



The Role Impact of Corporate Social Responsibility (CSR) In Building Small and Medium Enterprises (SMEs) Brand Image in Ghana

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ABSTRACT: This study investigates the need for SMEs to practice corporate social responsibility (CSR) in building their brand image in Ghana. The study aims at exploring the role impact of Corporate Social Responsibility (CSR) in building small and medium enterprises (SMEs) brand image in Ghana. Evaluating the role of CSR in building the brand image of SMEs adopted research designs/methods and approached to solicit both secondary and primary data. To identify the perceptions held by SMEs, motives for CSR practices, benefits associated with CSR practices, and the impact of Corporate Social Responsibility on SMEs' Brand Image, questionnaires and interviews were conducted with SMEs operators and Environmental Protection Agency officials in the Kumasi metropolis. The findings show that SMEs perceived CSR as a means of paying back to society what has been received as profit and also as a means of protecting and improving the quality of the natural environment as well as spending revenue to the state. It was noted that organizations practice Corporate Social Responsibility (CSR) to project the right corporate image, used as a marketing strategy, and to make employees happy and satisfied Benefits from CSR regarding customer loyalty, gaining goodwill from the community, enhanced government relations, and building client relations was also ascertained. Despite the numerous benefits associated with CSR activities, other challenges were also identified as free giveaway products and the high cost of CSR programs. Some suggestions such as the honest provision of accurate information about the SMEs products, organizing programs to suit students, a regular donation to the societies, and total collaboration between SMEs and their communities were made to promote firms' image through CSR practices.

KEYWORDS: Corporate Social Responsibility (CSR), Small and Medium Enterprises (SME's) Brand Image

INTRODUCTION

The business has been pressured to engage in activities of Corporate Social Responsibility and has accepted the argument that a company has "responsibilities to society that go beyond the production of goods and services at a profit" (Buchholz & Rosenthal 2002). A notable benefit of CSR is Atonsu Hospital at Kumasi South Mr. Ampah, the Administrative Manager when delivering his message, said that the distribution of treated nets forms part of the company's Corporate Social Responsibility which would contribute significantly to protecting children and pregnant women from mosquito bites and to improve their health in the process (Auwah, 2012). The Chairman of Trustees, Joseph Emmanuel Allotey-Pappoe, who led the delegation, stressed the need for partnership among businesses, civil societies, and government for the country to deepen its corporate social responsibility (CSR) culture and reap its full benefits (Okeretchiri, 2012). The underlying argument with the 'reputation and legitimacy category of the business case is that firms can develop a good reputation with their stakeholders, and ultimately enhance their legitimacy with society by undertaking CSR-related initiatives (Amoako & Boateng, 2022). Zinkin (2004) proved that companies with a strong reputation for being socially responsible are likely to be more trusted by their stakeholders than those that are socially irresponsible. Research studies on CSR suggest that the food cars policy has positive effects on employee engagement and commitment. Barrow and Moseley (2011) foundation examined the impact of CSR onto employer brand and revealed that percent of people think of socially responsible employers as more attractive. There was also a clear link between socially responsible companies and the ones seen as good employers (Barrow & Moseley, 2011). According to Amoako and Boateng (2022), sections of the community believe that CSR is done by the firms for their whims and caprice, using the community as a conduit. They further indicated that companies



should be deliberate about applying CSR for a competitive edge. It can be done by allocating substantial funds to support this course and seeing CSR as competing with marketing which is the case in most cases (Amoako & Boateng, 2022). It was evident that well-executed CSR activities in various forms drove some level of brand associations for Accra Brewery Limited (ABL) and eventually drove growth for their brands. Today's businesses are witnessing consumers avoiding what they perceived as socially irresponsible products or the products of companies that have allegedly not acted in society's best interest. The issue of litigation between enterprises and communities continues to rise due to a lack of societal responsibilities which sometimes leads to firms closing down. However, this study looks at the impact of Corporate Social Responsibility (CSR) in building Small and Medium Enterprises (SMEs) brand image in Ghana.

2.0 LITERATURE REVIEW

2.1 *The Paradigm Shift of Corporate Social Responsibility (CSR)*

Warren (2003) pointed out that the relationship between business and society is a complicated phenomenon. Over the three centuries, the corporation's role has evolved from being an instrument of government and privilege of few to being a right to many. Before the 1970s, corporations shared their profit with the community through philanthropic activity. In other words, CSR is an after-profit obligation. If companies are not responsible, they do not have to behave responsibly. The advocacy to make business accountable and responsive compounded with the dawn of "Globalization". The Information Communication Technology (ICT) revolution converted the world into a "global village," and the way of globalization did not leave any portion of the globe unattended. The point of seeing CSR as an activity to enhance brand marketing has been seen in applying Aaker Brand Equity and Daisy Wheel models (Amoako & Boateng, 2022). According to them, Accra Brewery Limited (ABL) is passionate about charitable activities such as their iconic '#RecyclingHeroes', Adabraka health screening, Annual Global Recycling Day celebration, and more recently '#InThisTogether' for COVID-19 charity, all aimed at improving the quality of life of the community. Along with this, a problem such as pollution, poverty, etc., earlier having limited geographical existence started obtaining a global character. These conditions lead to a particular set of socially responsible practices called "relative practices". Over the past years, community development goals were philanthropic activities separate from business objectives and not fundamental to organizations. However, doing well and doing good were seen as separate pursuits. However, if that is changing, many organizations represented here today are learning that cutting-edge innovation and competitive advantage can also result from weaving social and environmental considerations into business strategy from the beginning". Also, smaller organizations, too, have joined the bandwagon. The concept of miserable life change with direct investment and follow-up to track results is gaining more recognition (SMEs). Philanthropy, nowadays, is not always viewed as a universal right. Mother Teresa made a significant impact and changed the thinking of doing social good through her great message, "give the poor the fishing rod, not the fish". This started a debate on the purpose and process of philanthropy, and the firms started thinking about their responsibilities to the societies and how to discharge them. Recent discussions about the social responsibilities of corporations are accompanied by the emergence of the socio-political and environmental movement of the 1960s fitted into the idea of CSR and catalyzed reconsidering the role of business in society. According to Gray et al., (1996) the evolving power of the corporation and the emergence of the multinational enterprise also provides a background for the increasing public awareness of the potential harmfulness of business.

2.2 *Definitions of Corporate Social Responsibility (CSR)*

Primarily, Corporate Social Responsibility is defined by its components and application. Corporate social responsibility (CSR) is a strategic management tool that provides the possibility of win-win prospects for the community and a business (Boadi et al., 2019; Mahmud et al., 2020). It confirmed Turker's (2009) definition of CSR as four significant aspects, environmental, internal employment, ethical and legal. Each character covers a range of sponsorship, donation, work/life balance, and environmental questions. Although these aspects were used in this study, the definitions of CSR vary greatly, and this is important to note. A broader definition can include a variety of CSR aspects, such as philanthropy (Piercy & Lane, 2009). Developing a broad definition is essential, as various aspects could affect brand trust. Corporate Social Responsibility is the concept of organizations promoting, participating in, and initiating social programs to address an issue or concern in the broader community. Broad definitions, including multiple dimensions such as philanthropy and stakeholders, are favored by academics (Piercy & Lane, 2009). CSR definitions have developed over time from the 1950s to the present time. Literature from the 1980s onwards presented fewer set definitions and further research into CSR (Carroll & Shabana, 2010). Caskta et al., (2004) held the view that all organizations should practice CSR



so that society and the globe will benefit from the returns of the companies. The difference between effective and SME practices is the approach applied by each organization. Their submission summed all the above definitions in that companies operate in a society and must be accountable to the dwellers of the community. Honoring firms' obligations may be economic, legal, ethical, or voluntary. Society and the organizations create a real bond that leads to a win-win situation for both companies and all the parties interested in the organizational operations. Societies now want to patronize firms that operate in the community's interest. The significant problems of British Petroleum (BP) with their local oil operations in the Gulf of Mexico near Louisiana had huge global repercussions for the global BP brand (Ritson, 2010). Coca-Cola was confronted with protests by customers in the United Kingdom (UK) and the United States of America (USA) because of what was considered the poor environmental record in India and allegations of human rights violations in Columbia (Hill & Welford, 2004).

2.2.1 Various Dimensions of Corporate Social Responsibility (CSR)

CSR has multiple sizes, including all stakeholders that directly or indirectly affect firms' operations within a particular jurisdiction. Elements or activities of CSR can be classified as follows:

1. Environmental

It is the direct or indirect impact of the business processes, their products, and services, including suppliers, on the local environment and globally. The company may begin with efficient use of resources, reducing waste and pollution levels, designing environmentally friendly products, defining environmental policy, and ensuring regional and national compliance. The company may also apply an "ecologic assessment" on the suppliers that help understand the environmental standards followed by the vendor, even by informing business partners, customers, or the society on environmental issues and resolving them through collaborative efforts. According to Thorne et al., (2008), environmental awareness refers to incorporating environmental problems in business strategies to maintain the quality of the natural environment. Bosch-Badia., (2013) stated that environmentalism refers to the organized efforts of an enterprise to protect and conserve the natural environment in which it operates.

2. Community/Social

It impacts an organization's operations, projects, products, services, or investments in the community at a local or global level. The activities under this dimension entail activities like improvement of the local infrastructure such as roads, parks, etc.; cash or in-kind donations to local community institutions like schools, hospitals, cultural organizations, etc.; labor market integration at the community level, support to society in the development issues (like poverty, unemployment, education, health, etc. (www.wasmeinfo.org). Crane and Glover (2016) stated that enterprise causes social problems such as pollution or perhaps even unsafe work conditions. Therefore, it is the responsibility of the business to eradicate those problems and prevent them from occurring in the future.

The enterprise is responsible for the following influences, whether positive or negative, and should, consequently, act on these if and when necessary. Carroll and Buchholtz (2015) believed that other than complying with the law, being decent, and maximizing profits, an enterprise can have a positive influence on the community by donating the time and services of its employees or making financial commitments toward the development of the community. According to (www.actacommerci.co.za), through community development, enterprises can enhance the quality of the lives of the members of the city.

3. Ethical

From the board level throughout an organization: transparency; risk management; due diligence; valid codes of conduct, and ethics. Wasmeinfo.org stated that in SMEs, the current values and principles of the company are a reflection of the benefits of the owner/manager. Therefore companies may define their profits into a code of conduct, a statement of good business practice, or even a set of simple rules articulating the company's vision, values, responsibilities, and ambitions (www.wasmeinfo.org). It may be followed by effective communication and dialogue with all internal and external stakeholders.

4. Market/Business Practices

Responsible behavior in product development and marketing that is safe and reliable. Activities may include improving the quality or safety of goods, providing voluntary services to the clients, fair pricing, ethical advertising, on-time payment to suppliers or business partners, contracting local partners in the supply chain, and deriving standards in the supply chain. Another dimension of CSR is stakeholder relations. The term 'stakeholder' refers to how enterprise managers are willing to listen and respond to all stakeholders' needs and objectives (Werther & Chandler 2006). Thorne et al., (2008) also elaborated that stakeholder relations are the degree to which an enterprise understands and addresses the needs of stakeholders (www.actacommerci.co.za). Implementing



an effective stakeholder relations policy can thus be regarded as BSR. It can be considered part of a comprehensive approach to CSR (www.actacommerci.co.za).

5. *Philanthropic/Volunteering*

It is apparent, of course, that any actions an organization undertakes will affect not just itself but also the external environment within which that organization resides. It implies that enterprises do not exist in isolation. In considering the effect of the organization upon its external environment, it must be recognized that this environment includes both the business environment in which the firm is operating, the local societal context in which the organization is located, and the broader global environment (www.smicoatedproducts.com).

This effect on the organization can take many forms, such as:

- The utilization of natural resources as a part of its production processes
- The effects of competition between itself and other organizations in the same market.
- The enrichment of a local community through the creation of employment opportunities.
- Transformation of the landscape due to raw material extraction to waste product range storage
- The distribution of wealth created by the firm to the owners of that company (via dividends) and the workers of that business (through wages) and the effect of this upon the welfare of individuals.
- Moreover, more recently, the most significant concern has been climate change and how the emission of greenhouse gasses exacerbates this

Companies can adopt the incorporation of environmental accounting into the risk evaluation system as follows to mitigate risk:

- Identify environmental implications in terms of costs and benefits.
- Quantify those costs and incorporate qualitative data regarding less tangible benefits.
- Use appropriate financial indicators.
- Set an appropriate time horizon that allows environmental effects to be fully realized.

2.2.2 *Benefits associated with CSR activities*

Arguably, Corporate Social Responsibility can enhance a firm's competitive advantage as it helps to build trust and reputation, increases sales reduce costs, and minimizes risk (Chatterji et al., 2006). The author suggested that the challenge was to turn social responsibilities into business opportunities. The awareness of CSR, in general, provides influences attitude, attribution, and purchase decisions (Pomeroy & Dolcinari, 2009). Similarly, Maignan and Ferrell (2000) suggested further study identify at which point consumers are aware of the CSR efforts a company has undertaken. It is associated with leadership ability in the corporation and the need to communicate CSR activities (because marketing is included) while developing an appropriate direction or strategy. Marin and Ruiz (2007) suggested that CSR directly influences a company's identity attractiveness; this identity can attract new consumers and influence marketing power for companies. Attractiveness is strongly affiliated with the awareness of a specific brand. Pelozo and Shang (2011) suggested that product-related CSR means higher levels of consumer awareness. A brand that positions itself serves as a CSR brand and can improve consumer awareness levels compared to a brand that engages in CSR activities. It may be due to the user being directly exposed to the CSR information. Bhattacharya and Sen (2007) expressed that CSR activities had a more significant influence on outcomes internal to a consumer, such as awareness and attributions, which are easier to target than external issues such as purchase behavior. Bhattacharya and Sen (2007) suggested that CSR awareness is a stumbling block for most companies, which can only get the benefits from CSR once consumer awareness is increased. The brand equity also included brand loyalty and brand awareness. Brand equity can help adjudicate a relationship between brand performance and CSR. Brand trust means consumers should be confident that they will receive a good outcome in purchasing a brand rather than a sad or fearful result. In contrast, Curras-Perez et al., (2009) described trust as understanding relationships and how to build on them.

2.2.3 *Corporate Social Responsibility as a Reputation Building Tool*

Fombrun (1996) defined reputation as a perceptual representation of a company's past actions and prospects that describe the firm's overall appeal to all its stakeholders when compared to other leading rivals. For businesses, it is now increasingly being accepted that the ability to align their practices (behavior) with interested parties' expectations can enhance their reputation capital. Conversely, non-congruence of corporate practices with societal (stakeholders) expectations may potentially damage a firm's reputation and relationship with its stakeholders (Lynch-Wood et al., 2009). Roberts and Dowling (2002) argued that an essential aspect of CSR-related strategy is sustaining or improving corporate reputation because a growing body of research now suggests



that a positive corporate reputation can create value. From the resource-based view, an excellent corporate reputation is an intangible asset and cannot easily be replicated by other corporations. The relationship between CSR and reputation has been an issue of academic research since the turn of the century (Lynch-Wood et al., 2009). Several CSR scholars have examined the relationship between CSR and a firm's reputation. For instance, studies conducted by Brammer and Pavelin (2004 & 2006) and Lynch-Wood et al., (2009) suggested that a firm can build a good reputation by pursuing CSR actions. Also, a company's reputation for CSR is positively related to its ability to attract investment. In recent times, investors are increasingly seen to make their investment decisions by the status of a prospective firm for managing the social and environmental risks (Wright & Rwabizambuga, 2006). Primarily, investors are less likely to invest in a company perceived as high risk of litigation and stakeholder activism for its unethical practices. Although such decisions by prospective investors may be made by pragmatism, the personal ethical values of the investors are likely to have a significant influence on the investment options (Cowton & Sparke, 2004). Therefore, it is not surprising that there has been an increasing trend in demand by large stock markets for socially responsible stocks or investments in recent years. In the light of widespread unethical corporate practices, these stock markets gradually recognize the need to manage reputation risks in their dealings with prospective and listed companies (EIRIS, 2009). These stock markets are beginning to re-examine their listing rules and requirements to conform to the highest ethical standards (Wright & Rwabizambuga, 2006). A stakeholder engagement strategy for firms engaged in CSR is a crucial part of the overall CSR agenda that a company pursues. Primarily, it can signal to stakeholders the level of commitment a firm can have in addressing their interests (Bowen, 2007). Bowen (2007), drawing on the resource-based view, argued that firms could potentially consider stakeholder engagement as a strategic capability to build reputational capital and attain a competitive advantage over their rivals who do not possess such skills. Roberts and Dowling (2002) again argued that an essential aspect of CSR-related strategy is to sustain or improve corporate reputation, which has the potential to create value. An excellent corporate reputation is a type of intangible asset which cannot be replicated easily by other corporations (Roberts & Dowling, 2002). Regarding a firm's attractiveness to consumers, whether CSR activities improve customers' responses, a company's characteristics and users' characteristics mediate the relationship between CSR actions and consumers' responses (Sen & Bhattacharya, 2004). CSR is a powerful tool for leaders to use in strategy. However, not all firms will achieve a positive outcome. It is because the execution (leadership), support (employee), and exploitation (cause-related marketing communications and Branding) of CSR activities are not the same in every organization (Sen & Bhattacharya, 2004). The corporate level focus is essential when applying CSR as a strategy to achieve the reputational Building of SMEs. Corporate Social Responsibility has two ways of improving the brand image in the eyes of the community. Firstly, the company can enhance the brand reputation by gaining visibility as a trustworthy business, the right place to work for, and a good neighbor in the community. Becoming a strong employer brand and receiving high ratings in real manager qualities helps attract a talented workforce. The second way to score a better image in society is to drive forward practices that meet societal expectations. For example, a company competing in the fast-food market can introduce healthier meal options to fight against obesity. In this way, the company will get attention in the media as a 'socially responsible' organization, positively impacting the overall brand and the employer brand.

2.3 Definitions of Small and Medium Enterprises (SMEs)

In Africa and Asia, most of the jobs, especially those outside urban areas, are provided by SMEs. In most cases, they account for most industrial units operating in their respective continents. Definitions of SMEs vary in context across countries, industries, organizations, agencies, and the academic community. The Australian Bureau of Statistics (ABS, 2002) defined Small and Medium Enterprises as businesses with less than 200 employees. SMEs are often defined numerically or specifically to cover companies with a workforce ranging from 1 to 100 employees and, in some cases, up to 250 employees as the upper limit. However, in Europe, small and medium-sized enterprises are defined according to their staff headcount and turnover or annual balance sheet total. Consequently, a medium business is defined as an enterprise that employs fewer than 250 persons and whose annual turnover does not exceed EUR50 million or whose balance-sheet yearly total does not exceed EUR 43 million. According to the Ghana Statistical Service (GSS, 2007), firms with less than ten employees are considered Medium and Large-Sized Enterprises. It brings to the fore a level of distinction between the two. Ironically, the GSS, in its national accounts, found companies with up to 9 employees as Small and Medium Enterprises. Government agencies such as the National Board of Small Scale Industries (NBSSI) in Ghana apply both the "fixed asset and number of employees" criteria. Hence, it defines a Small Scale Enterprise as one with not more than nine workers with ownership of plant and machinery (excluding land, buildings, and vehicles) not exceeding 10 million Cedis (US\$ 9506, using the 1994 exchange rate).



Table 2.1 below illustrates some reasons or motives why companies adopt CSR; this study considers how SMEs apply CSR in their businesses.

Table 2.1 Reasons why SMEs embark on CSR practices

Author/Year	Reasons why SMEs practice CSR
Mankelov (2003)	Long-term survival, increased employee morale, marketing, customer support, customer loyalty, business reputation, altruism, character/values of owner, recognition, expectations of the community, etc.
Castka et al., (2003)	Business profitability, ethical operation
Spence & Schmidpeter,(2003)	Gaining community support, long-term survival, business reputation, access to information, marketing
Spence & Schmidpeter, (2003)	Philanthropic, character/values of the owner, business reputation, long-term survival, creating a network
Murillo & Lozano (2006)	Character/values of the proprietor, a social/economic model of the manager, competitive impact, innovation possibilities, basis for differentiation, legal regulation, vision/mission of the company in its statute
Jenkins, (2006)	Philanthropic, competitive impact, access to resources (employees), moral and ethical reasons, business image, increased employee morale.
Udayasankar, (2008)	The basis for differentiation, access to resources, increased visibility, and meeting stakeholder demands and expectations.
Russo & Perrini, (2009)	Increase trust, business reputation, legitimacy with specific stakeholders (suppliers, customers, employees, and local community), external influences (cultural, institutional and political)

Source: Modified motives/reasons of CSR by SMEs by researchers 2021.

2.4 Corporate Branding in SMEs

The corporate brand has enticed many definitions in different schools of thinking. Otubanjo and Melewar (2007), but no general description has been accepted. King (1991) is considered the first writer to make a clear difference between the product and corporate brands, confirming the significance of an interdisciplinary approach to managing them (www.cscanada.net). Traditionally, a brand was defined as "the name related to one or more items in the product line used to recognize the source of their character" (Kotler, 2000). He presents that Branding is "the main subject in product strategy." Aaker and Joachimsthaler (2000) believed that the traditional branding model was focused on building the brand image as a tactical element for achieving short-term results. The practice may be a one-off but should be a memorable event to remind society of what has been given then. If a firm builds a community hole hole for a neighborhood school, it would forever be remembered and encourages society to do business with the company. Subsequently, Branding is "Branding is the process of creating an association between a symbol or object or emotion or perception and a product to drive loyalty and create differentiation" (Hislop 2001). As customers became aware of the brand communities, businesses evolved their focus from product branding to corporate Branding to be part of society. To be part of that community, companies realize that customer is becoming sensitive and interested in what is behind and part of the product they are buying. Chanel, Rolex, and similar companies concentrated their brands as historical stories with unique capabilities and values (www.cscanada.net). Small and Medium Enterprises (SMEs) form the majority of organizations in most developed economies (Culkin & Smith, 2000). Among the economies are South Africa, Nigeria, Kenya, Ghana, and many others. SMEs contribute significantly to developing social and economic infrastructure (Culkin & Smith, 2000). Similarly, in a developing nation such as Iran, 5.1 million SMEs exist, while the number of large organizations is measured in thousands (Kamyabi et al., 2013). The branding decision-making process within SMEs is a force on the owner, managers, infrastructures, and scarce resources. It has meant that SMEs' entire vital businesses, such as procurement, finance, networking and market understanding, etc. Revolve around the owner (Culkin & Smith, 2000; Bhutta et al., 2008). It has meant that each SME may require a leadership and management style with a



unique personality (Culkin & Smith, 2000). The owner dictates all branding directions. When they are not competing with others, they decide to promote their brands and vice versa. Given the relative freedom of leadership in SMEs, it is not surprising to see the flourishing entrepreneur culture, flexibility, and innovativeness, making them more responsive to customer needs (Gilmore et al., 1999). This learning ability means that they are more adept at utilizing marketing information than their counterparts (Chaston et al., 2001). SMEs can live within the client markets and use their simple organizational structure. They can obtain market knowledge and quickly customize or add value to their products and organization service (Gilmore et al., 1999). Using this ability, SMEs can leverage marketing strategies for entering new product markets. According to Abimbola & Kocak (2007), if SMEs have a strategic role in the economy, they can use their experience in developing corporate brands and apply them to Branding within the companies. Entrepreneurs use reputation as a competitive edge and, therefore, may be keen to develop SME branding as a mechanism for market reputation and innovation. A corporate brand can be an essential and appropriate method of introducing and differentiating the SME since they have limited resources for Branding at the same time. The differentiation and brand identity will allow them to get the maximum return on their funds. These inherent characteristics of the SMEs will enable them to achieve benefits that large companies can acquire only by spending enormous costs and energy to revive them (Krake, 2005). According to Kapferer (2012), to formulate the brand image, the brand manager has to set the brand's brand identity previously. While the brand image refers to receivers, the brand identity relates to the sender, and this is why it has to come first in the branding procedure. Before the brand manager launches an image to the customers, he has to know exactly what this image represents, referring to the name. For this study, the model is expected to be good enough to compete in a competitive environment. Kapferer (2012) further stated that the translation of the signals formulates the brand image that the sender wants to send to the receiver. At this stage, CRS programs are the main components expected to influence the receiver to select a particular product ahead of competing ones.

2.5 Benefits of CSR to SMEs

The instrumental perspective of CSR states that each stakeholder provides material or immaterial resources that are more or less critical to the firm's long-term success (www.docplayer.net). This integrative view of stakeholders has been applied in relational marketing studies. A consequence of a sustained and trusting relationship with different stakeholders is the commitment of these stakeholders to the organization, such as customer loyalty. Also, from a marketing perspective, CSR might impact brand evaluations, brand choice, and brand recommendations (www.docplayer.net). Maignan & Ferrell (2004) established the logical link between stakeholder resources (organizational citizenship; reputation) and customer outputs such as loyalty, positive word of mouth, and brand equity measures. Also, they stated that investments in corporate citizenship, like investments in Research and Development and advertising, can contribute to a differentiation strategy by helping companies to build brand equity. From the above literature reviewed, it can be deduced that CSR practices are relevant to SMEs. However, there are some disadvantages, such as shared decisions and loss or reduction of profitability. The following authors believe that CSR activities offer benefits to SMEs and, therefore, encourage them to pursue CSR.

Table 2.2 Benefits of CSR to SMEs

Authors/Years	Benefits of CSR by SMEs
Andreasen, 1996; Sagewa, 2001; Wymer and Samu, 2003	Increase sales; Brand differentiation; Enhanced Brand image; Improved employee recruitment; Morale, and Retention; Enhanced government relations; Ability to reach new customer segments.
Ricks (2005)	Increased visibility; Enhanced corporate image; Thwarting negative publicity.
Maden, Scaife, and Crissman, (2006)	Increased sales; Building staff morale; Building and maintaining client relations; Show concern for staff and their interest
Vyakarman et al., (1997)	Enhanced reputation; Enhanced professional image; Increased confidence and loyalty
Jenkins, (2006)	Improved image and reputation; Improved trust and understanding; Larger, more prominent profile; Better market position; More business; Increased employee motivation; Increased attractiveness to potential recruits; Cost savings and greater efficiency; Risk Management; Benefits company culture



(www.web.usm.my)	suggested that due to the importance of CSR, some non-governmental organizations (NGOs) are looking into options to make it legally mandatory for CSR programs to become part of every corporation's business agenda (www.web.use.my).
Neito, (2009)	Stated that when CSR and branding strategies are blended, they can add value to companies in the eyes of both customers and employees.
Dzansi, (2011)	Customer satisfaction; Happy workers; Employability; Sales growth; Profit growth; Community goodwill; Employee loyalty; Motivated workforce
Santos, (2011)	Better reputation; Higher employee motivation; Raising quality; Better productivity

Source: Adopted and modified from Inyang (2013)

From Table 2.3, there is a clear indication that CSR practices are beneficial to SMEs if well-practiced. The associated benefit ranges from Financial to Reputational. In reputational building benefits, SMEs enjoy image enhancement, brand differentiation, morale and retention, high employee motivation, enhanced company image, Community goodwill, and Building and maintaining client relations. Branding differentiates one product or service from another using a symbol, name, or design (Pride et al., 2006). According to (www.coursehero.com), Branding can be used for customers to identify a product or service, introduce new products into the market easier while building brand equity, or the value a company can leverage off the brand. Moreover, while Branding makes it easier for consumers to identify products, it also makes it simpler to develop brand loyalty (www.coursehero.com). Although brand loyalty will vary depending on the item and consumer, brand trust is a significant loyalty component; consumers have faith in the product or service they purchase (www.coursehero.com). Dunn and Davis (2004) stated that one of the most significant challenges CEOs can address is managing customer loyalty effectively (www.coursehero.com). CSR and Branding have some linkages, specifically through trust, corporate reputation, and consumer attribution. Gurhan-Canli and Fries (2009) developed a corporate social responsibility and brand-related outcomes model. Gurhan-Canli and Fries (2009) suggested that user characteristics, such as awareness of CSR programs and personal judgment, and company characteristics, such as reputation, influence branding outcomes. The branding issue would include an evaluation of the business, brand, and product, in which brand trust is considered. The fit between the CSR activities and the company and brand itself also impacts how consumers perceive the CSR activities (www.coursehero.com). Delgado-Ballester and Munuera-Aleman (2005) also suggested that brand equity is developed through brand trust. Brand trust must foster consumer loyalty and brand equity and create a sustainable competitive advantage (Delgado-Ballester & Munuera-Aleman, 2005). On the other hand, financial benefits include profit growth, better productivity, high sales, Cost savings and increased efficiency, the ability to reach more customers segment, and customer satisfaction. Prado-Lorenzo et al. (2009) suggested that businesses with a favorable financial situation are more likely to reveal good news about social activities. Margolis and Walsh (2003) confirmed that from 109 empirical studies of CSR and links to financial performance, 54 demonstrated a positive relationship and only seven a negative one, leaving 48 with no correlation. It means an organization is more likely to achieve a positive financial outcome or no change when participating in CSR activities. According to www.document.tips, all these arguments highlight that strategic CSR can bring both short and long-term financial benefits to a socially responsible company. Those responsible for CSR programs in various companies must perceive social responsibility as not being a small charity or philanthropy. It should be approached from a strategic perspective (Asongu, 2007a).

2.6 Motives for CSR practices among SMEs

A firm's size can affect the nature of external environmental impacts, their transmission mechanisms, and the company's ability to respond (Curran, 1996). SMEs' more limited resource base than larger firms, mainly regarding finance and management, can affect their ability to scan, analyze, and respond to significant environmental change (Smallbone et al., 1999b). Both large and SMEs compete for some reasons, be it profit or non-profit making oriented. Firms apply CSR practices as a competitive tool according to their corporate objectives by the Board of Directors or SMEs owners.

3.0 RESEARCH METHODOLOGY

Primary data was collected through questionnaire administration from a field survey. The questionnaire was developed in line with the study questions/hypothesis. On the other hand, secondary data was obtained from documents at the Association of Ghana Industries (AGI, Kumasi-Ashanti Region). Furtinformationtion was obtained from published and unpublished books, journals,

newsletters, periodicals, articles, and the Internet and business magazines. The study questionnaires were divided into two sections. Section (A) contained information about the respondents is their gender, marital status, age, educational qualification, years of working experience, etc., and also some open-ended and closed-ended questions. Section (B) also contained items on the role impact of CSR in building the brand image of SMEs to answer the research questions of the study. Likert scale was used to respond to questions under each section of CSR and Brand image of SMEs. Interviews were also conducted with Environmental Protection Agency (EPA) in the Kumasi metropolis to solicit further data about the actions of the plastic and rubber industry. Both qualitative and quantitative approaches were adopted to analyze the data to make decisions in the form of conclusions and recommendations. The approaches for qualitative analysis of data involved data reduction, coding, tabulation, and calculation of summarizing statistics. Appendix B was an interview guide for Officials of EPA in the Kumasi metropolis. Whereas the quantitative approach sought to be analyzed and presented statistically using frequency tables. The testing of the hypotheses of the study was done by using a chi-square test on the SPSS. The choice of chi-square for hypothesis testing was made because the variables tested were predominantly categorical and as such the appropriate tool was chi-square.

4.0 DATA PRESENTATION AND ANALYSIS

This chapter of the study reanalyzed and discussed the results of data collected from respondents. The analysis begins with the demographic characteristics of respondents and their organization and continues with the key variables of the study in line with the study objectives.

4.1 Demographic Characteristics of Respondents

The demographic study starts with the gender of respondents for which data gathered has been presented in figure 4.1

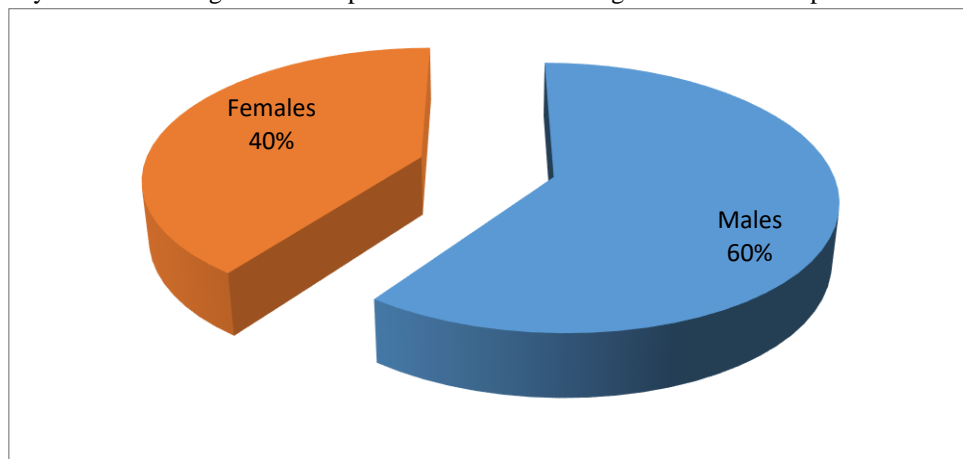


Figure 4.1 Gender of respondents

Source: Study data, 2021

Figure 5.1 displays that male heads in the management of SMEs interrogated outnumber their female counterparts. Arguably, however, the observation here reflects similar findings in recent literature (Brammers & Millington, 2006) which identify males in entrepreneurship more than females. Further, in the demographic study, the ages of respondents were gathered and presented in Figure 4.2

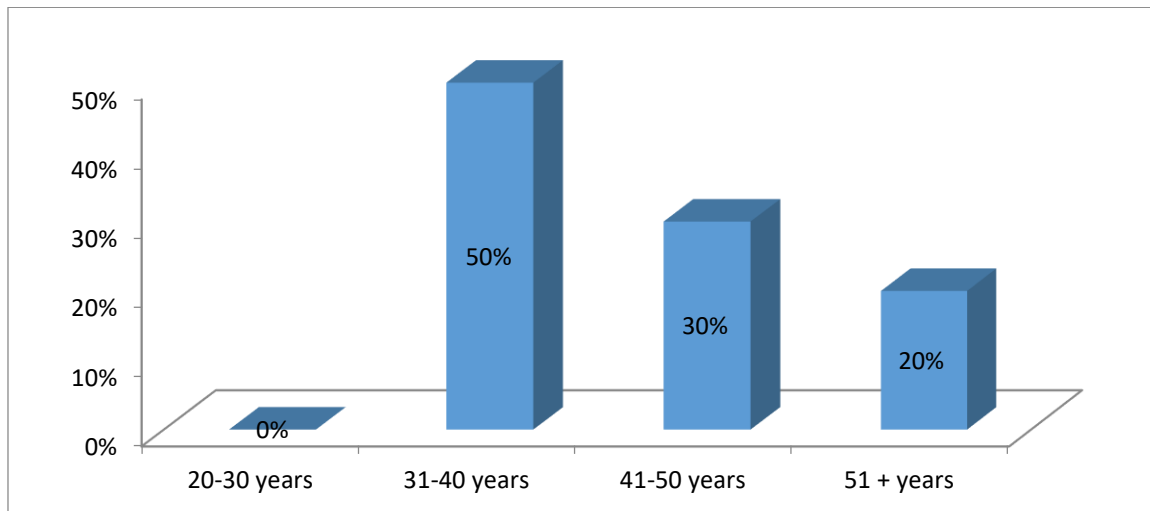


Figure 4.2 Age categories of Respondents *Source: Study data, 2021*

Figure 4.2 shows half of the respondents are of the youthful age of 31-40 years and the other half of them are 41 years or above, but no entrepreneur or management staff was below 31 years. The educational attainments of respondents were also sourced for the study and the results obtained were presented in Figure 4.3

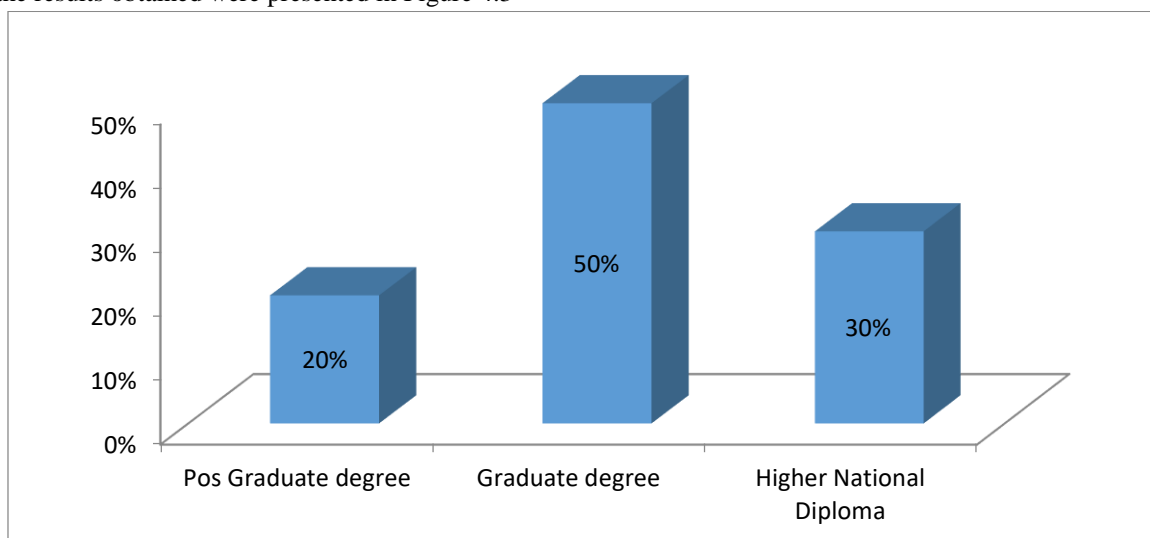


Figure 4.3 Educational levels of Respondents *Source: Study data, 2021*

All of the management staff or entrepreneurs in this study have formal education and even none has an educational qualification lower than a diploma. Approximately 50% of these management staff are found to have a 1st degree, 20% have a post-graduate degree and 30% of them have Higher National Diploma (HND) qualification. The educational backgrounds of management staff participants in the current study are quite appreciable and are expected to appreciate the significance of CSR in building corporate brand image. All the management staff of Small and Medium Enterprises (SMEs) is married, perhaps entrepreneurs of SMEs in Kumasi share the perceptions of Lepoutre and Heen (2006) that married persons have a sense of responsibility and tend to be cautious in management. The other side of the demographic study covered the SMEs themselves in terms of business registration, type of organization, source of materials, and financing. Table 4.1 presents data collected in these areas.



Table 4.1 Demography of SMEs understudy

Features	Frequency	Percentage (%)
Business registration:		
Yes	10	100
Nature of organization:		
Private Ltd Company	9	90
Sole Proprietorship	1	10
Source of raw materials:		
Local source	4	40
Imported	5	50
Both	1	10
Finance as setback:		
Yes	6	60
No	4	40

Source: Study data, 2021

Favorably, all the SMEs involved in this study (100%) are legally registered and are mostly (90%) private Limited Liability Companies, except for a few (10%) that are registered as Sole Proprietorship. Raw materials for the businesses under study are either imported (50%), or locally sourced (40%), and some SMEs source both local materials and imported ones (10%). The observation here portrays a peculiar feature established among most SMEs as noted in Caska et al., (2006,) and many others where SMEs were noted for sourcing raw materials locally. The study records Table 4.1 affirmative responses from about half of test respondents that that a pool of skilled human resource enhances the activities of their organization to a great extent. This was confirmed by 70% of respondents whilst about 20% admitted to some extent a minority of 10% we on at one reverse side who thought a pool of talented human resources does not matter (to no extent) in the activities of their business. Invariably, studies (Hill & Welford, 2005) have recounted the immense contribution of skilled resource sources to organizational growth and success. Business financing difficulties established among SMEs in this story were reported by 60% of respondents, consistent with several studies in developing countries (Calvano, 2007), especially in Ghana (Jenkins, 2006). A minority of 40% however had a contrary view because they do not see business financing as a setback to the growth of their firm.

4.2 SME’s Perceptions of Corporate Social Responsibility (CSR)

As part of the objectives, the study sought to find the perceptions held by SMEs about the concept of CSR in Kumasi Metropolis. Results gathered from respondents on 13 questionnaire items have been reported in Table 4.2

Table 4.2. SMEs Perceptions of CRS

Perceptions of CSR Concept	Positive (%)	Fairly positive (%)	Negative (%)	Fairly Negative (%)
This company supports employees who want to acquire additional education	4(40)	1(10)	3(30)	2(20)
The management of the company is primarily concerned with employees’ needs and wants	4(40)	3(30)	0	3(30)
The company provides full and accurate information about its product to consumers	10(100)	0(0)	0	0(0)
This company respects consumer rights beyond the legal requirements	6(60)	4(40)	0	0(0)



This company emphasizes the importance of its social responsibilities to society	7(70)	1(10)	2	0(0)
This company contributes to campaigns and projects that promote the well-being of the society	7(70)	3(30)	0	0(0)
This company complies with legal regulations safely and promptly	7(70)	3(30)	0	0(0)
This company always pays its taxes on a regular and continuing basis	6(60)	4(40)	0	0(0)
This company would cooperate with its competitors on social responsibility projects	2(20)	4(40)	4	0(0)
This company implements special programs to minimize its negative impact on the natural environment	6(60)	3(30)	1	0(0)
This company participates in activities that aim to protect and improve the quality of the natural environment	5(50)	5(50)	0	0(0)
This company targets sustainable growth which considers future generations	6(60)	4(40)	0	0(0)
This company invests to create a better life for the future generation	4(40)	4(40)	2	0(0)

Source: Study data, 2021

Enterprises’ support for employees who want to acquire additional education is not highly perceived as part of SME CSR as about half (50%) of the respondents could testify that, but the other half of the respondents held a contrary view. That notwithstanding, the study gathered from 70% of respondents that managements of their SMEs are concerned with employees’ needs and wants. This satisfaction of internal customers (employees) needs not very much supported in research (Calvano, 2007) as an integral aspect of CSR of organizations. Most SMEs tend to favor external customers more than internal customers. the provision of full and accurate information about the products to consumers is overwhelmingly perceived by all the respondents in the current study. The perception of SMEs represented in this study aligns with empirical evidence (Jenkins, 2006; Calvano, 2007) where over 90% of SMEs in corporate social responsibility see full and accurate information as critical. The observation is similar to the protection of consumer rights beyond the legal requirements as admitted by all the respondents (100%) in this study. Also perceived positively by all respondents in the study is the contribution to community campaigns and projects compliance with legal safety regulations and timely and prompt payment of corporate tax. It is imperative to note that positive perceptions are observed in SMEs’ participation in programs ensuring the sustainability of future generations. Except for corporate tax payment which is lowly perceived as part of corporate social responsibility in some studies all the areas of CSR are fully supported in research (Lepoutre and Heen (2006). Other areas with significant applause from respondents include enterprises cooperating with other competitors on programs to improve the quality of natural environment and some investments to create a better life for posterity. In general, the study records high positive perception of CSR testified by an average of nearly 87% of the respondents.

4.3 Motive for SMEs to Practice Corporate Social Responsibility (CSR)

The study once again sought to identify some motives behind SMEs practicing CRS for which responses on the measuring items are presented in Table 4.3

Table 4.3 SME’s motive for practicing CSR

Motives of SMEs	Strongly Agree (%)	Agree (%)	Strongly Disagree (%)	Disagree (%)
To project a good corporate image	8(80)	2(20)	0(0)	0(0)
As a marketing strategy	3(30)	7(70)	0(00)	0(0)
Others are doing it	4(40)	4(40)	2(20)	0(0)
To show good corporate citizenship	3(30)	5(50)	2(20)	0(0)
To address environmental and societal concerns	4(40)	4(40)	0(0)	2(20)
CSR is what society deserves	5(50)	3(30)	1(10)	1(10)



A way of managing consumers relations	5(50)	4(40)	1(10)	0(0)
To show solidarity with the government	3(30)	7(70)	0(0)	0(0)
To make employers happy and satisfied	3(30)	4(40)	3(30)	0(0)
Pressure from the community	3(30)	4(40)	3(30)	0(0)

Source: Study data, 2021

Identified from the results in Table 4.3, all the respondents (100%) agreed that their organizations practice corporate social responsibility (CSR) to project a good corporate image, used it as a marketing strategy, and make employees happy and satisfied. These motives for CRS are often declared in research of Lepoutre and Heen (2006) as factors that moorganizationsons to CSR programs. Equally a, at an appreciable level, are then used to behave as competitors (80%), to show corporate citizenship (80%) and to address environmental and social concerns (8%). Also, a relevant push for CSR is the need to embark on what society deserves (80%) and to show solidarity with the government. Rather on the lowest side is CSR moved by community pressure on SMEs. This was disagreed by approximately 70% of the respondents, though research (Caroll & Shabana, 2010) reports community pressure as a motive for a good number of SMEs to embark on corporate social responsibility. All the measuring items to identify the motive behind SMEs’ practice of CSR have been admitted in this study by an average of approximately 82% of the respondents, except for community pressure which was declined by one-third of the respondents.

Hypothesis 2

4.4. Benefits associated with CSR practices of SMEs

Exploring the benefits associated with SMEs’ practice of CSR, the study makes use of 10 questionnaire items to solicit data from SME respondents. Data gathered are presented in Table 4.4.

Table 4.4 Benefits SMEs get from CSR practices

	Highly Relevant (%)	Very Relevant (%)	Relevant (%)	Not Relevant (%)
Benefits of CSR activities of SMEs	8(80)	2(200)	0(0)	0(0)
Building and maintaining client relations	1(10)	1(10)	8(80)	0(0)
Increased attractiveness to potential recruits	2(20)	4(40)	4(40)	1(10)
Increased attractiveness to potential recruits	6(60)	4(40)	0(0)	0(0)
Improved employee recruitment	1(10)	2(20)	6(60)	1(10)
Enhanced government relations	3(30)	7(70)	0(0)	0(0)
Ability to reach new customer segment	1(10)	6(60)	0(0)	3(30)
Increase sales and profit	2(20)	5(50)	0(0)	3(30)
Morale and retention of employees	1(10)	3(30)	5(50)	1(10)
Cost savings and increased efficiency	2(20)	4(40)	3(30)	1(10)

Source: Study data, 2021

Table 4.4 shows that all the SMEs (100%) benefit from CSR in terms of customer loyalty, gaining goodwill from the community, enhanced government relations, and building client relations. Some of the respondents (90%) also admitted the relevance of CSR as beneficial in terms of increased attractiveness to potential recruits and enhancing the morale and retention of employees as well as saving costs and increasing efficiency at work. An average of 91% of respondents confirming these benefits discussed aligns with Maignan & Ferrell, (2004) and Maignan & Ferrell (2004) where a little over 75% of SMEs studied affirmed similar benefits



from corporate social responsibility (CSR). On a relatively lower side, however, about 70% of the respondents could state some benefits they obtain from CSR activities in the form of reaching out to new customer segments and increasing sales and profit.

Test of Hypothesis 1 (H₁)

Having assessed SMEs’ perception of CSR and the associated benefits to SMEs, hypothesis H₀ stating “*there is no significant difference between SMEs perception and the associated benefits of CSR*” was tested. Data collected on the two variables: *perception* and *benefits of CSR*, were first tested using cross-tabulation to establish if there exists any correlation. The two variables were found relational with a positive Pearson Correlation co-efficient of 0.827 at a 95% confidence level as indicated in Table 4.5

Table 4.5 Correlation Statistics

		Perception about CSR
Benefits of CSR	Pearson Correlation	.827**
	Sig. (2-tailed)	.000
	N	10

** Correlation is significant at the 0.05 level (2-tailed). **Source:** Field Data, 2021

Further, the mean scores of the two variables were subjected to the Chi-Square test also to ascertain any significant difference as indicated in Table 5.6.

Table 4.6 Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.986E2 ^a	4	.000
N of Valid Cases	10	1	.000

Source: Field Data, 2021

The test was made fewer than 95% confident level. Therefore, given $p < 0.05$ it is suggested that although the two variables are relational and that positive perceptions also reflect increased benefits, the two mean scores are statistically different. The research hypothesis is therefore rejected.

4.5 Determining the impact of CSR on SME’s Brand Image

This section of the study made use of five (5) question items and the data gathered have been displayed in Table 4.7 to aid analysis and discussion.

Table 4.7 Impact of CSR on SMEs’ Brand Image

Relationship between CSR and Brand Image of SMEs	Positive (%)	Fairly Positive (%)	Negative (%)	Fairly Negative (%)
Brand image through well-integrated quality product, price, place, and promotion can create value for companies in the eyes of both customers and employees.	9(90)	1(10)	0(0)	0(0)
Collaboration of CSR activities and Community leads to Innovation and Creativity	5(50)	5(50)	0(0)	0(0)
CSR platform created may avail the need for some research that would lead to creativity and innovation	6(60)	4(40)	0(0)	0(0)



The attitude of stakeholders towards the CSR program may show clearly the acceptance of the people and their future expectations	8(80)	2(20)	0(0)	0(0)
CSR approaches help to ensure efficiency for continued organizational growth	6(60)	4(40)	0(0)	0(0)

Source: Study data, 2021

Incredibly, all the respondents attested to CSR’s impact on creating value for customers through quality products, price, place, and promotion. It was further supported by all SME representatives that corporate social responsibility positively impacts their move towards innovation and creativity. Nonetheless, value creation and innovation are seen as relational to SME CSR (Baron & Diermeier, 2007; Pomeroy & Dolcinar, 2009). Similarly, a positive impact of CSR is recorded from all the respondents stating that CSR activities propel research and development programs that lead to creativity and innovations. From another dimension, CSR enables SMEs to assess their acceptance and future expectations of stakeholders. Typical to mention also is a holistic acclamation by respondents (100%) that CSR helps to ensure efficiency needed for organizational growth. Investigating the challenges SMEs face in practicing CSR programs, it was gathered that most of them (90%) face no serious challenges, except for a few (10%) who cited cost as a challenge in terms of cash products given out. Admitting possible ways to improve SMEs’ social responsibility programs toward brand image building, respondents suggested a well-packaged sponsorship for community activities. Some respondents were quoted as saying that “we need to be honest to provide accurate and adequate information about products for stakeholders to understand well.” Other suggestions from respondents were that “SMEs must support school programs such as Mathematics and science quizzes as well as donations to the needy”, to get organized and their products well printed in the minds of stakeholders. Well-grounded collaborations between communities and organizations (SMEs) surfaced in all suggestions given by the study respondents. The study sought to establish if CSR practices towards innovation and creativity, value creation, and their organization have any relationship with building brand image, for which chi-square was deemed appropriate and was employed. Table 4.8 presented the results of the study.

Table 4.8 Chi-Square Test Statistics

Variables		SMEs image building	Assynt. Sig (2sided)
Pearson Correlation	Innovation and Creativity	0.748	.000
	Value creation	0.852	.000
	Organizational growth	0.423	.000

Source: Field Data, 2021

It could be observed from Table 4.8 that all the independent variables positively correlate with building brand image: Innovation and Creativity (0.748, $p < 0.05$), Value creation (0.852, $p < 0.05$), and Organizational growth (0.423, $p < 0.05$). It could therefore be inferred that as SMEs strive to improve on innovations, create value through areas such as quality products, and experience growth perhaps in market share they end up building the image of their brands. Subsequently, hypothesis two that “SMEs practices for innovations and creativity negatively correlate with their brand image building” can be rejected. The results also suggest a rejection of hypothesis three which also says that “there is a positive correlation between SMEs brand image and their practices towards organizational growth. The fourth hypothesis that “there is a strong positive correlation between CSR practices for value creation and their brand image building” can equally be rejected. This is because even though there exists a positive correlation between the two variables the correlation coefficient of 0.423 is skewed more to zero than it is to one, and thus the correlation is not strong but weak.

4.6 Conclusion of Questionnaire Analysis

The study, therefore, concludes questionnaires analysis as follows;

All the plastic and rubber firms administered were dully registered out of which 90% is a Private Limited Liability Company and the remaining 10% as a Sole Proprietorship and the majority of the firms import their raw materials for their daily operations. The



study revealed that a pool of human resources is essential to a firm's growth with 70% confirming their position though respondents indicated financing as a problem to the firm's operation. Though employees are seen as critical to organizational growth, SMEs do not support employees who want to acquire additional education. Instead, most SMEs tend to favor external customers than internal customers. The provision of full and accurate information about the products to consumers is overwhelmingly perceived by all the respondents in the current study. Therefore, SMEs practicing Corporate Social Responsibility recognized comprehensive and reliable knowledge of their products as critical to their consumers. The study revealed that the contribution to community campaigns and projects compliance with legal safety regulations and timely and prompt payment of corporate tax was held high. Those positive perceptions are observed in SMEs' participation in programs ensuring the sustainability of future generations. Except for corporate tax payment that is lowly perceived as part of the corporate social responsibility. Other areas with significant applause from respondents include enterprises cooperating with other competitors on programs to improve the quality of the natural environment and some investments to create a better life for posterity. A high positive perception of CSR testified that organizations practice corporate social responsibility (CSR) to project an excellent corporate image, used as a marketing strategy, and to make employees happy and satisfied. Benefits from CSR regarding customer loyalty, gaining goodwill from the community, enhanced government relations, and building client relations did ascertain. Again, CSR is beneficial regarding increased attractiveness to potential recruits and enhancing the morale and retention of employees as well as saving costs, and improving efficiency at work. CSR's impact's on creating a value to customers through quality products, price, place, and promotion. All SME representatives further supported that corporate social responsibility positively impacts their move toward innovation and creativity. A positive impact of activities propels research and development programs that lead to creativity and innovations, and from another dimension, CSR enables SMEs to assess their acceptance and future expectations of stakeholders. Despite the numerous benefits associated with CSR activities other challenges were also identified as products and money expenditure on the SCR programs. Some suggestions such as the honest provision of accurate information about the SMEs products, organizing programs to suit students, a regular donation to the societies, and total collaboration between SMEs and their communities were made to promote firms' image through CSR.

All the independent variables positively correlate with building the brand image: Innovation and Creativity (0.748, $p < 0.05$), Value creation (0.852, $p < 0.05$), and Organizational growth (0.423, $p < 0.05$). It could, therefore, be inferred that as SMEs strive to improve on innovations, create value through areas such as quality products, and experience growth perhaps in market share, they end up building the image of their brands.

4.7 Analysis of Interview from Environmental Protection Agency (EPA)

When assessing the role impact of CSR in building SME's brand image in Kumasi metropolis, it became necessary to interview management members of the Environmental Protection Agency in the Kumasi metropolis. According to EPA officials, they have known Ashanti Foam Limited, Latex Foam Rubber Products, and Royal Foam (Ghana) Ltd for over twenty years now. Some of the management has been at the Kumasi EPA office for over six years now and knew a lot about the operations of Ashanti Foam Limited, Latex Foam Rubber Products, and Royal Foam (Ghana) Ltd

When they were questioned whether they had heard good or bad things about the rubber and plastic product industry in the Kumasi metropolis, they affirmed that "All the companies in the rubber and plastic industry are doing very well regarding the following

1. They donate generously to hospitals, schools, and individuals within and outside their operational jurisdiction voluntarily.
2. They give employment to people within and outside their operational area although much employment opportunities give attention to the local people due to their proximity to work
3. They give attention to pollution due to frequent checks and controls from EPA outfits
4. They also obey legal requirements regarding social security and trust payment, employment conditions as well as safety and welfare of employees
5. Environmental and societal protection rules are well honored by the companies within the rubber and plastic industry in the Kumasi metropolis

When EPA officials were asked to share their views on the nature of the companies' activities they said "quality of the rubber and industry products are given way for the quantity due to the economic situation of the country. They also indicated that regarding product delivery, the companies are doing very well making it convenient for customers to transport rubber and plastic products. According to EPA officials, they have laid down regulations to monitor and evaluate the operations of the rubber and plastic industry in Ghana. They hinted that they have a noise detector that is used to minimize the noise of the companies during their productions.



They also have waste management and inspector who frequently monitors the sanitation of the businesses. Again, operational reports of the rubber and plastic are sent to the EPA office for assessment and further actions. They stated that “*we recommended and make sure all the companies follow safety procedures to avoid unnecessary injuries during production and delivery*”. The recommended protective wears include earphones, wellington shoes, protective shapes, and much more. They finally supervise the silage systems of the companies to avoid any flooding of filth within the Kumasi metropolis.

The EPA officials concluded by saying that “*the rubber and plastic industry and doing very well regarding their commitment to developing the metropolis by offering standard products locally to compete with the foreign products*”.

4.8 Conclusions of the Interview Analysis

It can be concluded that the rubber and plastic industry in Kumasi metropolis namely Ashanti Foam Limited, Latex Foam Rubber Products, and Royal Foam (Ghana) Ltd are regulated against pollution and distraction the society and safety of employees. The principal agency in charge is the Environmental Protection Agency which has a regional Head Office at Kumasi Adiebeba.

The significant areas EPA regulates Ashanti Foam Limited, Latex Foam Rubber Products, and Royal Foam (Ghana) Ltd include noise, the safety of employee welfare, and waste management. The study discovered that EPA had gotten a noise detector that can determine the average noise required of companies, and failures to meet the standard are sanctioned. They also recommend quality safety welfare for employees as well as monitoring the sanitation of the firms. They visit the firm's premises often to assess.

The EPA officials commended the rubber and plastic industry for their immense contribution to the economic development of Ghana regarding employment, voluntary donations, and production of quality products. Despite, the recommendations, EPA officials hinted that due to the high cost of production, rubber and plastic firms are reducing their quality levels and compensating consumers with product delivery to consumers.

5.0 FINDINGS AND DISCOVERIES

About the perception of CSR held by firms, CSR has a positive impact on SMEs' brand image with nearly 87% of respondents. Also, 70% responded that the management of their SMEs is concerned with employees' needs and wants. Again, it was discovered that the provision of full and accurate information about the products to consumers is perceived as one of the practices of CSR. Concerning, the motives of CSR practices by SMEs, all the respondents (100%) agreed that their organizations practice corporate social responsibility (CSR) to project the right corporate image, used as a marketing strategy, and to make employees happy and satisfied. It was further identified that all the motives behind SMEs' practice of CSR have been admitted in this study by an average of approximately 82% of the respondents, except for community pressure which was declined by one-third of the respondents. The majority of (90%) respondents admitted the relevance of CSR as beneficial regarding increased attractiveness to potential recruits and enhancing the morale and retention of employees as well as saving costs and increasing efficiency at work. Data collected on the two variables: *perception* and *benefits of CSR* were first tested using cross-tabulation to establish if there exists any correlation. The two variables were found relational with a positive Pearson Correlation coefficient of 0.827 at a 95% confidence level. All the respondents attested to CSR's impact on creating value for customers through quality products, price, place, and promotion. It was further supported by all SME representatives that corporate social responsibility positively impacts their move towards innovation and creativity. It was discovered from the EPA officials that the rubber and plastic firms under their jurisdiction are monitored in terms of noise control, wearing of safety and protected garments, and waste management controls. Frequent unannounced visits are done as well as responding to whistleblowers' information about bad practices. Again, it was discovered that plastic and rubber firms are performing well in terms of employment, generous donations to both individuals and groups, and obliged to societal protection rules. The officials of EPA disclosed that the quality of the rubber and plastic industry is going down due to the cost of production but they are doing very well in the distribution in terms of products delivered to consumers' premises/warehouses.

6.0 RECOMMENDATIONS OF THE STUDY

- Promote business development as a key CSR issue for SMEs. Business development is a critical area in which companies can contribute to 'value creation as opposed to 'harm minimization and compliance approaches to CSR. This goes beyond philanthropy into strategic alignment, community involvement, stakeholder dialogue, partnerships, investment, institution building, and public policy advocacy.



- While this has been picked up by some companies, it remains a low profile area of CSR where there has been relatively little development of initiatives, guidelines, research, and standards compared to other parts of CSR. One reason for this may be the difficulty of distinguishing between what is 'CSR' and what is a 'profit-driven' initiative in this area and the commercially confidential information involved. However, as all aspects of CSR move away from philanthropy and closer to the core business, this is likely to be a standard-issue to be overcome. Management of SMEs should, therefore, adopt CSR as a strategic business tool rather than a philanthropic act occasionally done.
- All SMEs Corporate and Social Responsibility programs should aim at wealth creation. This can be done through regular interactions with the community in which the companies are located. When the two parties relate well to each other, all the needs and wants of the community will be well known and the capabilities of the enterprises communicated very well to the community.
- In today's highly competitive job market, effective CSR programs can position SMEs as an employer of choice to potential employees. This is because today's workers are looking for more than a competitive salary and comfortable work environment in their careers rather want to find meaning in their day-to-day work. By promoting environmentally-friendly practices that contribute to the betterment of society, SMEs will be better able to retain their most talented employees who strongly value what they value. Furthermore, they will be better able to fulfill society's growing expectations of their business.
- Human Development is essential to any result-oriented organization and therefore recommended to the management of SMEs. Staff development will go a very long way to promote the image of the company through efficiency and effectiveness and above all speaks well of the enterprise to its stakeholders. This can be done on the job, with mentorship, and also formal education depending on the nature of development the staff under consideration requires.

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