

Analyzing the impact of organizational factors on Corporate Social Responsibility in Small Businesses in response to HIV/AIDS: Evidence from South Africa

Análisis del impacto de los factores organizativos en la responsabilidad social empresarial en las pequeñas empresas en respuesta al VIH/SIDA: pruebas procedentes de Sudáfrica

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ABSTRACT

Corporate social responsibility (CSR) by small and medium enterprises (SMEs) is susceptible to various organizational factors. This study investigated how gender, business structure, employee size, and turnover impact SMEs' CSR in a developing economy in response to HIV / AIDS. The aim is to explore how organizational factors function as determining agents and impact CSR in SMEs. We conducted a quantitative survey with a 7-point Likert-type questionnaire, gathering data from 170 SME owners and owner-managers. Statistical analysis included descriptive statistics, One-way ANOVA, and independent sample t-tests. The results indicate that gender did not significantly impact CSR entrepreneurs' CSR attitudes and behaviours. Business structure played a crucial role in shaping CSR activities, notably concerning HIV / AIDS initiatives for employees, the community, and customers. Employee size significantly affected employee and customer-oriented HIV / AIDS CSR activities but not community-oriented ones. Turnover significantly influenced employee and customer-oriented CSR activities but did not significantly impact community-oriented CSR activities. These findings add to emerging discourse about how organizational factors affect small business social responsibility practices.

Keywords: Corporate social responsibility, HIV / AIDS, organizational factors, small business.

JEL Classification: M14, L2, L26

RESUMEN

La responsabilidad social de las empresas (RSE) en las pequeñas y medianas empresas (PYMES) es susceptible a diversos factores organizativos. Este estudio investigó cómo el género, la estructura empresarial, el tamaño de los empleados y el volumen de negocios afectan a la RSE de las PYMES en una economía en desarrollo en respuesta al VIH / SIDA. El objetivo es explorar cómo los factores organizativos funcionan como agentes determinantes e impactan la RSE en las PYMES. Se realizó una encuesta cuantitativa con un cuestionario de 7 puntos tipo Likert, recogiendo datos de 170 propietarios y gerentes de PYMES. El análisis estadístico incluyó estadísticas descriptivas, ANOVA unidireccional y pruebas-t de muestras independientes. Los resultados indican que el género no tuvo un impacto significativo en las actitudes y comportamientos de los empresarios en materia de RSE. La estructura empresarial desempeñó un papel crucial en la configuración de las actividades de RSE, especialmente en lo que respecta a las iniciativas sobre el VIH / SIDA para los empleados, la comunidad y los clientes. El tamaño de los empleados afectó significativamente las actividades de RSC sobre el VIH / SIDA orientadas a los empleados y a los clientes, pero no las orientadas a la comunidad. La rotación influyó significativamente en las actividades de RSC orientadas a los empleados y a los clientes, pero no tuvo un impacto significativo en las actividades de RSC orientadas a la comunidad. Estos hallazgos se suman al nuevo discurso sobre cómo los factores organizativos afectan a las prácticas de responsabilidad social de las pequeñas empresas.

Palabras clave: responsabilidad social de las empresas, VIH / SIDA, factores organizativos, pequeñas empresas

1. Introduction

Given its versatile, informal, and contextually driven nature, various organizational factors influence small and medium enterprises (SMEs) and corporate social responsibility (CSR). Small business CSR also evolves in response to the most dominant organizational factors at each time and those emanating from stakeholder pressures. Research has also found that in developing economies, SME CSR often tails pressing issues in communities (Jamali & Neville, 2011), such as

unemployment diseases such as HIV / AIDS that negatively impact livelihoods, social communities and the economy. It is, therefore, unsurprising that, in South Africa, questions about SME CSR and the problem of HIV / AIDS have solicited attention. Research suggests that there have been few studies about SME CSR responses to HIV / AIDS (Twinomugisha & Daniel, 2011), leading to perceptions that HIV / AIDS management activities are the least prioritized workplace issues by SMEs (Lindeque & Samuel, 2022). Such limited

research has also deterred researchers and practitioners from understanding how organizational dynamics moderated SMEs' CSR behaviours in response to the disease. Understanding these CSR dynamics is critical considering that SMEs rely on CSR to impact diverse, sustainable development issues such as employment creation, fostering social stability, poverty reduction, giving unemployed youths hope, steering and reviving economies (Farisani, 2022; Maome *et al.*, 2022) and possibly combating HIV/AIDS (Bowen *et al.*, 2013).

We believe HIV/AIDS poses unique challenges to SMEs circumstances that can warrant a unique set of CSR responses due to its devastating impact on business operations and society. Studies have found this disease disrupts economic production, triggers higher absenteeism and staff turnover, increases recruitment and training costs, and causes an upsurge in medical, treatment, insurance, retirement and funeral expenses (Asiedu *et al.*, 2015; Poudel *et al.*, 2016). In needy communities, it results in higher death rates, reducing the business market size and creating a gloomy community outlook that is not good for business. Companies are, therefore, inclined to engage in CSR activities to counteract these adverse effects. However, some studies suggest SMEs have not followed this business logic to engage in CSR to combat and deal with the epidemic due to organizational factors related to gender, business structure, employee size and turnover levels (Chen *et al.*, 2016). While the negative impact of financial and human resources in influencing SMEs CSR is well-researched (Bowen *et al.*, 2013; Enslin, 2007; Makwara *et al.*, 2019) to the best of our knowledge, no other studies have explored the impact of gender, business structure, employee size and turnover on small business

social responsibility concerning HIV/AIDS issues. We thus conceptualized this study to fill this gap, with a broader objective of contributing towards creating knowledge about context-specific social responsibility activities by small businesses. This endeavor answers a call by many leading SME CSR scholars (Spence, 1999; Vyakarnam *et al.*, 1997; Murillo & Lozano, 2006) for more studies aimed at discovering how the characteristics of the organizational subcultures of each type of business function as determining agents to deciding how to promote CSR in SMEs.

This paper is organized as follows: Following the introduction, a second part is a literature review interrogating SME CSR theorization and HIV/AIDS agency in stimulating CSR activities in the SME context. The third part outlines elements of the quantitative methodology utilized to gather and analyze data. This section is then followed by a report of the results and a discussion and conclusion section. Finally, this paper concludes with a summary of the study's implications.

2. Literature Review

SMEs' CSR theorization

SMECSR follows patterns and trends that differ from those of larger businesses (Spence, 1999; Murillo & Lozano, 2006). Researchers emphasize that SMEs should not be treated as 'little big firms' (Soundararajan *et al.*, 2017), suggesting that their CSR behaviours should be treated and theorized differently. In line with this view, scholars have defined SME CSR by emphasizing its orientation towards addressing social issues over business case motivations like larger firms. For example, Jenkins (2009) described CSR as a means of operating firms in such a way that they positively affect their local communities and are responsive to their views and feelings.

Dzansi (2011) spoke of a socially responsible SME that positively impacts society by addressing poverty, unemployment, and youth idleness in urban and rural areas. Similarly, Jewell *et al.*, (2020) understood CSR as being about the obligations of businesses to make decisions or follow desirable lines of action regarding the objectives and values of society. Lastly, Sweeny (2007) labelled CSR as conducting business in a responsible manner and, in particular, contributing to the local community

Nonetheless, due to a lack of underdeveloped theories in the small business arena, many studies examining small business CSR rely on the large firm-oriented stakeholder perspective as a theoretical framework (Schlierer *et al.*, 2012; Mukwarami *et al.*, 2020). Stakeholder theory primarily situates social responsibility as responsive actions to fulfil the interests of particular groups linked to an organization, such as employees, the community, customers and suppliers. In this regard, SMEs conceptualize who is a stakeholder through the prism of owner-manager personal ethos, philosophies, values, and aspirations (Amaeshi *et al.*, 2016; Jamali, Lund-Thomsen & Jeppesen, 2017), the inseparable identities between personal and business behaviour (Fuller & Tian, 2006) and the influence of groups they contact daily (Amaeshi *et al.*, 2016). Moreover, local culture circumscribes what is acceptable ethical behaviour. Thus, it is further theorized that the centrality of personal values and culture (with gender as substrata) in determining the course of social responsibilities suggests the secondary importance of other operational factors such as business structure, employee size and turnover. Thus, the overriding consideration for social relationships underpins SMEs' social responsibility thinking, though with practical regard to the

influence of organizational factors such as business structure and employees (Rambe & Ndofirepi, 2017) and turnover.

Several theoretical insights have also revealed that small business CSR behaviour is also connected to the contingent organizational factors made up of the tangible and intangible resources and structures of the firm like size (Lepoutre & Heene, 2006; Santos, 2011) and its concomitant measuring variables including assets, sales and number of employees (Serrasqueiro & Maças Nunes, 2008). Specifically, Udayasankar (2008) found that size intimated differences in how individual SMEs participate in CSR activities. Consistent with these findings, in their study examining CSR donations and sponsorships by SMEs in Romania, Badulescu *et al.*, (2018) found variances in donation amounts based on the firm's size (measured by turnover and number of employees) and age. Likewise, Serrasqueiro and Maças Nunes (2008) emphasized that firms with more significant assets and sales volumes have higher capacities to allocate funds towards CSR activities without compromising their operational efficiency. The number of employees also influences CSR engagement, as larger workforces necessitate more structured human resource policies, often encompass CSR elements like employee welfare and community engagement programs.

The influence of demographic factors has also been investigated, though with contradicting results. Uyar *et al.*, (2023) found that entrepreneurs' gender impacted CSR implementation. In a study examining the effect of demographic characteristics of enterprises on the implementation of corporate social responsibility in SMEs in the Czech Republic, Slovak Republic and Poland, statistical results revealed that the entrepreneur's gender is not a statistically

significant factor determining the perception of the CSR. Also, Čera *et al.*, (2022) investigated whether owner-manager's demographics (age, gender, education) matter for the implementation of CSR in Czechia and Slovakia. The study revealed contradictory gender effects, finding that female Slovaks were more oriented to CSR than men, which was not true in Czechia. Lu *et al.*, (2020) likewise demonstrated inconsistent findings regarding relationships between gender and CSR behaviours among SMEs. In light of these diverse theoretical and empirical views, this study regarded gender as having an undefined effect on CSR behaviours.

HIV/AIDS agency in stimulating CSR activities in the SME context

The role of social issues in stimulating and directing CSR activities is well grounded. The clearest indication of this role stems from Davis's (1973) definition of CSR as considering problems outside the company's restricted financial, technological, and legal requirements. For example, recent studies by He and Harries (2020) and Bapuji *et al.*, (2020) argued that COVID-19 and its effects have prompted the private sector to respond to this challenge through its CSR actions and is likely to have an impact on CSR in years to come. Thus, we understood that SMEs' response to the diseases was motivated by the desire to mitigate their effects on livelihoods and firms (Deane *et al.*, 2019) and the potential opportunities CSR offered to complement the overall business strategy. It has also been observed that Large firms were the first to develop technical expertise and HIV/AIDS policies and extend intervention communities to achieve reputational, strategic, political, regulatory and accountability objectives. They viewed these interventions as part of a risk reduction strategy against social and economic losses caused by the pandemic,

such as work disruptions by sick employees or loss of key staff through deaths (Poudel *et al.*, 2016). On the other hand, SMEs viewed HIV/AIDS differently, as many believed the epidemic had little impact on their operations (NCD Alliance, 2016). Thus, the economic agency of the pandemic to motivate firms to engage in CSR activities appeared lacking, even though HIV/AIDS is among the factors that cause many SMEs in the country to fail (Wiid & Cant, 2021).

It is also argued that SMEs have no extra financial, clinical, or human resources for CSR activities like HIV/AIDS prevention (Enslin, 2007). Ordinarily, owner-managers do not possess the finance, time and technical knowledge to lead such CSR activities (Dey *et al.*, 2018). Others doubt the benefits of CSR to give it strategic attention. Regarding HIV/AIDS, Makina *et al.*, (2015) speculated that SMEs might not be overly concerned about the epidemic as they often employ an unskilled and undereducated workforce that can be easily replaced if made redundant or die from the disease.

Furthermore, because many SMEs are unregistered, they can avoid regulatory pressures to develop HIV/AIDS policies or contribute to AIDS-related tax levies. In exceptional circumstances, many SMEs pay attention to HIV/AIDS to fulfil working arrangements with larger companies or for export trade (Thauer, 2013), implying that those who operate independently continue to ignore the issue. However, as earlier argued, even these views are inconclusive, considering that other studies have found that SMEs provided education, time off and funeral assistance as part of their CSR activities (Bowen *et al.*, 2013; Duarte & Houlihan, 2013). Hence, in this study, we adopted an optimistic view that SMEs are likely to actively engage in CSR, consistent with their overall agenda

to impact society in ways that seek to solve pressing issues. However, we postulated that their capabilities to engage in these activities are subject to organizational factors, namely gender, business structure, employee size and turnover variables. We, therefore, subjected these organizational variables to analysis to test their impact on small business social responsibility actions.

3. Research Methodology

This cross-sectional, non-probabilistic study applied a quantitative survey approach to explore, describe and analyze the impact of gender, business structure, employee size and turnover variables on small business CSR behaviours. Yin (2012) stated that surveys have traditionally been closely linked to quantitative research and facilitate the collection of raw data amenable to statistical manipulation. Moreover, adopting this approach aligns this study with previous research in similar contexts that examined various small business issues (Moeti, 2016) and brings flexibility to the data collection strategy. Additionally, an exploratory quantitative survey approach was appropriate because this study sought to answer a question for which little prior research exists.

Data collection and recruitment

A 7-point Likert-type questionnaire was administered to 300 SME owners, and owner-managers in Cape Town selected using a convenience approach from a sample frame of over 5000 SMMEs drawn from business listings in the Cape Town business areas. Joshi *et al.*, (2015) defined a Likert scale as a set of statements (items) offered for a real or hypothetical situation under study, where respondents are asked to show their level of agreement (from strongly disagree to strongly agree) with the given statement (items) on a

metric scale. Thus, the questionnaire used scales ranging from 1= Strongly Disagree, 2= Disagree, 3=Somewhat disagree, 4=Neither agree or disagree, 5= Somewhat agree, 6= Agree, 7=Strongly agree. Of the one hundred eighty-five questionnaires received, 15 were eliminated at the data cleaning stage due to errors, including incompleteness, providing double responses per individual question and unmarked answers on essential sections of the questionnaire. Thus, data from 170 proceeded to the analysis stage and informed the results of this study. The questionnaire was pre-tested for reliability and validity before data collection. Pre-testing was necessary as it allowed the researchers to verify whether the target audience understood the questions and could answer as intended (Perneger *et al.*, 2015). Furthermore, the questionnaire was pilot-tested to a sample of 10 conveniently located SMEs, and the feedback informed the revision and finalization of the questionnaire.

Location and profile of respondents

We surveyed SMEs in the Cape Town urban area, Western Cape, South Africa. Respondents were 71 owners, 24 managers, 42 owner-managers and 33 senior employees. These included 91 males and 79 females. Research claims empirical evidence reveals that women are less likely to become entrepreneurs (Shinnar *et al.*, 2018). In South Africa, Iwu *et al.*, (2022) also stressed that women are less likely than men to engage in entrepreneurial activity. Thus, we deliberately paid attention to the gender aspect, given this skewed nature of small business ownership in favour of men. Moreover, taking deliberate steps to balance gender representation is justifiable, particularly on issues like HIV/ AIDS embedded with gender narratives. Furthermore, gender significantly impacts how people perceive CSR (Gaio & Gonçalves, 2022), suggesting that one's gender impacts

SMEs' CSR actions. Lastly, in racial terms, the respondents identified themselves as Black (106), White (28) and Coloured (36).

Data analysis

Data analysis was conducted using descriptive statistics, One-way ANOVA and

independent sample t-test. One-way ANOVA and independent sample t-test are used as statistical techniques to compare the means across different groups.

4. Results and Discussions

Participant Demographic Variables

Figure 1.

Gender of respondents

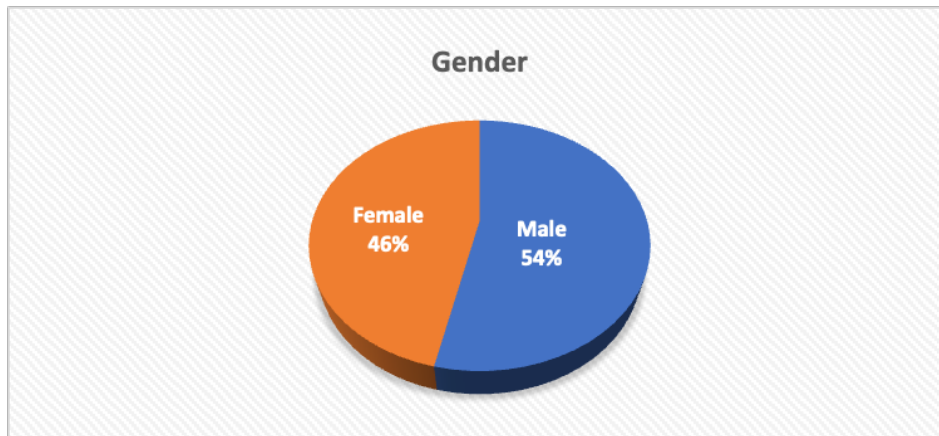


Figure 2.

Racial composition of respondents

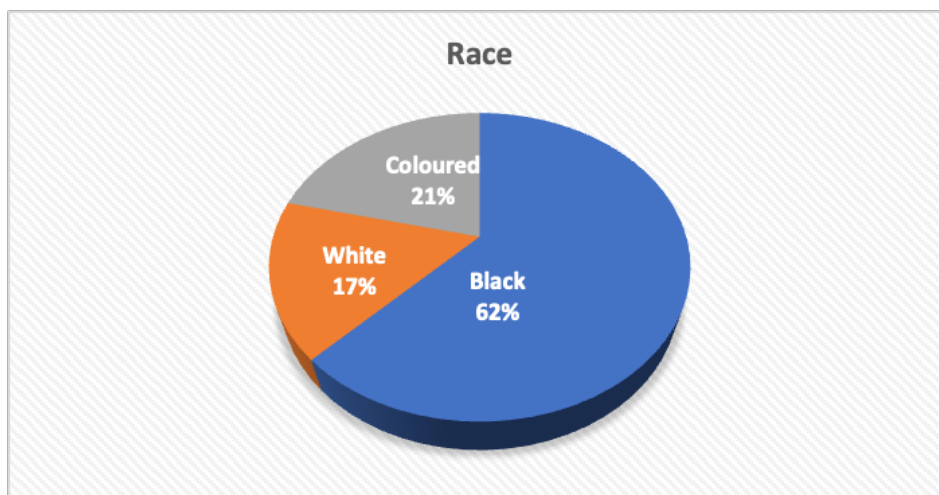


Figure 1 illustrates that 46% () and 54 % () males participated in the study. This cross-section of participants reflects the gender profile of the South African SME sector profile, where some studies (Fatoki, 2014; Bhorat *et al.*, 2018) claim women are less likely than men to engage in entrepreneurial

activity than men. In Figure 2, statistics reveal the dominance of the Black (62.4 %) racial group in the study cohort.

Business profile variables.**Table 1.**
Firm variables

Variables	Category	Frequency	Percentage
No. of employees	Less than 5	76	44.7 %
	6-10	47	27.6 %
	11-20	20	11.8 %
	21-50	15	8.8 %
	51-200	12	7.1 %
Form of business	Sole proprietor	47	27.6 %
	Partnership	37	21.8 %
	Pty Limited	43	25.3 %
	Close Corporation	43	25.3 %
Total turnover	Up to R500k	70	41.6 %
	R501k -R1mil	54	31.6 %
	R1.1m-R2mil	25	14.6 %
	R2.1m-R4mil	11	6.4 %
	More than R4.1m	10	5.8 %

Table 1 illustrates that most participant firms had less than 5 employees (44.7 %), followed by those with between 6-10 employees (27.6 %). Regarding legal form, the results show an almost exact representation of Sole proprietor (27.6 %), Partnership (21.8 %), Pty Limited (25.3 %) and Close Corporation (25.3 %) entities. Many of these SMEs had turnover figures from 0 to 500k (41.6 %), followed by those with turnover

figures between R501k -R1mil (31.6 %). These statistics indicate that survivalists and low-productivity SMEs participated in the study.

Independent Samples T-test: Gender

An independent T-test was conducted to compare the CSR activities between male and female entrepreneurs. The results are illustrated in Tables 2 and Tables 3.

Table 2:
Group Statistics: CSR practices and gender

CSR ACTIVITIES	Gender	N	Mean	Std. Deviation	Std. Error Mean
	Male	91	4.4615	1.19659	.12544
	Female	75	4.7367	1.27535	.14726

Table 3:
Independent Samples Test: CSR practices and gender

Levene's Test for Equality of Variances					
	F	Sig.	T	df	Sig (2 tailed)
Equal variances assumed	1.941	0.165	-1.431	164	0.154
Equal variances not assumed.			-1.422	153.776	0.157

The results revealed no significant difference in scores for males [M=4.4615, SD=1.19659] and females [M=4.7367,

SD=1.27535]; $t=-2.128$, $p=0.154$]. These results suggest that gender identity was insignificant in explaining differences in CSR inclinations,

perceptions and expectations between male and female entrepreneurs. In this regard, they agree with the findings by Peake and Eddleston (2021) and Betakova (2023), who reported no statistically significant differences in CSR behaviours based on gender. However, other studies have found the contrary. For example, Lu *et al.*, (2020) concluded that female managers are more conscious regarding CSR values than male counterparts, and Titko *et al.*, (2021) claimed there is a significant difference between males' and females' perceptions of CSR. Consequently, this study adds a neutral perspective to the causative role of gender in firm CSR behaviors.

One-way ANOVA test

The one-way ANOVA (Analysis of Variance) test is a widely used statistical method to determine whether there are any statistically significant differences between the means of three or more independent (unrelated) groups (Mishra *et al.*, 2019). It compares means across multiple groups, making it essential for analyzing experimental data where a single factor is under investigation. Thus, an ANOVA test was then performed to investigate the relationship between types of firms and CSR activities. The results are presented below.

Form of business and stakeholder-orientated CSR activities

Table 4: Form of business and stakeholder-orientated CSR activities

		N	Mean	Std. Deviation	Significance Testing
CSR ACTIVITIES	Sole proprietor	47	4.6809	1.63330	F=8.080, df=3, p=<0.001
	Partnership	37	3.8514	1.02310	
	Pty Limited	43	5.1279	.821899	
	Close corporation	43	4.3721	1.06956	
EMPLOYEES-ORIENTED HIV/AIDS CSR ACTIVITIES	Sole proprietor	47	3.6170	1.37959	F=6.732, df=3, p=<0.001
	Partnership	37	3.8559	1.23113	
	Pty Limited	43	4.6667	.88790	
	Close corporation	43	4.3178	1.22572	
COMMUNITY-ORIENTED HIV/AIDS CSR ACTIVITIES	Sole proprietor	47	2.7191	1.16145	F=3.074 df=3, p=0.029
	Partnership	37	2.8324	.85312	
	Pty Limited	43	3.3116	.98203	
	Close corporation	43	3.1628	1.11548	
CUSTOMER-ORIENTED HIV/AIDS CSR ACTIVITIES	Sole proprietor	47	3.2287	1.09076	F=8.121, df=3, p=<0.001
	Partnership	37	4.0608	.96538	
	Pty Limited	43	4.0349	1.02873	
	Close corporation	43	4.2151	1.10138	

Table 4 illustrates the results of ANOVA tests of the influence of the type of business on generic CSR and targeted stakeholder HIV/AIDS CSR activities in different entities

(sole proprietor, partnership, proprietary limited, and close corporations). The results revealed that the form of business had a statistically significant effect on CSR

activities, $F(3) = 8.080$, $p < 0.001$). Similarly, the p-values for all stakeholder-oriented HIV/AIDS CSR activities were statistically significant, at less than 0.05: [employees-oriented HIV/AIDS CSR activities ($F(3) = 6.732$, $p < 0.001$), community-oriented HIV/AIDS CSR activities ($F(3) = 3.074$, $p = 0.029$), and customer-oriented HIV/AIDS CSR activities ($F(3) = 8.121$, $p < 0.001$)]. The study finds that business structure significantly impacts general and HIV/AIDS-related CSR activities towards employees, the community, and customers across all surveyed businesses. Therefore, a stronger association exists between how SMEs are incorporated and whether they engage in CSR activities. Betakova *et al.*, (2023) confirmed this relationship in their study involving a cross-section of firms, including micro-and medium-sized enterprises and sole traders, which found that company size is a

statistically significant factor in determining CSR perceptions the perception of CSR. Dey *et al.*, (2018) also confirmed that turnover had a statistically significant impact on CSR. Thus, the more a firm sells more, and become profitable, the greater the chance that it will engage in CSR activities.

Number of employees and stakeholder-orientated CSR activities

A review of related literature underscored the importance of employees as influences and targets of CSR activities in SMEs (Chattu, 2015; Rambe & Ndofirepi, 2017). In line with the literature, a one-way ANOVA test was conducted to compare the effect of employee size on CSR activities and HIV/AIDS-related CSR activities in different categories of SMEs. The results are illustrated in Table 5.

Table 5: Number of employees and stakeholder-orientated CSR activities

		N	Mean	Std. Deviation	Significance Testing
CSR ACTIVITIES	Less than 5	76	4.4737	1.56821	F=3.203 df=4 p=0.015
	6-10	47	4.2979	.95217	
	11-20	20	4.5875	.92222	
	21-50	15	4.5833	.57217	
	51-200	12	5.7083	.65569	
EMPLOYEES-ORIENTED HIV/AIDS CSR ACTIVITIES	Less than 5	76	3.8947	1.35451	F=2.992 df=4 p=0.020
	6-10	47	4.0355	1.30631	
	11-20	20	4.2833	.90660	
	21-50	15	5.0444	.95008	
	51-200	12	4.3333	.66667	
COMMUNITY-ORIENTED HIV/AIDS CSR ACTIVITIES	Less than 5	76	2.9737	1.24423	F=0.915 df=4 p=0.457
	6-10	47	2.8681	.83747	
	11-20	20	2.9900	1.03104	
	21-50	15	3.3333	1.09718	
	51-200	12	3.3667	.37009	
CUSTOMER-ORIENTED HIV/AIDS CSR ACTIVITIES	Less than 5	76	3.5691	1.16304	F=2.887 df=4 p=0.024
	6-10	47	4.0479	.97054	
	11-20	20	4.0750	1.14737	
	21-50	15	4.4167	1.36822	
	51-200	12	3.9583	.27866	

The results show that the number of employees significantly influences CSR activities, $F(4) = 3.203$, $p < 0.015$). Regarding HIV/AIDS-related CSR, the number of employees significantly affected employee-oriented HIV/AIDS CSR activities ($F(4) = 2.992$, $p < 0.020$) and customer-oriented HIV/AIDS CSR activities ($F(4) = 2.887$, $p < 0.024$), but not community-oriented HIV/AIDS CSR activities, with a p-value greater than 0.05 ($p = 0.457$). The results suggest that a predisposition to engage in employee-oriented HIV/AIDS CSR activities employee-oriented and customer-oriented HIV/AIDS CSR activities concurrent with increases in the number of employees.

Research findings support these trends. Santos (2011) argued that the larger the SME (measured by the number of employees), the greater the potential for developing social responsibility practices. However, the desire to engage in community-oriented HIV/AIDS CSR activities is unaffected by changes in the number of employees. This finding is consistent with the SMEs' CSR behavioral tendencies to prioritize employees' internal social dimension concerns before fulfilling external stakeholders' interests.

Total turnover and stakeholder-orientated CSR activities

Table 6: Total turnover and stakeholder-orientated CSR activities

		N	Mean	Std. Deviation	Significance Testing
CSR_ACTIVITIES	Up to R500k	70	4.6000	1.57735	F=6.696 df=4 p=<0.001
	R501k-R1 mil	54	4.0602	.95899	
	R1.1 mil-R2 mil	25	4.4600	.53852	
	R2.1 mil-R4 mil	10	5.6750	.58984	
	More than R4.1 mil	11	5.5909	.52764	
EMPLOYEES-ORIENTED HIV/AIDS CSR ACTIVITIES	Up to R500k	70	3.7857	1.34899	F=4.616 df=4 p=0.001
	R501k-R1 mil	54	4.1481	1.31858	
	R1.1 mil-R2 mil	25	4.9867	.61222	
	R2.1 mil-R4 mil	10	4.1667	.78959	
	More than R4.1 mil	11	3.9697	.90006	
COMMUNITY-ORIENTED HIV/AIDS CSR ACTIVITIES	Up to R500k	70	2.9943	1.30816	F=2.000 df=4 p=0.097
	R501k-R1 mil	54	2.7963	.78427	
	R1.1 mil-R2 mil	25	3.3520	.93858	
	R2.1 mil-R4 mil	10	3.5600	.74714	
	More than R4.1 mil	11	2.8182	.73460	
CUSTOMER-ORIENTED HIV/AIDS CSR ACTIVITIES	Up to R500k	70	3.4500	1.26018	F=8.176 df=4 p=<0.001
	R501k-R1 mil	54	4.1898	.87272	
	R1.1 mil-R2 mil	25	4.5300	.77835	
	R2.1 mil-R4 mil	10	4.1000	.39441	
	More than R4.1 mil	11	3.1591	.99544	

A one-way ANOVA test was conducted to compare the effect of turnover on CSR activities, employees-oriented HIV/AIDS CSR activities, community-oriented HIV/AIDS CSR activities, and customer-oriented

HIV/AIDS CSR activities. Comparisons were made between five groups of firms with up to R500k, R501k-R1 mil, R1.1 mil-R2 mil, R2.1 mil-R4 mil and more than R4.1 mil.

The analysis revealed a significant impact of turnover on CSR activities, $F(4)=6.696$, $p<0.001$, and those related to HIV/AIDS. The statistical tests indicated that turnover levels significantly affected employee-oriented CSR activities [$F(4)=2.992$, $p<0.020$] and customer-oriented CSR activities [$F(4)=2.887$, $p<0.024$] but no statistically significant effect on community-oriented CSR activities [$F(4)=0.915$, $p=0.457$]. Although they differ regarding the effect of turnover on community CSR, results from other studies have also found that turnover positively correlates with SMEs' CSR behaviours. Amoah-Mensah (2016) examined relationships between SMEs' growth attributes and CSR in Ghana and found that increased turnover influences firms to engage in CSR.

5. Discussion and conclusion

This study explored the impact of gender, business structure, employee size and turnover variables on social responsibility in small enterprises in South Africa. The objective was to gain insight into the effect of organizational factors on corporate social responsibility behaviors. Consistent with other studies, demographic results highlighted gender imbalances in the SME sector, with 53.5 % of the participants' entrepreneurs being males. Meyer and Mostert (2016) noted that more males than females own SMEs in South Africa, leading to disparities in gender-defined contributions towards dealing with social problems and HIV/AIDS. This skewed ownership architecture is problematic in the face of T-test results that revealed no significant differences between male and female entrepreneurs' biases, perceptions, and expectations towards CSR. Thus, while male and female entrepreneurs similarly conceive CSR, the skewed ownership structure of the sector undermines the overall contribution of female enterprises

to advancing sustainable and responsible business practices, particularly regarding combatting HIV/AIDS.

The prevalence of necessity-driven enterprises in the South African small business economy is observed. Most of the surveyed SMEs had fewer than 5 employees (44.7 %), followed by firms with 6-10 employees (27.6 %) and low turnover figures ranging from 0 to 500k (70 %). Similarly, the OECD (2020) stated that micro-enterprises comprise 55.6 % of registered firms in the formal sector, while small and medium firms constitute 33.7 % and 9.5 % of the South African formal economy. This ongoing dynamism in the industry pauses inherent sustainability questions toward CSR and survival opportunities.

In fact, the study examined the impact of business structure on CSR activities, with results indicating that business structure significantly impacted CSR activities towards employees, the community, and customers. Consistent with this view, (Oldham & Spence, 2022) found that a business's structure is a key moderator of social responsibility practice in small firms. This finding implies that businesses with specific legal forms, such as proprietary limited companies, may have better frameworks, policies, or resources to engage in CSR (Pillai *et al.*, 2022) and address employee well-being and health concerns related to HIV/AIDS. In short, different business structures, such as sole proprietorships, partnerships, proprietary limited companies, and close corporations, are associated with distinct governance, decision-making, and accountability mechanisms that influence the organization's ability and willingness to engage in CSR activities. There is, therefore, a need to develop policy interventions that promote SMEs to transform from informal entities to incorporated entities

that can render meaningful contributions to addressing social issues like HIV/AIDS.

Equally important is the size of employees, particularly towards leveraging a firm towards employee-oriented and customer-oriented HIV/AIDS CSR activities. Literature has long recognized employees as critical stakeholders for CSR (Onkila & Sarna, 2022). Thus, this study also posits that SMEs' aptitude towards employee-oriented and customer-oriented HIV/AIDS CSR is affected by the number of employees but less so towards community-oriented initiatives. The insinuation is that employee size growth is desirable among SMEs as it endows firms with a larger workforce, increased resources, capabilities, and infrastructure, enabling them to focus on other key stakeholders (employees and customers) beyond community-biased CSR they are traditionally biased towards. Therefore, supporting the growth of SMEs resulting from increased employee figures ensures improved CSR activities to combat the epidemic and migration towards leveraging CSR for strategic business purposes beyond community interests.

Like the number of employees, it was found that the level of turnover significantly impacted employee and customer-oriented CSR activities, further highlighting a diversion towards strategic CSR considerations. As turnover increases, SMEs are more likely to allocate resources and attention towards CSR activities, resulting in improved financial performance, profitability, and sustainability. Thus, firms can enhance their competitive advantage and stakeholder relationships by investing in employee support programs and health initiatives and incorporating socially responsible practices into their products and services.

In summary, the study revealed that gender, business structure, employee size

and turnover variables moderate SMEs' CSR practices to combat HIV/AIDS among different stakeholder groups. It also emerged that employee size and turnover dimensions are most likely to trigger strategic CSR behaviours to achieve business goals beyond the community interests.

Study Implications

The findings of the study have several sustainability implications. Primarily, policymakers and support organizations can provide targeted assistance and resources to small businesses with lower turnover levels, enabling them to participate actively in community-oriented CSR activities. This may involve facilitating access to funding, networks, and training programs focused on social responsibility. Moreover, the study findings highlight the relationship between turnover and different dimensions of CSR activities, particularly in HIV/AIDS. They emphasize the importance of financial stability and performance in driving small businesses' engagement in socially responsible practices. Encouraging small businesses to prioritize CSR activities aligned with their turnover levels can contribute to sustainable business practices, employee well-being, customer satisfaction, and positive social impact within the South African small business sector. Overall, the findings emphasize the significance of business type in shaping CSR activities, specifically in the context of HIV/AIDS initiatives. Recognizing and understanding the role of business structure can inform policy interventions, capacity-building programs, and support mechanisms aimed at promoting responsible business practices and addressing social challenges in the small business sector in South Africa.

This study investigated how gender, business structure, employee size, and

turnover impact SMEs' CSR. There remains a gap for further studies to explore how other organizational factors, such as financial stability and performance impact SME CSR behaviour in similar and different research contexts.

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