

ABSTRACT

This research is conducted to find the awareness of Small and Medium Enterprises (SME's) regarding the concept of Corporate Social Responsibility (CSR). The awareness is seen on the basis of an order regarding corporate social responsibility named as corporate social responsibility General Order 2009 issued by the security and exchange commission of Pakistan. The general order mentioned 13 areas of socially responsible programs. On the basis of this order there are three objectives of this research. First, evaluated the impact of the general order and it is also examined that what programs started by the companies after the issuance of this order. Second, it is observed that which factors are stopping the enterprises to perform this important business strategy. Third, it is evaluated that what are the possible attractive privileges for the enterprises if they start programs related to corporate social responsibility.

To conduct this research, the enterprises of Jamshoro and Hyderabad Districts of Sindh, Pakistan were selected as these both districts have large area reserved for the industrial sector named as Sindh Industrial and Trading Estate (S.I.T.E). To conduct this study the close ended fully structure questionnaire were distributed in the enterprises. This questionnaire was designed according to background literature guidance in which the factors mentioned in the general order 2009 were main focus. To evaluate the response, Microsoft Excel is used where the results of asked questions are represented in the form of charts. The pie charts provide percentage of results.

After evaluating the results of this study, it is found that a few enterprises received the general order officially and have some knowledge about it. However, only 14% of companies received Corporate Social Responsibility General order 2009 through officially. It is also found that 57% of companies have knowledge regarding

Corporate Social Responsibility from various sources. Furthermore, it can be evaluated that most of the small and medium enterprises do not know much about the concept of corporate social responsibility. It is interesting to note that even if enterprises have some knowledge about the Corporate Social Responsibility but they are not implementing it. The companies have not implemented CSR because of three major factors (1) Lack of economic resources so that they can benefit their employees other than their salaries. (2) Companies state that they do not receive CSR general order 2009 from the Security and Exchange commission of Pakistan. (3) Authorities do not provide guidelines to the enterprises to perform such kind of programs.

However, it is also found that enterprises are also lacking in attentiveness, as only 39% of the companies have information regarding CSR general order by other different sources, the rest are unaware about this order. However, the said CSR general order mentioned number of aspects that a company may do under the umbrella of the Corporate Social Responsibility. It is also found that few companies providing facilities to their employees, mentioned in Corporate Social Responsibility even before issuance of the general order. As these are the common practices for the help of the community. However, there is very less knowledge about the CSR general order and its guidelines to the companies. On the basis of these finding, the recommendations have been suggested for the authorities.

Suggestions for Ministry of Industries, administrative units/ authoritative bodies such small and medium enterprise development authority and for the company law division Securities and Exchange Commission of Pakistan are proposed on the basis of the findings of this research. It is suggested that Government should start education programs for the entrepreneurs of every size of the company but especially for the Small and Medium industry enterprises, as they are not as much aware about

international market demands, the education programs should teach them ethical perspective of the business and let them be familiarized with the practices of Corporate Social Responsibility Awareness programs. However, in particular it is also to be assured by the authorities that communication link should be well established among all stakeholders. Awareness seminars should be held on the particular interval and for this concerned departments should take measures. As without awareness the enterprises could not be able to respond the international market demands. On the other hand the authorities should start incentive program for the enterprises which are implementing such orders.