

Corporate Social Responsibility in the Context of Small Businesses: A Systematic Review of Foundational Antecedents and Strategic Impacts

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ABSTRACT

Corporate Social Responsibility (CSR) in small businesses constitutes an emerging paradigm that integrates ethical governance, community engagement, and environmental accountability within inherently constrained operational and resource contexts. While Corporate Social Responsibility (CSR) is traditionally associated with large corporations, it is equally critical for small businesses. This study examines the key antecedents and influencing factors underlying CSR adoption in small businesses. The findings indicate that such enterprises frequently founder-managed demonstrate a strong commitment to corporate purpose shaped by personal values, close stakeholder relationships, and deep-rooted community ties. The study employs a systematic literature review, analyzing articles from Scopus and Web of Science databases, focusing on the period from 2013 to 2023. The findings reveal that CSR adoption is driven by stakeholder pressure, business environment, governance values, and owners' personal values clustering into four thematic strands (strategic, financial, sustainability, ethical) via VOSviewer analysis and underscore its multifaceted nature by proposing an eight-pathway, context-sensitive framework for guiding future research and policy. The study is underpinned by Stakeholder Theory and Institutional Theory, offering a structured lens to interpret CSR engagement in small businesses.

Keywords: Corporate Social Responsibility (CSR); Small Business; Systematic Literature Review (SLR)..

1. INTRODUCTION

Corporate Social Responsibility (CSR) represents a continuous commitment by companies to integrate ethical principles, concern for people, community engagement, and environmental responsibility into their business operations (Ismail, 2009; Hediger, 2010; Fontaine, 2013). Accordingly, CSR emphasizes the responsibilities of businesses toward local communities and society at large (Carroll, 1991; Frederick, 1986; Freeman, 2017; Garriga & Meier, 2004; Gorban et al., 2009; Schultz et al., 2013). In this context, CSR is conceptualized as the extent to which firms voluntarily allocate their resources to promote social good beyond their immediate economic interests and shareholder obligations, and beyond what is mandated by law (Waddock & Graves, 1997; McWilliams & Siegel, 2000; Carroll & Shabana, 2010; Jones et al., 2017). As Corporate Social Responsibility (CSR) becomes increasingly prevalent, its impact on communities and its potential contribution to social development and community building in developing countries merit systematic examination (Kochhar, 2014). CSR has traditionally been associated with large

corporations, largely because such organizations maintain high public visibility, attract greater media attention, and are therefore more concerned with protecting and enhancing their reputations among the general public and key stakeholders. Moreover, large firms are typically better resourced and thus more capable of investing in formal CSR initiatives.

Nevertheless, CSR is equally important for Small and Medium-Sized Enterprises (SMEs). First, SMEs are often owner-managed and frequently founded by the individuals who continue to lead them, a characteristic that can result in a fundamentally different commitment to corporate purpose compared to larger firms (Lepoutre & Heene, 2006; Vyakarnam et al., 1997). Second, CSR in small businesses tends to be more personal in nature, as close interpersonal relationships with employees, customers, suppliers, and other local stakeholders are often central to their success (Spence, 1999). Through employment generation and strong community-based networks, small businesses may therefore demonstrate a higher degree of social responsibility than large corporations.

Third, SMEs generally operate with more limited financial and organizational resources than large firms (Spence, 1999; Jenkins, 2004, 2006; Murillo & Lozano, 2006; Perrini, 2006; Spence, 2007; Jamali et al., 2009; Russo & Perrini, 2010). A potential advantage of this constraint is that SMEs may place greater emphasis on the substantive implementation of CSR practices rather than on symbolic or communication-driven activities. To better understand the relevance and manifestation of CSR in small businesses, this study addresses the following review questions:

- The antecedents that catalyze CSR adoption in small enterprises;
- The interplay between internal values (e.g., owner ethics, governance practices) and external forces (e.g., stakeholder pressure, regulatory environments);
- The performance and societal outcomes arising from small-business CSR;
- Contextual moderators including industry type, national mandates, and resource configurations that shape CSR trajectories.

By addressing these review questions, this study contributes a structured analytical lens to the emerging discourse on small-firm CSR, integrating bibliometric analysis and thematic synthesis to illuminate foundational trends and future research directions.

2. METHODOLOGY

Conducting a systematic review of existing research provides a robust foundation for meaningful scholarly inquiry. Accordingly, to ensure that the study is grounded in a comprehensive understanding of the extant literature, this article undertakes a systematic literature review. In this spirit, the present study critically examines prior research on Corporate Social Responsibility (CSR) and its interplay with small businesses. The objective is to advance academic understanding while also deriving practical insights that may assist stakeholders navigating this evolving domain.

To achieve comprehensive coverage of relevant studies, articles were retrieved from the Scopus and Web of Science (WoS) databases, as recommended by Ortiz-Avram et al. (2018). The selection of these databases was motivated by their widespread use in systematic literature reviews (Zhu & Liu, 2020). Scopus is widely recognized as one of the most comprehensive bibliographic databases, covering the natural sciences, medicine, social sciences, and life sciences (Rafiq et al., 2023), and was therefore selected as the primary search database due to its extensive coverage and detailed indexing capabilities (Eito-Brun, 2018). The Web of Science database was subsequently employed to complement and validate the results obtained from Scopus, thereby enhancing the robustness of the literature retrieval process. Keywords play a critical role in shaping search outcomes and significantly influence the relevance of retrieved records. To ensure focused and minimally contaminated results, the search was restricted to the keywords “corporate social responsibility (CSR)” and “small business,” reflecting the defined scope of the study. The search strings used to

derive the final dataset are presented in Table 1. The following section outlines the methodology adopted and presents the results in alignment with the stated aim of conducting a systematic review of CSR in the context of small businesses.

Datab ase	Opera tor	Search String
Scopus		TITLE-ABS-KEY("Corporate Social Responsibility" OR "CSR" OR "csr")
	AND	
		TITLE-ABS-KEY("Small Business*" OR "small business*" OR "small- business*" OR "SME*" OR "sme*")
Web of Scienc e		(TI=(("Corporate Social Responsibility" OR "CSR" OR "csr") AND ("Small Business*" OR "small business*" OR "small-business*" OR "SME*" OR "sme*")))
	OR	
		(AB=(("Corporate Social Responsibility" OR "CSR" OR "csr") AND ("Small Business*" OR "small business*" OR "small-business*" OR "SME*" OR "sme*")))
	OR	
		(AK=(("Corporate Social Responsibility" OR "CSR" OR "csr") AND ("Small Business*" OR "small business*" OR "small-business*" OR "SME*" OR "sme*")))

Table 1: Search strings used for literature retrieval

Initial string search results yielded 1100 and 315 results, respectively on Scopus and WoS. The results obtained from successive filtration during search are stated in Table 2. Publication years for all articles retrieved were between 2013-2023. The review period from 2013 to 2023 was selected to capture a pivotal decade in the institutionalization of CSR globally. This timeframe aligns with significant international developments that shaped the discourse on CSR. The 2013 introduction of India's CSR mandate marked one of the earliest instances of legislated corporate responsibility, while the global adoption of the United Nations Sustainable Development Goals (SDGs) in 2015. Together, these milestones signaled a shift from voluntary to more structured CSR frameworks across jurisdictions, providing a coherent rationale for delimiting the review to this period. Thus, the 2013-2023-time frame will provide a comprehensive and current perspective on CSR and small businesses. Results obtained on applying the year range were 869 documents on Scopus and 297 documents on WoS. Subject area filter was further applied on both engine databases to get results from fields applicable to the scope of this research. ‘Business, Management and Accounting’ was

chosen on Scopus to derive 585 documents; and ‘Business or Management’ was selected on WoS which retrieved 130 documents. Type of documents to be considered for the research was filtered as ‘Articles’ on both databases. The results on Scopus were 415 and on WoS were 126 documents each. Language filter was set to ‘English’ which obtained 401 articles on Scopus and 126 articles on WoS. Source type of articles was only applicable on Scopus and was applied as ‘Journal’ which produced 394 articles. Finally, all articles with open access were chosen by refining the results to have 156 journal articles from Scopus search engine and 51 journal articles from WoS. This restriction to English-language and open-access publications may bias the review toward Anglophone contexts and freely available outlets, potentially excluding rigorous studies published in other languages or behind paywalls and thus underrepresenting non-English scholarship and certain geographic or methodological perspectives.

Filters	Scopus	Results	Web of Science	Results
Initial Search		1100		315
Publication Years	2013-2023	869	2013-01-01 – 2023-12-31	297
Subject Area	Business, Management and Accounting	585	Business Or Management	130
Document Type	Article	415	Article	126
Language	English	401	English	126
Source Type	Journal	394		
Open Access	All open access	156	Open access	51

Table 2: Search Results

Bibliometric text files were downloaded containing all information of the final search results obtained from both search engine databases. This was done to conduct bibliometric analysis of the results as part of the systematic literature review. The bibliometric text files were first merged using the bibliometrix package available on RStudio. During the process of merging the two bibliometric files, duplicate files are removed and the single file generated contains the

list of all the unique documents. Duplicates were identified by matching DOIs (exact string match) using R’s bibliometrix merge function. In the case of this study, 156 journal articles from Scopus and 51 journal articles from WoS amount to 207 articles. The merged file

generated 161 unique journal articles by removing 46 duplicates. After manual assessment of each file’s titles, abstracts, keywords and hypothesis; articles that related to the antecedents and influences of CSR in small business context were included for the study. The final journal articles included for fulfilling the purpose of the study was found to be 48 (Figure 1).

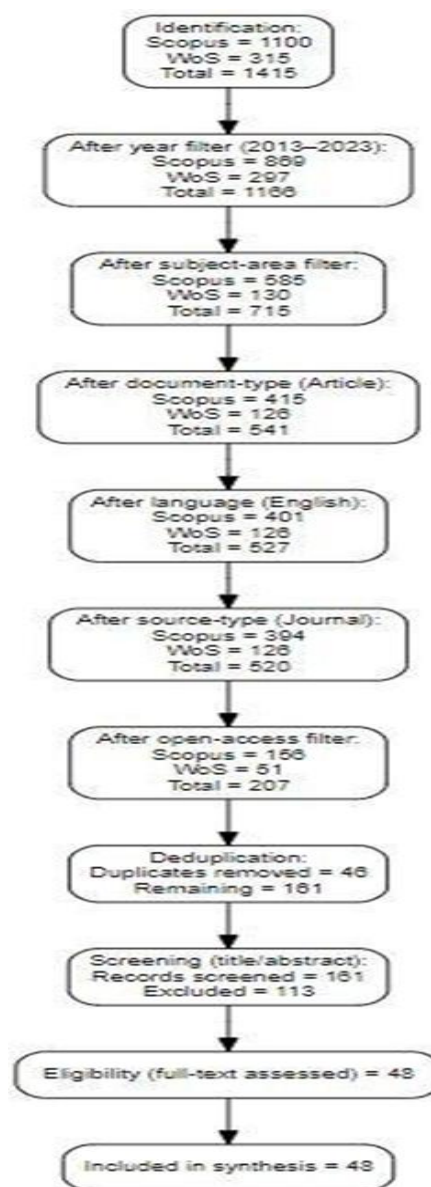


Figure 1: PRISMA flow diagram summarizing the identification, screening, eligibility, and inclusion steps of article selection

3. RESULTS

Keyword Analysis

An academic investigation was undertaken to quantify the cumulative intensity of the interconnections between keywords, utilizing VOSviewer for the analysis of keyword co-occurrence. The enumeration methodology employed necessitated a minimum threshold of 2 instances for a keyword, resulting in the selection of 22 keywords for further examination (Figure 2). Four distinct groupings of words have been demarcated with unique

colour codes. The words with the highest frequency of occurrence within each cluster are:

Cluster 1 (red) – african context, competitive csr pressure, csr expenditure, entrepreneurial orientation, firm reputation, personal values, political connections

Cluster 2 (green) – access to finance, business model innovation, csr orientation, financial performance, firm performance, stakeholder engagement

Cluster 3 (blue) – developing countries, environmental performance, green innovation, innovation, stakeholder theory, sustainability

Cluster 4 (yellow) – competitiveness, corporate governance, csr, ethics, smes, V4 countries

Based on the clusters identified, the associated keywords can be briefly explained as follows (Table 1

):

Cluster Label (Color)	Top Keywords	Interpretation
Strategic (red)	african context, competitive csr pressure, expenditure, entrepreneurial orientation, firm reputation, personal values, political connections	Shows how competitive dynamics, csr values, and reputation inform CSR strategy in regional markets.
Financial (green)	access to finance, business model innovation, csr orientation, financial performance, firm performance, stakeholder engagement	Highlights CSR as a driver of financial outcomes and innovative, stakeholder-centric business models.
Sustainability (blue)	developing countries, environmental performance, green innovation, innovation, stakeholder theory, sustainability	Emphasizes ecological and innovation-led CSR efforts that align with broader sustainability agendas in emerging markets.
Ethical (yellow)	competitiveness, corporate governance, csr, ethics, smes, V4 countries	Focuses on governance and ethical frameworks—particularly in Visegrád Group contexts—shaping responsible competitiveness.

Table 3: Summary of CSR Keyword Clusters

In summary, these clusters provide a comprehensive view of the multifaceted nature of CSR in small businesses, emphasizing the interplay of various factors ranging from

personal values to competitive pressures, financial aspects, and sustainability considerations. This could serve as a valuable framework for future academic research exploring the nuances of CSR in small businesses operating in different contexts. It's important to note that the specific factors can vary depending on the industry, location, and specific circumstances of the small business. Therefore, it's crucial for small businesses to identify and focus on the factors that are most relevant to their specific context.

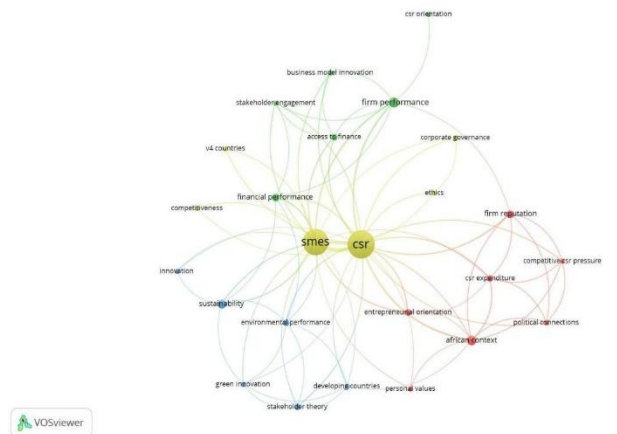


Figure 2: Keyword co-occurrence analysis map

The graph represents the annual publication count of articles related to small business and CSR from 2013 to 2023. The graph can be partitioned into two conceptual phases: an early period marked by the diffusion of United Nations Sustainable Development Goals (UNSDGs) and a recent phase of global crisis that

spurred urgent scholarship and social innovation. The trend from 2013 to 2020 indicates gradual adaptation in alignment with international development agendas. The phase from 2020 saw a pronounced acceleration in publications, synchronized with heightened attention to organizational resilience and digital reporting spurred by the crisis.

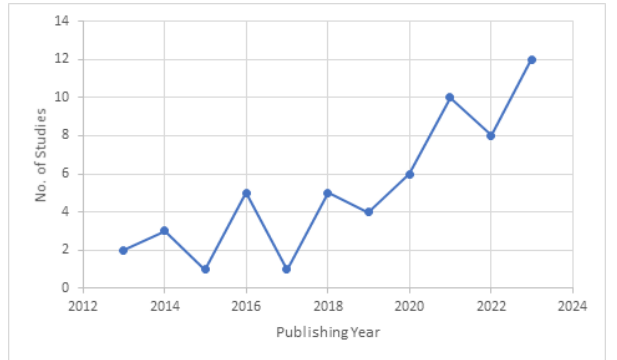


Figure 3: CSR- Small Business related publications by year

Publication by Journal

Appendix 1 provides a detailed breakdown of the number of studies published in various academic journals. Table 4 provides a glimpse into the top 5 journals (comprises more than 35% of the total articles) from Appendix 1. The marked concentration of SME-CSR studies in a handful of journals reflects more than chance. It mirrors each

outlet's editorial mission and methodological preferences. The Cogent Business and Management journal has the highest number of studies, accounting for 8.77% of the total. The journal emphasises on actionable management insights making it a natural hub for applied SME-CSR research. This is followed by the Social Responsibility Journal, Corporate Social Responsibility and Environmental Management, and Journal Of Cleaner Production, each contributing 7.02% to the total number of studies. The Journal Of Business Ethics accounts for 5.26% of the studies. the Social Responsibility Journal and Corporate Social Responsibility and Environmental Management

steer submissions toward pragmatic investigations of CSR outcomes, especially where environmental or community impacts intersect with firm strategy. Journal of Cleaner Production's sustainability focus channels work on ecological dimensions of small-firm CSR, while Journal of Business Ethics' normative orientation attracts studies that foreground ethical performance. Because these leading venues prioritize clear, outcome-oriented findings and broadly accessible methodologies (surveys, experimental designs), empirical impact studies flourish. The table also indicates that the majority of studies focus on the impact of CSR, with fewer studies examining CSR as a mediator. This can be credited to framing complex models

that align less neatly with practice-driven journal scope. To broaden the conceptual and methodological horizons of SME-CSR scholarship authors can engage in mediator-focused designs and conceptual syntheses.

Journal	Antecedent of CSR	Impact of CSR	CSR as Mediator	No. of Studies	%
Cogent Business And Management		4	1	5	8.77
Social Responsibility Journal	2	1	1	4	7.02
Corporate Social Responsibility And Environmental Management	1	3		4	7.02
Journal Of Cleaner Production	1	3		4	7.02
Journal Of Business Ethics	1	1	1	3	5.26

Table 4: Top 5 journals by publication of CSR- Small Business articles and associated themes

Citation Count

Table 5 lists the contributing authors and the journals in which their work have been published. Additionally, the

cumulative citation count associated with each of their work are also stated. Citation analysis provides insights into the impact and influence of various works within the field. It is used as an indicator of its influence and importance in the field. Authors with substantial citation tallies shape ongoing dialogues surrounding CSR implementation in the context of small enterprises. Bartolacci et al. (2020) bridges Strategic and Sustainability clusters which emphasises on entrepreneurial innovation shows up in both streams of research, and network modularity measures reveal that its co-citations span articles focused on financial payoff as well as green management practices. Herrera et al. (2016) anchors the Financial and Ethical clusters through its process-oriented regression studies on small-firm stakeholder interactions—its methods and findings are repeatedly invoked in subsequent work investigating CSR's effect on competitive positioning and governance norms.

Author(S)	Journal	Total Citations
Torugsa et al. (2013)	<i>Journal Of Business Ethics</i>	240
Bartolacci et al. (2020)	<i>Business Strategy And The Environment</i>	160
Herrera et al. (2016)	<i>BRQ Business Research Quarterly</i>	152
Dey et al. (2018)	<i>Journal Of Cleaner Production</i>	90
Tamajón & Aulet (2013)	<i>Tourism Management Perspectives</i>	80
Elgammal et al. (2018)	<i>Management Decision</i>	77
Bocquet et al. (2019)	<i>Long Range Planning</i>	64
Panwar et al. (2016)	<i>Journal Of Cleaner Production</i>	64
Turyakira et al. (2014)	<i>South African Journal Of Economic And Management Sciences</i>	62
Pfajfar et al. (2022)	<i>Journal Of Business Research</i>	54

Table 5: Top 10 most cited articles related to CSR- Small Business

Country context investigated

Table 6 shows that a national context studies dominate over three-quarters of the examined studies. The field's close relationship with local institutional regimes, regulatory requirements, and cultural norms that affect small businesses' adoption of CSR can be accredited the reason for its prevalence. By anchoring empirical work within specific national settings, researchers highlight the significance of context and the ways in which industry dynamics, stakeholder pressures and regionally embedded legal systems impact corporate responsibility practices. Such researches are related to either driving or constraining CSR behaviors. In contrast, multi- country studies remain relatively scarce, likely because assembling harmonized data across jurisdictions demands extensive coordination, standardized measurement instruments, and often multi-partner funding prove to be barriers that favor single-country designs. The handful of studies without an explicit geographic frame tend to adopt conceptual or meta-analytical approaches, pursuing universal CSR constructs rather than contextualized inquiry. Together, these patterns suggest a discipline that prizes contextual depth over broad comparability, but also point to an opportunity: expanding comparative, cross-national research could reveal which CSR mechanisms and outcomes endure beyond local idiosyncrasies and which are uniquely bound to specific institutional landscapes.

Countries Context	No. of Studies	%
Multiple	10	17.54
Not Specified	3	5.26
Specific	44	77.19

Table 6: Country context studies

Table 7 shows the multi-country studies' economic focus mirrors both practical data realities and theoretical objectives in SME-CSR research. Researchers overwhelmingly select high- income contexts because these economies offer standardized reporting regimes, mature CSR regulations, and readily available firm-level datasets—conditions that underpin robust cross- national comparisons and advanced quantitative modeling. Mixed-economy contexts, by contrast, attract scholars interested in transitional dynamics, where legacy governance structures intersect with emerging market pressures, yielding rich insights into how CSR adoption evolves under dual institutional logics. The sole study without an economic classification deliberately abstracts from national boundaries to test universal CSR constructs, trading contextual specificity for broad theoretical generalization. Collectively, these patterns underscore how data accessibility, regulatory maturity, and research design imperatives drive study distribution—and reveal a pressing gap: the near-absence of low-income contexts limits our understanding of CSR mechanisms in resource-constrained settings and calls for future comparative work that purposefully incorporates these under-studied economies.

Multiple Economy Studies	No. of Studies	Author(s)
High Income Economies	5	Belas et al. (2021), Metzker et al. (2021), Pinuer et al. (2022), Rozsa et al. (2021), Stekelorum et al. (2023)
Mixed Economies	4	Adomako et al. (2023), Dey et al. (2018), Elgammal et al. (2018), Simmou et al. (2023)
Not Specified	1	Tamajón & Aulet (2013)

Table 7: Economic context study

Industries and categories investigated

The observed industry-context distribution emerges from deliberate methodological and theoretical choices rather than random sampling. Nearly a third of the studies leave industry unspecified to maximize sample heterogeneity and test universal CSR constructs across diverse SME populations; by abstracting from sectoral particulars, these papers prioritize breadth and generalizability of core CSR antecedents. Studies that span across multiple industries often employ stratified sampling as a methodological choice to investigate the differentiated effects of institutional forces on CSR practices. Manufacturing firms, subject to rigorous environmental oversight, tend to be positioned against service-sector entities, where the emphasis lies more in stakeholder engagement and reputational accountability. The frequent inclusion of these sectors in comparative CSR analyses reflects more than just their statistical prevalence in formal business listings. It also underscores a meaningful contrast in institutional logics: manufacturing tends to be steered by compliance-oriented mandates, while service-oriented firms are more often shaped by relational imperatives and community-based accountability.

On the other hand, single-industry inquiries sacrifice comparative scope to gain greater contextual specificity. The manufacturing sector is frequently favored here due to its measurable ecological impact and intricate supply-chain structures, which facilitate precise variable tracking and econometric modeling.

Taken together, the distribution of studies whether industry-agnostic, multi-sectoral, or narrowly focused—reveals deliberate methodological choices. These decisions reflect how researchers balance conceptual ambitions, data access, and the tension between theoretical generalization and sector-specific nuance.

Industry/Category	No. of Studies	%
Industry not specified	20	35.09
Multiple industries/categories	21	36.84
Specific Industry/Category	18	31.58

Table 8: Industry context study

Research approaches and methods

Table 9 showcases the overwhelming reliance on primary data especially survey instruments (one-third of the studies). It stems from scholars' imperative to capture small firms' own voices on CSR antecedents and outcomes. Surveys provide standardized measures of owners' motivations, stakeholder pressures, and reported practices, enabling robust hypothesis testing under resource and time constraints typical in SME research. The frequent use of interviews, either standalone or paired with surveys reflects a parallel need for contextual richness alongside survey instruments. Semi-structured conversations are used to derive nuanced pathways through which personal values, community ties or governance norms translate into CSR action. Secondary data sources like bibliometric databases or long-term panel datasets are not central to CSR research on small businesses because reliable and detailed historical records are often unavailable. Especially in emerging markets, these archival sources tend to be incomplete or lack the necessary specificity to track firm-level CSR activities over time. It often lacks the granularity to track firm-level CSR evolution. Using both qualitative and quantitative methods together—called mixed-methods is seen as the best way to get both a broad and deep understanding of CSR in small firms. But in practice, it's not done often. That's probably because it takes more time, effort, and resources to carry out and analyze.

Overall, the field tends to rely on data collected directly from each project, since it's seen as more accurate and relevant. However, this also suggests an opportunity: if researchers could incorporate better archival data and make mixed-method studies more common, it would lead to stronger conclusions and a deeper grasp of how CSR really works in small businesses.

Data Type	Data Source	No. of Studies	%
Mixed		2	3.51
	Interviews, Reports	1	1.75
	Semi-structured Interviews, Observations, Archival Data	1	1.75
		51	89.5
Primary	Interviews	2	3.51
	Interviews, Survey	2	3.51
	Semi-structured Interviews	3	5.26
	Semi-structured Interview, Survey	1	1.75
	Survey	43	75.4
		4	7.02
Secondary		4	7.02
	Bibliometric Analysis	2	3.51

	Panel Data	2	3.51
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Table 9: Research approach and Data types used in studies

Theoretical Assessment

Table 10 shows the dominance of single-theory designs (~36%) in SME–CSR research reflects both pragmatic and normative imperatives in the field. Researchers anchor their hypotheses to a well-established framework, most often stakeholder theory, that defines clear construct boundaries, design focused survey instruments, and deliver parsimonious contributions that align with journal expectations for theoretical clarity. In contrast, studies that weave together multiple theories (~29%) signal an ambition to capture CSR's inherent complexity. The multi- theoretical stance provides richer explanatory models. However, it demands more elaborate operationalization, which helps explain why fewer studies adopt it. Meanwhile, the considerable share of studies without any explicit theoretical (~33.33%) anchor typically occupy exploratory or descriptive terrain, aiming to catalogue CSR antecedents and outcomes before committing to a specific lens. These papers often emerge when new contexts or phenomena—such as digital CSR reporting or pandemic-era resilience—outpace existing frameworks, necessitating open-ended inquiry. Turning to thematic families, the heavy reliance on CSR and business-ethics theories underscores the field's normative roots: researchers turn to stakeholder, institutional, or Carroll-style models to interpret how small firms negotiate societal expectations and legal mandates. The substantial use of resource-based and strategic management theories reveals a

parallel lineage in which CSR is treated as a firm resource or capability with implications for competitive advantage. Finally, mobilization of social and behavioural theories highlights growing interest in micro-level processes—social capital, identity dynamics, moral cognition—that drive SMEs' socially responsible actions. Collectively, these patterns illustrate how research aims, disciplinary pedigrees, and publication norms co-shape the theoretical architecture of SME–CSR scholarship.

Theoretical Assessment	No. of Studies	%
Multiple Theory	17	29.82
No Theory	19	33.33
Single Theory	21	36.84

Table 10: Theoretical approaches used in studies

Exploring CSR in Small Businesses: A Framework-Based Analysis

CSR engagement in small businesses unfolds through a layered process which is rooted in intrinsic and extrinsic antecedents, directed through strategic pathways, and resulting in tangible and intangible outcomes (Figure 4). These engagements are simultaneously shaped by the broader institutional and sectoral landscape. This section synthesizes the findings across the eight thematic

pathways and contextual moderators identified in the review.

Antecedents of CSR in Small Businesses

CSR orientation in small businesses often begins with firm-level antecedents—factors that initiate the motivation or capacity to pursue socially responsible practices.

Internal Catalysts

Internal catalysts are intrinsic, firm-specific drivers that underpin the ideation, formulation, and institutionalization of Corporate Social Responsibility (CSR) in small businesses. In the absence of strong regulatory oversight or resource abundance, these internal motivations—rooted in leadership ethos and governance architecture—form the nucleus of socially responsible engagement.

Personal Values

CSR engagement in small businesses frequently originates from the personal ethics and civic awareness of their key decision-makers. Founders and owner-managers, due to their centralized influence over strategy and operations, often become the moral anchors of CSR decision-making. Rather than being steered by external incentives or image management, such initiatives reflect deeply held beliefs about social responsibility (Santos, 2022). The presence of entrepreneurial stewardship as a concept in blending business ambition with social conscience strengthens CSR consistency (Gangi et al., 2020). Such value-driven leadership fosters CSR behaviors even in resource-constrained or regulation-light environments, particularly when reinforced by social ties with employees and communities (Bocquet et al., 2019).

improves accountability within the entire value chain (Baumann- Pauly et al., 2013; Jansson et al., 2017).

These internal catalysts—personal values and governance—do not act in isolation but often interact synergistically. Collectively, these elements root the CSR posture of small businesses in authenticity, continuity, and community responsiveness. They also serve as buffers against shifting market or regulatory pressures, sustaining CSR activities in volatile environments. While personal values and governance practices initiate CSR commitment, small businesses are also shaped by external environmental forces that further reinforce or redirect their responsible behaviour.

External Drivers of CSR in Small Businesses

External drivers encompass institutionally embedded forces that shape CSR adoption beyond the business' internal ethos or strategic motivations. For small businesses, which often lack the structural robustness of larger firms, external pressures serve as key catalysts, influencing or compelling responsible behavior in response to shifting stakeholder expectations, regulatory mandates and market forces.

Stakeholder Pressure

Stakeholder theory postulates that firms are increasingly evaluated not solely on financial metrics but also on their relational capital with stakeholders. In small business contexts, pressure from consumers, local communities and supply chain partners has emerged as a dominant external influence guiding CSR orientation (Stekelorum et al., 2023; Kader et al., 2021). These stakeholders wield both direct (e.g., customer boycott risk) and indirect (e.g., community legitimacy) influence, pushing firms toward transparent, socially attuned practices. Small firms often emulate CSR behavior from upstream partners, particularly in value chains where responsible conduct is normalized (Iatridis et al., 2016; Yang et al., 2020). Thus, stakeholder proximity and relational networks function as informal governance structures enforcing CSR adherence.

Regulation

Regulatory instruments which constitute both mandatory and incentive-based are a critical external lever for CSR adoption. Especially in emerging markets like India, state-mandated CSR policies (e.g., the Companies Act, 2013) have generated trickle-down effects, where even unmandated firms in supply chains or community ecosystems adopt CSR norms to remain aligned (Bice et al., 2023). Government-backed certifications, tax incentives and industry- specific compliance frameworks also indirectly stimulate CSR engagement among small firms by framing it as a route to legitimacy, risk mitigation or access to public procurement (Alarcón & Cejudo, 2023). These forms of institutional isomorphism (coercive or mimetic) serve as important boundary conditions in shaping how firms perceive and implement CSR. Coercive stems from regulatory mandates and mimetic arises from the imitation of successful peers.

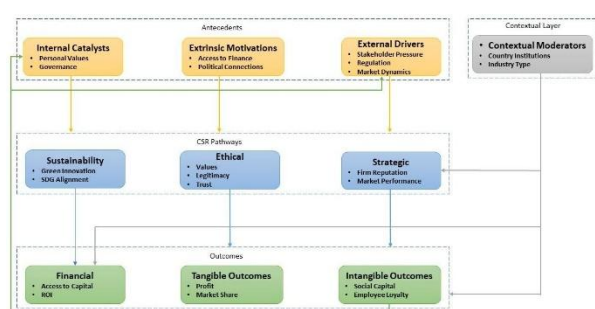


Figure 4: CSR Framework

Governance Mechanisms

Even though small businesses have leaner informal internal governance systems, these frameworks are essential to integrating CSR into day-to-day functions. CSR-oriented governance is manifested through participative leadership, ethical communication, code of ethics, and the integration of sustainability horizontally (Laguir et al., 2015; Wu et al., 2022). Unlike compliance-driven structures of larger corporations, small business governance is more relationship-oriented and centered around values, thus fostering agile and ethically sound decision-making. Research has shown that governance of this kind promotes inclusive stakeholder participation and

Market Dynamics

Competitive pressures and market differentiation strategies represent another layer of external drivers. In crowded or ethically sensitive markets, CSR becomes a tool for signaling quality, trustworthiness, and long-term viability (Ioannou & Serafeim, 2015). Increased consumer awareness, investor scrutiny and media visibility have intensified the reputational stakes associated with social and environmental conduct (Flammer, 2013). For resource-constrained small firms, this can create a paradox. While CSR adoption may strain short-term budgets, it increasingly becomes a prerequisite for market access, brand equity and supply chain integration (Roxas & Coetzer, 2019). Consequently, CSR is not just shaped by normative expectations but by the rational calculus of market positioning and survival. Beyond normative and regulatory pressures, extrinsic incentives particularly those tied to financial and political capital introduce a more pragmatic calculus into CSR engagement.

Extrinsic Motivations Driving CSR in Small Businesses

Extrinsic motivations refer to environmental factors that exert influence on firms to engage in CSR not through intrinsic commitment, but through context-specific incentives, pressures or opportunities. For small businesses which are often resource-constrained and locally embedded in such motivations can be powerful determinants of CSR engagement, especially when internal values or systemic governance structures are underdeveloped.

Access to Finance

Access to capital remains a pivotal enabler for CSR implementation in small enterprises. Financial flexibility allows firms to allocate resources toward social, environmental or community-oriented activities (Gangi et al., 2020). Studies have shown that SMEs with easier access to bank loans, investment funds, or government subsidies are more inclined to adopt CSR, perceiving it not merely as a cost but as a strategic investment in long-term sustainability and brand equity (Marino et al., 2022; Alarcón & Cejudo, 2023). CSR performance can also enhance creditworthiness and investor confidence, suggesting a bidirectional relationship between financing and responsibility (Roxas & Coetzer, 2019).

Political Connections

Political embeddedness is another salient extrinsic driver that shapes CSR dynamics in small firms. Relationships with public sector actors, elected officials or regulatory agencies can offer legitimacy, access to privileged contracts and regulatory leniency; all of which influence CSR adoption (Ngo & Le, 2023). Small firms connected to political networks may deploy CSR as a signaling mechanism to align with governmental development agendas or mitigate institutional voids in emerging economies (Bice et al., 2023). However, these connections can also create reputational or ethical tensions, particularly when CSR is instrumentalized for political gain rather than societal impact (Jalil et al., 2022).

Together, access to finance and political linkages highlight the extrinsic, opportunity-based calculus that small businesses engage in when considering CSR. While these motivations are externally driven, their influence on firm behavior is potent; especially in developing contexts where institutional supports are evolving and market-based legitimacy is increasingly tied to responsible business conduct. When extrinsic motivators align with business interests, CSR transitions from reactive adoption to a proactive strategic function aimed at creating shared value.

Strategic and Ethical Pathways of CSR

These are deliberate mechanisms through which small businesses integrate CSR into decision-making frameworks and long-term planning.

Strategic CSR

Strategic CSR reflects the deliberate integration of socially responsible initiatives into a firm's core competitive strategy, aiming to generate mutual value for both the business and its stakeholders (Bartolacci et al., 2020; Herrera et al., 2016; Torugsa et al., 2013). In small businesses, where resources are typically limited, the adoption of CSR through a strategic lens is often driven by the pursuit of market differentiation, reputational advantage and operational resilience.

Enhancing Firm Reputation

Reputation serves as a key intangible asset for small enterprises, helping to build credibility, trust and customer loyalty in competitive markets. Strategic CSR initiatives such as environmental compliance, ethical labor practices or community engagement signal a firm's commitment to responsible behavior, thereby enhancing brand image and stakeholder confidence (Torugsa et al., 2013; Roxas & Coetzer, 2019). For small firms, these reputation-based advantages are particularly valuable because they compensate for scale-related limitations and facilitate access to premium segments, partnerships, and funding opportunities (Bocquet et al., 2019). Reputational capital generated through CSR also offers resilience during times of crisis, acting as a buffer against stakeholder skepticism or scrutiny (Gangi et al., 2020).

Driving Market Performance

Empirical evidence increasingly demonstrates that CSR initiatives aligned with core business objectives can yield tangible market benefits such as increased sales, customer retention, and competitive positioning (Marino et al., 2022). Small businesses that integrate CSR into value propositions—especially through innovation, eco-friendly branding, or inclusive hiring—differentiate themselves in saturated markets and appeal to ethically conscious consumers (Bartolacci et al., 2020; Yang et al., 2020). Moreover, CSR-driven market orientation fosters employee engagement and supply chain collaboration, both of which are linked to improved productivity and strategic agility (Elgammal et al., 2018). These performance gains reaffirm the instrumental value of CSR, positioning it as a viable growth lever rather than a peripheral philanthropic cost.

Collectively, firm reputation and market performance form a synergistic loop: reputational assets open market opportunities, while strategic market engagements reinforce responsible identity. In doing so, small businesses operationalize CSR not merely as ethical compliance but as a route to sustained strategic advantage. However, strategy alone does not fully explain CSR behavior in small firms; ethical convictions and moral legitimacy often underpin initiatives that transcend instrumental gains.

Ethical CSR

Ethically driven CSR pathways in small businesses reflect a commitment to doing “what is right” rather than what is merely required or strategically advantageous. These pathways are underpinned by intrinsic moral values, a desire for organizational legitimacy, and sustained trust-building with stakeholders. Unlike compliance- or market-oriented CSR, ethical CSR in small firms is grounded in value-congruence and relational accountability.

Values-Driven Orientation

Small businesses often reflect the moral philosophy and ethical convictions of their owner- managers, shaping a distinct values-driven approach to CSR (Huq et al., 2016; Santos, 2022). These values—ranging from fairness, empathy, to environmental concern—inform decisions such as adopting inclusive hiring practices, engaging with underserved communities, or reducing environmental harm, even in the absence of direct economic incentives. This ethical conviction often supersedes resource limitations, fostering an authenticity that distinguishes small firms from larger, bureaucratic counterparts (Baumann-Pauly et al., 2013). Moreover, ethical CSR fosters moral legitimacy that strengthens firm identity and stakeholder support (Wu et al., 2022).

Organizational Legitimacy

Institutional legitimacy—defined as the perception that firm actions are desirable, proper, and aligned with societal norms—is a critical motivator for CSR in small enterprises (Ngo & Le, 2023). This legitimacy is not only regulatory but also moral and cognitive in nature, encompassing alignment with evolving ethical standards and stakeholder expectations. Small firms adopt ethical CSR as a form of reputational insurance, particularly in settings marked by high community proximity and informal oversight (Jansson et al., 2017). As CSR becomes institutionalized across sectors, legitimacy-seeking behaviors—such as ethical certifications or community outreach—become essential to sustaining stakeholder relationships.

Trust-Building

Trust is both an outcome and enabler of ethical CSR. Small businesses build trust with stakeholders—employees, customers, communities—not through elaborate CSR communications, but through consistent ethical behavior (Kader et al., 2021). Trust cultivated via transparent practices, fair treatment, and social responsiveness enhances brand loyalty and stakeholder

retention. In volatile or uncertain institutional environments, trust built through ethical CSR becomes a strategic asset, fostering resilience and legitimacy over time (Elgammal et al., 2018).

This ethical grounding frequently extends into sustainability commitments, where long-term ecological and social responsibility become embedded in firm vision.

Sustainability-Driven CSR

Sustainability as a CSR pathway encapsulates practices that enable small businesses to contribute to environmental preservation and align their operations with the global Sustainable Development Goals (SDGs). Unlike large corporations, where sustainability initiatives are often driven by investor or compliance demands, in small enterprises, such initiatives frequently emerge through pragmatic innovation and local responsiveness.

Green Innovation

Green innovation refers to the development and adoption of products, processes, or business models that mitigate environmental impact while enhancing operational efficiency. In small businesses, this often involves low-cost technological adaptations or resource-efficient production methods aimed at waste reduction, energy conservation, or sustainable sourcing (Bartolacci et al., 2020; Bocquet et al., 2019). Empirical studies indicate that firms pursuing green innovation not only meet rising environmental expectations but also enhance long-term competitiveness and stakeholder trust (Yang et al., 2020). This innovation trajectory is often facilitated by environmental orientation at the managerial level, close community ties, and supply chain integration, particularly in contexts where formal regulations are limited (Iatridis & Papadopoulos, 2016).

SDG Alignment

The UN’s Sustainable Development Goals have catalyzed a paradigm shift in CSR, reframing sustainability as a global developmental priority rather than a voluntary corporate ethos. Small businesses increasingly align with SDGs, particularly goals such as clean energy (SDG 7), decent work (SDG 8), responsible consumption and production (SDG 12), and climate action (SDG 13). This alignment manifests through initiatives like renewable energy adoption, ethical employment practices, and community sustainability projects (Elgammal et al., 2018; Bartolacci et al., 2020). Although challenges persist—such as limited resources and lack of formal sustainability metrics—small businesses often exhibit agility and grassroots innovation that enable them to localize global goals effectively (Mitra et al., 2022).

Together, green innovation and SDG alignment represent dual channels through which small businesses not only reduce ecological footprints but also strengthen legitimacy and long-term resilience. These pathways elevate CSR from compliance-oriented to transformation-driven, positioning sustainability as both a moral imperative and a strategic opportunity. Such sustainability-aligned practices not only fulfill moral and environmental imperatives but can also generate financial dividends when strategically integrated.

Outcomes of CSR Engagement

CSR in small businesses leads to multidimensional performance benefits that span both quantifiable and intangible domains.

Financial Pathways of CSR in Small Businesses

The financial lens of Corporate Social Responsibility (CSR) underscores how socially responsible behavior can enhance firm-level economic outcomes. In small businesses—where margins are often narrow and strategic choices are resource-sensitive—CSR is increasingly viewed not merely as an ethical imperative but also as a financial lever. This section outlines two key financial mechanisms through which CSR is operationalized: Access to Capital and Return on Investment (ROI).

Access to Capital

CSR engagement can significantly influence a firm's ability to attract external financing by enhancing transparency, legitimacy, and stakeholder confidence. Empirical evidence suggests that small businesses with visible CSR initiatives are more likely to gain access to credit lines, public subsidies, and equity investments (Gangi et al., 2020; Alarcón & Cejudo, 2023). This is particularly critical in emerging economies where institutional voids make informal reputation a substitute for formal credit scoring. CSR also signals responsible governance and ethical risk-taking, attributes highly valued by sustainable investors and social lenders (Roxas & Coetzer, 2019). By aligning with stakeholder expectations, small firms not only meet financing eligibility criteria but also attract mission-aligned funding sources such as impact investors or green banks.

Return on Investment (ROI)

Contrary to the long-standing assumption that CSR drains resources, recent findings indicate that responsible practices can yield measurable financial benefits. Small firms that embed CSR into their value proposition—such as offering eco-labeled products, adopting fair labor practices, or investing in community development—often experience increases in sales, customer retention, and operational efficiency (Marino et al., 2022; Bartolacci et al., 2020). These outcomes are linked to improved brand equity and stakeholder loyalty, which generate long-term returns exceeding the initial CSR investment. Furthermore, CSR-induced innovations often lead to cost savings via energy efficiency, waste reduction, or streamlined supply chains (Yang et al., 2020). Thus, ROI is not limited to direct profitability but extends to reputational resilience and market adaptability.

Together, access to capital and ROI illustrate a dual channel through which CSR becomes financially self-reinforcing. By transforming social responsibility into an investment logic, small businesses reposition CSR from a philanthropic adjunct to a core financial strategy. Aligned financial benefits are further manifested through direct performance indicators such as profitability and market expansion, underscoring CSR's tangible utility.

Tangible Outcomes of CSR in Small Businesses

Corporate Social Responsibility (CSR) in small businesses is increasingly recognized not only for its ethical and societal value but also for its ability to drive tangible organizational outcomes. Among these, enhanced profitability and increased market share stand out as primary indicators of CSR's direct contribution to business performance. These outcomes offer quantifiable evidence that CSR initiatives are not merely peripheral or altruistic but integral to the strategic and operational success of small enterprises.

Profitability

CSR activities that align with a firm's operational and stakeholder goals often lead to improved profitability through multiple channels, including operational efficiency, cost reduction, risk mitigation, and brand differentiation (Torugsa et al., 2013; Bartolacci et al., 2020). For small businesses, CSR enhances employee morale and productivity, which indirectly boosts financial outcomes (Herrera et al., 2016). Additionally, proactive CSR adoption fosters innovation, opens access to subsidized green financing, and builds long-term customer loyalty—all of which contribute to stronger margins and bottom-line growth (Gangi et al., 2020). The empirical evidence suggests that firms able to embed social and environmental goals into their business models often experience higher returns on capital investment, particularly in contexts where market expectations for responsible behavior are increasing (Marino et al., 2022).

Market Share

Beyond profitability, CSR serves as a catalyst for expanding a firm's market presence and capturing value through customer preference, supply chain inclusion, and new segment outreach. Small businesses practicing visible and consistent CSR often benefit from a reputational advantage that translates into increased market share (Yang et al., 2020). Green labeling, ethical sourcing, and community engagement are increasingly influencing consumer purchase decisions, particularly among ethically conscious customers (Bocquet et al., 2019). Furthermore, CSR performance is now a factor in many procurement and supply chain evaluations, giving responsible SMEs preferential access to larger contracts and vendor networks (Stekelorum et al., 2023). These dynamics underscore the market-access utility of CSR, especially in competitive sectors where differentiation is critical.

Together, profitability and market share represent measurable, outcome-oriented benefits that affirm the business case for CSR in the small enterprise context. By delivering returns in both financial metrics and competitive positioning, CSR transcends its traditional philanthropic role to become a strategic instrument for growth. In tandem with economic returns, CSR fosters less quantifiable yet equally vital outcomes, including trust-based relationships and enhanced organizational culture.

Intangible Outcomes of CSR in Small Businesses

Beyond measurable financial metrics, Corporate Social Responsibility (CSR) yields a set of critical intangible outcomes that shape the internal fabric and stakeholder

relations of small businesses. Among these, social capital and employee loyalty emerge as vital assets that both sustain and are sustained by responsible business conduct. These outcomes, though less visible, significantly enhance organizational resilience and long-term competitiveness.

Social Capital

CSR initiatives enhance a firm's social capital by fostering networks of trust, reciprocity, and shared values among stakeholders. For small businesses embedded in tight-knit communities, social capital is often built through long-standing relationships with customers, suppliers, employees, and local institutions (Santos, 2022). CSR practices such as community engagement, transparent communication, and ethical conduct reinforce relational legitimacy and stakeholder goodwill, enabling firms to access informal support and collaborative opportunities (Wu et al., 2022). High levels of social capital also reduce transaction costs and improve adaptive capacity in uncertain environments, amplifying the strategic value of CSR beyond its ethical dimension (Ngo & Le, 2023).

Employee Loyalty

Employee-related outcomes represent another core dimension of intangible returns from CSR. Responsible practices—such as fair wages, inclusive hiring, skill development programs, and workplace safety—signal organizational care and integrity, which in turn foster employee commitment, satisfaction, and retention (Huq et al., 2016). Particularly in small firms, where close interpersonal interactions are common, CSR reinforces affective bonds between employees and management, cultivating a sense of purpose and belonging (Jansson et al., 2017). Studies reveal that employees in CSR-active firms are more likely to become brand ambassadors, contributing to a positive work culture and sustained productivity (Elgammal et al., 2018).

Together, social capital and employee loyalty comprise key intangible assets that are central to sustaining competitive advantage in small enterprises. These assets enhance the firm's adaptability, innovation potential, and reputational resilience—positioning CSR as a driver of organizational vitality as much as financial success. Yet, the extent and nature of these outcomes are deeply contingent on the institutional and industrial landscape in which small businesses operate, necessitating an understanding of contextual moderators.

Contextual Moderators Influencing CSR in Small Businesses

While antecedents such as internal values and external pressures shape CSR adoption in small businesses, the broader institutional and industrial context significantly moderates how CSR is perceived, adopted, and operationalized. Contextual moderators define the boundary conditions within which antecedents interact with CSR pathways, thereby shaping the intensity, scope, and sustainability of socially responsible initiatives.

Country Institutions

Institutional structures—comprising regulatory frameworks, cultural norms, and governance capacity—directly influence how CSR is embedded in small business ecosystems. Strong institutional environments characterized by robust legal systems, transparency, and enforcement mechanisms tend to foster higher CSR compliance and innovation (Bice et al., 2023). Conversely, in institutional voids where formal enforcement is weak, CSR often emerges as a voluntary or symbolic practice, heavily reliant on relational norms and community expectations (Ngo & Le, 2023). In developing contexts, institutions shape not just compliance incentives but also access to public funding and reputational legitimacy. Moreover, institutional logics—ranging from developmental state mandates to market-driven ethics—moderate whether CSR is embraced as a moral imperative or a pragmatic strategy (Jansson et al., 2017).

Industry Type

CSR engagement varies markedly by industry, as sector-specific challenges and stakeholder expectations create differentiated norms. For instance, manufacturing firms face scrutiny over resource use, pollution, and labor standards, prompting a greater emphasis on environmental and employee welfare programs (Bartolacci et al., 2020). Service-based enterprises, on the other hand, often prioritize community engagement and ethical client relationships due to their frontline interactions (Santos, 2022). Industry affiliation also moderates CSR through peer benchmarking and competitive dynamics. In high-regulation or high-visibility sectors, CSR becomes a license to operate, whereas in niche or informal sectors, its implementation may remain ad hoc or values-driven (Elgammal et al., 2018). Thus, industry context functions not merely as a background condition but as an active moderator influencing both the form and content of CSR practices.

Together, country institutions and industry type provide the contextual scaffolding that defines the CSR landscape for small businesses. They not only mediate the relationship between antecedents and CSR pathways but also determine the legitimacy and feasibility of responsible practices across varied operational environments.

Synthesis and Theoretical Implications

The review of CSR engagement across small businesses reveals a layered, dynamic ecosystem shaped by both internal and external antecedents, mediated through diverse strategic, ethical, and sustainability pathways, and culminating in multidimensional outcomes. Internal catalysts such as leadership values and governance practices lay the normative foundation for CSR, while external drivers—including stakeholder expectations and regulatory mandates—amplify or redirect firm-level responses. These precursors are further reinforced by extrinsic motivations tied to resource access and relational capital.

CSR adoption, in turn, manifests through interconnected strategic pathways: it functions as a reputational tool, an

ethical compass, and a sustainability lever. The integration of CSR into core business models not only reflects organizational authenticity but also creates a bridge between values and value creation. The consequences of these engagements are evident in both tangible and intangible outcomes—ranging from enhanced profitability and market share to increased employee loyalty and community trust. Financial pathways demonstrate how CSR enhances access to funding and delivers return on investment, while intangible returns highlight its role in building enduring relational assets.

However, these trajectories are not uniform. The interaction between CSR antecedents, pathways, and outcomes is moderated by contextual forces—namely, country institutions and industry type—that shape the legitimacy, formality, and scalability of CSR practices. In essence, small businesses do not engage with CSR in isolation but within embedded systems of governance, competition, and culture.

This synthesis positions CSR not as a monolithic construct, but as a context-sensitive, multidimensional phenomenon. It underscores the need for future research to embrace integrated models that account for both agency and structure, particularly in the underexplored realm of small business CSR. By illuminating these interrelationships, the framework offers a roadmap for scholars, practitioners, and policymakers to align CSR design with the nuanced realities of small enterprise ecosystems.

Interlinking CSR Clusters: A Cross-Domain Synthesis

The multidimensional nature of CSR in small businesses calls for an integrative lens that transcends siloed interpretations of strategic, financial, sustainability, and ethical clusters. While each thematic stream sheds light on distinctive antecedents and outcomes, a closer synthesis reveals overlapping constructs, shared drivers, and sequential pathways that coalesce into a dynamic ecosystem of CSR engagement.

Personal values emerge as a foundational influence that transcends clusters—shaping strategic orientation (Cluster 1), guiding ethical behavior (Cluster 4), and catalyzing sustainability pursuits (Cluster 3). These values interact with entrepreneurial orientation and governance mechanisms, anchoring CSR in both intent and execution. In particular, firms that embed values-driven decision-making tend to view CSR as more than compliance—leveraging it as a reputational and relational asset.

Moreover, cross-cluster dynamics exhibit temporal and causal patterns. CSR as a strategic initiative (Cluster 1) can enhance financial performance (Cluster 2), which in turn enables deeper investment in green innovation and environmental practices (Cluster 3). Ethical governance structures play a moderating role by reinforcing trust and stakeholder alignment, especially in contexts with weak institutional oversight. These findings echo prior observations that small businesses often substitute formal compliance with trust-based legitimacy.

Contextual factors further shape these interrelationships. For instance, in African and South Asian settings, political

ties and community embeddedness strengthen the linkage between strategic CSR and ethical identity. Conversely, firms in institutionalized markets like V4 countries report tighter alignment between ethics, corporate governance, and financial returns—enabling seamless integration of sustainability within long-term business models. In synthesizing these connections, this review proposes a dynamic, cross-cluster framework that captures CSR evolution as a non-linear, context-sensitive process. Rather than distinct categories, the clusters function as interdependent domains, where resource constraints, stakeholder pressures, and leadership ethos intersect to generate varied but equally valid pathways of CSR engagement.

Conclusion and Implications for Research and Practice

This review highlights the multidimensional character of CSR in small businesses, revealing a complex interplay between personal values, governance structures, and institutional contexts. While stakeholder and resource-based theories have guided much of the discourse, there remains a critical need for integrative frameworks that link micro foundations of leadership with meso- and macro-level dynamics. Methodologically, the predominance of descriptive, survey-based research invites more robust mixed-methods and longitudinal designs capable of capturing causal pathways and contextual nuance. Importantly, the synthesis underscores the practical urgency of developing policy mechanisms and CSR toolkits tailored to the unique constraints and capacities of small enterprises especially in emerging and underrepresented economies. In doing so, this review not only identifies scholarly gaps but also offers a roadmap for future research and institutional practice that recognizes CSR in small businesses as both a moral imperative and a strategic enabler of inclusive development.

Limitations and Future Research

While this review offers a comprehensive synthesis of CSR antecedents and influences in small businesses, it also reveals a notable underrepresentation of emerging market contexts in the extant literature. This geographic imbalance has important implications: prevailing CSR theories—often conceptualized within high-income, institutionally stable environments—may not fully capture the realities of firms operating in economically volatile or resource-constrained settings. In many emerging markets, CSR engagement is shaped less by formal compliance and more by community embeddedness, kinship-driven governance, or necessity-based innovation. These distinct conditions call for the development of context-sensitive CSR models and tailored empirical strategies. Future research should prioritize comparative and localized inquiries in emerging economies, using grounded methods to uncover culturally contingent CSR logics and practices that challenge universalist assumption.

Author Contributions:

Dr. Sandeep Dongre, Dr. Suresh Chandra Nayak, and Dr. Manjunath Nagabhushan conceptualized the study, designed the methodology, and led the analysis. Dr.

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