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An empirical study on women entrepreneurship and corporate social responsibility for sustainable economic development

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Abstract---In this era worldwide businesses have recognized the impact of their business activities on society. Organizations have realized that economic advantage alone will not help them to stay in business market for a longer run. They have realized the need to implement sustainable strategies like corporate social responsibility into their core business activities. Business sustainability can be achieved only by integrating unique corporate social responsibility practices in core business strategies which ensures economic development realizing the enterprises objectives as well. There is a myth that CSR honours are for the most part embraced by multinational undertakings, but the part of SMEs isn't irrelevant considering their economical part and their essential relationship with the local communities. There is a belief among SMEs that practicing or adopting social responsibility initiatives may impact their profit as CSR will increase the cost and thus reduce profit. In reality enterprises adopted social initiatives gets benefited profit sustainability.

Keywords---corporate social responsibility, women entrepreneurship, small medium enterprises (SMEs), sustainable, economic development, firms.

Introduction

Over the past decade there has been a boom in the business environment with women entrepreneurs evolving in large numbers funding to the socio-economic growth of the society. The Organization of Economic Cooperation and Development (2004) indicates that 15 percent to 35 percent of entrepreneurs are women. Business being the fulcrum of any economy it is the responsibility of the business owners, be it men or women, to weigh the impact of their operations on the society. Hence, they have realized the need to incorporate the idea of corporate social responsibility (CSR) into their business strategies to balance the demands of both internal and external stakeholders. However, there is a myth that corporate social responsibility is a norm of multinational companies. But micro, small and medium sized enterprises (SMEs) also contribute to the economy of any developing country by not as it were as an employment generator, but moreover as a potential exporter and critical source of innovation and economic development.

Entrepreneurship has no definite definition and it is challenging to define the term. An economist defines entrepreneurship in terms of finance like profit gained and business growth. Whereas in psychological perspective values and traits are considered to be the main attributes in defining entrepreneurship. Entrepreneurship in management is a process of organizing existing resources in marketable products and services. Thus different discipline considers different factors in defining entrepreneurship and hence researchers consider the factors their study embodies (Bennet and Dann, 2000) in defining entrepreneurship.

Women entrepreneurship

Women business owners who have adopted and executed entrepreneurial activities and processes in their firms can be called women entrepreneurs. Generally entrepreneurship is considered as a domain for men, however, women have pioneered fields like teaching retail, and health professions for a very long period and women are known for their problem solving strategies to deal with the trending issues, multitasking activities, form teams and successfully develop organizations. Growth of women entrepreneurs is a societal change and this has been happening since the early 21st century. There is a significant percentage increase in the number of women in the field of business in the past decade. Various reasons are sighted for this increase, like increased independence for women, late marriage, women are well educated now-a-days, and desire for financial freedom all contribute to the growth of women entrepreneurship (Fielden and Davidson, 2005)

Challenges faced by the women entrepreneurs

Entrepreneurs go through a variety of problems in starting an enterprise and in the process of making it a successful venture. The major challenge the entrepreneur faces is financial issues and many others like day-to-day operational issues. In the entrepreneurship literature for women several studies have stated that the challenges are lack of access to finance, lack of administrative, technical

and business skills, lack of access to business networks, and issue in combining domestic responsibilities with management of the business enterprise.

Corporate Social Responsibility (CSR)

CSR so far has no common or generally agreed definition and this itself becomes a challenge in studying and implementing CSR in business houses. CSR has infinite number of definitions from various authors, researchers, business practitioners, and academicians ranging from simple to complex ones. The term CSR is interchangeably used with a number of terms including corporate responsibility, corporate citizenship, and business in society, social enterprise, sustainability, feasible improvement, triple bottom line, societal value-added, vital charity, corporate ethics, and corporate governance. Corporate Social Responsibility (CSR) is considered important because it is one of the key elements in shaping a better society. CSR, corporate responsibility, corporate citizenship, and sustainability all impact all the aspects of business. Businesses are important since they are the source of wealth creation and well-being of any society. Hence CSR is important to both businesses and societal success. CSR is the key to sustainability of any business be it small scale or large in today's competitive global business environment. Generally it can be claimed that the CSR idea is based on three pillars-social engagement, eco-friendly responsibility and economic effectiveness which is also commonly known as the Triple Bottom Line of people, planet, and profit.

Role of SMEs in CSR

This thesis signifies the importance of SMEs practicing CSR even though they are not entitled to practice it. Majority of the research studies illustrate that CSR is an entity of the multinational companies (Torugsa et. al, 2012) which in the practical business scenario is not true as these multinationals and corporate outsource their work to the SMEs and these SMEs have to abide to the rules and regulations formulated by these big giants who want their client companies to be socially responsible. The myth that only multinationals practice CSR proves to be false on this perspective and SMEs are no less spared when it comes to penalties when they fail to give back to the society /community considering their relationship with the local communities they operate in.

SMEs and women entrepreneurs

In analyzing why women enterprises are mostly SME based, various reasons have been witnessed. Various studies have illustrated that SMEs have a conducive environment for women. The nature of SMEs is its flexibility and easy entry into any business, less startup cost is involved (Therrien et al., 1986), women can take care of their household and children and at the time earn income, women being business owners of the SMEs, they have the flexibility to work from wherever and whenever. Research also revealed that women want to use their skills and knowledge and thus involved themselves in entrepreneurial ventures. Also the desire of women to be independent motivated them to establish their own businesses and they chose small sized enterprises (Capowski 1992; Fielden and Davidson 2005).

Women industrialists of the SMEs were found to follow a different management style. They prefer more people oriented and less autocratic style. They usually manage business in a very relaxed manner. It is illustrated in research studies that women entrepreneurs don't follow any formal operations, proper planning process, or job descriptions (Hisrich and Brush 1987; Neider 1987). The unique qualities and skills the women entrepreneurs, prefers and follows in managing the SMEs is a real source of innovation for the economies. In developing countries women entrepreneurs through their SMEs yield great benefits for their countries in the areas of skill formation and employment generation.

Need and importance of the study

Social initiative here in this study refers to CSR practices of the firm. There are studies which discusses about the importance of CSR of multinationals and small medium sized firms in foreign countries. The uniqueness of this study is that firms led by women entrepreneurs of the Indian export SME sectors are studied for their corporate responsibility and firm performance and its impact on economic development. The business organization, be it big or small has a important role to show in maintaining the societal infrastructure and at the same time it also has the fiduciary responsibility which is to make profit. This study aims at focusing on the feasibility of the firm seeking to achieve a synergistic outcome by integrating unique social initiatives in core business strategies which ensures the firm's strategic position i.e., realizing the firm's business objectives as well.

CSR is significant to SMEs especially the export firms because these SMEs are typically suppliers of MNCs, who believe CSR to be an important strategy. SMEs need to be proactive when it comes to CSR, as the SMEs are not spared when it comes to penalties. Also, CSR helps in business sustainability of these SMEs. There are very few studies that go into the Indian SMEs CSR activities and the resultant optimistic impact it creates on the society and environment. The reality is that most of the SMEs in India are not aware of their environmental and social impacts and they fail to frequently measure and record their performance on this basis. CSR is a idea that originally arisen in the context of MNCs and SMEs are less dynamic in this field. The challenges faced by SMEs are costs, limited resources, lack of time, and lack of awareness of business benefits. Moreover the SMEs social actions are usually not consistent and not associated to company strategy. Often, SMEs are involved in social and environmental wellness without being fully responsive of it being CSR.

Objectives of this research study

- To gain an understanding of the Indian women entrepreneurship and also observe the nature of CSR of the Indian small and medium size enterprises.
- To appraise the effect of those initiatives on economic development
- To develop an operational model from the Indian export sector

Hypotheses

To the above stated objectives the following are plausible answers. They are stated as the hypotheses and are empirically verified by this study.

- Ho1: The CSR initiatives that a firm practices do not significantly differ across firms
- Ho2: The firm performance has no significant dependence on the firms' involvement in CSR practices

Scope of this research study

This study focuses on women entrepreneurship and social initiatives and thus the export SMEs led by women entrepreneurs in India are studied for their innovative CSR practices. A SME firm based on its size, nature of business it is involved, and availability of resources can focus on one or several CSR practices and consider itself socially responsible. As the firm grows it can cover its scope of CSR contribution further more. The entrepreneur of the firm should keep in mind that the CSR practices of the firm are steady with the overall business strategy and business goals of the firm. It is also challenging for SMEs to report CSR practices as done by MNCs. SMEs lack of resources (human and financial resources and time period) and lacking a proper MIS (management information system) it becomes even more tedious. The true essence of CSR is that, the firm implements responsible business practices and show an attitude of being socially responsible in its corporate culture. Economic development in this study is assessed by the CSR initiatives of the firm and their impact on the firms' work force, the community they operate in and not by massive economics like gross domestic product.

Review of literature study

Sinha, Sachdeva, and Yadav (2018) in this study have examined the relationship between CSR and budgetary execution of the firm with the help of stakeholder approach within the setting of small and medium enterprises (SMEs). The study is based in Delhi NCR. To decide the relationship between the factors was examined by path analysis and the goodness of fit was measured by AMOS-SEM. The findings indicated there existed a weak positive relationship between CSR and financial performance. Another interesting observation was that SMEs were socially responsible towards their stakeholders, and they do it in an informal way rather than adapting it as a Strategy. Besides, it was observed that CSR of SMEs is related with religious spirit.

Panda (2018) in his article attempt to distinguish the constraints faced by women entrepreneurs in developing nations. The author draws upon a system to differentiate between male and female entrepreneurs. An extensive writing survey of women entrepreneurs from multiple countries were done to classify the entrepreneurial imperatives. In creating nations the issue emerges from gender discrimination, work-family conflict, and difficulty in raising capital, lack of infrastructure, unstable business, economic and political situations, lack of education and personality differences. The findings recommends that in addition

to the budgetary limitations unstable political and economic situations should to be addressed first.

Mishra (2017) in his study analyzed a sample of 13,917 US firms and it was found more innovative firms display high corporate social responsibility performance subsequent to a successful innovation. This study makes it evident that firms benefit by deliberately contributing more in CSR activities. This paper endeavors to reply two questions that's one, whether innovative firms demonstrate higher CSR activities post innovation and secondly, does this post innovation CSR execution increases the firm valuation in way. The result were found to be positive for both the above mentioned questions. Firm value increases with innovation intensity of firms that demonstrated high CSR strengths. The author concludes that it is advantageous for firms to join CSR performance into their strategies to upgrade the valuation effect of their firms.

Obeidat (2016) aims to explore the relationship between CSR, employee engagement, and organizational performance in Jordanian mobile telecommunication companies. CSR is the independent variable which comprises of the internal CSR (development of employees' skills, social value, wellbeing and safety at work, well-being and fulfillment of the worker and quality of work) and external CSR (to provide products or services in an effective, moral and environment friendly manner, maintain good rapport with business partners, be legally complaint, engage in philanthropic initiatives, make infrastructure investments, include in community advancement exercises, empower workers to take part in community ventures). Employee engagement is the mediating variable and the dependent variable is the organizational performance the results indicated that the employee commitment facilitated the relationship.

Yousef (2016) in his research paper found the association between CSR, employee commitment, and organisational performance in Jordanian mobile telecommunication companies. The results shown that CSR both internal and external and employee commitment which includes vigor, absorption, and commitment have positive relationship with organizational performance. The organizational performance was measured utilizing the measurements of product/service quality, customer satisfaction, employees' retentions, employee attraction, management-employee relations, and employee relations. Also, it was found that there exist a positive relationship between CSR and employee engagement. It was found that employee engagement completely mediated the relationship in a significant way.

Ambepitiya (2016) in his study states that women play critical role within the economic development of any country. The author emphasizes on the reality that the foremost effective and world's largest enterprises are owned and run by women. So also in developing nations women run small enterprise many which have been proven to be successful. The study uses survey questionnaire as a study instrument and the populace incorporate ladies in businesses and administrators of chosen creating nations. It was found that women entrepreneurs play an important role in promoting sustainable practices in economy, the social system and the ecology. It is concluded that women

entrepreneurs plays a vital role the developing world in promoting sustainable practices.

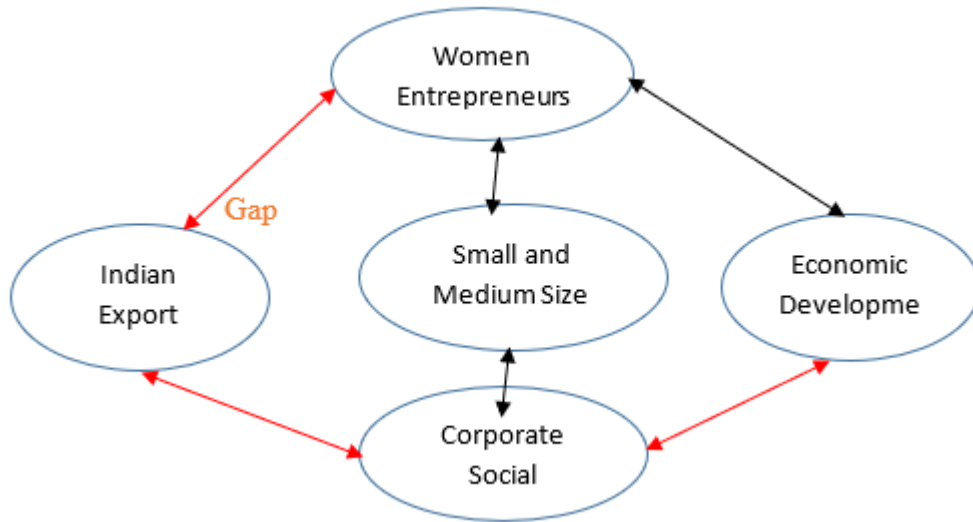
Lock and Smith (2015) in their study found the challenges faced by the women entrepreneurs of micro enterprises in Kenya. The female entrepreneurs of Kenya were found to face fewer barriers and constraints than before and hence it proves to be successful to lift themselves and their families from poverty. In the analysis of women entrepreneurship three themes underpin the analysis. Firstly, poverty reduction through raising finance, secondly, women entrepreneurship has a positive impact on economic development in a number of ways like employment creation, economic growth, innovation and differences of entrepreneurship. And finally the transition between the formal and informal economy.

Malyadri (2014) in his paper has noted that women entrepreneurship development is necessary to achieve broader advancement goals such as development with value. Women entrepreneurs are influenced by different factors like political insecurity, poor infrastructure, high production costs, non-conducive business environment. A larger share of informal economy operators are accounted by women running micro and small scale enterprise in India. These small enterprises significantly contribute to the socio economics development of the nation by supporting the people to earn money, and make a contribution to family income, and providing goods and services for the local consumption. Women's economic contribution are capital formation, change in per capita income, and generation of employment.

Research gap analysis

The above literature review illustrates that CSR is considered as an entity of large companies and certain studies shows that it has an effect on the performance of the firm. Some researchers have studied CSR of SMEs too, but these studies have been carried out in different nations and only few studies are in the Indian context. The research gap in the literature is that there are no studies carried on Indian women entrepreneurship of the SMEs in the export sector and how their CSR initiatives contribute to the economic development

Research Gap Mode (**figure 1**)



Thus the inferences from the literature review are used to identify variables, formulate a conceptual model and then an empirical model. A research methodology is followed to collect the data and then analyze them to obtain desirable results for the study.

Research Methodology

This research study has its focus on the SMEs and the social initiatives they practice and their impact on firm performance. The research design employed in this study for data collection is the survey method because large amount of data is required for this study. A large amount of data could be easily collected through surveys like online surveys. The survey method is the most commonly used method in business and management and it answers questions like who, what, where, how much, and how many. For this study survey was conducted among the women entrepreneurs of the export sector on the CSR practices followed in their firms to analyze the firm performance. The survey method has a high level of positive contribution in analyzing quantitative data.

Population

For this study the women led small and medium enterprises of the export sector were chosen.

Sampling framework

The sample is the collection of all the following elements leading to the selection of defining the sample. The sampling frame is list of SMEs of the export sector which are led by women entrepreneurs and they are obtained considering the data from Federation of Indian Export Organization (FIEO), Madras Export Processing Zone (MEPZ), etc, Non probability sampling method snowball sampling method was adapted to select the sample.

- Element : All women led SMEs of the export sector
- Sample Unit : SMEs Women entrepreneurs unit
- Geographical Area : SMEs of the export sector in India

Primary data

Collected through structured questionnaire, all the sample units were personally contacted and interviewed. Mostly questionnaire was circulated both in person and online and sometimes discussions were held to collect data. Interviews were also conducted for data collection.

Secondary data

Secondary data includes data from previous research, books, journals and magazines, periodicals, and reports. This data is an additional reference for the researcher to conduct the study. The statistical data analysis methods are a main instrument for data analysis and explanation in social science research. A number of statistical tools were used as the study involved many research questions and objectives. The statistical tools used in this study are: The Statistical Package for Social Sciences (SPSS) & AMOS. The appropriate selection of the data collection method aids in collecting reliable and valid data and the selection of the appropriate analysis tool helps in generating desirable results.

Data Analysis - Result and Discussion:

Frequency analysis

CSR practices are important to be adopted by all the firms irrespective of the industry orientation. Thus due care is taken to select equal number of firms from all the industry types for accurate representation. Then, the respondent firms are grouped into three categories namely manufacturing, services, and others.

Table 1
Companies (Firms) Profile

Companies/Firms	No. of companies	Percentage
Manufacturing	249	41
Services	215	36
Other	136	23
No. of Employees		
0-9	108	18
10-49	231	38
50-249	222	37
> 249	39	7
Turn over		
Below 5 lakhs	85	14
5 lakh - 25 lakh	154	26
25 lakh - 2 crore	231	38
> 2 crore	130	22

Total	600	100
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Primary data (frequency analysis)

Firstly the profiling of the firms is carried out. The firm specific characteristics illustrated that the manufacturing firms were majority with 41 percent of the total 600 sample firms followed by services sector with 36 percent and the other categories acquired the rest of the 23 percent. The age of the firm tends to have a strong influence in the decision making of the firms whether to practice CSR activities are not. Most of the groups were found to fall under the category 4-9 years, followed by 1-3 years, then came 10 years and above. There were only 14 percent of firms which belonged to the category less than one year. For this study the firm size is determined based on the number of employees. It should be noted that the sample firms are all SMEs. It was found that most of the firms had employees 10-49, followed by 50-249 employees. There is no vast difference between the two groups. The former had a percentage of 38 while the latter accounted to 37 percent. Nearly 18 percent of the firms fall under the group 0-9 employees and the least is 6 percent which is greater than 249 employees. The annual turnover tends to have a strong influence in the decision making of the firms whether to adopt CSR activities or not which would influence the economic development of the community. Majority of the firms have an annual turnover of 25 lakh- 2 crore and they account to 38 percent of the sample size. This is followed by an annual turnover of 5 lakh – 25 lakh with 26 percent. 14 percent of the firms fall under the category below 5 lakhs and 21 percent have an annual turnover of above 2 crores.

Chi-square analysis (test)

Relationship between Firm specific characteristics and CSR practices of the firm

The relationship of firm specific characteristics, namely type of firm size, firm annual turnover and performance with the CSR practices is analyzed in the below section.

Relationship between industry type and factors

- Ho1: The CSR initiatives a firm practices do not significantly differ with nature of business of the firm
- Ha1: The CSR initiatives a firm practices significantly differ with nature of business of the firm

Table 2
Relationship between industry type and factors

Variables	Factor	Chi-Square	Degree of freedom	Asymp Sig
Concern of the firm on the safety of employees during work hours	Internal Initiatives	HR294.446	2	0.000
Conducting training/development		93.962	4	0.000

programme for employees				
Regular counselling session for employees		82.338	4	0.000
Flexible timing for employees		405.352	4	0.000
Allowances to the employees		63.223	4	0.000
Existence of policies supporting the employee families		22.117	4	0.000
Employment of physically challenged/minor groups	External Social Initiatives	229.717	4	0.000
Indulgence in development of local community		9.890	4	0.042
Interaction of the firm with local community		10.203	4	0.037
Rapport with stakeholders		2.850	4	0.583
Source products from minority groups		2.133	4	0.711
More power and legitimacy of the organization lending business to the firm		10.047	4	0.040
The firm abide to the government policies		6.222	4	0.183
Formulation of a plan in house to get involved in social activities		290.091	6	0.000
Knowledge on end product waste affluent	Environment Initiatives	484.464	4	0.000
Employ waste management technique in the firm		26.352	4	0.000
Involvement of the firm in recycling		228.072	2	0.000
Indulgence of the firm in energy saving techniques		517.913	2	0.000
Awareness of the employees in energy saving techniques		268.455	4	0.000
Awareness of the material used for packing		77.463	4	0.000
Funds allocated for social activities every year	Strategic Initiatives	183.464	6	0.000
Vision mission statement support social activities		4.947	2	0.084

Source: spss output (primary data descriptive analysis)

Interpretation

The statistic of some variables show values less than 0.05 that rejects the null hypothesis and accepting the alternate hypothesis. It is proved that the CSR practices have significant statistical relationship with the nature of business the firm is in. It is observed from the statistics that for the factor Internal HR Initiatives all the six variables namely concern on safety of employees during work hours, conducting training/ development programme for employees, regular

counselling session for employees, flexible timing for employees, allowances to the employees, and existence of policies supporting the employee families all have significant relationship with the nature of business the firm is in.

The variables whose significance value is less than 0.05 have significant relationship with the nature of the business of the firm. From the above table it is understood that all the variables which have a significant relationship with nature of business of the firm have significance value of 0.00. There are some variables whose significance value is more than 0.00 and less than 0.05. Those variables also have significant relationship with nature of business of the firm.

Relationship between Economic Performance and factors

- Ho2: The economic performance has no significant dependence on the firms' involvement in CSR practices
- Ha2: The economic performance is dependent on the degree of the firms' involvement in CSR activities

Table 3
Relationship between Economic Performance and factors

Variables	Factor	Chi-Square	Degree of freedom	Asymp Sig
Concern of the firm on the safety of employees during work hours	Internal HR Initiatives	5.043	5	0.411
Conducting training/development programme for employees		9.407	10	0.494
Regular counselling session for employees		19.390	10	0.036
Flexible timing for employees		13.874	10	0.179
Allowances to the employees		17.728	10	0.060
Existence of policies supporting the employee families		6.885	10	0.736
Employment of physically challenged/minor groups		External Social Initiatives	9.210	10
Indulgence in development of local community	8.820		10	0.549
Interaction of the firm with local community	7.923		10	0.636
Rapport with stakeholders	11.664		10	0.046
Source products from minority groups	18.592		10	0.046
More power and legitimacy of the organization lending business to the firm	14.652		10	0.145
The firm abide to the government policies	11.131		10	0.347
Formulation of a plan in house to get involved in social activities	10.415		15	0.793

Knowledge on end product waste affluent	Environment Initiatives	18.691	10	0.044
Employ waste management technique in the firm		15.863	10	0.104
Involvement of the firm in recycling		5.998	5	0.306
Indulgence of the firm in energy saving techniques		10.659	5	0.059
Awareness of the employees in energy saving techniques		16.336	10	0.090
Awareness of the material used for packing		8.005	10	0.628
Funds allocated for social activities every year	Strategic Initiatives	44.102	15	0.000
Vision mission statement support social activities		11.330	5	0.045

Source: spss output (primary data descriptive analysis)

Interpretation

The statistic of some variables show values less than 0.05 that rejects the null hypothesis and accepting the alternate hypothesis. It is proved that the economic performance is dependent on the degree of the firms' involvement in CSR activities. From the above table it is understood that economic performance is dependent on the CSR practices of the firm to some extent and not wholly as only few variables have significance value of 0.00. There are some variables whose significance value is more than 0.00 and less than 0.05. The economic performance is also dependent on these items. It is observed from the statistics that only a few variables grouped under the factors Internal HR Initiatives, External Social Initiatives, Environment Initiatives and Strategic Initiatives have significant relationship with the economic performance. Out of the 22 variables, the economic performance is dependent on each one variable of the four factors. So it is understood that the firm practicing CSR activities do influence the economic performance of the firm to some extent but not substantially. There are other factors which influence the economic performance of the firm and determination of those are out of the scope of the current study.

Table 4
Results of SEM

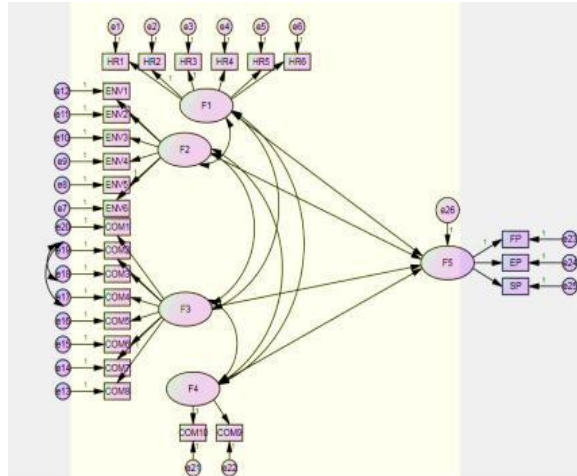
Endogeneous Construct	Exogeneous Construct	Standard Regression Weights	Squared Multiple Correlation	CR	p Value
Firm Performance	Initiatives	1.183	71.8%	15.349	0.000
Challenges/Constraints	Internal HR Initiatives	0.075	6%	17.099	0.000
	External Social Initiatives	.008		11.042	0.000
	Environmental Initiatives	.036		17.186	0.000

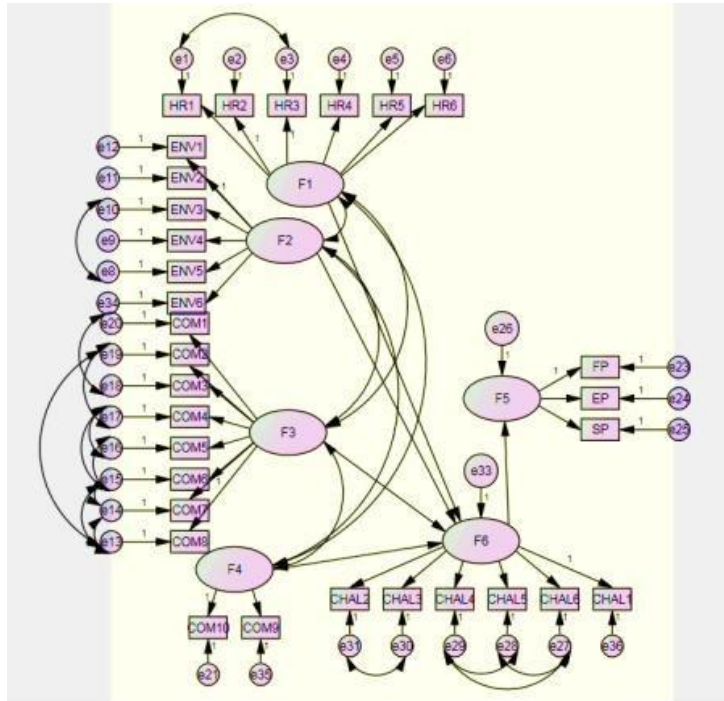
	Strategic Initiatives	.010		5.029	0.000
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Source: spss output (descriptive analysis)

The results shown in table 6 indicate that all the p values of Critical Ratio (CR) are all significant. Therefore, it can be concluded that the practice of CSR initiatives of a firm has an impact on the firm performance irrespective of the presence of constraints. The four exogenous constructs Internal HR Initiatives (F1), External Social Initiatives (F3), Source: Amos output Environmental Initiatives (F2), and Strategic Initiatives (F4) have an impact on the Firm Performance (F5). This interrelationship is tested by the SEM approach see Figure 2 & 3

Another interrelationship was tested by the SEM approach see Appendix III. It was found that the four exogenous constructs Internal HR Initiatives (F1), External Social Initiatives (F3), Environmental Initiatives (F2), and Strategic Initiatives (F4) still impact the Firm Performance (F5) even after introducing the Constraint (F6) in between the four exogenous constructs and the firm performance. Structural Equation Model which depicts the Interrelationship between CSR practices and Firm Performance in the presence of Constraints (Figure 3)





Source: Amos output

Results and Discussion

The four factors are Internal HR Initiatives, External Social Initiatives, Environmental Initiatives, and Strategic Initiatives. From the frequency analysis it is observed that most of forms are manufacturing units. Most of the firms are having 4-9 years of old and their annual turnover is 25 lakhs to 2 corer. Majority of the firms employee size is 10-49 and followed by 50 to 100 employees in some of the firms. From the Chi-Square Analysis, It is observed from the statistics that for the factor Internal HR Initiatives all the six variables namely concern on safety of employees during work hours, conducting training/ development programme for employees, regular counselling session for employees, flexible timing for employees, allowances to the employees, and existence of policies supporting the employee families all have significant relationship with the nature of business the firm is in. the economic performance is dependent on the degree of the firms' involvement in CSR activities. It is observed from the statistics that only a few variables grouped under the factors Internal HR Initiatives, External Social Initiatives, Environment Initiatives and Strategic Initiatives have significant relationship with the economic performance.

Suggestions

An interesting finding of this study is that almost all of the export SMEs of the sample contribute to the community they operate in and most of them indulge in the External Social Initiatives of the firm which create good rapport with the local

community that contributes to the financial, economic, and strategic performance of the firm. The irony being in many cases the SMEs indulge in social activities without realizing the activity to be CSR and the positive trigger they cause to the economic development of the society. As the concept CSR is perceived by these SMEs as too complex and too expensive (including cost and time) and keep them away from CSR. It is suggested that the SMEs integrate CSR practices with the core business strategies which will lead to business sustainability. It is evident that the firm performance of those SMEs getting themselves involved in CSR practices irrespective of their willingness gets enhanced thus giving them a competitive advantage and sustainability. Another important findings of the study is that the firms prosper financially, economically, and strategically if they indulge themselves in more CSR activities and vice-versa – if the firms are financially sound they tend to indulge in more CSR activities and majorly give back to the community they operate in all means.

Endnote

The research study findings suggest that the involvement of CSR practices by the firm impacts on its performance i.e. invariably causes economic development. The CSR practices in any form, to any degrees practiced by the firm means it impacts the economic development in one way or the other. It is understood from this study that the firms follow CSR practices based on their business, their firm size, the entrepreneur's interest, compulsion from the organization leading business to the firm, government policies etc. Thus whatever, be the case the firm contributes to the economic development of the community. If a firm practices internal HR initiatives it means the welfare of the employees are taken care by the firm. This enriches the life of the employees wherein they spending capacity increases, their quality of life improves, they spend in educating their wards even after higher secondary. All these attributes to the economic development of the community. If the firm practices the External Social Initiatives, then it means the community the firm operates is taken care of by the firm. Building up of the local community leads to economic development. If the Environment Initiatives are adopted by the firm again it impacts the economic development as being eco -friendly, and not polluting the environment, employing energy saving techniques all contribute to the economic development of the firm. A healthy environment is a safe environment. The firm's strategic initiatives begins from framing the vision mission statement of the firm which ensures integration of unique CSR practices in core business strategies and realizing the firms objectives as well.

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