9 Corporate social responsibility balanced scorecard and the business performance of SMEs

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Introduction

Corporate social responsibility (CSR) is a tool that can be utilised by a business entity to enable the distribution of wealth for the betterment of its stakeholders through the implementation and integration of ethical systems and sustainable management practices. Scilly (2014) argued that the concept of CSR holds that companies should be responsible to more than just their owners. He explains that there are multiple dimensions that could affect a company’s actions. He specifically mentions five dimensions of CSR, namely, environmental, social, economic, stakeholders, and voluntariness. Although the CSR definitions describe a phenomenon, they fail to present any guidance concerning how to manage the challenges within this phenomenon. Therefore, the challenge for business is not so much to define CSR as it is to understand how CSR is socially constructed in a specific context and how to take this into account when business strategies are developed.

Small- and medium-sized enterprises (SMEs) are the engines that contribute towards the growth of the Malaysian economy. SMEs in Malaysia contribute 36.6% of the GDP (SME Annual Report, 2016). The majority of companies in most parts of the world are SMEs (Mayer-Haug, Read, Brinckmann, Dew, & Grichnik, 2013; Rahman & Ramli, 2014). SMEs create jobs, promote competitiveness, and participate in economic growth (Peel & Bridge, 1998; Rahman & Ramli, 2014). SMEs are able to address the new challenges of competitiveness and globalisation better than large companies because they are flexible and have a high capacity to innovate (Peel & Bridge, 1998). Hence, the role of SMEs is becoming more important with globalisation and rapid technological changes. However, the managers of these companies face more pressure in dealing with new problems and challenges (Trivellas & Reklitis, 2014) that are usually different from those of large companies (Caloghirou, Protoeger, Spanos, & Papagiannakis, 2004). These problems include new developments in communications and information technology, increasing competition due to globalisation, demands for transparency, the emergence of sustainability issues, and the increasing importance of human resources management.

This chapter examines the role of the CSR balanced scorecard in measuring the business performance of SMEs. The focus of the discussion is on the underlying issues in the relationship between CSR, the four dimensions of CSR, namely, social, environmental, economic, and redistribution, and can contribute towards society. The awareness concerning the CSR issues, orientations, and practices of organisational values and the beliefs and orientations of Therefore, taking into consideration the the evolution of the CSR balanced scorecard performance of Malaysian SMEs.

The main issue highlighted in this chapter is social protection, rights proposed by Utting (2007) that are embedded with the business performance of SMEs. If there is a link between the cost-and-effectiveness of the CSR balanced scorecard in achieving its goals. It is pertinent for the management of SMEs to the CSR balanced scorecard within aims to facilitate a better understanding of the multidimensional and continuous operational on the CSR balanced scorecard and business. Theoretically, this will help us understand how the CSR balanced scorecard influences the business futures in research direction in this area.

The remaining sections of the chapter measurement in SMEs, the link between the methodology adopted, results and of this chapter for SMEs in Malaysia.

Performance measurement in SMEs

Performance measurement and management measurement system can play an important role in SMEs (Ahmed, 2017). The purpose of this chapter is to suggest potential ways to serve the functional process in order to enhance the long-term performance (Speziale, 2015). Also, the performance measurement process of project objectives and plan any necessary input (de Waal & Kourit, 2013; Doeleman, Thanh, Rantanen, & Ukko, 2001).

Performance measurement is the action of a company based on planned decisions. Lebas (1995) defines an organisation is to reach targets, with the use of resource allocation to ensure accurate and timely strategies in
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Introduction

The preceding business to build issues pertain to pressure, CSR and political CSR. A partnership in the business to build issues go beyond a global solution that is challenged by reality. Quality improvement is forced to change. More recent global solutions are on human rights.

Hence, if a business is a global solution that is challenged by reality, What will be the social/environmental issues in the future? What will be the new CSR regulatory environment be the new CSR into building an idea to capture some aspect?

Issues leading

By far the greatest challenge is adaptation and climate change and the issue of emissions. This