CSR. Data collection was carried out by way of semi-directive, one-to-one interviews of about an hour and a half each throughout the period September to December 2010.

In the case of each company, our study focused on the path forged by the director in relation to the main subject areas listed below, the action then taken by the firm and the methods used. What was involved here was an assessment of the reasons which motivated directors to commit to themselves to a particular course of action; and from there an examination of the type of resources mobilized by the firm as well as the processes or interactions involved in bringing a pre-determined course of action to successful conclusion. We designed a table to illustrate the structure of our interviews which were grouped around the following themes:

- Director's view of challenges linked to the metal industry sector,
- Director's view of SD in the sector,
- Strategic orientation preferred,
- Main action taken and long-term direction fully researched,
- Resources mobilized and organizational methods implemented to support actions/measures taken.

The data collected have been analyzed thematically (Bardin, 1998). A first round of analysis demonstrates the degree of intensity of a company's commitment to CSR. Secondly, the data was then interpreted using the analytical model used in our theoretical framework. We then went on to explain the differences in intensity of commitment to CSR recorded in relation to resources mobilized by the firms involved. This second round of analysis enabled us to characterize more effectively the organizational capacities which help drive CSR behavior.

3.2 Presentation of Companies Studied

For the purposes of this study, investigations were carried out in two SMEs in the capital goods industry (a sub sector of the metal industry) in the Indreet Loire region of France. The results are presented in the table below:

Table 3. Indicative characteristics of companies interviewed

	Main business activity	Year business started	Legal status	Number of salaried employees	Commercial sphere of operation
PME 1	Construction of railroad machinery for maintenance of infrastructure	1965	Plc.	80	International
PME 2	Development and manufacture of made-to-measure stainless steel furniture	1994	Simplified joint stock company	35	National

The CSR behavior of each SME is presented in the following tables which summarize information provided by the two directors as to their perception of CSR and its implementation.

Table 4. CSR strategy of SME 1, company perception of CSR, action taken and resources mobilized

Perception of challenges related to the metal industry sector	There are difficult issues in the sector which arise as a result of legislation and clients who fix specifications and impose terms and conditions. Clients both national and international.
Perception of CSR in the sector	<i>“Sustainable development has become more and more of a constraint which forces a fair few businesses to drop investment in favor of contracting out.”</i>
Strategic orientation preferred	Company wants to increase its visibility in the area of restoration and remotorization of railroad machinery.
Main action taken in different CSRcategories	<p>On the environmental side, the business has been accredited with ISO 9001 certification since 2006. This step was taken in response primarily to client demand (notably the SNCF (1) which is an important client for the company). The company is also involved in an incentive program initiated by the SNCF to create a hybrid locomotive demonstrator.</p> <p>In relation to waste, the company complies with legal requirements. It recycles and treats waste using local partners.</p> <p>In relation to social commitment, measures taken are in line with the size of the company, regulatory requirements and with other business practices in the sector. It has started a company savings scheme and a profit-share scheme.</p> <p>On the economics side, the firm is looking to maximize its costs in order to maintain turnover. In order to do this it regularly uses temporary staff.</p> <p>In relation to community links, the firm contributes according to its means and wherever it can by the transference of skills and know-how to young apprentices. This is a way for the director to participate and be involved in the development of the local economy.</p>
Resources mobilized/utilized	<p>Tangible resources</p> <p>Significant financial resources (accumulation of reserves)</p> <p>Software system: CAD 3D Solid Edge</p> <p>Engineering and Design office</p> <p>ISO 9001 Certification (since 2006)</p> <p>Intangible resources</p> <p>Technical know-how and expertise in boiler-making industry</p> <p>Technical know-how and expertise in hybrid solutions in the metal industry sector</p> <p>Very good reputation and links with SNCF</p> <p>Contacts with various overseas partners</p> <p>Overseas operating license</p> <p>Relations with various different sub-contractors</p>

(1) SNCF: Société Nationale de Chemin de Fer (National RailwayCompany).

Table 5. CSR strategy of SME 2, perception of CSR, action taken and resources mobilized

Perception of challenges related to the metal industry sector	<p>Clients of this SME are restaurant chains, the supermarket distribution sector, those involved in the installation of professional kitchen equipment and the resale market, laboratories, indoor and outdoor markets and specialized shops.</p> <p>The business works on the basis of mutual trust. There are no specifications or terms and conditions imposed by clients.</p>
Perception of CSR in the sector	<p><i>“It is important to carry out energy efficient and energy saving policies, to improve the comfort of personnel...there is going to be more and more legislation in relation to SD and I think that we should go with this and look for solutions so that construction is less expensive.”</i></p>
Strategic orientation preferred	<p>To maintain turnover figures (since 2004, turnover has increased steadily from 2.8 million to 5 million Euros).</p>
Main action taken in different CSR categories	<p>On the environmental side, the firm has not opted for any particular certification, believing this is not necessary currently. However, in relation to the expansion of its operation, building work was carried out in line with HQE (Haute Qualité Environnementale - French environmental certification) requirements and the firm plans to install solar panels.</p> <p>In relation to waste, the company has been fully compliant with regulatory requirements for some considerable time now. It recycles and treats waste with local partners.</p> <p>In relation to social commitment, measures taken are in line with the size of the firm and regulatory requirements. It provides an automatic bonus scheme (14 months of salary) to its employees and has been involved in several initiatives to improve working conditions for its staff.</p> <p>On the economics side, the firm is financially pretty healthy showing steady increase in both turnover and workforce numbers. Investment in a laser machine appears to have contributed significantly to the company's increase in turnover.</p> <p>In relation to community links, the firm contributes according to its means and wherever it can by the transference of skills and know-how to young apprentices.</p>
Resources mobilized	<p>Intangible resources</p> <p>Financial resources (accumulation of reserves)</p> <p>Mentoring and professional development training</p> <p>Laser machine with 3D software</p> <p>Automated design office</p> <p>Intangible resources</p> <p>Savoir-faire and expertise in the boiler-making industry</p> <p>Involvement in the business working group/cluster - the Membership of network - Groupement des Entreprises du Val d'Amboise (GEIDA)</p> <p>Membership of the Metal industry and Metal workers Union (UIMM)</p>

4. Analysis of CSR Behavior: Action Undertaken, Measures Implemented, Resources Mobilized and Capacities Deployed

We start by offering a comparative analysis of the cases studies. This will reveal (by way of analysis of the resources adopted) the differences between the two firms in terms of commitment to responsible policy-making, perception of challenges presented by CSR and then finally measures implemented. Secondly, we present an interpretative examination of the concepts mobilized by the firms, using the RBV approach, which will enable us to explain in greater detail the differences in commitment we discovered. Finally in relation to the combined assets of the firms studied, we will attempt to understand whether the difference in terms of commitment to CSR can be explained by specific organizational capabilities.

4.1 Similar Resources but Different Level of Commitment to Corporate Responsibility

In many ways, the 2 companies which are the subject of our case study have much in common. They both operate in the metal/sheet metal industry sector and have expertise in the boiler-making industrial sector. Even

though they have specialized in specific applications and developed different strategic activities, they have resources at their disposal which are roughly comparable. They both have engineering and design offices for the development of new products. The personnel employed by both firms are well qualified, whether they are workers on the shop floor, management or engineers. In relation to intangible resources, both firms have a very good reputation amongst clients for both the quality of their product and their business responsiveness. They both belong to professional associations such as GEIDA and UIMM. Membership of these associations gives them access to information relevant to developments in the sector as well as information about regulations generally whether they are environmental, social or technical in nature. These associations also offer management training opportunities to its members as well as training to increase understanding of and sensitivity to corporate responsibility issues.

However, although the two companies do have a number of things in common and the same access to a similar number of resources, our results show a marked difference in the manner in which sustainable development is perceived by the 2 directors (the future of SD in the sector and the pressure exerted by clients, compliance with regulations...) and in the measures implemented by them. As tables 4 and 5 illustrate the priority accorded to the different areas of CSR are very dissimilar.

With reference to the matrix set out in the first section of our paper (table 1) which distinguishes between the level of integration of environmental standards in relation to how internal and external challenges are perceived, it is now possible to identify responsible behavior in the two firms. In addition, based on discussions with the two directors, our results reveal two distinct types of strategy for integration of corporate responsibility – an integration strategy in line with the eco-conformity position for SME no.1 and then a more pro-active approach, which we call eco-sensitive, for SME no.2.

In relation to SME no.1 the majority of investments introduced (hybrid technology, ISO 9001 certification...) have come about as a result of strong external pressure (from clients and increased market competition). On the social and environmental front, the measures introduced are completely in line with others in the sector. The director didn't appear to be particularly convinced of the relevance of any greater commitment to responsible management, as the comments recorded below indicate.

Manager of SME 1 in relation to ISO 9001 and 14001 certification...: *“I am quite skeptical... I don't believe that companies without the accreditation work badly or that all those who do actually have the accreditation work well...these days certification is indirectly imposed through the whole process of tendering for contracts...In relation to ISO 14001, we had to give the matter some thought...because we had submitted tenders to EDF(Electricité de France, French Electric Utility Company) and they had asked us where we were up to with the accreditation process and we see increasingly that reference to SD have now started to appear in tenders...but what weight does this carry in reality? Quality and price remain the determining factors...”*.

At the same time the firm comes up against strong financial imperatives which mean that it has to resort to using temporary staff and sub-contracting practices, and is thus forced to forego internal investment. In this regard the statement below is revealing:

Manager of SME no.1: *“Sustainable development is becoming more of a reality in as much as it exerts a fair degree of pressure on businesses. In our company, we have given up making long-term investment and have increasingly taken the decision to sub-contract and outsource instead either within France or elsewhere because regulatory compliance has made it all but impossible unless you are very profitable businesses....compliance has become increasingly burdensome and given our market price it has become prohibitive so we are tending more and more to stick to assembly...”*.

For the reasons outlined above, responsible behavior in SME no.1 means minimal incorporation of CSR in reality, in line with conformist strategy.

The commitment to social responsibility shown by SME no.2 is in a very different league and is much more in line with a pro-active incorporation strategy (eco-sensitivity). On the environmental front in particular, measures taken have not been forced upon the company in reaction to particular external pressures but have been undertaken more as a preventative in anticipation of legislation but equally in response to internal needs (improvement of working conditions for example). The following extracts illustrate this difference in perspective:

Director of SME 2: *“Sustainable development within business can only develop because there is more and more legislation in the area which means that ...we just have to comply and get on with it... As for me personally, every time I need to buy a new machine or product or think about expanding the business, I feel the need to*

check and see what regulation or the other I need to think about. I think this is going to become really important from now on and that's what I think we have to consider first."

Going beyond these first impressions and comparisons, we now need to examine the question of whether or not these different reactions to corporate responsibility involve a particular combination of specific assets.

4.2 Identification of Organizational Capacities Likely to Encourage Adoption of Corporate Responsibility Strategies

As indicated above, commitment to CSR in SME no.1 is limited. We noted an accumulation of assets in relation to hybrid technical know-how and in the manufacture of machinery used for railroad maintenance. The company has in fact developed knowledge in this area through its engineering and design office as well as the accumulated experience it has gained over time and finally as a result of contacts it has been able to develop with the SNCF. This accumulation of resources has led the business to concentrate the focus of its business activity on the design of rail machinery and the restoration of traction engines. This has enabled it to acquire specific competence in the area of hybrid motorization, and this is recognized professionally in the sector. In terms of its commitment, the firm doesn't make any particular distinction between the environmental, social or community sectors of responsibility. The firm certainly has resources and has developed its competence across different responsibility sectors as is reflected in the measures it has implemented - highlighted in table 4 (company savings scheme, profit share...), in its commitment to the community (apprenticeships) and to the environment (waste treatment). However, it does only the minimum which is legally required of it. It doesn't seem to have a global appreciation these different assets can have for a business. Measures implemented in environmental, social and community sectors of responsibility do not appear to have brought value added for the firm. Even the firm's membership of various different professional organizations has not been the trigger for the uptake of additional responsible measures or initiatives. Membership itself has not materialized into specific action. The aim of SME no.1 would appear to be securing an optimization of costs and consolidation of its market position with its main clients. In order to do this it has switched its knowledge base to the areas of design and assembly in the machine engine sector and has invested in specific CAD software for the purpose. As a result, the firm's horizons are limited to the short term. In reality what this means is a reduction of assets used for production and manufacture, and the use of resources for maintenance of specific capabilities in the area of design and assembly of railroad machinery instead - the sole objective of which is to respond to external requirements (compliance with legislation and client demands) and to optimize organizational productivity.

Commitment to corporate responsibility outlined above in the case of SME no.1 in reality means the development of capabilities which are essentially operational in nature and focused on maintaining productivity and the day-to-day working of the business.

However, in the case of SME no.2, the resources used and the manner in which they are deployed in reality reveal an entirely different state of affairs. Just like the case of SME no.1, SME no. 2 has accumulated knowledge and practical skills in the boiler-making industry acquired through experience and the work carried out in its engineering and design office, and as a result of specializing in a particular strategic business activity e.g. the manufacture of stainless steel furniture aimed at the professional market. Over the years SME no.2 has acquired a very good reputation with its clients to the point where relations with its business partners are based on mutual trust and not on the particular requirements or whim of a company director. In relation to the different CSR sectors, SME no.2 has adopted a few of the resources and assets e.g. on the environmental front (research conducted into environmental standards) and in relation to social responsibility (research conducted into sound-proofing of building, replacement of machinery by less noisy equipment, refurbishment of its warehousing facilities). In contrast to SME no.1, SME no. 2 has acquired, little by little, its own experience from the development of its assets and as a result of the professional contacts made by its director. A working example of this is the firm's membership of GEIDA and the voluntary functions it performs for the UIMM which have enabled the firm to access up-to-date information about environmental legislation and organizational audit practices. This has created the opportunity for the firm to take part in working groups on the subject of development of green construction practices in line with HQE standards as well as on the subject of dissemination of information and resources in order to implement collective sustainable development measures within the network. The director of SME no.2 was also invited to take part in an environment commission (organized through GEIDA) the role of which was to select one or several businesses in the region to establish financially attractive partnership deals for the members of the network. Membership of the network also inspired and enabled him to carry out an organizational audit of his own company. As a result, various different measures were implemented and action taken. For instance the firm ensured that new office buildings were HQE compliant, it improved working conditions in the production workshops by replacing old machinery with new

soundproofed equipment, by improving the inspection pit areas and by refurbishing various other warehouse storage facilities which included the installation of an automated warehouse storage facility. The design office has also undergone changes in that it now has the use of a new 3D CAD computer software system and an automated laser machine. These improvements have enabled the company, over time, to respond to an increasing number of demands made upon it as a result of the time-saving measures introduced in the design area and improved business responsiveness to its clients. Over a 4 year period during which the firm has gradually introduced these changes, it has in effect doubled its turnover and its workforce and has been able to offer its workers a 14 month paid salary bonus.

A dynamic environment has been created as new assets (knowledge, resources, skill set and experience) have been adopted by the company. We are of the opinion that the various measures implemented under the different CSR headings have had a beneficial effect on SME no.2. The type of responsible behavior which we described earlier as proactive, has enabled the development of a dynamic capacity which in turn has brought about the creation, renewal and development of assets relevant to the different CSR sectors, so ensuring that the firm is not only able to adapt successfully to environmental demands but that it actually anticipates and prepares for them in advance.

5. Conclusion and Discussion

The aim of this study was to find out whether the deployment by a firm of specific resources or capacities had any influence or effect upon the level of commitment to corporate responsibility demonstrated, and this being the case, to examine the nature of this deployment. We then went on to conduct interviews with the directors of both SMEs with a view to assessing their perception of both internal and external challenges involved in corporate responsibility policy-making, and then to examine the measures implemented in their firms as well as the resources mobilized. We concluded that although the firms had similar resources at their disposal, they actually demonstrated quite different levels of commitment to responsibility in practice.

This finding corroborates previous study of SMEs and their directors. In effect, in the SME context, access to resources which is often a difficult issue for the head of a business, is absolutely imperative if there is to be adoption and integration of CSR measures and initiatives. As demonstrated by the research of the following authors - Julien (1996), Quairel and Auberger (2005), Berger-Douce (2006), Capiez (2007), and Fourcade (2008), membership of a professional network or access to professional support enables a director to neutralize information asymmetry and to access both tangible and intangible resources more easily- all of which encourages integration of responsible measures within an organization.

Even so, these criteria are not sufficient on their own to explain the disparity in terms of commitment to responsibility. What the data collected in our study also demonstrates is that the existence of a dynamic based on the capacity to combine relevant resources or assets under the different CSR headings, contributes towards the development of a responsible strategy.

This second finding demonstrates that the dynamics of an organization are based on a process of accumulation of assets which is mirrored by the accumulation of new learning experiences on the part of a company director. It would appear that the capacity of a director to locate and integrate new resources is fundamental to the integration of CSR measures and initiatives. The latter would appear to be "*a learning process during which the internal and external capacities of the firm join together in interacting with its environment*" (Nicolas & Hy, 2000). As a result, the learning capacity of directors is demonstrated by their ability to acquire information and resources whilst interacting with stakeholders. Consequently, this dynamic is very dependent upon the perception and motivation of the firm's director and how he sees and reacts to CSR issues.

This is a research area which needs to be explored further and focused on directors themselves, using comparative analytical methodology of the type set out by Paradas (2008) and Gendre-Aegerter (2008). This methodology would include for instance cognitive maps to extend research into corporate responsibility and to analyze the experience and thoughts of SME directors in this area.

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Impact of CSR Tools on SMEs: The Case of Global Performance in France

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Abstract

The literature on CSR has traditionally focused attention on larger firms. While articles have been calling for research on CSR in small and medium enterprises (SMEs), the work to date has been limited and there is a considerable amount of research needed. In this article, we aim at studying the impact of a CSR tool on the adopting SMEs. The tool is called Global Performance, which was created in 2002 by CJD (Centre des Jeunes Dirigeants or Center of Young Entrepreneurs), which is a French organization of employers. Our findings show that impacts are mainly at the strategic level, addressing social and economic aspects, but the implementation remains difficult for them.

Keywords: corporate social responsibility, SMEs, Global Performance, France, impact

1. Introduction

It has been argued that all organizations have an impact on society and the environment through their operations, products and services and through their interaction with key stakeholders and therefore CSR is important in all firms, large and small (Williams, 2005; Roche, 2002). However, the literature on CSR has traditionally focused attention on larger firms. While articles have been calling for research on CSR in small and medium enterprises (SMEs) since the 1990s, the work to date has been limited and there is a considerable amount of research needed (Lapointe et al., 2004; Spence et al., 2003). In fact, Massoud (2010) conducted a search in Business Source Premier spanning the literature from 1980 to 2008 and found fewer than fifteen articles in peer reviewed journals specifically on SME CSR. A handful of additional articles were also located through citations. Other articles also exist on related topics, such as the ethics of entrepreneurs (e.g. Solymossy & Masters, 2002; Spence & Rutherford, 2003), but the central theme is not CSR. Overall, there are a variety of gaps in the SME CSR research.

We argue that it is important to conduct more research on CSR in SMEs since they are by far the most common form of private business in both developed and developing economies (Spence, 2007). SMEs make up a sizable portion of the European economy, with 99.8% of Europe-19 firms being SMEs and employing nearly 70% of the total employed workforce (European Commission, 2003).

In this article, we aim at studying the impact of a CSR tool on the adopting SMEs. Our article is organized as following. We first present a literature review to show that our research question has been largely ignored in the literature. We then introduce our research design, including our method and our case-study. The section is followed by our research findings. We end our paper with a discussion and a conclusion.

2. Literature Review

In this section, we will present the lack of research of CSR in SMEs as well as the negligence of the impact of CSR tools on the adopting SMEs.

2.1 Lack of Research of CSR in SMEs

A number of topics have been addressed in the literature on CSR in SMEs. One important line of research involves the discussion about the specificities of SMEs that need to be taken into account when studying CSR in SMEs (Davies & Crane, 2010). For example, in SMEs, ownership and management are structured differently from those in large corporation (Spence & Rutherford, 2001), relationship with local authorities is closer (Longo et al., 2005), managerial problems are unique and may not be present in big companies (Massoud, 2010), and thus the form of

CSR activities are not the same (Jenkins, 2004; Kusyk & Lozano, 2007; Lepoutre & Heene, 2006). There have also been discussions about the barriers and drivers of CSR in SMEs. The barriers include the personal conviction and/or understanding about CSR of the owners (Petts et al., 1999), the lack of time and resources (Spence & Rutherford, 2003), the informal organization of SME (Jenkins, 2004), the emphasis on survival rather than going beyond compliance (Jenkins, 2004). The drivers of CSR in SMEs are explained by relying on the theory of institutional isomorphism (Spence et al., 2000) and stakeholder (Jenkins, 2006). The owners themselves are the most frequently cited driver regarding CSR and SMEs, since they decide how they operate their business (Besser & Miller 2001; Kusyk & Lozano, 2007; Murillo & Lozano, 2006). There are also quite a few studies on the concrete CSR activities undertaken by SMEs. In general, CSR activities in SMEs are often ad hoc, having no appointed person responsible for CSR and being a side-activity of the owner (Sweeney, 2007). The activities may include working free of charge for charities, making charitable donations and recycling initiatives (Jenkins, 2006; Longo et al., 2005; Sweeney, 2007). The ad-hoc nature of CSR activities in SMEs can also be described by the empirical findings that they are rarely integrated into the overall business strategy (Nielsen & Thomsen, 2009) and marketing and public relations communication (Jenkins, 2006). In general, the only cases where CSR activities are integrated into the strategy are when the SMEs are oriented toward specific sustainable products or markets such as organic foods. Moreover, when an enterprise produces an environmental-friendly product does not always mean it has a CSR strategy.

Perhaps, the most obvious takeaway from extant research on SME CSR as of 2008 pertains to the differences between SMEs and larger businesses (Massoud, 2010). Smaller businesses deal with a different set of issues, and often do not have the resources or prioritization to engage in CSR. Large corporations usually deal with corporate boards and shareholder influences.

The focus of research on large firms assumes that CSR as it is understood from a large firm perspective is universally applicable to all firms (Wilkinson, 1999). However, it has recently been argued that CSR such as it is understood for large companies cannot simply be “cut and pasted” onto the SME reality (Jenkins, 2004). Large and small firms are different in nature (Spence & Lozano, 2000), which can affect the content, nature and extent of their CSR activities. This offers the potential for significant research towards CSR to make it relevant and applicable for SMEs.

In response to the difficulties and needs of the different sectors (Moore & Spence, 2006) and sizes of SMEs (micro to medium-sized companies), the CSR agenda might need to move towards particularization, towards answering the particular needs and challenges that face companies, depending on their market constraints (Murillo & Lozano, 2009). An approach like this would allow companies to be dealt with differently according to their capacity for decision-making in the production process, on their degree of openness to external markets and on the type of competition they face (Murillo & Lozano, 2009). Besides the demand to develop specialized CSR tools for the needs of SMEs (Murillo & Lozano, 2006), the obvious need of SMEs is to increase their knowledge “about the potential benefits of socially responsible practices” (Perrini, 2006). However, not much is known on how to promote CSR neither in SMEs, nor on what effective approaches might be adopted to guarantee that the issue of CSR has a real impact on SMEs’ management and functioning (Murillo & Lozano, 2009). This gap in the literature will be shown in the next section.

2.2 Impacts of CSR Tools on the Adopting SMEs

Studies investigating impact of CSR tools address different topics related to big firms. They examine the link between CSR and firm’s financial performance (Cochran & Wood, 1984; Orlitzky et al., 2003; Waddock & Graves, 1997). Attention is given to the relationship between concrete CSR actions and financial performance of the firm (Basu & Palazzo, 2008). For example, scholars have argued that improved performance can be attained by aligning the firm’s business interests or resources with appropriate CSR initiatives (Husted, 2003). Many others discuss the reasons why CSR leads to improved financial performance. They include the avoidance of long-term corporate costs associated with social irresponsibility (Manning, 2004; Russo & Fouts, 1997), better public image and corporate reputation (Brammer & Pavelin, 2006), increased customer loyalty and purchase (Pirsch et al., 2007), improved stakeholder motivation, confidence, loyalty and satisfaction (Dentchev, 2004). On the other hand, we can also observe an ongoing debate on CSR and profitability (McWilliams & Siegel, 2000; Waddock & Graves, 1997).

On the other hand, there is an important lack of research on the impact of CSR tool on SMEs. A review of the literature revealed only a few studies, which took into consideration this topic as part of their wider research objectives. One is that of Jenkins (2006) on small business champions for CSR. The impact of CSR implementation on SMEs identified by the author include improved image and reputation, improved trust and

understanding, more profit, better market position, more business, increased employee motivation, increased attractiveness to potential recruits, cost savings and increased efficiency, risk management and benefited company culture. The others are that of Sweeney (2007) on the barriers and opportunities experienced by SMEs when undertaking CSR, Sarbutt (2003) on the way SMEs manage their reputation through CSR, and Perez-Sanchez (2003) on the implementation of CSR in SMEs. These studies share the common findings that thanks to CSR, they get closer to their stakeholders and build relationship easier.

3. Research Design

3.1 Case-study

In order to address our research question, we examine the impact of a CSR tool on the adopting SMEs, which is called Global Performance. Global Performance was created by CJD (Centre des Jeunes Dirigeants or Center of Young Entrepreneurs), which is a French organization of employers. Founded in 1938, the CJD brings together more than 3500 business leaders and decisions makers for the purpose of doing business with social responsibility by networking and sharing tools with each other. Since its creation, 40000 business owners have become members of the CJD. Enterprises members of CJD are almost exclusively SMEs: 85% are enterprise of less than 100 employers and 96% of less than 300.

In 2002, CJD developed a specific process to implement CSR in SME's strategy called "Global Performance" (literally "Performance Globale"). The objective of this process is to implement CSR by addressing at the same time economical, social and environmental issues. The process is composed of different and complementary tools and commissions, all based on a global performance diagnosis. Two types of commissions called START and JUMP were organized to implement Global Performance. During 1 year, START commissions, which are spread over the French territory, gather SMEs once per month to work together on Global Performance questions with an animator who has been trained about the method. The objective of the commissions is to make diagnosis during one the year and then proceed to implementation. In the following year, JUMP commissions are organized to develop a strategy and action plan for Global Performance.

The diagnosis of START commissions is composed by 100 questions divided in 10 themes: moral values, corporate governance, employees, innovation, shareholders, economical management, clients, suppliers, community, and environment. Those themes cover all the subjects addressed by successful business from a sustainable development perspective. Each theme includes 10 questions and for each question 3 levels are defined, as we can see in the box below.

Box 1. Example of the question "Collaborate" in the theme Value of Global Performance

COLLABORATE: with whom do you define the values of your company?

Rational: The values of the firm must be defined together with the stakeholders.

1. Normally it is the management who defines the values of the firm.
2. Our values were defined during one or many reunions in which there are all or an important number of employees.
3. Our values were fully integrated into an ambitious project of the firm, which represents its history, its culture, and the image it builds for stakeholders.

This set of diagnostic questions is self-evaluation tools for the SMEs entrepreneurs, their executive committee and/or with the stakeholders. Thanks to this, the SME owners can have a general photo of their CSR practices related to different aspects and subjects to develop a more formalized CSR strategy. It is important to note that the SME entrepreneurs do not have to be a CSR expert to understand and be able to answer the questions. All the ten themes are explicit and the three levels of each question are well-explained. The diagnosis also relies on a tool called "GPS" (global performance system), which is the online self-evaluation to publish each company's own CSR reporting.

Moreover, Global Performance is an opportunity for SMEs to network with each other. Since 2003, the number of members of Center of Young Entrepreneurs adopting Global Performance has increased to 3000.

3.2 Method

To study the impact of Global Performance on the adopting SMEs, we rely on a survey among the adopting SMEs to investigate what changes the method brings to them. The survey was conducted by the Center of Young Entrepreneurs in 2010. An online questionnaire, including with 8 topics: commitment, integration, benefits, PG

and employees, impacts on clients, environmental issues, society and territorial issues, support by the network, was used.

299 enterprises answered to the survey, meaning 10% of the total numbers of SMEs over 7 years of Global Performance implementation. Among those enterprises, 75% are small enterprises, having less than 50 employees. We do not have details of how the adopting SMEs implement the process Global Performance after having done the diagnosis. Thus, our analysis does not take into account the difference between the ways the SMEs put in place the process.

4. Research Findings

Our analysis reveals the following results.

First, our analysis shows that 99% of the SMEs have a commitment to CSR because of the personal conviction of the owners. This is a contrast to multinationals, of which a large number see CSR as a constraint. This may be explained by the characteristics of SMEs. Besides, it is important to note that this finding may be biased due to the nature of the Center of Young Entrepreneurs members, which is innovation-oriented.

Moreover, stakeholder's influence is not the reason for commitment for 71% of the respondents. This result is interesting because some studies argue that SMEs implement CSR because of pressure of stakeholders. Although stakeholders are not the main driver of commitment, the respondents confirm that CSR is an asset to the image of the companies.

Second, the impact of Global Performance can be found at the strategic level. Among 10 diagnostic themes discussed by START commissions, four of them were considered as the main strategic objectives of the companies. They include corporate governance (for 92% of the firms), employees (90%), moral value (88%) and economical management (86%). These four themes constitute the essential elements of the firm's strategy that is based on important value and participation of employees, with an economic objective as the overarching goal. Although it has been commonly heard that CSR is not always seen as a strategic priority, our analysis shows that the Global Performance process is integrated at the strategic level by the adopting SMEs.

Third, despite the consideration of the above themes as principal strategic objectives, the development of concrete CSR actions has been done in only 38% of the firms. This can be explained by the difficulty to truly integrate CSR into the global strategy of the firm: as you can see 19% of the cases, the managers decided to put in place a separate process for CSR, 11% of them combined it with risk management or implement it in a ad-hoc manner. This finding shows the difficulty to move from a conceptualization of CSR at the strategic level to an implementation within the firm. The need to develop a CSR process and/or tool adapted to SME is confirmed by 62% of the respondents. We can explain this as following. If CSR is taken into account at the strategic level, the resulting organizational changes cannot be implemented rapidly in a majority of firms. CSR can be found in the initiatives or management systems that enable the firm to undertake concrete actions in social and environmental domains, but the issue of making the firm's business model and resources needs to be addressed to make them in line with CSR. Moreover, Global Performance diagnosis is composed of 100 questions, covering different and complex themes. Its principal objective is to encourage the adopting SMEs be aware of the need to integrate CSR issues at the strategic level rather than to implement them.

Despite the difficulty in putting in action Global Performance of the SMEs, the method does have positive influence on the adopting firms. 66% of the respondents consider it as a differentiation factor. Table 1 below presents in details different impacts of Global Performance on the adopting SMEs.

From the table, one can see that impacts of the Global Performance process mentioned by the adopting SMEs are found mainly at the social and economic level, while the environmental and social aspects remain largely untouched. This result is in line with the commitment of those firms: 92% of the respondents confirm to engage in ensuring customer satisfaction and point out the related impact such as improvement of service quality (80% of firms see an improvement after Global Performance adoption). The commitment levels are weaker in environmental and social domains, 69% and 54% respectively. The related impacts, thus, turn out to be less significant (only about 50% of the respondents undergo such impacts).

Significant social and economic impacts that are revealed differ considerably from CSR implemented in big corporations, which have paid attention for a long time to environmental issues and relation with the society and the stakeholders. Many factors can explain these differences:

- The size of the SMEs in the sample: most of the firms have less than 50 employees, they have to prioritize the objectives.

- The sector: almost 40% of the SMEs are service firms, to whom the environmental issues seem to be less important than the industrial firms or BTP.
- The lack of environmental and social expertise: the competences of the entrepreneur-owners are essentially economic and social (such as HRM). The understanding of environmental and social issues is achieved via the diagnostic process, which is not sufficient to make them be committed.

Table 1. Impact of Global Performance on the adopting SMEs

	Categories of impact	Percentage of firms confirming the impact as important or very important
<u>Internal social impacts</u>		
Level of commitment: 90%	Well-being of employees	77%
Note: 64% of SME owner-entrepreneurs share the Global Performance method with their employees	Working condition	76%
	Relation employee-employer	75%
	Motivation	73%
	Social dialogue	70%
	Employee loyalty	68%
	Attraction of the firm	66%
	Development of human resources	61%
	Health and security at work	55%
<u>Economic/client impacts</u>		
Level of client commitment: 92%	Improvement of service quality	81%
Note: 64% of SMEs believe the Global Performance method is not known by their clients	Impact on image	78%
	Enhance medium term growth	66%
	Customer loyalty	55%
	Competitive advantage	55%
	Diversification of products/activities	54%
<u>Environmental impacts</u>		
Level of client commitment: 69%	Impact on the development, production and distribution of products/services	50%
Note: not measured in 40% of the SMEs		
<u>Social impacts</u>		
Level of client commitment: 54%	Improvement of relationship with different actors	47%
Note: 52% of SMEs are committed to this aspect		

If we conduct a more detailed analysis of the impacts, the social impact can be stated by the fact that Global Performance method is an opportunity for the adopting SMEs to exchange with their employees about the diverse social questions. The well-being of employees, the relation employee-employer, the working conditions, and the motivation are then improved. However, it would be interesting to ask the employees about the impact of the Global Performance method to understand their perspective. The results will be thereby better analyzed and the social themes will be widened to take into account such issues as equality or diversity.

The economic impacts are clearly confirmed by the SME entrepreneur-owners. They represent an important impact, since a considerable improvement of service quality is obtained in eight out of ten companies and growth is enhanced in the medium or long term. However, the firms find it difficult to establish a significant relationship between economic performance and CSR performance.

Regarding the environmental impacts, 50% of the firms point out an impact on the development, production, and distribution of their products and services. 69% confirm that they are committed to taking into consideration the protection of the environment. This impact is more significant than what we may see at the first glance. 72% of the committed firms have modified their production modes to address environmental issues that are related to their environmental responsibilities. The challenge is to convince a part of entrepreneur-owners to engage in that process. Besides, it is surprising to see that such impact is not seen in 40% of the firm respondents. It would be interesting to go deeper into this phenomenon by analyzing the correlation with sector of the firms, since those 40% of the firms are service firms.

Finally, the analysis of social impacts shows that for the environment, 50% of the firm state to be committed and 47%, or 98% of the committed firms, believe to be able to improve their relations with the stakeholders. Therefore, it is important to convince manager-owners of the need to integrate the above ten themes into their strategies rather than simply showing their social impacts.

To conclude, the SMEs in our survey have established their priorities by taking into account the Global Performance while developing their strategy, without truly being able to put in action those priorities. The impacts of Global Performance on the adopting SMEs are diverse and they remain mainly social and economic.

5. Conclusion

In this article, we have studied the impacts of CSR implementation on the adopting SMEs by examining the impact of Global Performance on its adopters. Our findings show that the impacts are mainly at the strategic level, addressing primarily social and economic aspects, but the implementation remains difficult for them. We argue that our article has made an important contribution to the literature. Literature on CSR has traditionally focused attention on larger firms and the work on CSR in SMEs to date has been limited. Our findings contribute to partly fill in this gap of the literature.

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Social Responsibility of Consumer Case of Products from the Social Economy in Morocco

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Abstract

Investigations conducted in this research aim to understand the socially responsible behavior in the Moroccan context. The study focused on the consumption of fair trade products from the social economy. The results relate to the attitudes and motivations towards these products. Finally, a typology is proposed to generate profiles of consumers who are qualified from buying motives.

Keywords: consumer, behavior, ethics, local product, attitude, motivation, typology

1. Introduction

The fair use is growing steadily and can be for many people a first step towards more responsible practices. However, the purchase and consumption of fair trade are often associated with changes in the political and societal context, suggesting that it is a practice exclusive to consumers in the North. Yet in many developing countries such as Morocco, there is the development of a new mode of social consumption allowing citizens to live in dignity, to assert and develop income-generating activities. It is clear that we are far from the archetype of Western consumer fair, the choice is primarily based on labels and distribution channels. The urban/rural logic replaces the linking of Northern consumers to producers in the South. Thus we have found it useful to conduct a study of the responsible behavior of the Moroccan consumers through the purchase of products offered by cooperatives of rural women in the region of Marrakech / Tensift. The aim is to show that the fair purchase based on the principle of responsibility, social justice, fairness and morality does not depend on income and level of economic development but is based on universal moral values that result in solidarity purchase and respect for other's work.

This article is the first step to answer these questions:

- What attitude do socially responsible consumers in morocco adopt? to adopt socially responsible consumers Morocco?
- What are the motivations and brakes of socially responsable purchase?

We start this article with a review of the literature on consumer marketing as it is reviewed by the authors by showing that it can be understood as both a collective and an individual phenomenon. We will focus later on socially responsible consumer (no comma here) characteristics and variables that influence behavior. In a second step, we present the empirical study including the methodology, the scale used and results.

2. Consumption Takes Many Forms

According to Heilbrunn (2005), consumption includes "a set of identity practices by which people structure their social identity by continuous exchange mechanisms."

Several authors have been interested in the meanings of consumption in marketing (Holt, 1995) and the values it provides to the consumer.

Holt (1995) turned to the meanings and purposes of consumption and identifies four dimensions: consumption as experience (this is subjective and emotional reactions in relation to objects), used as a game ("the consumer participates in a common experience and merges its business with that of a group"), consumption as integration (the consumer equates the object as a component of its identity) and consumption as classification (consumers use

the object to position themselves relatively to others). Richins (1994) has focused on public and private meanings of consumers' possessions.

Besides the utilitarian value (Functional aspect of the consumption), he (si tu parles de Richins) identifies the amusement (consumption as source of feelings), the appearance, the spirituality, the status, the self-expression, the interpersonal relationship, the self-realization and the personal story (consumption to structure one's (si tu fais reference à une personne) identity and be situated with regard to others).

Other values of consumption appear in Holbrook's researches (1994); Aurier, Evrard and N' Goala, (2004). Holbrook (1994) defines eight values of consumption. Some of these values are directed to the others: the status, the respect, the spirituality and finally the ethics. In this frame, the consumption is valued for the effects which it produces on the others, in particular because it allows the consumers to be situated with regard to the others (Aurier, Evrard & N' Goala, 2004). Other values (the efficiency, the excellence, the aesthetics and the set) "are directed to one self".

Table 1. The values of consumption

The public and private meanings of consumer possessions. Richins (1994)	<ul style="list-style-type: none"> • utilitarian value (functional aspect of consumption), • fun (consumption as a source of emotions), • appearance, • spirituality, • status, • self-expression, • the interpersonal relationship, • self-realization and history
The values of consumption The others-oriented values Holbrook (1994)	Values oriented to: <ul style="list-style-type: none"> • status • The estimated • spirituality • ethics
The values of consumption Self-oriented values Aurier, N'Goala Evrard (2004)	<ul style="list-style-type: none"> • The efficiency • excellence • aesthetics • The game
The epistemic value (Lai, 1995)	Consumption allows consumers to satisfy the curiosity and the desire for knowledge

Finally Gonzalez and Urban (2007) define consumer (tu as oublié quelque chose ici) as "a set of practices by which the individual, by manipulating objects, gets a share of the functional benefits, emotional, aesthetic and epistemic, the other social benefits in communicating with his fellows to show membership in a group while differentiating itself from others".

All these approaches show that consumption takes many forms and is a representational object.

These contributions of the literature identify five components of consumption as outlined Gonzalez, Korchia, Menuet, and Urban (2009): the emotional dimension (consumption is a "source of emotion and experience of pleasure"), the functional dimension (consumption utilities meet goals and practices), the aesthetic dimension (consumption is sought for "the beauty and expression"), the epistemic dimension (consumption allows consumers to "satisfy the curiosity, the desire knowledge") and finally the social dimension (consumption allows consumers to structure their identity and position themselves in relation to a group).

3. Responsible Consumption (RC)

The foundations of responsible consumption refer to philosophical concepts (accountability, ethics, justice, ...) to consider the socio-political field (sustainable development, ...) and managerial topics (business practices).

With regard to managerial considerations, it is clear that even if consumption falls within the private sphere, it is totally related to the practices of companies that are providers of products and services consumed.

From the managerial point of view, the concepts of “ethics” and or “societal” are an increasingly important in management science research. This interest is reflected in the analysis of business practices through the Corporate Social Responsibility “SRC”. In this context, several managerial tools have been proposed in strategies works including 3P (People - Profit - Planet) (Martinet & Reynaud, 2004).

At the individual level, there are these 3P in the definition of responsible consumption with the aim to establish a better balance between market activities, protection of the environment and human response to basic needs.

This notion of ethics dismisses (je ne suis pas sure que ce soit le bon terme; verifie. Je pense plutôt à ‘refers’ mais cela dépend du sens que tu souhaites donner à ta phrase) to a new field of study in consumer behavior and in Marketing.

3.1 Responsible Consumption and Social Economy: Individual and Collective Phenomena

Referring to the social economy, consumption is mainly responsible to the “collective” by an individual choice of consumption (je n’ai pas compris cette phrase, elle n’a pas de sens en anglais). Responsible drinking (tu veux dire boire) through the absence of consumption, the consumption of a product or service, or consumption of a product or service offered by a non-capitalist, or a combination of one or more of these. It also responds to at least one of the following three criteria:

- a. The reduction in consumption, which may include other behaviors such as reuse, recycling;
- b. The consumption of products or services with high environmental or social contributions;
- c. The consumption of products or services from organizations of social economy, to a transformation of the purpose of the economy.

These criteria are cumulative and not hierarchical. Together, they embrace the six Rs: reduce, reuse, recycle, rethink our value system, restructure our economic systems and redistribute resources equitably.

Table 2. Consumption and social economy

Reduce	Rethinking
Reuse	Restructure systems
Recycle	Equitably redistribute

3.2 Responsible Consumption (RC) for Consumption Socially Responsible (SRC)

When considering the social dimension of the RC, there are many definitions, the most used are presented in the following table.

Table 3. Definitions of socially responsible consumption

The definitions of socially responsible consumption	
Webster 1975	socially conscious consumer takes into account the public consequences of private consumption, which tries to use its purchasing power to induce change in society
Roberts (1995)	socially responsible consumer is one who buys goods or services they perceive as having a positive (or least bad) of its environment and uses its purchasing power to express his social concerns
François-Lecompte and Valette-Florence (2004)	the purchase of products and services perceived as having a positive (or least bad) on the physical environment or on society and / or use of the purchasing power to express social or environmental concerns
Brown, Dacin, 1997; Mohr, Webb and Harris, 2001; Sen et Bhattacharya, 2001	Socially responsible consumption is purchasing when it depends on the degree of social responsibility of companies
Thiery and Jolibert, 2003	Socially responsible consumption is restricted consumption solidarity
Lar (2009)	all the voluntary acts within the sphere of consumption made following the awareness of negative consequences considered in consumption on the outside world (outside the scope or impact the functionality of the goods / services purchased or self-interest immediate)

Referring to the work of Roberts (1995) one can identify two dimensions of socially responsible consumption:

- (a) an environmental dimension: it is to avoid buying products that have a negative effect on the environment.
- (b) a social dimension: it is to avoid buying products from companies that have a negative impact on the welfare of society.

Among the practices considered to be responsible include:

- Reduced consumption: Energy Efficiency, Simplicity voluntary reduction, recycling, reuse and recovery of waste, green roofs, Active Transportation, ...).
- Purchase of products or services with high environmental or social contribution: Local Food and supply management in agriculture (organic, Green Building, Products certified as “fair,” Clothing “ethical”, Corporate Social Responsibility (SRC).
- Purchase of products or services by the social economy, community supported agriculture, co-operative (food, housing, domestic help, funeral service, savings and credit, hardware, etc.).

This last practice is the one we deal with in our research. So we will define responsible drinking (drinking *veut dire* boisson en anglais *c'est ce que tu veux dire?*) as a purchase based on social motivations rather than on individual motivations.

3.3 The Study of the Socially Responsible Consumer

To measure the practices of responsible consumption, Francois Lecompte (2005) adopted a scale that isolates five dimensions: (1) the behavior of the company (“refuse to buy from companies whose behavior is deemed irresponsible”) (2) the purchase of shares, (buying products of which “part of the price will return to a good cause”), (3) the desire to help small businesses (“do not buy everything in supermarkets and to live small traders”), (4) consideration of the geographical origin of products (“willingness to favor the products of the community”) and finally (5) reducing the volume of consumption (“consumer avoids of” too much “and tries to eat up to do things themselves”).

The application of this scale also allowed the isolation of several consumer groups according to their socially responsible practices in SRC. And Francis Lecompte and Valette -Florence (2004) propose a typology of four groups: “socially responsible”, the “alert”, the “low SRC” and “traditionalists”. The study of CREDOC (Croutte, Delpal & Hatchuel, 2006) distinguishes six groups of individuals according to their sensitivity to the social commitments of businesses.

On the other hand, always in the context of the socially responsible consumer study, several researchers have tried to apply theories from social psychology to explain the behavior including the research of Ferran and Robinot Giannillioni.

They have applied a model which enriched the theory of planned action that is the extended model behavior led by a goal (EMGB, Perugini & Bagozzi, 2001). They were able to verify the explanatory power of this model by analyzing data from a survey of a sample of 413 students.

Table 4. Theoretical basis of SRC

The Theory of Reasoned Action (TRA)	Attitudes and beliefs derived from the information available.
Ajzen and Fishbein (1980)	The concept of intention can understand the voluntary control of the individual.
Theory of Planned Action (TPA)	The concept of perceived control refers to the ease or difficulty seen to perform the behavior.
Ajzen and Madden (1986) and Ajzen (1987)	Consumers think it will not encounter any significant difficulties in performing his act, behavioral intention will be even stronger.
The extended model behavior led by a goal (EMBG) (Perugini & Bagozzi, 2004).	Behaviors are not an end in themselves and they are subject to the achievement of a goal. Cognitive determinants to take into account the two levels that are the motivational aspect through the goals and the behavioral.

After this review of the literature, we can conclude that consumption is an individual and collective phenomenon, the concepts of “ethics” and “societal” are the basis of the SRC and then we can speak of several types of socially responsible consumers.

The following questions have guided the empirical study:

- (a) Can we confirm the existence of different profiles of socially responsible consumers in the Moroccan context?
- (b) How does Moroccan consumer behavior differ in terms of motivation?

4. The Empirical Study

The quantitative study conducted with a convenience sample of 163 people was aimed to answer these questions:

- What is the attitude of the Moroccan consumers towards “fair” products?
- Can we confirm the existence of different profiles of socially responsible consumers in the Moroccan context? And how does their behavior differ in terms of motivation?

In drafting the questionnaire, we relied on the dimensions isolated by Francis Lecompte (2005): the purchase of products - share (buying products that “part of the price will return to a good cause”), the desire to assist small businesses, taking into account the geographical origin of products (“willingness to favor the products of the community”).

We consider in this study that the sensitivity to social responsibility can be understood in terms of motivation to buy: a consumer and will be considered as socially responsible as the main motivation to buy is a moral and social and non-material (related the product). Ce paragraphe n'est pas clair, je ne peux pas corriger si je ne comprends pas le sens.

The analysis was performed using SPSS software by conducting factor analysis and cluster.

4.1 The Products Studied

Fair trade products refer to the branch ethics of responsible consumption and “fair”. Products that come from the EC respond to principles including a fair price, a direct exchange and a long-term commitment. Products of the social economy are in this category.

The products of the social economy will be those produced and marketed by associations and cooperatives in the region Tensift Marrakech. These products cover many different realities: (WFP, weaving, cereals, honey...), but all have the advantage of being natural and part of the culture and heritage. The list of selected products is stopped after a series of interviews with members of cooperatives.

Meetings conducted with these producers have found that these small producers have never had power over pricing. It is often the intermediaries that impose prices.

To date, associations and cooperatives studied often use indirect distribution network (intermediaries) for their products. They recognize, however, that this method is not in their favor because they are forced to accept low profit margins.

4.2 The Results of the Study

Analysis of data collected allows us to provide answers to questions in terms of attitude, motivation and profile types.

4.2.1 Knowledge and Perception

- Poor knowledge of fair trade as a means of exchange and a degree of information considered very low by the interviewees.
- Nearly 30% cited lack of information on these products as a barrier to purchase.

The result of the study is that the idea that the interviewees have of this type of exchange is quite positive. As for the core values associated with this mode of exchange, they are: a good deed for 20.7% of respondents, a charity for 13% of the sample and finally 12.4% find in fair trade one way to respect small producers.

4.2.2 The Motivations and Obstacles

In terms of motivations, the study revealed the following reasons:

- The quality and taste (24%)
- A good deed (23%)
- Help small producers (21%)

We note that the main reason respondents have to purchase these products are individual and functional (product), while the social reasons come in the second and third positions in terms of citations.

As for the reasons that discourage respondents to buy fair trade products, they refer to (1) the lack of information about the product, (2) the difficulties in finding these products, or (3) the limited choice.

We found that those who buy for moral reasons are not necessarily those who spend the most, and the basket monthly average is between 500 and 1000 DH as shown in the following factor analysis.

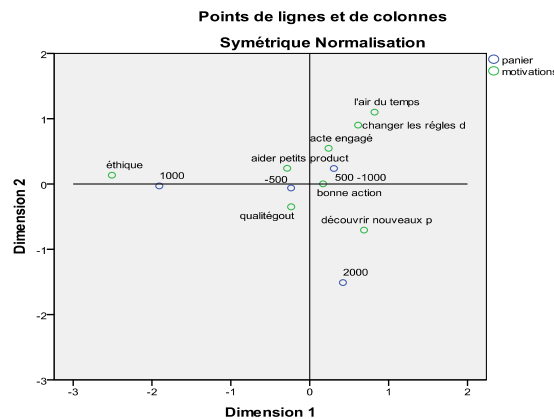


Figure 1. Motivations of the SRC

4.2.3 Types of Consumers

An ascending hierarchical classification performed using the dimensions chosen allowed us to make a typology on the analysis of the dendrogram. We have selected the following groups:

Table 5. Types of consumers

The committed (10%) very favorable	- Information - Packaging	Ethics act committed
The trendy (27%)	- Information - Packaging	In the air time
The support (36%)	- Taste - Quality - Price	- Quality - Gout - Good action
The suspicious (27%)	They reject: - Quality - Taste	Ethics Air time

To achieve this we have, initially, conducted a principal component analysis with orthogonal rotation to identify two dimensions: first, packaging, product information and other apart from the quality, taste and price. Then we have an ascending hierarchical classification that identified classes. We have chosen four classes.

5. Discussion of Results and Conclusion

Our results suggest that consumers have a vision of SRC which is similar to that from the literature.

However, when buying individual motivation is premium and motivation to help small producers and to improve their lives is secondary.

The rejection of this product category can be explained by respondents by:

- lack of information
- lack of choice
- problem of accessibility
- Problem of trust

This article was also intended to present a typology of Moroccan socially responsible consumers to better understand their behavior and motivations. The data analysis allowed us to retain these four dimensions four factors have formed the basis for the construction of a typology showing four groups.

Concerning the limits of this work, we can mention the fact to work on data from the respondents' statements. The results probably overestimate the phenomenon of responsible consumption which remains marginal in our society.

Based on the results of this exploratory study aims, we intend to deepen our research in order to propose an integrative model taking into account other variables to better understand the consumer socially responsible, and isolating the cognitive, emotional and conative attitude and behavior.

We also expand the scope of investigation and reach consumers in other parts of the kingdom, to test the version of the scale used.

Finally, given the differences in wealth and significant positive changes in our economy that are most favorable to the upper class as the poorest, the development of this mode of RC allows small producers to benefit from fair and sustainable income.

However, the lack of information and lack of awareness of SRC issues in Moroccan consumers can stop this development.

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CAMIF, an SME Repositioning Its Line as Sustainable Development Products

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Abstract

The purpose of this article is to review the application of Sustainable Development (SD) in the marketing strategies of French firms, and to show how one SME, CAMIF, has repositioned its product line around SD. Although SD policies in France are now driven by rising demands from lawmakers and consumers alike, their application has not yet become a central feature of the strategies of major companies and SMEs. In this regard, the innovative repositioning of CAMIF around fair and responsible value is found to be consistent with the firm's values, and permeates its marketing mix.

Keywords: SD, CSR, SME, market positioning, furniture distribution

1. Introduction

Society now understands that our resources are limited. The emergence of the Sustainable Development (SD) movement is in part a response to this constraint. Companies are being introduced to it through Corporate Social Responsibility (CSR). Some actions by firms to give greater consideration to the natural or social environment have been judged to be superficial or even misleading, and criticized as being attempts by the companies to lend acceptability to activities which were not initially conceived out of a respect for nature and mankind (Note 1). They also usually seem to be the prerogative of major companies, which have greater resources for engaging in these inconvenient policies than do smaller ones.

Nevertheless, nowadays CSR can no longer be a mere publicity exercise, or a purely ideological or activist approach: it is a necessity (Note 2). Accordingly, companies are now having to assign SD a central role.

The goal of the present study is to use an examination of a French SME, CAMIF, to show that SD is a powerful concept which, when it is placed at the heart of the marketing strategy, can successfully kick-start an activity.

We believe that the French economic situation is a relevant one for understanding the importance of CSR: it is representative of advanced Western societies in the awareness of SD among its consumers. Moreover, the country has a legislative framework establishing the information that companies must provide. The Act setting out the new economic regulations (NRE), passed in 2001, requires that firms listed on the stock exchange include in their annual report a set of information concerning the social and environmental consequences of their activities (Note 3). This obligation was extended to unlisted companies by the Grenelle I and II Acts (Note 4) with agreement for certification by an "independent third party".

The study of CAMIF's repositioning along SD lines has enabled us to establish that in certain cases SD is not a constraint but rather a growth concept. From a marketing standpoint, it can be used as a theme for differentiating the company's position. This theme can then be emphasized throughout the marketing mix. It can also guide the organization. The internet distribution adopted by CAMIF is a model that gets away from the traditional paper catalogs as well as the ecologic costs associated with stores. This economic model turns out to be consistent with small organizations from both the SD standpoint but also in purely economic terms.

We next examine the situation as regards SD and CSR generally, especially in France, and then describe CAMIF's business model in comparison with its competitors, and provide details of its actions regarding SD.

Part I: SD and CSR in the Context of French Companies

Part I comprises two sections. In the first we describe the concepts of SD and CSR as well as the issues with which they are currently associated. In the second we review the current situation in France as regards the various stakeholders (companies, consumers, and public authorities).

2. CSR and SD

The theoretical background of this article is to be found in the literature devoted to Corporate Social Responsibility, and includes Sustainable Development as a key aspect of the discussion, especially as regards marketing.

2.1 The Official Definitions of the SD and CSR Concepts

According to the definition proposed in 1987 by the World Commission on Environment and Development, in the Brundtland Report, Sustainable Development is “development that meets the needs of the present generation without compromising the ability of future generations to meet their own.” Two concepts are inherent in this idea:

- The concept of “needs”, and in particular the essential needs of the most destitute, who should be assigned the highest priority.
- The notion of limits, which the state of our technology and our social organizations impose on the ability of the environment to meet current and future needs.

In parallel with this the European Commission defined CSR as a “*concept whereby companies integrate social and environmental concerns into their business operations and in their interactions with their shareholders on a voluntary basis.*” or “*a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment*” (e.g., citation in Hartman, Rubin & Dhanda, 2007).

CSR and SD, then, are two very similar concepts which have many points in common. Although the SD concept has long been employed both by consumers and by companies, companies now speak increasingly of CSR while the term SD is still mainly used by consumers. In what follows we make no distinction between the two terms.

2.2 The Meaning of SD

Although it has been the subject of research since the 1950s, the meaning of the SD concept is still subject to the changing fashions of management science (Binninger & Robert, 2005). SD, which is often reduced to its ecologic dimension alone, actually identifies an overall approach which postulates that long-term development is viable only when it reconciles three aspects:

1. Respect for the environment
2. Social equity
3. Economic profitability

As regards the environment, in practical terms SD involves the necessity of maintaining or improving the quality of the natural environment, and ensuring the perpetuity of resources. The social implications of SD involve reducing differences in standards of living among the world’s populations and promoting the self-sufficiency of communities and respect for human rights. It thus embodies a close correlation between what have been called the 3 Ps of SD: People, Planet, and Profits.

A final aspect should be emphasized, concerning duration, since SD must enable the transfer of knowledge and resources (including natural resources) from one generation to the next.

The conceptualization of SD includes considerations of equity and social cohesion as well as the need to avoid threats to collective human wealth (Gabriel, 2003). When transposed to the company via CSR, the SD concept rests on the notion of overall quality at the human dimension, which leads corporate managers to ask themselves questions which go beyond issues of profitability, questions about the very foundations of the company, the use of manufactured products, and the entire manufacturing process. The firm is then refocused on humans rather than only on the pursuit of profit.

SD applies to the company as a whole. All of its operations should be concerned with and contribute to an overall policy of social responsibility. This implies that after having identified all of the stakeholders (investors, employees, customers, suppliers, public organizations, and so on), the company must incorporate its needs and its values into the framework of its strategic and operational decision process. Firms that commit to SD must bring to the table a variety of skills directly involving the management of people and, especially, of production. For this reason we will refer to the topic as “Sustainable Production”.

2.3 Sustainable Production: The Marketing Expression of SD

A detailed literature review has enabled us to establish a compilation of what can be achieved in terms of Sustainable Development. These actions can be evaluated with respect to the two linchpins of SD: the environment, and to a lesser extent social matters. To maximize their commitment to CSR, firms must position themselves to address as many items as possible. However, they rarely cover all the bases.

Table 1. Summary of actions implemented by companies to produce sustainably

Limitation of environmental impact		Ex. listed
Manufacture	Amount of resources/energy	Limited packaging, packaging employing recycled materials
	Nature of resources used/discarded	Products of organic agriculture
	Place of manufacture	Local products
Transport	Type of transport	River/rail
	Weight of products transported	Lighter products: containers (packaging) and contents (concentrated solutions)
	Distance transported	Seasonal products, local products
Use	Quantity of product	Pre-dosed products
	Product life	Guaranteed products, quality label
	Repairability of products	Accessible repair facilities
Disposal	Toxicity of products	
	Re-use of products	
	Recycling of products	Packaging returnable to point of sale for recycling
Limitation of social impacts		Ex. listed
Manufacture	Place	Local product
	Working conditions	Child labor
	Access to employment	Young or disabled persons
	Wages	Fair trade, equal pay for both sexes, profit-sharing

Thus whether they are mainly concerned with the environment or extend their interests to include social issues, companies do not lack for ideas for responsible actions: reduction of the environmental impacts of their products, eco-designed products, training plans, humanitarian activities, etc.

In addition to providing responsible products, SD also applies to the marketing mix. According to Lavorata et al. (2010), if we were to try to list all the possible actions, we might envisage:

- Giving a seal of approval to responsible (fair) pricing;
- Creating responsible public relations (responsible advertising, no green-washing, avoiding junk mail, etc.);
- Marketing in a sustainable manner (fair payment to producers, inspection and consciousness-raising for distributors, etc.).

Incidentally, whatever the outward signs, in recent years the CSR approach has experienced a significant expansion within companies (Laville & Dupré, 2008; Heslin & Ochoa, 2008 cited by Robinot & Giannelloni, 2009). This fashion has been legitimized by factors within the firm (here legitimacy is defined as a resource instrumentalized to achieve the company's objectives) or represents the fruit of a process of standardization that may, for example, enable conformance with a particular activity sector (Béji-Becheur & Bensebaa, 2009). A more detailed review in Part II will provide an assessment of these advances.

3. The Situation in France: What Is the Status of SD and CSR Today?

3.1 Current Corporate Practice

French firms are increasingly involved in SD. A survey of 200 decision-makers in companies with more than 500 employees (SOFRES, 2010) found that the financial crisis had not put a brake on their commitment to SD and that the scope of SD policies was expanding, with a greater emphasis on social and societal themes, along with environmental ones. The fight against discrimination, the integration of disadvantaged persons, responsible purchasing, and partnerships with local communities are priorities that are becoming more prominent.

However, in spite of the advances recently registered, in France the results are still mixed. Firms which have adopted approaches that have made an impact on their practices and processes are fairly rare (Novethic, 2009). Firstly, as regards major companies a study of the SD reports issued by firms in the CAC 40 shows, for example,

that in terms of mobilization of employees, the results leave something to be desired. In this regard, seven observations may be presented (Novethic, 2009) (Note 5).

- The involvement or mobilization of co-workers is not always presented as a strategic issue;
- Specific, concrete indicators are rare;
- The activities presented are of limited scope;
- The actions are presented “in a disorganized manner”;
- The resources implemented to deploy the strategy seem limited;
- The partnership approach is weakly developed;
- The form of the reports leaves little room for employee views.

Although the number of achievements presented is greater than in the preceding report, this advance conceals areas of improvement. The approach appears to be strategic or central in very few of the firms (such as ST Microelectronics, Bouygues, l'Oréal, and Carrefour), and remains weak or even nonexistent in groups such as Air Liquide, Schneider, and Lagardère.

The same observation could be made regarding SMEs. A poll of 1700 firms located in Paris and its suburbs shows that few companies with under 250 employees are really committed to SD programs (CROCIS, 2008) (Note 6). Although they are now well informed about the SD concept, and their managers are more aware of the importance of a structural approach, the perception of SD remains restricted to its environmental aspects, and programs for concrete actions are either nonexistent or limited to a few specific steps such as the sorting of wastes or compliance with certain environmental standards.

Nevertheless, the progress is real and arises mainly from two factors: legislative pressure and pressure from consumers.

3.2 Pressure from Public Authorities

In France, the pressures exerted by consumers and non-governmental organizations are increasingly expressed at the legislative level.

Article 116 of the Act of May 15, 2001 concerning the new economic regulations (NRE) made it mandatory for listed companies to include social and environmental information in their annual reports, beginning in 2003. However, the act has two loopholes: In its current version it does not provide any penalty for possible infractions, but instead relies on the conscience of the company managers, and market self-regulation driven by the joint action of the stakeholders. Moreover, the obligation to have the report confirmed by an outside body was not included in the initial text: it was only in 2011 that an external audit was imposed. In spite of these shortcomings France has become one of the first European countries, along with Norway, Denmark, and the Netherlands, to require that companies publish information on the social and environmental consequences of their activities. This requirement for listed companies is to be extended to other types of companies. In this regard the Grenelle I and II Acts have expanded the area covered by obligations for societal transparency to unlisted companies. As of 2011 firms with more than 5000 employees should be covered by the obligation to issue an annual report, and the threshold will probably fall to 500 in 2013.

3.3 Pressures from Consumers

French consumers, through their awareness of SD and its issues and by their purchasing behavior, are pushing companies to act more responsibly.

An IPSOS survey (2009) reveals that 97% of the French population is now familiar with the term SD, and almost all are in agreement concerning the principal global problems: more than 90% say they are worried about climate change, the increasing scarcity of natural resources, social inequalities, and the housing problem. In addition 77% of the French believe that it is an idea whose time has come (TNS Sofres survey, 2008) and 71% think that SD is becoming a necessity (Ethicity, 2011). The study *Conditions de vie et aspirations des Français*, issued by CEDOC in early 2007, notes that 44% of consumers say that when they shop they now take into account child labor, animal welfare, and pollution hazards. Some of these consumers, referred to as “consum-actors” and estimated at 17% of the population, have even made SD a central feature of their concerns (Laville & Devaux, in Dion, Wolff et al., 2008).

Beyond these attitudes, overall behaviors are changing: 26% of the French boycott firms that are polluters or that contravene environmental-protection regulations (TNS Sofres survey, 2008). The market share of “green” and

organic products, although usually only between 1 and 4%, is rising rapidly. For example, sales of organic products are currently rising at 10% annually on average, and sales of fair-trade products carrying the Max Havelaar label have multiplied by a factor of 14 in five years (Note 7).

3.4 Towards an Awareness of the Advantages of CSR

Pressures from legislation and consumers are encouraging companies to make more effort in terms of SD. In parallel with this, firms are becoming more aware of the advantages associated with establishing a more aggressive policy in this regard.

In fact, responsible strategies secure market benefits (increased market share, improvement of the firm's image and recognition, etc.), internal benefits (lower production costs, strengthening of the corporate culture, greater creativity, product innovations, and so on), and the establishment of legitimacy in confrontations with stakeholders (Grandval & Soparnot in Dion, Wolff et al., 2008). Ultimately, a strategy backed by a genuine SD policy can increase commercial and financial performance, reduce risk, and strengthen the firm's competitiveness (Note 8).

In marketing, SD actions build strong brand relationships: a number of studies have shown that they have a positive impact on trust and satisfaction (Gupta & Pirsh, 2008; Swaen & Chumpitaz, 2008). There is also a positive impact on the image of firms that are active regarding SD. Although consumers seem to be aware of a possible opportunism on the part of the brands, they associate very positive feelings with bold brands, such as the aspects 'responsible', 'human', or 'innovative' (Robinot & Ginanelloni, 2009; Cacho-Elizondo & Loussaïef, 2010).

Ultimately, and in spite of all the advantages of a commitment to SD, France may be voluntarist in this area but it has so far taken only tentative steps in this direction, especially as regards its SMEs. Moreover, few companies have adopted SD as a central concept in their strategy: it is not always seen as an investment, but rather as a cost (following the example of quality management). It is more of a constraint than an opportunity to be seized: a tactic rather than a strategic issue.

Nevertheless there are some relatively small companies whose development model is built from the ground up as being sustainable, and which it appears interesting to examine. This is precisely true of CAMIF, which we have selected to illustrate the vigorous deployment of an SD policy.

Part II: The Vigorous Deployment of the SD Theme in CAMIF, an SME in the Distribution Sector

After a review which highlights the main events in CAMIF's corporate history, this section describes the position occupied by the firm in its competitive universe. CAMIF's values and marketing strategy are then outlined. Together, these various items portray CAMIF as a model of marketing development on the theme of sustainable development. This led to its selection for our study.

Moreover, distribution is a pertinent sector for studying SD. According to Lavorata et al. (2010), at the scale of the distributor the range of possible SD-related actions is a wide one, and beyond eco-design initiatives carried out at points of sale it involves the development of "sustainable" products, social actions (an interest in the well-being of employees, mixing of the sexes, social audits of suppliers, partnerships with NGOs, sponsorships, etc.), and the establishment of partnerships with supply chains and suppliers.

In order to examine CAMIF's marketing strategy we conducted a sectoral study of furniture distribution. This investigation was carried out by compiling a variety of existing data on the sector, and an analysis of competitors' catalogs and websites. Information on CAMIF was obtained from the recent business press (Note 9) and from interviews with company executives: CEO, Marketing Manager, Administrative and Financial Manager. An onsite visit was also undertaken.

4. CAMIF: From a Multiple Point of Sale Cooperative to an Internet Sales Firm

CAMIF is an SME with about 50 employees (Note 10) distributing furniture and household goods mainly over the internet. This old company (established in 1947) has gone through various stages of development. In 2006 it was still France's third-largest distance-selling firm, and had a total of 780 employees at the time of its bankruptcy in 2008. In 2009 CAMIF rose from the ashes: the brand and its customer list were purchased by the Matelsom Group as part of a re-launching project, in partnership with Téléperformance and Géodis. This required a complete rebuilding of the organization. Activities resumed in July 2009 with the reactivation of the website.

The following table lists CAMIF's main operational and marketing changes, which we then discuss.

Table 2. CAMIF's Changing profile

	PRE-2008	TODAY
Number of employees	780	50
Location	Niort	Niort/Vernouillet
Status	Cooperative	Selling organization
Distribution model	Catalog (800 pages) Website: yes Stores: 15	Magalog: 2 per year, 72 pages Website: selling and forum Store: 1 (Niort)
Product range	Extensive: Multiple references (including textiles), later limited to furniture (after 2005)	Limited: Furniture, decoration, electrical appliances
Positioning	Careful selection: - The selector - The experts	Careful selection: - The SD selection - The educated buyer
Target	- Civil servants in the National Education system (members) - Non-member customers	- New customers: ecological commitment and high income - Former customers
Price	Accent on quality Wide price range, rather costly items	Accent on ecology Narrower price range, more costly
Product	Quality	Ethics
Product selection criteria	No special system	Decided by ethical criteria applied to choice of product
Advertising	Via the stores and the catalog	Via the web and the "magalog"

5. CAMIF and Its Competition

5.1 Status of Competition in the Online Furniture-distribution Sector: Overview of Competitors

In 2010 online sales accounted for 4% of furniture sales by value, or 31 billion euros. (Note 11)

The listed competitors have extremely varied profiles (see Table 3). Some of them are mail-order sales firms, others are offshoots of traditional distribution and have developed an additional ("click and mortar") site, and still others are online sales specialists, either generalists or focused on the web.

Table 3. Competitors active on the web

Actors with an internet presence*	Stores
Traditional catalog sellers	La Redoute (AM.PM.) Les 3 Suisses Quelle
The "click and mortar" group: Brands which have added online activities to their physical ones	The "Young Habitat" group: - www.ikea.fr - www.alinea.fr - www.maisonsdumonde.fr Home furnishings: - www.conforama.fr - www.but.fr Do-It-Yourself specialists: - www.leroymerline.fr - www.castorama.fr Top-of-the-Line sellers: - www.roche-bobois.com - www.cinna.fr
Online selling generalists	www.amazon.fr www.ebay.fr www.priceminister.fr www.venteprivee.fr www.mistergooddeal.fr
Furniture pure online players	Design: - www.myfab.com - www.lusineadesign.com Discount: www.kifici.com Full range: - www.delamaison.fr - www.matelsom.com

Note: * Only the generalists are shown, which excludes the kitchen and bedding sectors.

5.2 Competitors Identified by CAMIF

According to CAMIF, its competitors were identified based on three criteria: the type of clientele that visits the various stores, a strong presence on the web, and a responsible positioning.

The identified competitors include:

- The very top-of-the-range stores, in view of the relatively high prices charged by CAMIF, e.g., Roche-Bobois.
- Web actors specializing in furnishings, such as AM.PM or Delamaison.
- Actors emphasizing ethical products. None of these is really a furniture seller. Only Maisons du Monde has a similar positioning, although it is more exotic than ethical. In this regard CAMIF has a **unique positioning**.

Since these competitors have very diverse origins, the business models they adopt are very different. They nevertheless appear to be rather inflexible, and incur major fixed costs either from their stores or from printing catalogs (see Table 4), except for Delamaison.

Table 4. Business models of CAMIF's main competitors

Category	Stores	Number of stores	Catalog	Internet
Furniture distributors	Roche-Bobois	74	No catalog	Not a sales site No editorial content Sales site
	Maisons du Monde	200	Catalog: 520 pages	No editorial content
Web actors	AM.PM.	0	Catalog: 112 pages	Sales site No editorial content
			No catalog	Sales site
	Delamaison	0		No editorial content

6. Values Advanced by CAMIF

CAMIF was founded as a cooperative to finance certain guarantees not covered by MAIF (*Mutuelle d'Assurance des Instituteurs de France*). Although it was an interdependent (cooperative) undertaking, and a committed one (the members were teachers, and activists in the company), from the beginning it was in fact an atypical, "socially responsible" firm. Today the spirit of solidarity no longer binds the social group, and persists in the form of two commitments. The first is a **more universal commitment** to offer environment-friendly products and working conditions. The second is based on a **local undertaking expressed as a determination to strengthen the social fabric** by creating a center of expertise in the environmental field. The **CAMIF Village** project is a place for buying SD products but also a place for meeting and sharing information on this topic.

7. CAMIF's Strategic Marketing

CAMIF's marketing strategy is mainly expressed through its positioning and its product line.

7.1 Positioning

CAMIF's initial positioning depended on two linchpins: the quality of the products sold and careful attention to the product selection on offer. Thus on the one hand CAMIF proclaimed itself as **an expert** and on the other as a **"selector"**. The numerous advisors at its points of sale maintained this approach by helping customers to make the right choice.

The repositioning of the store is expressed as a natural extension of its initial approach. The **selector** side is still on display, with a line of products in solid wood, obtained from sustainably-managed forests, and manufactured in France or Europe. The **expert** aspect is maintained through guidance on purchasing, organized around two points:

- The website, the main distribution channel, provides tips for buying a product on the basis of the sustainable-development practices of its makers (labels, production materials, etc.). Although the sales advisors have disappeared now that sales are almost exclusively online, the ethical characteristics of the products are becoming the key input for visitors to the site and thereby constitute a way of differentiating it from the competition.
- The "magalog", a new version of the store's catalog, is a support for addressing the customer rather than a list of all the products sold. For example, it contains public-manifesto pages to explain the recovery of rainwater, or anti-mite treatment.

We see that the store's repositioning has remained consistent with its initial guiding principles. This consistency is combined with a strengthening of its commitment to **sustainable development**. The initial positioning had already implicitly expressed a sustainable approach. For example, the product selection might contain products manufactured in France, or made from wood obtained from sustainably-managed forests. Currently, the features related to sustainable development are not only more numerous, but also promoted via a distribution system and emphasizing the responsible nature of the firms involved.

In this regard:

- The range of actions has been considerable broadened as concerns products (georeferencing now possible, recyclable or organic raw materials, fair trade, etc.) and in addition expresses a strong involvement in community actions (CAMIF Village, signing of the diversity charter, association with the Emmaüs movement, etc.) and with stakeholders (partnerships with responsible suppliers, both local and quality labels).
- The distribution system and the advertising highlight these actions on the public-manifesto pages of the magalog, the sustainable-ideas tab on the sales site, and the ability to fill your cart on the basis of the particular ecologic characteristics of the manufacturers.

Rather than emphasizing price, the store's choice has been to **sell "fair ecologic value"**. The price differential with the competition is justified on the grounds of a selection of products that is more in harmony with the "consum-actor" and the planet. In this context the firm becomes clearly positioned on ethics and can target new consumers who are receptive to sustainable development: dominantly among the young and well-off socio-professional group.

7.2 CAMIF's Product Line

A careful examination of the company's product lines and publicity in the two mini-catalogs issued since the firm's re-launch, and on its website, identifies **numerous references to SD**.

This observation enables us to state that CAMIF's SD approach is a broad one: it is deployed in both the environmental and social arenas. It plays simultaneously on production, transport, use, and - a rarity - product recycling (see Table 5).

Table 5. CAMIF's SD actions grouped by the various aspects of sustainable development

Limitation of environmental impact		Ex. listed
Manufacture	Amount of resources/energy	Packaging containing recycled materials
	Nature of resources used/discarded	Organic cotton, sustainably-managed forests
	Place of manufacture	Local products
Transport	Type of transport	
	Weight of products transported	
	Distance transported	Georeferencing (products according to the place of delivery)
Use	Quantity of product	
	Product life	Made in France/Europe, AFAQ [QA certification]
	Repairability of products	Accessible repair facilities
Disposal	Toxicity of products	
	Re-use of products	Products sent to Emmaüs.
	Recycling of products	Recyclable products
Manufacture	Place	Local product, firm represents living heritage
	Working conditions	Socially-responsible suppliers
	Access to employment	
	Wages	Fair trade

As regards the product lines produced, the product selection on the website offers both SD products, e.g., a water-saver, and products that are non-SD but distinguished by their respect for environmental or social issues.

The **advertising tools** are not mere sales supports but also, through the public-manifesto pages, **guides to best practice in SD matters** (such as when they explain how to recover rainwater). The catalog is certified to be *ImprimVert* ["green-printed"] and *PECF* (sustainably-managed forests).

Lastly, at the **organizational** level CAMIF is a signer of the **diversity charter**.

SD thus appears to be a central issue in the presentation of its product line, which reflects the values promoted within the company.

8. Conclusion

Today, companies can no longer afford to delay the implementation of a CSR strategy. The legislative environment is becoming ever more strict with firms, whatever their size. In addition, there is growing awareness among consumers of the importance of protecting the planet and its population.

In this regard, rather than undergoing pressure from their various stakeholders, a number of firms have chosen to make SD a theme in their positioning. This is the case for CAMIF, which since its “rebirth” in 2009 has moved not just to consolidate the company’s already responsible approach, but also to accentuate it. By targeting its former customers, and also new ones who are sensitive to SD issues, CAMIF now intends to become a company which delivers fair and responsible value and employs a marketing approach consistent with this positioning: a broad spectrum of sustainable products, involvement in community activities, consideration of its stakeholders, a project to create a village around SD, the possibility of purchasing on the basis of sustainable content, and so on. This choice is also expressed in a policy of fairly high prices justified by agreement to the costs of quality production, and advertising that make this point. More than a marketing position oriented on SD lines, which is highly original in furniture distribution, CAMIF is advancing a new business model in the sector.

This strong accent on SD identifies CAMIF as a pioneering SME in the distribution sector, and sets it apart from its competition. It demonstrates how SD can now become an anchor point for the re-launching of a company. The future will tell whether CAMIF’s choice will hold up over the long term, and serve as a model for other SMEs.

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Notes

Note 1. Philippe Vasseur, “la RSE ne s’octroie pas, elle se partage”, *Les Echos*, 3/11/2011 – (special Sustainable Development issue).

Note 2. Dominique Desjeux, 10th National Marketing Day, ADETEM, Dec. 2010.

Note 3. Article 116 of the NRE Act, subsequently Article L. 225-102-1 of the Business Code.

Note 4. Acts signed in 2009 and 2010 respectively, as a result of the Grenelle Environment Round Table initiated in 2007.

Note 5. Analysis presented in the report by Novethic (2009) entitled “*Quelle place pour la mobilisation des salariés dans les rapports DD des entreprises du CAC 40?*” and available at: <http://www.novethic.fr/novethic/v3/les-etudes-rse-responsabilite-sociale-entreprise.jsp>.

Note 6. For a complete report on the results visit the website www.crocis,ccip.fr.

Note 7. However, the two-figure growth rates of fair-trade products are currently being slowed by the crisis (Ethicity, 2011).

Note 8. Source: ADEME website <http://www2.ademe.fr/>.

Note 9. 2008/2011, *Les Echos*, *La Tribune*.

Note 10. Company source.

Note 11. Xerfi study, 2010.

The Role of Cooperatives and CSR: The Case of the French Agricultural Sector

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Abstract

Changes in French environmental legislation since 2010 require major companies to establish a corporate social responsibility policy. Although very small, small, and medium-sized companies are not as yet required to comply with these obligations, some of them consider that it is necessary to develop provisions addressing this concept, and even to fully embrace them. In view of the particular character of VSEs and SMEs, which are informal in nature, characterized by intuitive strategies, and have limited access to information, this reconnaissance study examines the role of agricultural cooperatives in disseminating information about CSR policies and implementing them in the industry. A preliminary series of qualitative interviews shows that these organizations are taking responsibility for assimilating the regulations in order to prepare their members, and that the existence of certifications is useful in this regard. The reconnaissance nature of the study has enabled us to formulate two research propositions, to be tested by future investigations.

Keywords: CSR, cooperative, agricultural sector, certification, VSE - SME

1. Introduction

Small and medium-sized companies (SMEs) and very small companies (VSEs) in the French agricultural sector are for the most part scarcely or not at all involved in formal Corporate Social Responsibility (CSR) procedures. In a majority of them, neither the managers nor the employees are aware of the meaning of the term. A chance encounter or a meeting bringing together some of the stakeholders may draw attention to the CSR concept, but this does not generally lead to significant changes in the firm's organization. However, the French economy is characterized by a set of legislative measures (the "Grenelle Environment Round Table") for the protection of the environment. The text of the French law named "Loi Grenelle 2" of July 12, 2010 devotes a chapter to the preservation of biodiversity, and particularly mentions the necessary development of farming towards a sustainable agriculture, both by the application of crop-protection products and by the development of bio-industries. The decisions reached by the Grenelle forum and the new obligations for companies having more than 500 employees make the CSR provisions both more pressing and more concrete. Moreover, collective pressures are increasingly being felt by actors in the agricultural sector who deal directly with environmental issues (green algae, shrike). As a result, the SMEs in this sector want to look ahead and prepare for these new constraints, rather than suddenly be faced with them without having taken the time to get ready. Nevertheless, a lack of knowledge, an absence of internal resources, and the cost in time and money make these requirements difficult and unrewarding to apply. Some firms seek information from their professional federation, their cooperative, or local reference institutions such as chambers of agriculture, chambers of commerce and industry, and other local economic organizations such as competitiveness centers, technology parks, SPLs, and the like.

Our research is particularly aimed at understanding how cooperatives are to participate in structuring their members' environmental practices. The objective, usually unstated, is to move closer to the provisions of CSR.

The first portion of this research describes the CSR concept and the position of cooperatives in the agricultural sector, before presenting the results of a qualitative reconnaissance study on the topic of CSR conducted among cooperatives. As we shall see, this particularly involves two initial phases: the consolidation of best practices and a search for certification, and is followed by a consideration of the expectations associated with sustainable

development in general. The last part of this research begins with a discussion, leading to the formulation of two research propositions on the role of the cooperative and environmental certifications.

2. CSR: When Concept Meets Reality

In 2001 the European Commission published a green paper devoted to CSR in the context of Europe. In it we read that a CSR approach amounts to “Being socially responsible, not only in order to meet the applicable legal obligations, but also to go beyond them and make a greater investment in human capital, the environment, and relationships with stakeholders.” Since that time, CSR has begun to infiltrate the administrative machinery of organizations.

The fashion for corporate social responsibility may have abated (Capron, 2000), or at least entered a more sustainable phase (Duval & Nahapétian, 2005), but its conceptualization is still too incomplete (Tchankam & Estay, 2004) for easy analysis.

CSR conceptualizes the ideas generated by sustainable development, and particularly emphasizes its economic, social, and environmental aspects as applied to development and the continuity of the company (Jenkins, 2009). The engagement of a firm in a CSR process remains voluntary: since the loi Grenelle 2 passed in July 2010, only companies listed on the stock exchange have had an obligation to include information concerning the environmental and social consequences of their activities in an annual report. This obligation is to be progressively extended to unlisted companies between now and 2013. Lastly, the social aspects of CSR are complex and demand local involvement, the use and fostering of networks, the building of partnerships, and a good knowledge of the local social fabric (Hammann et al., 2009).

2.1 CSR and SMEs

The issues underlying CSR are many. Some of them carry risks, and may consequently reduce this approach to a public-relations exercise. As a result some executives, fearing that the steady growth of their profits might be threatened, will reduce their involvement to a mainly promotional form. However, studies have shown a link between a capacity for innovation and commitment to the CSR approach (Spence et al., 2007; Bos-Brouwers, 2010). Practices such as monitoring (especially technologic monitoring) and economic intelligence gathering, employed to obtain information and detect new trends, promote a better assessment of CSR practices.

CSR represents an issue that almost all SMEs now take into account. At the very least, even if no actions are planned, the signs are growing, whatever the sector, the size of firm, the region, or the age of the company (Worthington et al., 2006).

SMEs are feeling increasingly concerned about CSR issues, especially the biggest firms and those with significant partnership ties, particularly to major companies. At a time when public relations are playing an ever more important role, an SME's image is not something to be neglected. Moreover, it represents a tool that an SME can grasp to create new opportunities for itself. It stimulates the search for new sources of profit and enables the activation of potential innovation factors, the goal being to identify new markets and to improve the firm's efficiency and organization (Moore & Manring, 2009; Russo & Tencati, 2009). This should then be expressed as an increase in competitive advantage, and the definition of a strategy that incorporates CSR practices.

The size of SMEs is one of the main factors for predicting the level of commitment to a CSR approach. This commitment is usually proportional to size, because of the greater resources assumed to be available. Corporate Social Responsibility and Sustainable Development (SD) are approaches which may also be influenced by the location of a firm as well as its culture and history, which are liable to act on attitudes and behaviors. The influence of the environment and the region may be decisive (Berger-Douce & Current, 2009). However, according to a study conducted by Labelle and Saint-Pierre (2010), and contrary to a somewhat older study by Berger-Douce (2008) the local area does not seem to play a decisive role for SMEs in a CSR approach.

Furthermore, SMEs that have international relationships are likely to be more sensitive to SD practices., Cultural differences, complexity, variations in regulations, working conditions, and the concept of human rights are additional items that may favor a commitment to an SD approach (Blombäck & Wigren, 2009).

2.2 Actors and Managers

The motivations of entrepreneurs are rarely related to the practices of sustainable development. They nevertheless grant CSR certain virtues, such as the improvement of economic performance. In this regard Fray and Soparnot (2007) find that CSR is sometimes used as a lever for organizational change. For example, it becomes a means for developing and strengthening relationships with stakeholders. It is also used in attempts to

improve the firm's procedures (Saulquin & Schier, 2007). Nielsen and Thomsen (2009) state that the managers of SMEs rely on their personal values and the culture of the firm to understand and develop their CSR-based strategies, especially in connection with local and regional issues. Their approach is more intuitive than formalized.

Moreover, information on CSR plays a crucial role in the acceptance of CSR practices by the managers of SMEs. Accordingly, the presentation and repetition of varied information on this subject will have an impact on their awareness and on their attitudes. Such information should particularly address the environmental and social consequences of the company's operations, best practices, and the costs and benefits resulting from a CSR approach. This awareness has a direct effect on the extent to which environmental practices are implemented (Gardenne et al., 2009). However, because of various impediments, CSR does not figure among the priority goals in an SME's strategy, its recent appearance on the corporate horizon being one of the reasons (Berger-Douce, 2008). Nevertheless, SME executives are particularly sensitive to environmental issues because of their investment in the local life and economy, notably via the various formal and informal occupational networks which they employ (Jenkins, 2009).

The managers' commitment is linked to their own values, but these are insufficient to remove the principal obstacles to the implementation of a CSR approach (Paradas, 2007; Spence, 2007). Moreover, the knowledge and beliefs of the managers derive in part from influences received from their familial, cultural, and ethical environments (Monti et al., 2007). It has been found that level of education constitutes a favorable factor in the acceptance of CSR. The ability to change, and to grasp the overall significance and interrelationships of the various issues, is promoted by the amount of higher education received (Gardenne et al., 2009; Schaper, 2002; Vives, 2006). And as shown by Mackey et al. (2007), companies and their managers derive benefits from implementing responsible actions in order to improve the image of the firm on the markets.

Furthermore, the managers of SMEs established more recently stand a better chance of having been sensitized to CSR than the managers of older SMEs, whose firms were built on development models that reflect mainly economic or competitive considerations. As a result, CSR-driven issues are more often incorporated into the companies' strategy and development planning (Cabagnols & Le Bas, 2008). Managers' involvement may also depend on how much time they have for seeking information and evaluating it. They will make their selection based on the views that they have and on the priorities that they set, according to their own decision-making procedures. It is generally accepted that SME managers are highly autonomous in making decisions and that their choices tend to be intuitive (Baillette, 2003). Hence the managers' beliefs (Paradas, 2006), and their ability to mobilize the actors involved and to make use of their connections, will enable them to seize opportunities, especially in the case of SMEs with access to extensive information networks (Julien, 1996).

2.3 Obstacles and Learning

A manager's primary concern is to balance the requirements of CSR with the obligation to make a profit. Implementing a corporate social responsibility approach must be conditional on first achieving economic responsibility. Although studies have not always demonstrated a strong linkage between such an approach and economic performance, the weak trend that has been observed (Vogel, 2005) appears to confirm a close relationship between the consideration of CSR requirements and meeting economic constraints. However, some authors have shown that strong regulatory constraints could be a threat to the company's development (Polge & Temri, 2009). A lack of resources, especially financial ones, is one of the main reported impediments to the implementation of a CSR approach. This obstacle implies the establishment of an appropriate financial strategy for funding these new practices (Berger-Douce, 2007; Gardenne et al., 2008).

The processes of collective learning create a dynamic learning organization favoring the appropriation of environmental issues by involving the various hierarchic levels (Senge, 1992). Collective approaches develop primarily at the initiative of actors associated with professional networks (Berger-Douce, 2008). They promote the incorporation of CSR approaches within SMEs by offering an alternative path for the resolution of certain problems (Bonneveux & Saulquin, 2009).

Local networks and communities promote particularly significant exchanges on new topics, which may be complex and economically doubtful. In this area we see how the commitment of the firm and especially of its employees in such networks can positively affect understanding of the CSR concept (Russo & Tencati, 2009). Learning these practices by making use of professional networks is strongly preferred when it is a network of peers in which information is readily shared (Jenkins, 2009). SMEs tend to be influenced by the successful experiences of other firms of the same type, in the same region and the same sector. Along the lines of the role of networks in the processes of successful development of an innovation, participation in a number of networks can

constitute a key factor in the successful implementation of a CSR approach. This will imply the active participation of the employees, an invitation to specialized institutional actors, publicizing the project to the various stakeholders, and involving the networks.

2.4 Cooperatives in the Agricultural Sector

Agricultural cooperatives are economic organizations developed in the late 19th Century. They enable actors to form groups in order to cooperate for economic and partnership purposes. During the 20th Century they acquired specific legal form in a number of countries (Draperi, 2005). According to the International Cooperative Alliance (Note 1) “a cooperative is an autonomous association of persons who come together voluntarily to fulfill their aspirations and their common economic, social, and cultural needs by means of an undertaking whose property is collective and in which power is exercised democratically”. This association in a cooperative - whatever the nature of its capital - has the primary purpose of sharing resources devoted to production. It also enables its members to have greater weight in dealing with buyers on the market (Cook, 1994). A cooperative establishes a kind of solidarity in the agricultural environment, and although it is not designed to assist members in their daily management obligations, it does ultimately support this function.

In a sustainable development approach, the principle of cooperation may be addressed in three ways: economic, human, and in terms of the land. As regards economics, a cooperative facilitates the integration of smaller structures, as long as the problems of collective action can be solved at minimal cost (Karantininis & Nilsson, 2007). In human terms a cooperative, by its very nature, facilitates cooperation by means of its democratic rules and by the role that it can play in education, in encouraging its members to assume responsibility, and in social progress. Lastly, its territorial aspects lead to better management of local resources over the long term by emphasizing sustainable and local development, especially among its members (Touzard, 2003).

Studies have demonstrated the role of CSR in supporting collective projects under the aegis of a cooperative (Capron & Quairel-Lanoizelée, 2007). This suggests a possible way of encouraging policies of local dialog (Ortman & King, 2007). In addition, the new requirements for quality, innovation, and certification strengthen local coordination and the collective learning offered by cooperatives (Holloway et al., 2000).

However, the issue of the role played by cooperatives in distributing information and in the implementation of a CSR approach in the agricultural sector has not so far been addressed. This issue, as yet unexplored, will be the guiding theme of the rest of this article. What does the CSR concept mean for cooperatives in the agricultural sector? Is it appropriate for them? How will they support their members in incorporating this concept over the long term? How does the certification process fit in?

3. Empirical Analysis

3.1 Methodology and Description of the Study

3.1.1 Methodology

This research study is intended to assist in understanding how environment-related, sometimes informal practices are slowly transformed into formal practices, with the aim of approximating or achieving provisions consonant with CSR. In this regard we particularly wish to grasp how cooperatives act to encourage the development of SMEs in the agricultural sector towards an agriculture of high environmental value.

This study forms part of a reconnaissance investigation, and is qualitative in nature. Moreover, this approach allows the formulation of research hypotheses in a developing situation. Consequently, our choice arises from the problem studied and from the constraints associated with it. This choice is further justified by the somewhat novel nature of the phenomenon being examined (Yin, 2000).

Because of the particular nature of our research topic, we chose the interview method. This involved questioning people with managerial responsibilities in cooperatives, by means of semi-directed interviews. The guiding themes of these interviews were the following: CSR, certification, the formalization of practices, and sustainable development. Since our objective was to highlight ways of providing information, training, and awareness concerning CSR provisions in SMEs and VSEs in the agricultural sector, the partly narrative description will favor the sharing of knowledge obtained from the research with the reader, and making the results more easily accessible and usable. Our study was also aimed at facilitating understanding of the phenomena studied by the actors directly involved.

The persons interviewed were responsible for environmental matters in their cooperatives. Their positions varied from one cooperative to another: we met with two directors, one HR director, and three project managers. The average duration of the meetings was about 75 minutes. The data resulting from the meetings were analyzed

using a thematic-content method (L'Écuyer, 1987). The relevant analytical unit was not necessarily a word or a sentence, but rather a unit of meaning: a situation, a concept, a fact, a sequence of events, or the structure of the related argument.

3.1.2 Context of the Study

The area selected for our study is located in Anjou, mainly in the Maine-et-Loire département, although the cooperatives interviewed embrace an area which extends well beyond this département. We chose cooperatives and persons who are responsible for environmental matters. Agricultural operations were not addressed in the present study. However, a preliminary reconnaissance of the ground was conducted in order to understand the local constraints and the opportunities available as regards sustainable development issues. This information was measured against that obtained from the literature, and was useful in preparing for our meetings, and in providing overall guidance during the research program.

During the interviews, carried out in 2011, it was found that all the persons questioned were familiar with the CSR concept, but none of them had as yet initiated any concrete actions in this regard with their members. At most, proposals were sent to agricultural operations to keep them informed of the organization of local events. Nevertheless, the same finding was regularly repeated. Without being specifically engaged in a formal CSR process, sustainable development practices, environmental certifications, and actions clearly aimed at planned social actions were being undertaken.

Our study may be divided into three types of observations. The first, which was usually raised at the start of the interview, complained of the constraints imposed by institutions and the curbs and impediments which they introduced. The second concerned the practices which the operators established, sometimes at the instigation of their cooperative. These included the difficulties of improving the conditions for production while providing better protection for the environment, and acquiring environmental certifications. Lastly, a third type of observation addressed the implementation of initiatives whose objectives included CSR goals.

These findings were compared with the role that cooperatives play in the adoption of a CSR approach. The program for our second investigation will be influenced by these observations and will guide our further questioning.

3.2 Constraints and Impediments

For many years, firms in the agricultural sector have been obliged to employ measures which emphasize environmental considerations, for example to reduce the pollution of streams and rivers, or to limit the use of potentially dangerous pesticides. In addition, competitive pressure forces companies to innovate and to prepare for the regulations imposed by public institutions. The Grenelle Environment Round Table, and particularly Grenelle II, establishes the area covered by these obligations and encourages companies to take steps to implement them. These considerations cause firms to pay attention to the regulations and to be continuously watchful regarding issues related to the environment. This is expressed in effective compliance with the directives issued by public institutions and by the development of a plan of action for meeting these new provisions.

“We pay attention to Grenelle II. We are getting ready for the “Vision 2015” Plan and ecologically-intensive farming. And we have developed ideas for green spaces. [...] We have been preparing sustainable-development projects for three years, for example the use of solar panels.”

Professionals in the agricultural sector are feeling the pressure on environmental and sustainable-development issues. It is especially strong because this sector is plagued by a great number of regulations, especially concerning the use of pesticides, and is experiencing increasing international competition. To avoid the sudden impact of new regulations connected to the environment, the cooperatives are all taking preparatory measures. They are looking for options that are appropriate to their members' activities. Action rather than reaction. One of their principal issues is the creation of an interface between the regulations and the members. This involves a compilation of the various provisions that address environmental issues. Next, they develop an expertise regarding these issues, and solutions are sought in collaboration with their members. It is a matter of dealing with the pressures exerted by the community.

“We are trying to get ahead, to be precursors. We adapt to the environment and we try to find answers. [...] We do this so as not to be passive victims. We prefer to prepare for the regulations rather than undergo rules set by technocrats in Brussels. We really want to be the actors in our own activities. [...] We feel that there's a collective pressure for sustainable development. [...] We learn about it and then we have to convince people.”

It is also necessary to recast the image of the people in the agricultural sector, who are often targets of the media and of certain ecologic organizations, which leads to considering new models of production which involve an approach incorporating respect for environmental constraints while also maintaining - even promoting - competitive advantages.

“There are strong constraints on the agricultural sector because of pesticides and water pollution. The national pressure is intense; there is the problem of green algae, pesticides with the bees, the shrike. All this increases the pressure on producers. [...] Some members have established a club for advances on environmental aspects so as to get ahead and to understand the issues, especially concerning competition, there’s an argument about their impact.”

Our interviewees know about CSR and to various degrees the ideas that it embodies. But at present the term is restricted to sub-categories of sustainable development and is only rarely used with their members. These are for the most part fully occupied by their activities and barely think of other matters - and even less about a concept still perceived as a constraint.

“CSR? I haven’t heard anyone talk about it. We have no requests from producers. [...] There are no current practices, the producers are primarily concerned about their operations and their profitability. But it’s true that one feels a concern related to environmental problems. [...] Also, bio-farming doesn’t interest them. They don’t see what it could do for them”.

3.3 Current Practices

The interviews clearly showed that firms in the agricultural sector, because of the particular nature of their trades and their involvement in altering the ecologic balance, have established practices that take into account the environmental dimension of their activities.

However, the cooperatives do not as yet have plans to incorporate a CSR approach into their organization, and so they do not publicize this approach among their members. They do consider the expectations and pressures expressed by public institutions, the media, and society at large.

The biggest cooperatives encourage their members to create a new agriculture to deal with environmental constraints and to promote new products that incorporate these constraints. In the first place, it will be necessary to make these new practices achievable and profitable. The environmental dimension is taken into account and integrated into the construction of this new agriculture.

“We are working on a number of social and environmental levels, but we have not subscribed to a formal CSR approach. [...] We are not following the Grenelle forum’s policies. Firstly, we are not obliged to, the operations are very small-scale, and most of them are VSEs. On the other hand we do have discussions on sustainable-development issues. [...] We regularly take part in events to promote new products and to create a new agriculture. [...] We are looking for industrial solutions, for example by adapting machinery, by using technology.”

Together with their members, the cooperatives are choosing to develop practices that are not necessarily in line with the Grenelle recommendations. However, the issues of sustainable development do guide their decisions and are expressed in concrete actions on the ground.

Beyond the collective establishment of environmental practices, the cooperatives offer to take care of this aspect for their members and to apply it in their companies. For this purpose they organize seminars and meetings, and invite environmental professionals to introduce their products to their members, and take part in one-day conferences devoted to CSR (Note 2) and then submit a report to their members. Those who take part are responsive to the messages and appear to understand the importance of implementing sustainable-development approaches. However, they quickly run up against a variety of constraints such as the cost of carrying them out and the time that it demands.

“We were not expecting the Grenelle Environment Round Table. For example, beginning in the 2000s we had complied with waste-management standards, for example in the processing of effluents. [...] We encourage our members to perform a carbon balance and to take an environmental approach. At the beginning they’re interested and motivated. They find the approach to be positive, and they support it. They ask questions, they take an interest, want to know what to do. They consider the idea important. [...] But pretty quickly the problems arise. The implementation procedures, the cost of carrying it out, and so on.”

Companies in the agricultural sector had prepared for problems related to the environment. In order to develop this approach the sector encouraged certifications. One of the first was established in Holland in 1995: the MPS

(Note 3) (Milieu Programma Sierteelt) used for horticulture. It has been increasingly applied in France since the 2000s. It enables producers to benefit from a label that guarantees their environmental approach. Above and beyond the provisions made by the cooperatives to inform and train their members in sustainable-development practices, there is nevertheless a manifest desire to support the attitudes dictated by CSR. This attitude will follow a series of stages marked by the implementation of certain practices and by the acquisition of certifications which formalize these practices. These approaches will tend to guide the selected practices in the direction of the Grenelle environmental directives. Moreover, one of the advantages of the certification process is that it stimulates compliance through innovation and a search for solutions.

“Producers become aware that the limits are technological, and involve good agricultural practices, alternative methods, biologic aids, trap plants and host plants, and crop-protection strategies. [...] For at least the last decade the sector has been experiencing a cultural revolution, well before there was any talk of CSR. The MPS certification is an eco-label designed for an environmental program in horticulture. It currently includes 20% of horticulturists. [...] In environmental matters there is no engineering solution, you have to go outside the business, and seek other skills. [...] This should lead towards the Certification Fleur Bleue, which supplements the MPS certification with a code of best practice. The objectives are to take into account the Grenelle environmental recommendation, to provide an opportunity for innovation, and to highlight French production. [...] In our sector we have set up a series of steps for certifying agricultural operations. We supply information, we offer advice, and we direct sustainable-development questions to our specialist partners. The goal is to certify the operations with respect to environmental issues. It isn't CSR, but we're not required to do that. And then concrete actions develop on the ground”.

The interest shown by the cooperatives in sustainable development goes beyond environmental matters and, while not using its name, truly represents a CSR approach. Thus, for example, their involvement in the field of vocational integration and in employing the disabled addresses social and societal issues. These are even concretely expressed in partnerships developed with local vocational-integration associations. Beyond the goal of incorporating the provisions of CSR, their responses also reflect solidarity and community relations. In rural areas agricultural operations have occupied, and still occupy, a place in a system in which everyone knows one another and where a diversity of qualifications ensures the employability of persons seeking appropriate work.

“Our practices are more a matter of experience than formal procedures.. For example we have a policy of integration both for employment and regarding the disabled. For this we have partnerships with local associations. [...] Farming has always had a social role, as a reservoir of employment in the country for fragile persons. We can always find a job, even for the village idiot. In horticulture, firms have already been involved in the integration of persons who are fragile or having problems. They more easily accept the disabled. And then many of them have early experience in this area. [...] It's true that the companies have a real economic interest, but they are also in favor of employing the illiterate, in partnership with integration associations.”

3.4 Implementation

The economic dimension is a constant feature of environmentally-themed activities. The new economic model must incorporate limits on pesticides and the achievement of profitability. This approach is a feature of Ecologically Intensive Agriculture (AEI (Note4)), which draws its inspiration from the Grenelle forum's recommendations.

“We operate along two main lines. The first is centered on industrial practices, with economic objectives. We are looking for tomorrow's answers, ideas for limiting the use of chemical pesticides, and towards a new, ecologically-intensive agriculture. [...] We seek for economic balance by trying to reduce the environmental impact through alternative solutions. [...] We regularly take part in events to promote new products and to create a new agriculture. [...] We are looking for industrial solutions, for example by adapting machinery, by using technology”.

Some cooperatives have gone a long way in formalizing this approach, designed to lead their members to adopt CSR. Various steps lead the firms to become compliant and to acquire the principles which will allow them to work their way up to the attitudes dictated by CSR. These steps include a certain number of mandatory requirements which the firms attempt to meet, with varying degrees of success. They lead to obtaining certifications which play a dual role: looking ahead for environmental problems, and preparing for CSR. Moreover, in order to avoid any pressure or confusion of ideas, the very term CSR is rarely if ever used.

“A tool has been developed for horticulturists, to help them obtain the Fleur Bleue [certification]. We begin by making an assessment. This involves a battery of 150 mandatory requirements (on pesticides, water, diversification, etc.). Believe me, when you show them those 150 requirements, it captures their attention. Next

we move to the compliance phase. Then there's a more technical assessment which includes an inspection and a check-up, before continuing to provide advice and support. And then we broaden the scope to include the local commitment and the validity of the processes. We do all this over a two-day period, which should lead smoothly towards CSR. But we never use the term CSR. It's only at the end that we mention it, and at that point they say "Oh, that's what CSR is"."

The cooperatives are not hesitant to call on specialist consultants regarding environmental issues. The implementation of consciousness-raising exercises followed by training relies on advice from these companies, which support the cooperatives and their members by presenting studies on sustainable development. A search for environmental solutions and their incorporation into local practices reinforce the collective and partnership approaches. These are initiated by the cooperatives, which mutualize the expectations, requests, and actions of their members. Commitment to the local area strengthens these exchanges and promotes collective learning. The local dimension regularly recurred in the discussions, especially because of the history of the firms, some of which have been there for several generations.

"For environmental questions there's no engineering solution, you have to call on outside sources, and other skills. [...] Starting from concrete practices (regulations, etc.) we move towards an awareness of the local area, with the support or the demands of the stakeholders. [...] It's not just training but technical and financial support, with booster sessions on best practices. This enables an assessment of projects."

The cooperatives are now taking practical steps to implement CSR, and want to convince their members of the necessity of moving in that direction. Once they become aware of the issue, the managers of the cooperatives grasp the need to take CSR into account. Their first concrete actions are aimed at recruiting persons with specific skills, to be responsible for establishing a development plan.

"I was hired to implement the CSR approach for our members. [...] There is still a lot of resistance to change. The managers are strongly focused on their activities. [...] It's an approach which is going to develop over the long term. For the managers, their involvement is likely to take some time. We also carried out a carbon balance for our activities. [...] We made use of an outside company, an audit company, to establish the tools. Our members are producers and we lacked information to give them about resources for implementing it."

4. Discussion

We have attempted to understand the role played by agricultural-sector cooperatives in the implementation of a CSR approach. And to what extent the certification process lays the ground for CSR. We briefly present here the contributions of our research and the related research propositions, before presenting our conclusions.

4.1 Contributions of the Research - Role of the Cooperative in Promoting the CSR Approach

We have attempted to understand the role played by agricultural-sector cooperatives in the implementation of a CSR approach. And to what extent the certification process lays the ground for CSR.

The cooperatives are in fact stakeholders in the organizations in the system and have been the subject of studies on their performance and the spreading of innovation. These studies have shown that organizational and technical changes in the cooperatives mainly depend on their ability to develop appropriate learning processes and an effective network (Chiffolleau et al., 2007). But where a project does not directly concern the cooperative, but is positioned more as a mechanism that the public authorities can employ to advance major projects, research is lacking. More specifically, to what extent can a cooperative respond to the difficulties of accessing information (want of time, for example) that are encountered by the managers of VSEs and SMEs?

The study shows that cooperatives play an important role, even though it is imperfectly formalized, in the process intended to lead VSEs and SMEs in the agricultural sector towards a CSR approach. This is due to various factors, some of which have been identified by the research carried out on CSR and sustainable development. Others have been highlighted by this reconnaissance study and primarily relate to the specific nature of the agricultural activity sector.

The agricultural sector faces a twofold difficulty. The first is connected to the scale of the competition which firms generally encounter, whatever the sector. The second relates to the nature of the activity itself, which has a negative impact on the environment.

Because of the small size of agricultural operations and the paucity of their resources and skills, cooperatives have naturally become involved in understanding the CSR concept and in its application. The cooperatives then incorporated CSR into the extension of their existing environmental practices. The stages of this incorporation include a first phase of appropriating the concept and its implications for the operations. Then training, hiring,

and the use of outside experts, making it possible to formulate a plan of action for the members. This should lead to a strengthening of current best practices, and then to preparing for the regulations, especially those of the Grenelle Environment Round Table. These actions can then be conducted in parallel with a steady progress towards CSR. They will enable the agricultural firms to get ready and to organize collective actions, orchestrated by the cooperatives.

These observations have enabled us to formulate the following research proposition:

Proposition 1: In the agricultural sector, cooperatives play an important role in the implementation of a CSR approach by their members.

The implementation of a CSR approach, in stages over the 2011-2013 period, is mandatory for major companies (500 to 5000 employees). Companies in the agricultural sector are therefore not affected by these provisions. Nevertheless, the nature of their activities obliges them to get ready for the regulations, and to suggest solutions, in particular for the environment and for sustainable development. Moreover, CSR involves firms in a global and societal initiative, and may thus constitute a particularly interesting force in a highly competitive environment. However, CSR in itself is poorly adapted to the particular nature of firms in the agricultural sector. Its overall approach does not adequately address the specific needs of the sector. Accordingly, sectoral certifications have developed to take into account the economic and environmental issues. They enable the companies to take the initiative and actively confront the pressures exercised by public institutions and generally by society. From this standpoint the certification processes are tools for supporting the progressive establishment of a CSR approach. They formalize the processes and consolidate the environmental approaches of agricultural firms.

Proposition 2: The certification process facilitates access to CSR for cooperatives and their members.

4.2 Conclusion, Limits, and Avenues for Future Research

In conducting this study we sought to understand the role that cooperatives might play in the implementation of a CSR approach in the agricultural sector. This broadly comprises very small-scale farming operations which have neither the resources, the skills, nor the time required for the management of Corporate Social Responsibility. Cooperatives, having understood the various provisions involved in CSR, will then provide information, training, and support for their members' projects, which more broadly concern issues arising from their activities (water management, pesticides, etc.).

It is almost improper to speak of CSR, because the subjects envisaged do not have so broad a range of action. They nevertheless include the objective of achieving them by undertaking progressive collective actions, in stages appropriate to the agricultural sector. These stages are sometimes distinguished by labels or certifications which describe the options and undertakings selected. In this way certifications enable operators, supported by their cooperative, to be actors in environmental issues and to be prepared for rather than to be subjected to them.

This study supplements the various research projects undertaken on CSR, especially for SMEs. It throws light on the role played by cooperatives in the learning process, which benefits agricultural companies, especially in the processes of certification.

To strengthen the external validity of this study, which is limited by its qualitative nature and the small sample of firms, it would be interesting to extend this work both by studying the cooperative/member dyad to obtain the experiences of the operators, widened to include other regions of France but also other kinds of cooperative. We might also envisage applying a hypothetico-deductive approach of quantitative type, on a much larger sample.

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Notes

Note 1. <http://www.ica.coop/al-ica/> (2003).

Note 2. 3rd CSR Meeting in Angers (France), organized by the CCI in June 2011.

Note 3. the Environmental Program for Horticulture.

Note 4. <http://www.aei-asso.org>.

How Profound Changes in Stakeholder Relations Allowed an SME to Enter and Gain a Foothold in a Highly Competitive Sector?

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Abstract

This article examines the relationship between strategy and CSR in small businesses. In particular, it aims to show how CSR, far from merely being a series of constrictions, can under certain conditions provide SMEs with an opportunity to make their mark in a given sector. According to this view, CSR can offer companies with limited resources a chance to overturn key structural factors by facilitating new modes of interaction and organisation in the development of their activities.

Keywords: CSR, management, strategic innovation, proximity, SME, shareholder strategy

1. Introduction

The majority of studies dealing with Corporate Social Responsibility (CSR) initially focused on large companies, and these were consequently held up as the norm in terms of CSR. This approach views CSR as a method exploited by major companies to further extend their competitive edge. However, a number of recent studies have challenged these assumptions about a positive correlation between the social and societal performance of a company and its size, and have concentrated instead on the advantages of small and medium-sized businesses with regard to CSR. Using the case of a company in the food sector, we analyse the conditions and mechanisms favourable to such relations, in which CSR, far from being an array of constrictive shackles for small companies, can in fact constitute a creative source of value by modifying the cornerstones of competition.

2. Impact of Company Size on CSR Strategy

2.1 CSR Viewed as the Institutionalisation of New Environmental Constraints and Norms Favourable to Large Companies

The notion of corporate social responsibility (CSR) is a central topic in current management research (Wood, 1991; Jones, 1995; Carroll, 1999; De Bakker, Groenewegen & Den Hond, 2005; Capron & Quairel-Lanoizelée, 2007; Brabet, 2009).

Although many definitions of the term exist, we shall define 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” (European Commission, 2007).

The emergence and development of the concept of CSR have been commonly linked in the literature to the theme of legitimacy (Martinet & Reyraud, 2004) as it affects companies over the last two decades. This resulted in the gradual introduction of a new institutionalised environment (Gabriel, 2007; Valiorgue, 2005) placing pressure on companies to incorporate in their own strategic and managerial planning increased awareness of ecological, social and societal issues and their consequences (Reynaud, 2006). One outcome of this is the creation of a number of tools and principles such as codes of good practice, value charters, diversity management, norms/labels, partnerships with NGOs, quality standards (e.g. ISO 14 000), CSR reports / GRI reporting, and so on, the majority of which emerged within major multinational companies (Jenkins, 2006). In this sense, the concept of CSR led to a change of perspective in companies regarding their environment, moving from a shareholder-based approach as advocated by authors such as Friedman (1970) towards catering to the expectations of a wide range of stakeholders (Wood, 1991; Carroll, 1999). In particular, these new pressures created institutional isomorphism (Di Maggio & Powell, 1991), with companies being obliged to institute CSR policy under pain of sanction by the various stakeholders. In this respect, some authors feel that CSR now

constitutes a necessary first step towards obtaining a “licence to operate” within a given market (Graafland et al., 2003).

Initially, most studies of Corporate Social Responsibility (CSR) concerned major companies, which consequently became the norm in CSR (Hoivik & Shankar, 2010; Blombäck & Wigren, 2009; Jenkins, 2004; Massey, 2003; Southwell, 2004). Naturally, these studies suggest that large companies are the best equipped to respond to the requirements of CSR in terms of organisation, thanks to their extensive financial and human resources (Graafland et al., 2003; Castka et al., 2004; Husted & Allen, 2007; etc.), their ability to mobilise an array of different professional skills, and their legal know-how (Lepoutre & Heene, 2006). They emphasise how globalisation and the acceleration of scientific and technological change force companies to innovate ever more rapidly. This need for innovation favours large companies able to allocate extensive resources to continuous change, thereby reinforcing the competitive advantages of companies already in existence. Large companies thus appeared to constitute the reference organisational model, and the most capable of facing up to these new environmental constraints (Blombäck & Wigren, 2009), since a company of this size “will make relatively more use of formal and public instruments to communicate its responsibility and to build up a consistent business culture, whereas small firms use more informal means” (Graafland et al., 2003).

According to this viewpoint, CSR may be interpreted as a means employed by large companies to increase their competitive edge, either directly by insisting on the use of standard practices (DiMaggio & Powell, 1983), or indirectly by strengthening the requirement of justified structures (Meyer & Sott, 1986). In this regard, most of the tools used in CSR have in fact been designed by multinationals and have subsequently been forced on SMEs. This approach supports the notion that greater size is advantageous as regards the changes imposed by CSR.

2.2 Strategic Innovation and CSR: An Alternative Approach for Small Businesses?

A number of studies have challenged the notion of a positive correlation between a company’s competitiveness and its size, emphasising the advantages of small and medium-sized enterprises (Foray & Mowery, 1988; Guerci, 1990). According to these authors, SMEs are in fact more flexible organisations able to adapt rapidly to the changing circumstances of supply and demand (Dogson & Rothwell, 1991). This new approach rejects a conformist vision of strategy, consisting of a desire to comply with environmental characteristics (Di Maggio & Powell, 1983; Christensen et al., 2002; Baretto & Baden-Fuller, 2006), stressing instead the need for a new vision of the future based upon a more pro-active approach.

These studies have found an echo in the manner in which companies seek to approach and manage CSR. Recent studies in fact tend to view CSR not simply as a difficult requirement to meet (Perry & Towers, 2009) but rather as an opportunity for value creation that allows small and medium-sized companies to enter markets (Husted & Allen, 2007; Hoivik & Shankar, 2011) through the creation of new business models (Jenkins, 2009; Moore & Manring, 2009; Seuring & Muller, 2008).

According to this way of thinking, despite their limited resources, small and medium-sized companies can adopt policies of voluntary transformation of their environment, overturning the key factors and parameters for success or simply creating new rules. Existing studies identify two distinct approaches to CSR among SMEs (Table 1):

- the dominant approach, in which CSR is viewed by SMEs as a constraint and a further difficulty to be overcome, in some cases engendering hostility, avoidance or conformity (dictat and leadership imposed by multinationals);
- a more recent and as yet minority approach, in which CSR is seen as an opportunity able to generate innovation and create value, with SMEs adopting a proactive strategy and pressing home their natural advantages (adaptability, flexibility, proximity, close relationship with customers).

Table 1. Attitudes of the various actors to CSR

Attitudes of actors to CSR	Traditional model (large company domination)			Strategic innovation model
SMEs	Resistance (opposition)	Passive (inaction)	Defensive /Imitation (do little, do gradually, do as little as possible, do afterwards)	Proactive (take advantage of the new competitive context created by CSR to enter a new market and strengthen one’s position through innovation)
Large companies	Greater resources and available skills allow manipulation of CSR as a new barrier to entry or an additional constraint.			Adoption of a traditional strategy (adaptation) that allows SMEs room for manoeuvre.

2.3 Core Issue of the Study

The aim of this article is to analyse the way in which the company Michel et Augustin, despite limited resources, has managed to change the rules of the competitive game to its advantage within the biscuit sector, despite the size and weight of powerful competitors. In particular, we will show how the company has used CSR to transform its relations with its various stakeholders, thereby altering the nature of its activities. The case we present here illustrates the minority approach adopted by SMEs to CSR, and our article seeks to provide an understanding of the stakes and mechanisms involved.

3. Study Methods

3.1 Data Collection Methods

Our analysis of the terrain focused on the CSR strategy of a small innovative company in the food sector in its bid to compete with more powerful rival companies. Although the use of a single case may be debated, the choice of a single terrain is justifiable because of its critical nature (Koenig, 2005). Further, our decision was greatly influenced by the opportunity we were afforded to study this case in depth with unrestricted access to a large amount of information otherwise not readily consultable by scientific researchers (contact with directors, visits to the company site, discussion with consumers, exchange of views with the company's partners, interviews with journalists). It is thus not our intention here to present a universal development strategy applicable to all companies within the given sector, but rather to uncover and understand the mechanisms at work and to explain them in the light of new theories and specific interpretational approaches.

Our method involves the construction of a case of innovative strategy within the food sector, based upon a novel and personalised interpretation of CSR as means of forging new types of relationships with stakeholders. The case has been constructed from primary and secondary data in accordance with the principles set out by Yin (2003), namely: multiple sources, creation of a database built on cases, and collection of data determined by the research issue.

Our analysis is based on a multisource approach combining primary and secondary data (Frankfort-Nachmias et al., 1992; Stewart, 1984) obtained from various company stakeholders (employees, clients, journalists, specialised shops and major retailers). This approach enabled us to track the company's development, establish links between events, follow the key stages of the process, and better understand direct and indirect effects, all within a realistic and identifiable timeframe (Smith et al., 1992). Our analysis draws upon face-to-face interviews (Yeung, 1995; Seale, 1999) with the company's founders and staff and (20% of its employees), as well as a number of actors within the environment (journalists and food sector specialists), and upon scrutiny of different media:

- some 15 articles from financial newspapers (Note 1);
- a dozen TV programmes (Télématin France 2, M6 100% mag, E=M6, Capital M6, Kezeco TV, Business Direct 8, BFM TV, France 3 JT, TF1 Attention à la marche, etc.);
- several radio broadcasts (France Inter, Europe 1, Radio Classique, BFM, NRJ, etc.).

The questions asked were open, allowing new themes to merge and providing the possibility of establishing new relationships between the various items (Wilkinson & Young, 2004). Our interviews began with questions about the creation of the company, its key aims and principles, and moved on to questions concerning the growth strategy adopted and the development of strategies for the coming years.

We were also able to collect a certain number of documents published by the company on its website (press releases, dossiers, studies). Similarly, we collected information from the company's customers in two ways: by lexical analysis of messages left on the company's Facebook page (investigation of 18 messages posted daily over a one-month period, i.e. 554 posts analysed in all – Note 2) and of informal exchanges with consumers (face-to-face validation of some 30 customers) at the company's head office during two of its monthly open-door events (on the first Thursday of each month).

Case selection was based on three criteria:

- the company's strategic aims and its chosen method of development within a highly competitive sector characterised by the presence of extremely powerful actors;
- the company's innovative characteristics and the manner in which CSR is used by the company in order to ensure competitiveness within the sector;

- the results obtained, which demonstrate exceptional success based on new directions far removed from the classic requirements of market share, size and resource mobilisation.

3.2 Data Processing Methods

Regarding data processing, for the face-to-face interviews, we used a system involving initial data organisation (Miles & Huberman, 2003), after which we reviewed the initial data to assess relevance, in other words to determine how this data was confirmed, modified or contradictory. On reviewing the data, we resumed qualification and the repetitive process was continued until plausible and reliable organisation was achieved, resulting in an intelligible discourse and saturation of the various codified meanings (Pourtois & Desmet, 1997; Karsenti & Savoie-Zajc, 2000).

Customer posts on the company's Facebook page underwent qualitative content analysis. We decided to code all data to obtain an overall vision by individual theme focusing on the nature of relations between Michel et Augustin and its customers as expressed by the actors themselves (Ryan & Bernard, 2003; Andrew et al., 2008).

To this end, we use the following approach:

- reading of customer comments in relation to the central issue;
- formulation of the aims of analysis: identification of elements relating to the concept of stakeholders and customer/company relations;
- open coding (description of ideas being sought and related words);
- classification by theme;
- hierarchical organisation of words and themes by frequency using the Nvivo 9 data processing software package (QSR International, Cambridge, MA);

formalisation of interpretations.

4. Case Study of Michel et Augustin

This section presents the impact of CSR on the biscuit sector and on the strategy of actors within the sector, in particular Michel et Augustin.

4.1 Specific Features of the Biscuit Market before and after Institutionalisation of the Principles of CSR

The biscuit market forms part of the food sector. In 2005, this market was worth around €1.35 bn and was dominated by two multinational firms, Lu (Groupe Danone) and United Biscuits (BN, Delacre), with respective market share of 40.7% and 11.3%.

The market is characterised by declining sales (-2% in 2004 and in 2005) and increasingly powerful distributor brands (MDD) with a market share of some 24.8% in terms of value and 35.6% in terms of volume (+3% over 2004). Other well-known brands are also present in this market, such as Bahlsen St Michel (4.8% market share in terms of value), Andros, Masterfoods, Cadbury (Fingers), etc.

Like the rest of the food sector, the biscuits market has been characterised since the early 2000s by increased concern about questions of health, nutrition (campaigns to reduce obesity and excess weight, cardiovascular diseases) and sustainable development (respect for the environment, preservation of agricultural land and resources, fair trade, local development, etc.). These new forms of pressure have been exerted at state level (e.g. launch in France in 2001 of the National Nutrition and Health Programme), as well as by public bodies and NGOs.

This same period has also witnessed the emergence of a new type of consumer dubbed the "alter-consumer" with new requirements, and gradually coming to represent an increasingly important market segment. Under the banner "healthy eating", consumers attach increasing importance to the contents of labels and actively seek out norms and labels guaranteeing the "ethical" nature and quality of products. These "consum'actors" are also interested in the origin of the products they buy, and are increasingly aware of their role in the supply chain (from producer to final consumer).

Consequently, sustainable consumption takes a number of different guises in the market, with the notions of *sustainable commerce* (a commercial system unharmed to the environment), *fair trade* (ensuring that producers in developing countries receive prices that allow them a decent standard of living and the possibility of developing), *ethical commerce* (the institution of a production system that respects basic worker rights), *solidarity trade* (support through one's purchases for a solidarity organisation), and *organic* and *healthy produce*.

CSR has thus partly modified the expectations of a certain group of consumers (emergence of new segments, incorporation of ethical criteria, etc.), prompting actors to redefine their strategy and market position.

Market leaders have responded to this new development uniformly by adopting the same strategy, which consists of embracing innovation in terms of techniques (scientific norms) in a bid to create barriers to entry through the introduction of heavy investment strategies at their production facilities (reduction of production costs), health aims (reduction of hydrogenated products, etc.), marketing (refocusing on key brands) and organic products. *"In order to differentiate our products, we have placed the focus on quality"*, noted a manager with Lu. *"Innovation constitutes the key axis of development for Lu"*, indicated a spokesperson for the group, for whom new products represent 10% of annual turnover.

Major companies are thus developing new generations of products based on this "health" approach. The aim is to present new products as conferring a protective effect against disease: reduced sugar content, lower fat content and use of "bioactive" ingredients to improve gastrointestinal health, enrichment with fruit, cereals, and fibre, fortification with vitamins, and so on.

4.2 The "Michel et Augustin" Strategy

"Michel et Augustin" was created in 2004 by Michel de Rovira (MdR) and Augustin Paluel-Marmont (AP-M) as a 50/50 partnership with a starting capital of 15 000 euros. The company was initially positioned in the biscuit market (in early 2000, AP-M decided to take a professional bakery-pastry chef diploma, prompted by a long-standing passion for this area), a market which, as we have seen, is "saturated", in decline and dominated by extremely powerful international actors.

The original business project was inspired by Ben & Jerry. On discovering the latter brand, AP-M noted that within the biscuit sector: *"no existing brands stood out and spoke to me. Communication consisted solely of so many fabricated tales"*. Furthermore, the discourse of the major brands is often austere, and even according to the directors, untruthful. *"I feel no affection for supermarket products and I was shocked by their outright lies. Nutella's claims that eating their product is necessary for health are an insult to the customer's intelligence. Nutella may taste good, but the only thing it really helps the body to do is to put on weight"* (AP-M).

The company creators were also inspired by Richard Branson, whom they see as the incarnation of *"joie de vivre, energy, overriding optimism and sharing"*. (AP-M)

Finally, they note that it is often very difficult to decipher the composition of products, which frequently contain ingredients not in normal everyday use: *"You need a Nobel Prize in chemistry to understand the list of ingredients used in what you buy and eat"*. *"I do a lot of pastry cooking but I've never used hydrogenated palm oil"*. (AP-M)

Based on these findings, they decided to launch a brand that would create a new relationship with stakeholders, and particularly customers, based on values such as *"pleasure, a positive outlook, insistence on the value of humans, sharing and transparency"* (AP-M). As such, the company directors' approach to the market has been guided by a positive view of the new context created by CSR (authenticity, pleasure, sharing), which they refuse to see as restrictive and institutionalised, in contrast with how it is viewed by the two leading companies in the sector (norms, labels, procedures, etc.). In this regard, Michel et Augustin has rejected the path of certification: *"Our port of entry is not through organic certification. We simply select the best possible ingredients, produced for the most part in France"*.

The company decided to enter the biscuit segment, which it associates with a positive and convivial ethos: *"It is a simple matter to share biscuits with others - anyone can do this in their own home. Biscuits represent a way of sharing one's state of mind"* (AP-M).

4.2.1 Relations with Consumers: A Transparent and Authentic Relationship Based upon Pleasure and Sharing

The company's approach to the market is dominated by particular values:

(1) Personalisation is embodied in the company name (the first names of the two creators), the company logo (the faces of the two directors) and the packaging, on which the directors recount facets of their private lives: *"Michel has 2 green plants, a bicycle and not much hair"*.

This personalisation is based upon a particular finding: *"People have more trust in other people than in companies. My main concern is that they should naturally feel that the product is good because it is made by Michel et Augustin, and that it has been personally endorsed by Michel and Augustin"* (MdR).

(2) Proximity is associated with the accessibility of the directors and of the company. For example, the two directors are happy to give out their personal telephone numbers. Similarly, on the first Thursday of each month, the “Bananeraie” (the company’s head office in Boulogne Billancourt, just outside Paris) opens its doors to its customers, offers a tasting of its latest products, and notes all comments passed there. As a general rule, the company welcomes interactivity between its stakeholders, including its customers, and invites them to become involved with the life of the company. This is emphasised by the following message found on the company’s biscuits: *“Ours is a tasty and healthy adventure, full of energy and crazy projects, and above all it is a human adventure. And it involves you, the deliverer, shop owner, or member of the tribe of “taste upstarts”: everyone has their word to say about taking the adventure forward.”*

The open-door events are very carefully organised in terms of numbers of participants (sometimes up to 400).

“Our premises are organised into a tasting stand, a theme-based bar (CV stand, Aventure stand, etc.) and workshops, enabling us to enjoy a quality and privileged contact with everyone involved”. (AP-M)

(3) Finally, attachment to transparency and truth are embodied in the liberal diffusion of the composition of products and the recipes used, as well as the complete absence of any false claims, particularly regarding health. As the directors themselves have said: *“Initially, it was just the first names of friends [...] explaining their own feelings as consumers. We’d had enough of being manipulated by the brands and of being unable to understand the ingredients used in food products sold in the major retail stores. We began with a sincere wish to embark upon a human adventure of taste with our consumers”.*

Internet, via the company website and blog, also forms an important mode of communication, with comments on products, details of sales outlets, brand co-management, videos and photos showing employees, presentation of the tribe, a view behind the scenes of a marketing operation, participation in staff recruitment, etc. In addition, a monthly newsletter, *“Le bananier”*, gives details of the various events involving the brand and has 50 000 subscribers. The company also has 31 000 friends on Facebook, placing it far ahead of the leaders in the food sector (by comparison, Lu has only 2300 friends): *“Our policy is to share the day-to-day life of the brand with the entire tribe”.* (AP-M)

All of these combined actions give each individual consumer the feeling of playing a role in the company and create an authentic relationship of trust between the brand and its customers.

Pleasure is another indicator of the company’s success. While customers are torn between feelings of blame and anxiety concerning their eating habits on the one hand and feelings of pleasure on the other, Michel et Augustin have managed to reconcile these two aspects through a departure from the traditional austere discourse.

The position of Michel et Augustin is accompanied by an unusual communication policy based upon humour, fun, “buzz” (comic videos, events, street marketing, etc.), conviviality and exchange. This communication strategy aims at creating immediate complicity with customers.

This position is also embodied by the company’s atypical packaging:

- Graphics (lively vibrant colours, avoidance of sophistication, childlike drawings such as the cow, the table and chalk, and the flower).
- Product names with a highly personal touch: “petits sablés ronds and bons” (Note 3) and so on”.
- The logo created by Michel et Augustin shows caricatures of the two directors.
- The slogan: «les trublions du goût» (Note 4).
- The humour found on the packaging is far removed from the standard discourse routinely printed on packets of biscuits: *“Did you know that eating these “petits sablés ronds and bon” [...] will help you lose weight, boost your energy levels and strengthen your bones? You see, our nutritionists in their gleaming white lab coats, have worked hand-in-hand with NASA to develop ... Stop! That’s enough of this nonsense!”.*
- Use of very familiar language and enjoiners with exclamation marks: *“Get cooking and let’s speak!: Over to you! Here’s to life and friends!”*
- Imaginative use of the packaging (words hidden at the back of boxes, jokes printed on boxes, use of small arrows to comment on certain points, etc.)

The aim is to create *“Products that speak to consumers and raise a smile in supermarkets”* (MdR). The company wished to break with the boredom and monotony of traditional packaging by eradicating a formal and

distant approach. Their goal is to create an authentic relationship with consumers through their product packaging.

Text Box 1. Decoding the relationship between Michel et Augustin and their customers

This text box sets out the results of our analysis of content using Tropes based upon 554 comments posted on the “Michel et Augustin” Facebook Wall over a one-month period (from 01/10/2011 to 31/10/2011):

- Of the 554 comments, 432 were left by Facebook fans of “Michel et Augustin” and 122 were left by the “Michel et Augustin” management team (“brand comments/fan comments” ratio = 1:4),
- There were a mean 18 comments per day over this period,
- The swift response by the “Michel et Augustin” management team reveals authentic interaction in the discussions between the brand and its fans.
- During this period, 91% of comments were positive, 2% were neutral and 6% were negative, demonstrating a highly favourable attitude overall towards the brand by its fans.

Five key themes were identified in our analysis, each of which groups together associated keywords.

Theme 1. Solidarity/Fan club

(Instances of this theme: 60% of posts in which the theme is mentioned)

Verbatim extracts (from Facebook)

“Sincere congratulations on your success.”

“Wow! I’ve finally managed to find some decent cookies in my town!!!”

“Great – I’ve found a new product: “Les Paillolines” Absolutely fantastic!!! Thankssss!”

“I bless the Michel & Augustin shelf at my local Monoprix supermarket.”

Theme 2. Humour, self-deprecation/ Joie de vivre (38%)

“Have Lu or Danone ever put a smile on your face while you were out at the shops?”

“How can I explain ... it’s not that it’s good , it’s sweet and melts in your mouth; every mouthful is a pure delight and makes you think: isn’t life just great at times like this!!!”

“happiness, happiness, just happiness!”

Theme 3. Pleasure/ Taste/Attitude to life (36%)

“Michel & Augustin may not be the most innovative brand in the last hundred years but they’ve created some great desserts that go some way beyond the standard fare from the major brands.”

Theme 4. Tribe (29%)

“Hail to the trine! I’ll have to get myself back to Montauban again to raise a taste rumpus with you all!”

“Hello all you fellow taste upstarts!”

Theme 5. Personalised approach (20%)

“What news of Augustin?”

“Poor Augustin!! It’s such a shame for him!!”

Michel et Augustin thus decided to adopt a different position to that of their competitors: very tasty products with high-quality, natural ingredients (using butter but not oil, with no added colouring agents, etc.) and without preservatives, though at a higher price (between 2 and 6 euros). They have in fact opted to play the “healthy” or ecologically responsible “organic” card, catering for the hedonistic “food as pleasure” market, with the accent firmly placed on pleasurable eating and the taste of “good things”, without any moralising or reproachful discourse, and with the emphasis firmly on conviviality. The company thus seeks to “*Bring back the taste of biscuits as they were baked by our grandmothers, using only the best ingredients and with no additives or preservatives*”. The company assumes that the ingredients used in their products are readily available household items, in contrast with other brands, whose ingredients are barely intelligible to customers.

4.2.2 Relations with Suppliers and Distributors

The company makes much of local supply and manufacture in France rather than insisting on fair trade: “*You can’t really call our operation fair trade since we’re not really in a position of a developed country purchasing from less developed economies. What we are seeking is rather a lasting relationship involving long-term collaboration with French producers and securing long-term supply of milk for our products.*”

It is also consciously turned towards a durable consumer base, appealing to the taste and curiosity of consumers for high-quality products rather than resorting to organic labelling. *"I don't use organic milk because this would mean importing it from East Germany. The milk I use comes from Gap in the southern French Alps, which also has the advantage of proximity since Gap is only 2 hours away from my production plant. Also, we are not an organic producer, since as consumers, we ourselves don't eat organic food."* However, the company is sensitive to environmental issues: *"We are sensitive to environmental constraints and we are testing packaging involving lower CO₂ emissions."*

Suppliers are considered partners in the company's development in the same way as clients and consumers. Here, the notion of confidence is a priority consideration and the company is seeking to maintain durable win-win relations with suppliers by insisting on proximity and interaction: *"We have a contract in place with our suppliers that guarantees stable prices for farmers, even in periods of financial crisis."* *"Our relationship with farmers is not simply commercial."* *"There are many people with whom we do not have a contract, in most cases because our dealings are based on mutual confidence."* *"A relationship based on confidence implies presence, and in this respect, we spent a good deal of time at our suppliers' production facilities."* (AP-M)

Similarly, distributors are also considered by Michel et Augustin as members of the tribe, and they too have *"their word to say about taking the adventure forward"*:

"One of our customers gave us the idea of launching our floating island products. In reality, the company strategy is an ongoing creative back-and-forth process involving a mixture of contributions from inside and outside the company. It was also a customer who encouraged us to bring out a range of Christmas products towards the end of 2012."

4.2.3 Relations with Collaborators

The company's management style is democratic and frequently informal.

The company favours a direct approach: *"Most of the time, we receive e-mails from our collaborators who simply want to reassure themselves by informing us of a problem. I send them an automatic response in the form of a parody, which goes something like: your e-mail has been automatically destroyed; if you have any urgent questions, please come and see me personally instead."*

The company favours a natural and continuous decision-making process: *"There are no major committee sessions at which decisions are taken. This is due mainly to the fact that we don't spend a lot of money and no major investments are required. Everything is done with common sense, enthusiasm and passion."*(A-PM)

However, one day (Monday) is devoted to resolving pressing issues:

"Rather than calling numerous meetings, which can be a crippling waste of time, we prefer to tackle questions at a single sitting, when they require an immediate response." *"This system also reduces the amount of time needed to deal with e-mails. We each receive 100 or so e-mails a day; rather than answer each one individually, we deal with the issues they raise at our Monday meetings."*

The website places the accent on members of the "tribe" and highlights each employee personally as well as their respective contribution: *"We met Severine at a pic nic one summer and she conjured up the very first package illustration for ours biscuits. Thank you Severine."* (Michel et Augustin website)

Michel et Augustin also attach a great deal of importance to the recruitment process.

"I want the recruitment process to be something unique, a really rewarding experience for candidates". As regards recruitment criteria, in addition to the essential technical skills, the company seeks positive personalities:

"We are looking for co-workers who are happy in their lives, well adjusted, creative, innovative and enthusiastic, with plenty of common sense and energy".

To this end, the company seeks passionately interested partners who are highly motivated and who view their activity not as work but rather as participation in the shared adventure.

The selection methods are in keeping with this aim.

"Naturally there are interviews and role playing tests. We attach great importance to the lunch at which the candidate interacts with all the company's collaborators."

"For example, for one prospective sales manager, we recreated a shop at the Bananeraie. Some of our employees played the role of shopkeepers and we were able to see how the candidate behaved, how he reacted to certain situations with which he was confronted."

“In reality, recruitment decisions are made collectively as a team based on consensus between all the employees.”

Regarding the policy of motivation of employees, Michel et Augustin place the emphasis on attaining joint objectives and collective rewards that are implicit (collective events) rather than explicit (remuneration, promotion).

“To celebrate our record sales figures for the month of May 2011, we organised a large Bellota ham party at the Bananeraie.”

“We all went off on a two-day trip to Morocco. There are many smaller events that, while not necessarily sumptuous, contribute greatly to group motivation and cohesion.”

On the theme of career management policy, there are no career plans for employees given the company’s size and corporate culture. Michel et Augustin focused primarily on working together to advance their employees’ careers and on the importance of employees being intrapreneurs :

“Our employees have to be intrapreneurs. Since the company is expanding rapidly, there are many extremely interesting subjects to be tackled and it is up to the individual employee to respond accordingly.”

Text Box 2. Factors ensuring staff motivation and loyalty to the company

Our content analysis allowed us to identify a number of key phrases associated by staff with Michel & Augustin indicative of a very special relationship between the company and its employees: (in decreasing order of frequency) adventure, sharing, transparency, pleasure/fun, initiative/autonomy, positive outlook and proximity.

Sources of attractiveness

“A great deal is left to the initiative and responsibility of the individual. Each employee is an entrepreneur personally shouldering part of the project.”

“The entire adventure is based on the principle of sharing with a desire for complete transparency towards those following our steps in the various media, whether customers or partners”.

“I joined the company because of its emphasis on fun and its positive outlook; everything about it is good-humoured.”

Sources of loyalty

“It is up to employees to grow with the adventure and manage an entrepreneurial project associated with Michel & Augustin.”

“At Michel & Augustin, there is no stifling administration or bureaucracy, and no inertia; everything moves along very quickly, which is extremely agreeable.”

“We are continually updated about developments within the company; everything is transparent and you really get the impression of being involved in a joint adventure, in which everyone has an important role to play.”

“I don’t see myself as an employee, but more as a member of the company, fully involved in the adventure.”

4.2.4 Relations with Society

The involvement of the directors in humanitarian and social projects are considered as personal undertakings, and are not accompanied by ostentatious press releases. These projects are based on “*values of solidarity and sharing*” held by the two directors. They are linked with a certain degree of indifference to money. “*We have no ambition to race around in Porsches, and the company we are building is designed to serve those values in which we personally believe.*” “*Our aim is to develop the company while remaining faithful to our convictions.*” “*Money in itself is of little interest to us other than what we can do with it in terms of redistribution.*”

While the company is sensitive to the notion of a citizen company, it favours pragmatic projects on a human scale dealing with “*entrepreneurship, solidarity and sport.*” “*The first thing I did as soon as we were able was for example to bring on board Martin, who is a really fantastic guy, who does lots of little jobs for us around town, and who happens to be mentally handicapped.*”

“We hire out our meeting room on a daily basis; it is used by many people and we donate the resulting income to associations, and we welcome handicapped children.”

“We are fighting many small battles each day on a modest scale, and we don’t have any major battles on which we focus all our attention and energy; we are just normal French people sensitive to a variety of issues.”

Thanks to its novel position and its method of creating special relationships with its stakeholders, Michel et Augustin has increased its turnover 60-fold in 5 years (from 500 000 euros in 2006 to 30 million euros in 2011).

Using the analytical table presented in the first section, we shall analyse the reasons for this success (see next section).

5. Discussion and Conclusion

The case we have presented here highlights a number of approaches and practices that diverge sharply from the general norms within this sector. It shows how a small company (in this case a new company) can break the established mould and follow an innovative strategy based upon specific key factors for success as well as an original method. Michel et Augustin has in fact managed to take advantage of the norms imposed by CSR to develop its own growth model. Faced with new barriers to entry loaded in favour of large companies already present in the sector (costs of R&D, social and societal communication, food safety regulations, etc.), Michel et Augustin decided to circumvent this obstacle by changing the way in which the issue of CSR is perceived and managed within its own development policy. Instead of focusing on the technical aspects (selection, rigour, control and monitoring) and the economic issues (resource management and optimisation), the company decided to seek new advantages through an innovative model of relationships with all of its stakeholders. It has adopted a veritable “shareholder” strategy based on transparency, spontaneity and trust in order to turn its various stakeholders into the principal actors and contributors within this entrepreneurial adventure.

Unable to compete in terms of dimensions (company size, sales volume, turnover, R&D budget, etc.) or of scientific aspects (dietetics, health, nutrition, etc.), Michel et Augustin focused instead on building up a collective adventure that brings together clients, staff, distributors and other stakeholders under the banner of jointly held values such as pleasure, truthfulness and sharing. The aim is no longer simply to “do good” for customers but rather to “do good for everyone”, by openly embracing certain tendencies ostensibly mocked or derided, such as overindulgence, a childish outlook, mixing up different styles (the notion of the tribe extends to the company hierarchy, staff and customers) and refusing to indulge in standard institutional communication ploys designed to satisfy shareholders. Thus, Michel et Augustin is no longer viewed as a simple company developing commercial relations with its environment, but as a portal into a new tribal world in which one embraces shared values based on “taking pleasure together” via certain products and events. As illustrated in Table 2, this approach has allowed Michel et Augustin to adopt an innovative stance and clearly differentiate itself from the leaders in the biscuit market.

Table 2. Comparative analysis of how CSR is perceived by actors in the biscuits sector

	Leaders in the sector (Nestlé, Danone, Kraft)	Michel et Augustin
Purpose	A means of reinforcing barriers to entry	A means of entering the market
Stake	New norm requiring compliance (new orthodoxy)	An opportunity to upset the rules of competition
Key factors for success	Extent of mobilisable resources (effects of size, power in the market)	Adaptation - Imagination -Singularity (innovation)
Managerial response	- Interpretation as part of the existing paradigm - Strengthening and improvement of existing skills	- Creation or construction of a new paradigm - Exploration of new and untested activities
Possible types of innovation engendered*	“Incremental” or “major” competitive innovation	“Radical” or “strategic” innovation

Note: * The classification of C. Markides and P. Geroskiqui incorporates four types of innovation combining two factors: the impact of innovation on the skills and staff of established companies and the impact of innovation on consumer habits and behaviour.

The CRS-compatible strategy of Michel & Augustin differs from that of its competitors in terms of its approach to its stakeholders. The company is seeking to transform its staff, partners (suppliers, investors, etc.) and its clients into actors within the same tribe and sharing the same vision and the same concerns (see Table 3).

Its aim is to break down the classic employee/company, supplier/company and consumer/company barriers.

The case we have studied consequently calls into question certain preconceived ideas about the relationship between company size and performance, which, according to many studies, tends to favour large companies in highly competitive traditional sectors. It shows that a different approach to CSR based upon a new philosophy of relationships, in particular with stakeholders, and a new interpretation of proximity (application of CSR principles to the local community, e.g. the opportunity for consumers to visit the company headquarters monthly in order to share and build together) could constitute a tool to provide added value for SMEs (Lepoutre & Heene, 2006; Spence, 2007). More particularly, this article offers a new approach to the link between CSR and innovation as a break with the past by viewing CSR as an opportunity for a company to change the rules of competition (proactive strategy) rather than simply as a corporate constraint (adaptive strategy).

Table 3. Comparison of company approach to stakeholders

New requirements of CSR	Strategy of leaders	Michel et Augustin
Consumers		
Seek information about the composition of products	Organic labels used but a formula that is either secret or technically unaccessible	Transparency, clearly stated formulas, products that anyone could cook
Manufacturing conditions	No information	Traditional method
Health, nutrition	Organic sector	The most natural and healthy products possible
Detailed history of the product they are buying	Organic sources, R&D investment, innovative products	Personalisation of brand, authentic friendship between Michel and Augustin
Suppliers and distributors		
	Fair trade	Selection of French suppliers with lasting relations
	CSR norms	Relations based on trust and occasionally informal (no contracts)
	Marked formalisation	
	Classic subcontractor relations	
Employees		
	Staff	Members of the tribe (collective adventure)
	Corporate culture (innovation, client, etc.)	Democratic management (sense of initiative, etc.)
	Managerial charts	Pleasure, proactive approach,
	Bureaucratic	transparency, proximity
Company		
	CSR commitments trumpeted in media,	Private and pragmatic commitments on a case-by-case basis
	Programme of far-reaching CSR actions	CSR based on proximity
		Ethics, personal philosophy

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Notes

Note 1. Management, “40 astuces pour gagner du temps”, February 2011; Le Figaro Economie, “Michel et Augustin, prêt à ouvrir son capital”, January 2011; Les Echos, “A la conquête du client”, 19 April 2011; Les Echos, “Michel et Augustin, une recette qui marche”, 19 July 2010; Dynamique entrepreneuriale, “Le moral? Une question d'équilibre”, April 2010; Le Parisien, “Et maintenant, une boutique Michel et Augustin”, 30 January 2010; Marketing, “L'homme marketing de l'année 2010”, March 2010; Challenges, “Un profil citoyen pour les rois du web”, 8 July 2010.; LSA, “Palmares de l'innovation”, 18 February 2010; Le Point, “Michel et Augustin, les insolents”, November 2010; Management, “Apprenez à vaincre votre timidité”, July-August 2009; Capital, “Comment faire de la pub sans budget de pub?”, March 2008; FHM, “Des patrons pas comme les autres”, October 2008; Ria, “Petites entreprises, cap sur l'audace”, July 2008; Libération, “Michel et Augustin, yaourts and gateaux parfum culot”, 24 September 2006.

Note 2. All posts submitted by customers were collected in a database for processing in Tropes V8.

Note 3. Tasty small rond biscuits.

Note 4. “the taste upstarts”.

CSR within SMEs: Literature Review

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Abstract

Although CSR has traditionally been associated with big business, the SME business sector is such a significant sector worldwide in terms of the economic, environmental and social impact it makes, that attention has been turned to discussion and analysis of principles and practice of CSR in small and medium size businesses. SMEs are not merely small versions of big businesses, so as a result a particularly fast-growing body of academic work has become focused on commitment to CSR in the sector. As a result, the aim of this article is to set out an analysis of the main work carried out on the subject of CSR in SMEs. The analysis is a four part summary. In the first part, we explore the definition and the main CSR practices found in SMEs. The second part relates to determining characteristics of commitment to CSR within SMEs. Next we set out the challenges for SMEs and the constraints made upon them by CSR. Finally, the last section deals with positive examples of CSR in SMEs. Taking this literature review summary as a structural basis we then go on to demonstrate 3 research methodologies.

Keywords: CSR, SME

1. Introduction

Over the past fifteen years, discussion about CSR and its implementation in practice has increased in both variety and volume. In 1953 Bowen first introduced the idea of CSR- describing it as an obligation for companies to take certain factors into consideration during the course of their business activities and development of these factors has continued to this day. Those factors are as follows: - the obligation to take into account the impact of a company's activities upon its human, social and ecological environment, and in particular to see responsibility as stretching beyond responsibility to a company's shareholders. From that point on, CSR came to be considered as the introduction and implementation of sustainable development within the sphere of management.

The new awareness encouraged companies to implement practices compatible with the values of their business and to take into account the expectations of all its stakeholders- namely employees, suppliers, clients, consumers, the local community, environmental associations and NGOs - all those falling within Freeman's theoretical definition of a stakeholder as "*any individual or group of individuals who can affect or is affected by the achievement of an organization's objectives*" (Freeman, 1984: 46).

In the beginning, involvement was mostly restricted to larger companies. However, although CSR was traditionally seen as the province of big business, because the SME business sector is such a significant sector worldwide in terms of the economic, environmental and social impact it makes, attention has been turned to discussion and analysis of the principles and practices in small and medium size businesses with the result that this sector no longer finds itself outside the CSR movement (Spence, 1999; Spence et al., 2003, 2004; Jenkins, 2004, 2009; Murillo & Lozano, 2009). Since SMEs are not just smaller versions of larger scale businesses (Jenkins, 2004) special attention needs to be paid to the specific ways in which they implement CSR measures, how these differ from practices in larger firms and how this explains different perceptions and behaviors in between the two in relation to sustainable development.

The aim of this article is to provide an overview of developments in relation to sustainable development as seen in the small and medium size business sector and to back this up by way of specific example. Our analysis of CSR within SMEs takes the form of a four part summary which enables us to discuss the wide range of intellectual

contribution in this burgeoning research area. In the first part of this article we define the term CSR and give examples of it in practice in SMEs. In the second part we concentrate on the determining characteristics of corporate commitment within SMEs. Next we look at the challenges and constraints involved in the implementation of CSR for SMEs and then finally we offer positive successful examples of CSR in SMEs.

2. CSR within SMEs: Definition and Practices

From the SME point of view, we thought it important to start by setting out how CSR is defined by researchers and managing directors, especially since the majority of the latter claim to subscribe to CSR (Saulquin & Schier, 2007; Berger-Douce, 2008).

Taking the results of a “UK-wide study of socially responsible SMEs”, Jenkins (2009) pointed out that for businesses considered to be exemplary in this area “CSR was seen as an ‘all-embracing’ idea that concerns having an awareness of the impact of the business, and wanting to have a positive impact on a wide range of stakeholders through the business decisions that are made”. Directors of SMEs in this survey don’t see CSR as an external add-on but more as an integral part of the way they manage their firm.

In the same way, Blombäck and Wigren (2009) believe that commitment of a company to CSR relates to a firm’s operational activities, such as the introduction of measures which respect the environment, and can embrace the social by involvement in the community and by maintaining good working relations with local actors (local sponsorship of events for e.g...).

Other research has chosen to focus on CSR measures implemented by SMEs and has attempted to classify the level and type of commitment involved. Three main categories are isolated (Vives, 2006; Russo & Tencati, 2009): firstly internal social measures such as the development of talent, the implementation of health and social security measures and the improvement of working conditions... Secondly, external social measures such as the development of network links with the local economy, professional development and social integration... and finally, environmental measures such as the reduction of energy consumption, reduction of waste and waste recycling...

On this topic, the barometer of sustainable development within French SMEs (CROCIS, 2007) reports that the vast majority of heads of business claim to have implemented sustainable development measures, state that they manage their business with environment saving measures in mind (96% in the Paris area) and indicates that some 47% of SMEs have good links with the community through sponsorship deals, charitable events, and back-to-work/employability schemes... (as opposed to 60 to 70% of SMEs reported by Berger-Douce in 2008). The local community therefore would seem to be an important stakeholder for the majority of SMEs studied. The same picture emerges in relation to employees who appear to be well-treated within the majority of SMEs (Saulquin & Schier, 2005; Berger-Douce, 2008; Hammann et al., 2009). Many examples of measures targeting talent development, improvements in working conditions or diversity in the workplace in terms of age and gender (Saulquin & Schier, 2005; Berger-Douce, 2008) are recorded.

These results confirm the findings of Saulquin and Schier (2010) who examine CSR in SMEs from the point of view of different stakeholders. They report that great sensitivity is shown by SMEs in relation to the wellbeing of their employees and their community links. This is explained by the closeness of relationships between managing directors and their staff and by the fact that SMEs often have very strong links with their immediate locality (Torrès, 2003).

The wide variety of CSR practices and measures in SMEs covered in research work has paved the way for further research to be carried out into specific factors which can assist the integration and implementation of CSR measures by SME directors. We will examine some of these main factors in the following section.

3. Determining Characteristics of Corporate Commitment within SMEs

SMEs can vary greatly in terms of size, mission, sector... and so commitment to CSR depends on various factors. Lepoutre and Heene (2006) identify characteristics such as the individual personality of business directors, organizational factors and other characteristics depending on context which all explain the differences in uptake and style of CSR in practice. Similarly, Labelle and Saint Pierre (2010) identify three groups of factors (institutional, organizational and personnel) which can influence the decision to implement responsible policy. Nonetheless, certain factors and characteristics such as the size of the business, localization as well as individual factors (linked to the personality of the business head of the SME) are more commonly identified in the research than others.

The size of a business is an organizational factor in the uptake and implementation of CSR by SMEs (Labelle & Saint Pierre, 2010). Some studies suggest the existence of a positive link between the size of a firm and its

commitment to CSR (Lepoutre & Heene, 2006; Perrini et al., 2007; Cabagnols & Le Bas, 2008). Larger sized SMEs are more sensitive to CSR issues than smaller or micro businesses particularly on the environmental front (Sharma, 2000). Larger businesses are often more able to absorb fixed costs as well as having greater access to resources. A larger workforce might make certain factors more likely (Berger-Douce, 2008). However, the picture on the ground is very subtle and research findings vary on this issue.

Another determining factor is the critical role played by the business head of an SME. The smaller scale of the business increases the personal contact a director can have with his staff and creates more informal working relations as well as a smaller gap between the strategic and operational centers of the business (Torrès, 2000). The same dynamic exists externally between the company and outside actors (Julien & Marchesnay, 1996; Torrès, 1999). This could mean that SME directors are more likely to develop ways of thinking about CSR which are more ethical than economic in nature.

According to a survey conducted by CROCIS-Médiamétrie (2008), the main driver behind the implementation of CSR policies according to 64.7% of SME directors interviewed, is citizenship. Personal or individual reasons therefore remains the most important of all motivational factors in French SMEs thus confirming the findings of Courrent (2004), Hemingway (2005) and Murillo and Lozano (2006).

According to several academics (Paradas, 2006; Spence et al., 2007a; Spence et al., 2007b) this public spiritedness or citizenship is a reflection of the personal values and convictions of a company's manager. In fact, according to Gond and Igalens (2008) "*CSR in a SME depends very much upon the personality and personal convictions of its managing directors*". Similarly, Spence et al. (2007a) highlight the fact that it is a director's vision for the future of his business and his understanding and perception of internal resources which influences commitment to CSR. Directors of SMEs are not subject to pressure from shareholders keen to see short term returns and this frees them up to invest in the field of human dynamics and the forging of relations with all stakeholders, mindful of the fact that profit-making is not the only *raison d'être* for a company.

Following on from this, research academics have explored and tried to explain the determining components of a director's ethical value system. Ede et al. (2000) suggest that age plays a significant part in the value system of an SME director concluding that younger directors are more socially responsible than their elders. Similarly, they believe that neither gender nor education has any significant role to play when it comes to a director's value acquisition. However, other academics suggest that the educational level of a company director does play a significant role in this domain (Spence & Lozano, 2000).

Other authors believe that territorial cohesion and company's local foothold might have an effect upon the implementation of CSR initiatives. The majority of SMEs have strong local attachments and identify generally with the region where they are based. In addition, the local area offers businesses the benefit of many resources such as infrastructure, workforce, raw materials, and expects in exchange some economic and community benefit by way of reciprocation. A director therefore has to make sure his practices fit in with the values and expectations of the local community.

According to Torrès (2003:125) "*from an external point of view, the image of a company will be affected by the human relationship capital a director can bring to the job and this often plays a key role in his public, professional, social and political dealings*". These relations which connect the SME to different external actors are particularly important for the encouragement and implementation of CSR measures and practices and can even influence the behavior of other SMEs in the same sector. In this regard, the aim is to deal collectively with ecological and social issues, to reduce the cost of implementation and to go beyond the constraints imposed by some types of market.

Following this reasoning through further, some authors believe that commitment to CSR in SMEs is all down to the pressure applied by stakeholders (Worthington et al., 2008). Lepoutre and Heene (2006) believe that SMEs are more sensitive to practices relating to internal stakeholders e.g. their employees, clients and suppliers. In fact, according to several authors, these are the three most influential stakeholders for SMEs (Murillo & Lozano, 2006; Perrini et al., 2007; Saulquin & Schier, 2005, Gadenne et al., 2009). This hypothesis carries even more weight when we consider that many SMEs work together with big businesses and are therefore encouraged to develop and change their methods of production, at the same time as preserving the environment and guaranteeing equitable social dealings. Lapointe (2006) is of the opinion that it is through the intermediary of the value chain – mainly the pressure exerted by big business, that SMEs commit to and implement CSR practices.

Continuing this debate further, other research studies conclude that in the case of SMEs, pressure exerted by stakeholders is often not very effective and is not the catalyst for a business to implement measures which go beyond legal and administrative requirements (Worthington et al., 2006; Ellerup Nielsen & Thomsen, 2009). According to Courrent (2006), SMEs are not very keen on collective issues. For their part, in relation to the

implementation by SMEs of CSR policies, Quairel and Auberger (2007) believe that France is not particularly influenced by big business in this regard.

The aim of this section was to highlight the main determining components behind implementation of CSR in SMEs. Next we are going to give an overview of the constraints and challenges associated with the implementation of CSR for SMEs. This is the third area of academic research studies into CSR in SMEs.

4. A Complex Commitment for a SME

Although SMEs are integrating CSR more and more into their day-to-day management, they have to overcome many obstacles in order to do so. Several research studies have explored the constraints to successful implementation of sustainable development for SMEs in a wide range of business contexts (Observatoire des PME, 2003; Lapointe & Gendron, 2004; Berger-Douce, 2007; Crocis-CCIP, 2007).

Whilst acknowledging an increase in levels of awareness of CSR, the above studies indicate that some directors remain skeptical as to the benefits to be derived from CSR initiatives and are not inclined to go beyond what is strictly required of them legally (Revell & Blackburn, 2007). In actual fact, these directors report that they are pretty much overwhelmed by the day-to-day operation of their business, and too busy to concern themselves much with issues relating to society at large which have no immediate return or benefit (Lepoutre & Heene, 2006). They also report that there is a lack of information about CSR and that this hasn't exactly encouraged them to become committed. On this specific point, the barometer of sustainable development - the Crocis-CCIP survey also highlights the fact that lack of information is the first obstacle to implementation of responsible management on the part of SME directors (47% in 2007) despite numerous initiatives and campaigns to increase awareness and help directors overcome this very same obstacle (AFCI, 2006).

Moreover, SMEs don't generally have the capacity to collect and analyze useful data on the subject of sustainable development themselves (Lepoutre & Heene, 2006). In addition, their access to information is limited as too is their knowledge of CSR- whether this is gathered from technical support organizations or reference data. A study of some 138 SMEs conducted by Berger-Douce (2008) illustrated that less than 30% of SMEs knew anything about support organizations which offer assistance for CSR start up initiatives and less than 25% knew anything about CSR reference data. This lacuna illustrates a reactive as opposed to a pro-active approach in relation to the issue of seeking out information.

A further barrier is the cost of implementing reasonable measures and the lack of financial resources to do so (ACFCI, 2006; Lepoutre & Heene, 2006; Roberts et al., 2006; Berger-Douce, 2008; Revell & Blackburn, 2007). The perception of a company's resources as seen from the point of view of its managing director is a crucial matter here (Spence L. et al., 2007). SME directors who believe that their companies do not have sufficient financial resources are less likely to think favorably about CSR and to believe that the resources required for investment will not be compensated for in terms of cost savings.

Commitment of SMEs also meets obstacles linked to the market, principally the difficulty of applying environmental and/or social legislation because of its complexity and the rigidity involved in certain procedures. SMEs also lament the lack of adequate support services and infrastructure.

A lack of availability of tools is also blamed for lack of uptake. Those which exist appear to be designed for big business and not easily adaptable to SMEs (Studer et al., 2006). Formal systems of environmental management have thus not been very successful amongst SMEs because their complexity precludes adoption by smaller structures (Watson & Emery, 2004 quoted by Berger-Douce, 2010).

Despite the barriers SMEs face, the idea of implementing CSR measures nonetheless continues to take hold amongst SME directors who are conscious of the many advantages of responsible management. The following section outlines practical examples of CSR with positive consequences for SMEs.

5. Positive Examples and Consequences of CSR in SMEs

According to several studies, implementation of CSR brings a certain number of advantages for a company- for instance enhanced reputation and corporate image, improvement of working relations with staff, improvement in production processes and quality (Vives, 2006; Saulquin & Schier, 2007; Berger-Douce, 2008; Worthington et al., 2008; Russo & Tencati, 2009).

According to Jenkins (2009), by adopting a CSR strategy, a SME can develop innovative products and services and thus take advantage of new and emerging markets. Several academic studies highlight the fact that responsible behavior brings financial advantages such as a reduction of costs and increased efficiency (Jenkins, 2009; Russo & Tencati, 2009). In effect, by implementing more careful management practices and measures or using substitute

products which are less harmful to the planet, a SME can reduce wastage and secure a reduction in costs or outlay (Reynaud & Mathieu, 2005).

CSR can be a catalyst for increased motivation and productivity amongst a company's workforce (Saulquin & Schier, 2007; Berger-Douce, 2008). At the same time, awareness and understanding of the challenges and issues involved in CSR can actually form a very good basis for competitive differentiation and ultimately contribute towards the improvement of company image. CSR can be viewed as a method of achieving company objectives and this can have a very helpful knock-on effect in communications with stakeholders – particularly company clients and commercial partners – the upshot of which will be enhanced corporate image and reputation (Collins et al., 2007).

Not all research studies agree with the latter however. Other academics believe that SMEs have a tendency to commit themselves to social responsibility for its own sake and do not seek to use it as a method of advertising themselves or as part of a PR exercise as is often the case in large companies (Jenkins, 2006). In fact, the rather informal strategy which characterizes the make up of an SME means that CSR tends to be more intuitive than strategic (Fassin, 2008) and that within a communications framework managing directors only use the strategic documents in their possession very rarely indeed.

As we have just demonstrated, a SME adopts responsible strategy for a variety of reasons.

6. Conclusion and Discussion

This study has enabled us to summarize the up-to-date position in relation to academic research on CSR in SMEs. The table below presents a summary of the main ideas discussed above. This is followed by a research proposal for specialists in the field.

Table 1. Research in the field of CSR in SMEs

Definition of CSR in SMEs and practices	CSR in SMEs is on the increase. SME directors consider CSR not as an add-on but rather as part of their overall day-to-day management. Their responsible practices can be classified into three main categories namely internal social dynamics, external social dynamics and environmental dynamics.
Determining factors for commitment to responsible practice in SMEs	Academic research reveals several factors which predispose towards commitment to CSR in a SME. The central role played by the director himself or herself, internal and external proximity of the company and finally small size of operation all tend to encourage development of ethical rather than economic considerations.
Obstacles to adoption and implementation of CSR in SMEs	SMEs have certain weak spots such as the lack of resources, time and knowledge particularly of matters pertaining to sustainable development. In commitments to CSR a SME faces obstacles linked to the market particularly the difficulty of applying environmental and/or social regulations. Tools available are also poorly adapted to SMEs.
Positive examples and consequences of CSR in SMEs	There are many advantages for a SME as a result of implementing a CSR strategy. For instance reduced costs and increased efficiency bring financial advantage. In effect, by implementing more careful and cost saving measures or introducing products less harmful to the environment, a SME can reduce waste and develop innovative products and services. CSR also enables a business to increase the motivation and productivity of its workforce. Being aware of the challenges of CSR can actually constitute the basis of competitive advantage for the business and enhance corporate image.

As a result of studying these different research documents, a further area of study is now suggested- dealing with three different issues as follows:

Firstly, the existing studies do not discuss the dynamic dimension of CSR for a SME. So, following this up would be useful to understand the evolution of CSR practices better and to identify the stages of development towards CSR by way of longitudinal case studies.

Next, by studying the determining characteristics of responsibility within SMEs, we have noticed that few research studies highlight particular business sector activities. It would be interesting to carry out comparative studies between different sectors in order to measure this influence.

Thirdly, in relation to challenges faced by SMEs in the implementation of responsible strategy, many studies confirm that the lack of resources represents a considerable obstacle. Examining the links between financial viability and commitment to responsible management for SMEs would therefore appear to be a promising avenue of further research. In our opinion, a comparative study would be most appropriate in order to examine whether viable SMEs can be distinguished from those with more limited resources.

Finally, our literature review shows the need to develop tools for managing directors of SMEs. In order to do this it would be necessary to evaluate the effects of initiatives and campaigns to increase awareness by various public organizations more effectively than is currently the case.

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