

## ADOPTION OF CORPORATE SOCIAL RESPONSIBILITY PRINCIPLES IN EMERGING ENTERPRISES

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IJASR 2021

VOLUME 4

ISSUE 1 JANUARY – FEBRUARY

ISSN: 2581-7876

**Abstract:** Choi Feng, Liu and Zhu (2019) have constructed a framework for assessing the degree to which emerging small, micro and medium-sized enterprises (SMMEs) operating in the City of Ekurhuleni, Gauteng Province, South Africa adhere to the basic principles of corporate social responsibility (CSR) in the course of conducting business. The study was conducted in order to assess the level of adherence to CSR principles and guidelines in 279 emerging SMMEs operating in the City of Ekurhuleni. The study found that the degree of adherence of SMMEs to CSR principles was significantly influenced by awareness about the potential benefits of CSR principles, duration of operation, and level of education of business owners. The study found that about 72% of the 297 SMMEs in the study adhered sufficiently to CSR principles and guidelines by the standards of Choi Feng, Liu and Zhu (2019). Results obtained from Multivariate Analysis of Variance (MANOVA) showed that there was a statistically significant association between the profitability of businesses and sufficient adherence to CSR guidelines and principles in SMMEs.

**Key words:** Corporate Social Responsibility, Emerging enterprises, Multivariate ANOVA

### Introduction and background to study

The aim of study was to assess the statistical significance of the relationship between profitability in small, micro and medium-sized enterprises (SMMEs) and sufficient adherence to CSR guidelines and principles in SMMEs operating in the City of Ekurhuleni in Gauteng Province, South Africa. The study was conducted by collecting data from a stratified random sample of size 297 SMMEs operating in the City of Ekurhuleni. Based on a study conducted in Zambia, Choongo, Paas, Masurel, Van Burg and Lungu (2019) have shown the numerous benefits of adhering to corporate social responsibility (CSR) principles and guidelines to small, micro and medium-sized enterprises (SMMEs) operating in developing nations. Cobbing and Hiller (2019) have shown that local municipalities and national governments have a duty to promote awareness and adherence to CSR principles by way of providing tangible economic incentives to owners and operators of SMMEs. Coetzee, Bansal and Chirwa (2018) have shown that awareness campaigns are highly beneficial for promoting the adoption of CSR principles in emerging enterprises operating in economic sectors such as mining, agriculture, retail and manufacturing.

The City of Ekurhuleni is home to some of the most vibrant and dynamic business enterprises and manufacturing centres of Gauteng Province. Reddy (2016:5) has shown that the City of Ekurhuleni can easily grow its economy by creating an economically enabling environment in which highly efficient municipal services are provided to business enterprises that operate in the various parts of the City of Ekurhuleni. In this regard, there is a need to eliminate bureaucratic procedures that stifle growth and profitability in businesses. There is a need for the maintenance and upgrading of municipal infrastructure such as sewerage systems, municipal roads, water pipelines, street and traffic lights, electrical and power grids, sanitation and waste management services in Ekurhuleni (Moosa, Derese & Peersman, 2017: 1-9). The City of Ekurhuleni is constantly exposed to a huge influx of migrants who come into the area in search of jobs, economic opportunities, improved municipal services, better infrastructure and livelihoods. The existing infrastructure of Ekurhuleni is not large enough to accommodate a constant influx of migrant communities. It is necessary to expand and improve the existing infrastructure in order to cope with the pressure arising from an influx of migrants (Adegun, 2018: 329-346).

Nzuve and Njeru (2013: 59-69) and Joshi and Ali (2013: 136-147) have constructed a framework that is suitable for the City of Ekurhuleni for the enhancement of municipal services that are helpful for enhancing the quality of municipal services and for coping with an influx of migrants into urban centres. The migration of people into urban areas undermines the ability of local municipalities to provide adequate municipal services to businesses, ratepayers and residents. Migrant communities require housing, health, education, water, electricity, sanitation and

waste removal services just like communities residing in Ekurhuleni. The South African Constitution of 1996 (South African Government Communication and Information System, 1996) states that all South Africans need to be provided with basic municipal services such as housing, water, sanitation, electricity and basic health and education services (Govender, 2017: 427-433). In light of this commitment and expectation from migrant communities, the task of providing municipal services to migrant communities in Ekurhuleni has become a huge challenge that needs to be managed by the City of Ekurhuleni (Simatele, Dlamini & Kubanza, 2017: 122-130).

There is a shortage of studies providing practical frameworks that could be used for enhancing the quality and overall efficiency of municipal services with a view to cope with a huge influx of migrant communities coming into the City of Ekurhuleni. The study aims to fill the gap by constructing a practical framework that could be used by the City of Ekurhuleni for the enhancement of municipal services that are provided to residents, ratepayers and businesses that operate in Ekurhuleni. The framework to be constructed is inspired by similar studies that have been conducted by Nzuve and Njeru (2013: 59-69), Joshi and Ali (2013: 136-147) and Kumari (2016: 37-45) under similar socioeconomic and demographic circumstances. A formal letter of permission has been granted for the planned study by the City of Ekurhuleni.

The City of Ekurhuleni is the economic powerhouse of Gauteng Province with a Gross Domestic Product (GDP) of R1.42 Trillion and a per capita GDP of R421, 245 (City of Ekurhuleni, 2020: 2-3). The City of Ekurhuleni is constantly exposed to a huge influx of migrant communities who travel into Ekurhuleni in search of jobs, livelihoods and economic opportunities. The population size of Ekurhuleni is 3, 178, 470 people (Statistics South Africa, 2019: 43). Business enterprises and manufacturing centres operating in the various parts of Ekurhuleni make a huge economic contribution to the South African economy. Since April 1994, Ekurhuleni has been a centre of attraction to migrant communities aspiring to live a better life in Ekurhuleni. Incoming migrants have placed extensive pressure on the City of Ekurhuleni to provide municipal services to a much larger population although the infrastructure needed for municipal service delivery has not been extended to accommodate the huge influx of migrants. Although the population of Ekurhuleni has increased significantly since April 1994, the infrastructure of the City has not been expanded accordingly. Simatele, Dlamini and Kubanza (2017: 122-130) have shown that the City of Ekurhuleni is struggling to cope with a huge increase in demand for basic municipal services such as housing, sanitation, electricity, water and waste management.

Studies conducted in the past few years by Kanyane (2014: 95), Adegun (2018:334) and Ballard, Dittgen, Harrison and Todes (2017: 116) have found that inability to adhere to approved plans of action, failure to monitor and evaluate municipal expenses and projects based on approved plans of action are obstacles that undermine the quality of municipal service delivery in local municipalities such as the City of Ekurhuleni. The study conducted by Govender (2017: 429) has found that it is critically important for the City of Ekurhuleni to maintain and expand its existing municipal infrastructure in order to cope with the huge influx of migrant communities into Ekurhuleni. Charlton (2017: 85-86) has pointed out various socioeconomic factors that undermine the ability of Ekurhuleni to cope with the sharp rise in the demand for municipal services. The author has argued that enhancing the quality and efficiency of municipal service delivery is a key requirement.

Todes, Weakley and Harrison (2018: 286) have pointed out underlying causes that exacerbate inability to cope with the demand for housing, health, sanitation, water, educational and waste management services in Ekurhuleni. The authors have listed the huge cost of repairing and expanding municipal infrastructure, lack of leadership, lack of good governance, and failure to utilise performance monitoring and evaluation as key causes. Benit-Gbaffou (2018: 2152) has pointed out that the huge influx of migrants into city centres since 1994 has resulted in lawlessness, poor sanitation and the accumulation of massive waste in the streets of Ekurhuleni. The author has highlighted the need to upgrade municipal infrastructure and regulate informal street trading and lawlessness.

Ballard, Dittgen, Harrison and Todes (2017: 116) have shown the need to utilise a framework for ensuring efficient municipal services in Ekurhuleni by way of monitoring and evaluating the performance of municipal employees on a regular basis. The authors have recommended the provision of workplace training opportunities and incentives to top-performing municipal employees. Failure to monitor and evaluate the performance of employees in service delivery institutions results in the loss of employee morale, unsatisfactory performance at the workplace, loss of financial and logistical resources, the abuse of fellow colleagues and subordinates, disruptive or negative behaviour and unprofessional and unethical conduct at the workplace. Failure to monitor and evaluate the performance of employees could also undermine the brand image of the City of Ekurhuleni (Adegun, 2018).

The ability of the metropolitan cities such as the City of Ekurhuleni to provide highly efficient and affordable services to businesses is an essential requirement for growing the overall economy of the City of Ekurhuleni (Worku, 2018). Regular performance monitoring and evaluation enables local municipalities to ensure the provision of highly efficient municipal services to residents, ratepayers and business enterprises on a sustainable basis (Khale, 2015). Performance monitoring and evaluation enables cities to identify key areas of weakness and shortcoming. This will, in turn, allow municipalities to identify the training needs of municipal employees who need to improve their work-related skills (Marivate, 2014). The City of Ekurhuleni uses an integrated development plan (IDP) in which the provision of municipal services is to be monitored, assessed and evaluated on a regular basis (City of Ekurhuleni, 2020: 11). Streamlining operations that are essential for the provision of municipal services enables local municipalities to save scarce resources including manpower, time and money. It also enables the City of Ekurhuleni to assess, evaluate, quantify and make an effort to meet the needs of migrant communities who travel into Ekurhuleni in search of jobs, livelihoods and economic opportunities. Moosa, Derese and Peersman (2017: 6) and Worku (2018: 299) have shown that the sharp increase in the demand for health care services by migrant communities in the various metropolitan cities of Gauteng Province can only be addressed by way of adhering to integrated programmes of development adopted by cities such as the City of Ekurhuleni, and by assessing the performance of municipal employees by use of key performance areas (KPA) and Key Performance Indicators (KPIs).

### Theoretical framework of study

The theoretical framework of study is based on empirical studies that have been conducted in the past under similar circumstances by Nzuve and Njeru (2013: 59-69), Joshi and Ali (2013: 136-147) and Kumari (2016: 37-45). According to Dewettinck and Van Dijk (2013: 806-825), the Expectancy Theory shows that sufficient adherence to the basic principles of good leadership and CSR is a key requirement for satisfactory performance in service delivery. Gruman and Saks (2011: 123-136) have shown that adherence to CSR principles by business enterprises is necessary for ensuring sustained growth and profitability.

### Literature review

Kanyane (2014: 95), Adegun (2018:334) and Ballard, Dittgen, Harrison and Todes (2017: 116) have shown that adherence to the basic principles and guidelines of CSR in SMMEs is a requirement for sustained growth and profitability in emerging enterprises. By enhancing the adoption of CSR principles in SMMEs, it is possible to enhance the quality of municipal service delivery to all business enterprises in Ekurhuleni. The City of Ekurhuleni needs to promote awareness and adherence to CSR principles in SMMEs as a means of promoting good governance, good leadership and business ethics in the municipality. Failure to assess, evaluate and monitor the performance of municipal employees who are responsible for municipal service delivery is a key obstacle that undermines overall productivity and the provision of efficient and affordable municipal services to residents and ratepayers and business enterprises in the City of Ekurhuleni. The study conducted by Govender (2017: 429) has found that it is critically important for the City of Ekurhuleni to maintain and expand its existing municipal infrastructure in order to cope with the huge influx of migrant communities into Ekurhuleni. Charlton (2017: 85-86) has pointed out various socioeconomic factors that undermine the ability of Ekurhuleni to cope with the sharp rise in the demand for municipal services. Todes, Weakley and Harrison (2018: 286) and Benit-Gbaffou (2018: 2152) have pointed out that it is essential to assess the performance of municipal employees based on a comprehensive monitoring and evaluation programme that is suitable for alleviating the underlying causes of dissatisfaction among residents, ratepayers and businesses in the City of Ekurhuleni.

There is a shortage of studies providing practical frameworks that could be used for enhancing the quality and overall efficiency of municipal services with a view to cope with a huge influx of migrant communities coming into the City of Ekurhuleni. The study conducted in the City of Tshwane by Khale (2015: 680) has found that it is essential for local municipalities to use a comprehensive monitoring and evaluation mechanism for ensuring satisfactory performance by municipal employees who are responsible for the provision of municipal services to residents, ratepayers and business enterprises. The author has identified key obstacles to efficiency and adequate performance at the workplace. According to the author, it is not possible to ensure satisfactory performance by employees without adhering sufficiently to the Municipal Finance Management Act (Act no. 53 of 2003). The foremost requirement is to spend municipal money and resources based on approved plans of action in which the successful implementation of municipal projects is assessed and evaluated on a regular basis. To achieve this goal, a

framework that is relevant to the operational and strategic needs and priorities of the City of Ekurhuleni is required. The aim of this study is to fulfil this need.

The ability of the City of Ekurhuleni to complete municipal projects effectively depends upon the extent to which municipal finances are spent on projects that have been duly approved. Money should be spent according to guidelines that are stipulated in the Municipal Finance Management Act (MFMA). All expenses should be properly documented, verified, assessed, monitored and evaluated. Doing so is an essential requirement imposed on local municipalities by the South African Auditor-General (2019:3). The report issued by the South African Auditor-General (2019: 2-76) for the financial year 2017/2018 lists a range of obstacles to the optimal management of municipal finances (Adegun, 2018:334; Ballard, Dittgen, Harrison & Todes, 2017: 116). These same obstacles are known to undermine efficiency in the provision of municipal services to residents, ratepayers and business enterprises in the City of Ekurhuleni (2020:19-20).

Khale (2015: 691) has argued that inability to assess, evaluate and monitor the performance of municipal employees is a key obstacle to the optimal utilisation of municipal resources. The author has shown that it is essential to assess the training needs of employees who lack specialised skills at the workplace. Marivate (2014: 59) and Worku (2018: 305) have listed down factors such as lack of skills, lack of mentorship programmes, lack of supervisory guidance, failure to provide workplace training opportunities, and lack of incentives to top-performing employees as obstacles that could be alleviated by using a comprehensive performance monitoring and evaluation programme. Lack of adequate skills in auditing and accounting, failure to control over authorisation of payments, the use of wrong financial requisitions, poor documentation, inadequate filing systems, failure to verify the accuracy of financial requisition forms, inability to keep financial records properly and safely, failure to produce budget plans and financial statements upon request for verification purposes are chronic obstacles that undermine sound financial management in South African local municipalities. According to Kanyane (2014: 90-110), Adegun (2018:334) and Ballard, Dittgen, Harrison and Todes (2017: 116), inability to adhere to approved plans of action, failure to monitor and evaluate municipal expenses and projects based on approved plans of action are obstacles that undermine the practice of sound financial management in local municipalities.

### Objective of study

The overall objective of study was to assess the adoption of basic principles and guidelines of corporate social responsibility (CSR) in SMMEs operating in the City of Ekurhuleni, Gauteng Province, South Africa. The adoption of CSR guidelines and principles in SMMEs is vital for the City of Ekurhuleni for the enhancement of the quality of municipal services that are provided to residents, ratepayers and businesses that operate in the City of Ekurhuleni.

### Methods and materials of study

The design of study was descriptive and cross-sectional. The design of study was cross-sectional as data was collected from respondents only once during the course of study. According to Kumari (2016: 37-45), a descriptive study design is appropriate in cases where it is desired to explore and describe phenomena that are of interest. The sample size of study was calculated by using the Raosoft online sample size calculator software (Raosoft Online Sample Size Calculator, 2020). The population size of study was equal to 1, 300 (the number of emerging SMMEs in the City of Ekurhuleni). The level of significance of study was set at the 5% level. The percentage of emerging SMMEs in the City of Ekurhuleni who adhere to CSR principles and guidelines adequately at the workplace was set at 50% as there were no prior studies in this regard. By using these estimates, the sample size of study became 297. Thus, the sample size of study was 297. Stratified random sampling was used for collecting data from 297 emerging SMMEs in the City of Ekurhuleni as part of the study. Stratification was done by geographical zone.

### Statistical methods of data analyses

Quantitative methods such as frequency tables, cross-tab analysis (Hair, Black, Babin and Anderson, 2013) and multivariate analysis of variance (MANOVA) were used for performing data analyses (Everitt, 2019; Byrne, 2013) was used for identifying key predictors of adherence to the basic principles and guidelines of CSR by the standards of Choi Feng, Liu and Zhu (2019). Face validity was used for ensuring validity, whereas the Cronbach Alpha test was used for ensuring reliability and internal consistency (Ritchie, Lewis, Nicholls & Ormston, 2013).

Results of data analyses

Table 1 shows frequency counts and percentages for the socioeconomic characteristics of the 297 business operators who took part in the study. The table shows that about 72% of the 297 businesses in the study adhered sufficiently to basic CSR principles and guidelines by the standards of Choi Feng, Liu and Zhu (2019). About 73% of business operators were aware of CSR principles and guidelines. About 68% of businesses were profitable. About 14% of respondents had a low level of formal education (Grade 12 or less). About 23% of respondents had Master’s degrees or above. About 30% of businesses were in business operation for 11 years or longer at the time of the study.

**Table 1: General characteristics of business operators (n=297)**

Characteristics of business operators	Number (Percentage)
Adherence to basic CSR principles and guidelines by the standards of Choi Feng, Liu and Zhu (2019)	Yes: 213 (71.72%) No: 84 (28.28%)
Awareness about CSR principles and guidelines	Yes: 219 (73.74%) No: 78 (26.26%)
Duration of business operation	5 years or less: 128 (43.10%) 6 to 10 years: 80 (26.94%) 11 years or longer: 89 (29.97%)
Level of formal education of business operator	Grade 12 or less: 41 (13.80%) Certificate: 47 (15.82%) Diploma: 59 (19.87%) Bachelor’s degree: 83 (27.95%) Master’s degree or above: 67 (22.56%)
Profitability of business	Profitable: 202 (68.01%) Not profitable: 95 (31.99%)
Marketing skills of business operator	Adequate: 202 (68.01%) Inadequate: 95 (31.99%)
Networking skills of business operator	Adequate: 218 (73.40%) Inadequate: 79 (26.60%)
Gender of business operator	Male: 256 (86.20%) Female: 41 (13.80%)
Partnership with other businesses	Yes: 43 (14.48%) No: 254 (85.52%)
Ability to draw up a business plan	Yes: 198 (65.99%) No: 101: (34.01%)

Table 2 shows 10 socioeconomic factors that are significantly associated with sufficient adherence to the basic principles and guidelines of CSR by the standards of Choi Feng, Liu and Zhu (2019). The table shows that the top 3 factors that are significantly associated with sufficient adherence to the basic principles and guidelines of CSR were the degree of awareness of business operators about the potential benefits of CSR principles and guidelines, the duration of business operation, and level of formal education of business operators. It can be seen from the table that there is a statistically significant association between the profitability of businesses and adherence to CSR guidelines and principles.

**Table 2: Factors that are associated with adherence to CSR principles (n=297)**

Factors associated with adherence to CSR principles and guidelines in SMMEs	Observed value	chi-square	P-value
Awareness about CSR principles and guidelines	19.0215		0.0000* **
Duration of business operation	19.0215		0.0000* **
Level of formal education of business operator	18.2165		0.0000* **
Profitability of business	16.4501		0.0000* **
Marketing skills of business operator	14.2239		0.0000* **
Networking skills of business operator	9.2315		0.0000* **
Gender of business operator	7.2309		0.0000* **
Partnership with other businesses	5.2782		0.0000* **
Economic sector of business	4.2782		0.0000* **
Ability to draw up a business plan	4.2782		0.0000* **

Legend: Significance levels at \* P<0.05; \*\* P<0.01; \*\*\* P<0.001

**Results obtained from Multivariate Analysis of Variance (MANOVA)**

Multivariate Analysis of Variance (Everitt, 2019; Byrne, 2013) was used for identifying key predictors of adherence to the basic principles and guidelines of CSR by the standards of Choi Feng, Liu and Zhu (2019). Table 3 shows 5 socioeconomic factors that are significantly influential over the degree of adherence of SMMEs to the basic principles and guidelines of CSR. These 5 factors were the degree of awareness of business operators about the potential benefits of CSR principles and guidelines, the duration of business operation, level of formal education of business operators, profitability of business, and marketing skills of business operator. The results show that there is a statistically significant association between the profitability of businesses and adherence to CSR guidelines and principles.

Table 3: Estimates obtained from MANOVA (n=297)

Predictor variables	Regression coefficient	P-value	95% C. I.
Awareness about CSR principles and guidelines	4.1154	0.0000***	(2.42, 7.84)
Duration of business operation	4.0215	0.0000***	(2.41, 7.77)
Level of formal education of business operator	3.2165	0.0000***	(2.13, 6.55)
Profitability of business	2.8769	0.0000***	(1.97, 5.33)
Marketing skills of business operator	2.5509	0.0000***	(1.55, 5.07)

Legend: Significance levels at \* P<0.05; \*\* P<0.01; \*\*\* P<0.001

**Discussion of results**

The study has found that the degree of adherence of SMMEs to the basic principles and guidelines of CSR was significantly influenced by 5 factors. These 5 factors were the degree of awareness of business operators about the potential benefits of CSR principles and guidelines, the duration of business operation, level of formal education of business operators, profitability of business, and marketing skills of business operators. The study has found a statistically significant association between profitability and adherence to CSR guidelines and principles.

The study has shown that awareness about the potential benefits of CSR principles and guidelines depends on the level of formal education of business owners and operators. Emerging SMMEs need to be operated by well-educated people in order to remain viable in the long-run. Emerging SMMEs are constantly exposed to intense competition from rival businesses. Emerging SMMEs often do not have the entrepreneurial skills and financial ability to compete with well-established businesses. Studies conducted in Gauteng Province by Marivate (2014), Khale (2015) and Worku (2018) have shown that emerging SMMEs often struggle to raise business loans from formal money-lending institutions such as commercial banks. Herrington and Kelley (2018) have shown that difficulty in securing business loans is a key problem for emerging South African entrepreneurs in all parts of South Africa.

Alsaif (2018) has shown that potential entrepreneurs need to be educated on how to respect the basic guidelines of CSR and fiscal discipline in businesses. Emerging entrepreneurs working in SMMEs must make the effort to improve their knowledge about the importance of respecting business ethics and CSR principles in the course of conducting business in large cities. Adherence with CSR principles is vital for retaining customers over a long period of time. Ballard, Dittgen, Harrison and Todes (2017) have shown that customers remain loyal to business operators who respect business ethics and CSR principles. The authors have shown that the adoption of CSR guidelines by SMMEs is helpful for local municipalities because profitable businesses generate employment opportunities to local municipalities. They also generate tax revenue to local municipalities. Benit-Gbaffou (2018) has shown that SME owners and operators working in large city centres must be prepared to respect municipal bylaws and their operating license conditions. The author has argued that the promotion of good behaviour and good business conduct is directly related to the degree of respect SMME operators have for CSR principles and business ethics.

Charlton (2017) has conducted a study in Gauteng Province, and has found that the successful completion of municipal projects in Gauteng Province depends upon the degree to which the basic principles of good leadership, accountability, business ethics and CSR are respected by all relevant stakeholders. Denisi and Smith (2014) have shown that the performance and profitability of businesses depends upon their ability to retain loyal customers over a long period of time, and that one key factor that is helpful for achieving this goal is adherence to CSR and good business ethics. Entrepreneurs working in emerging SMMEs must make the effort to acquire entrepreneurial skills by networking and partnering with well-established SMMEs in the various economic sectors. In this regard, it is vital to use marketing skills that are based on social media platforms and e-commerce.

Based on a study conducted in Belgium, DeWettinck and Van Dijk (2013) have shown that fairness to customers is significantly related to CSR principles and good business ethics principles. Based on a study conducted in Nigeria, Eneanya (2018) has shown that the quality of municipal service delivery depends upon the degree to which businesses pay up their taxes honestly. Ghatak (2015) and Govender (2017) have shown the significant relationship between good leadership, CSR guidelines and improved municipal service delivery in local municipalities such as Ekurhuleni. Both authors have argued that it is necessary to promote CSR and good leadership principles such as accountability in local municipalities as a means of enhancing the quality of municipal service delivery. According to Larson and Gray (2013) and Coulson and Christofides (2019), Coulson, Stewart and Saeed (2019), failure to adhere to the basic principles of business ethics, CSR and good leadership is the largest cause of loss in productivity and efficiency in all nations of the world. The authors have called for the promotion of CSR in all sectors of the economy as a means of enhancing overall efficiency and productivity in the management and implementation of municipal projects.

Gruman and Saks (2011), Gwayi (2010) and Habib, Awan and Shabzada (2012) have shown that CSR is highly valuable for the promotion of business interest in wider social issues and for attracting customers who hold similar opinions and share the same socio economic values. CSR is highly valuable for ensuring and promoting sustainable business. Joshi and Ali (2013) have shown that CSR enables businesses to see the bigger picture rather than focusing on the generation of profits in local communities. Kanyane (2014) and Koviene and Valanciene (2013) have shown that CSR is highly helpful for enhancing problems related to poor municipal service delivery in developing nations. Koma (2010) and Gerrish (2015) have shown that CSR promotes accountability, objectivity, fairness and business ethics in all SMMEs operating in developing nations such as South Africa. According to Yasoda (2016), undergraduate level students must be educated enough about the potential benefits of business ethics and CSR principles so that they practice them upon graduation.

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