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# CHALLENGES IN IMPLEMENTING CORPORATE SOCIAL RESPONSIBILITY: A STUDY OF SMES IN SOUTH AFRICA'S CONSTRUCTION INDUSTRY

RESEARCH ARTICLE<sup>1</sup>

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## ABSTRACT

To date, there is a paucity of research on the concept of corporate social responsibility (CSR), particularly the practice of CSR within the global and local construction industry. This extends to studies identifying CSR implementation challenges affecting construction organisations. This article investigates the CSR implementation challenges affecting SME owner-managers in the South African construction industry and analyses whether small and medium enterprises (SMEs) are affected similarly or differently. This article serves as a guideline for further research regarding mitigating measures towards the CSR implementation challenges experienced by SME owner-managers in the South African construction industry. Existing literature is reviewed to provide an overview of the current CSR implementation challenges from both the global construction industry and generic business sectors guided by the St. Gallen Management Model. The study conducts a mixed method research approach, using an online questionnaire survey and structured face-to-face interviews, with the data analysed

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using both descriptive (mean, standard deviation, rank, and themes) and inferential (Analysis of Variance ANOVA) statistics. Findings reveal that SMEs in the South African construction industry are affected by CSR implementation challenges related to a lack of integration in the SME culture and business objectives; limited financial resources to undertake CSR initiatives; lack of CSR skills and knowledge, and unstable economic conditions. In addition, although SMEs are categorised differently in terms of their Construction Industry Development Board (cidb) grade and their upper limit of tender value range, the two groups of contractors' experience similar CSR implementation challenges across four management levels as guided by the St. Gallen Management Model. This finding will guide future research regarding mitigating factors to address CSR implementation challenges experienced by SME owner-managers in the South African construction industry.

## ABSTRAK

Tot op hede is baie min navorsing gedoen oor die konsep van korporatiewe sosiale verantwoordelikheid (KSV), veral die praktyk van KSV binne die globale en plaaslike konstruksiebedryf. Dit strek tot studies wat KSV-implementeringsuitdagings identifiseer wat konstruksie-organisasies raak. Hierdie werk poog om die KSV-implementeringsuitdagings wat klein en medium ondernemings (KMO)-eienaars/bestuurders in die Suid-Afrikaanse konstruksie bedryf raak, te ondersoek, en om te analiseer of KMO's soortgelyk of anders geraak word, wat as 'n riglyn dien vir verdere navorsing rakende versagende maatreëls teenoor die KSV-implementeringsuitdagings wat deur KMO-eienaars/bestuurders ervaar word. Bestaande literatuur is gebruik om 'n oorsig te verskaf van die huidige KSV-implementeringsuitdagings van beide die globale konstruksiebedryf sowel as generiese sakesektore geleidelig deur die St. Gallen Bestuursmodel. 'n Gemengde navorsingsbenadering is gevolg deur gebruik te maak van 'n aanlyn vraelysopname en gestruktureerde persoonlike onderhoude, met die data wat ontleed is deur beide beskrywende (gemiddelde, standaardafwyking, rangorde en temas) en inferensiële (Analise van Variansie ANOVA) statistieke te gebruik. Die bevindinge toon dat KMO's in die Suid-Afrikaanse konstruksiebedryf geraak word deur KSV-implementeringsuitdagings wat verband hou met 'n gebrek aan integrasie in die KMO-kultuur en besigheidsdoelwitte; beperkte finansiële hulpbronne om KSV-inisiatiewe te onderneem; gebrek aan KMO-vaardighede en -kennis, en onstabiele ekonomiese toestande. Alhoewel KMO's verskillend gekategoriseer word in terme van hul Konstruksie-industrie Ontwikkelingsraad gradering en hul boonste limiet van tenderwaarde-reeks, ervaar die twee groepe kontrakteurs soortgelyke KSV-implementeringsuitdagings oor vier bestuursvlakke, soos geleidelig deur die St. Gallen-bestuursmodel.

## 1. INTRODUCTION

Corporate social responsibility (CSR) research within the global construction industry is a relatively recent phenomenon compared to the CSR research in the broader business community that has already attracted substantial attention from academics and has moved up the corporate agenda (Loosemore *et al.*, 2018; Xia *et al.*, 2018; Chi Vo, 2011). From a South African construction industry perspective, this picture is no different, as it is evident that only a few studies such as Ebekoziens *et al.* (2024); Wentzel, Fapohunda and Haldenwang (2022; 2023); Cheruiyot-Koech and Reddy (2022); Lekan *et al.* (2021); Mokwena *et al.* (2020); Ladzani and Seeletse (2012); Othman and Abdellatif (2011); Ladzani and Seeletse (2010),

as well as Othman and Mia (2008) have in recent years been published in this domain. From analysing these studies, it is evident that only two studies (Wentzel *et al.*, 2022; 2023; Wentzel, 2022) directly associate the application of CSR to SMEs in the South African construction industry. This supports the view of Chiloane-Tsoka & Ravetshele (2014) who state that there has been considerably more focus on the application of CSR in large enterprises than SMEs globally.

According to Chi Vo (2011), the reason for the limited research on the application and practice of CSR in SMEs seems to be based on the argument that large organisations are at the heart of the economy and that SMEs are merely 'little big companies', to which CSR theory can simply be scaled down to fit their business purpose. Based on the contention by Chi Vo (2011), Davies and Crane (2010) disagree with this argument, as the unique characteristics of SMEs make it difficult to employ the CSR theories and practices of large organisations, highlighting the application and practice of CSR in SMEs as a relevant area for further study.

Notwithstanding, it is believed that SMEs worldwide in all industries, including the construction industry, could take advantage of opportunities offered by the application and practice of CSR to enable SME businesses of all kinds to maximise their business benefits which, according to a study conducted by Wentzel *et al.* (2022), include, among others, improving the organisation's prestige; increasing the organisational ability to attract good and quality staff; improving the organisation's efficiency; contributing to the credibility of the organisation, and improving the organisation's corporate image and reputation with various stakeholders (employees, customers/clients, investors, government, suppliers, and the community), all of which contributes to their sustainable business performance (SBP). Noting these benefits, Kageyama (2017) opines that CSR is an essential element of business strategy for both large corporations and SMEs globally and within all sectors. However, in many ways, SMEs are better positioned than larger corporations to reap the benefits from socially responsible business practices. Despite this position, Kageyama (2017) is convinced that SMEs across all sectors face unique challenges pertaining to CSR practices, which in effect limits them from reaping these benefits. Hence, guided by the St. Gallen Management Model, this study first identifies the CSR implementation challenges affecting SME owner-managers in the South African construction industry and thereafter analyses whether SMEs are affected similarly or differently. Reflecting back on the limited CSR studies associated with SMEs conducted in the South African construction industry, the findings of this study are a significant contribution, serving as a guideline for further research regarding mitigating measures towards the CSR implementation challenges experienced by SME owner-managers in the South African construction industry.

## 2. LITERATURE REVIEW

### 2.1 St. Gallen Management Model

Based on the organisational characteristics of SMEs, as described by Chi Vo (2011) and Jenkins (2004) as informal, intuitive, ambiguous, but more specifically owner-managed, various management models/theories such as Kurt Lewin's Change Management; Maslow's Hierarchy of Needs; Peter Senge's Five Disciplines; Henri Fayol's Command and Control; Frederick Taylor's Scientific Management, and Peter Drucker's Management as a Discipline were considered to guide this study in terms of categorising CSR challenges faced by SMEs. Noting this, SGMI Management Institut St. Gallen (2023: 1) states that "[a] confusing multiplicity of scientific theories and methods characterises management teachings and education. Most stress one aspect of management, and few seem to be related. Managers confront a 'jungle' of management ideas". These ideas include the implementation of CSR and the challenges thereof within construction businesses, including SMEs. Although limited, there are studies indicating the implementation challenges of CSR in the construction industry globally and locally, these studies include, among others, Ebekoziem *et al.* (2024); Wentzel *et al.* (2023); Ebekoziem *et al.* (2022a; 2022b); Zhang, Oo and Lim (2019); Loosemore and Lim (2018); Agudo-Valiente, Garcés-Ayerbe and Salvador-Figueras (2017), and Lu *et al.* (2015). In these studies, CSR challenges are loosely mentioned and are not categorised utilising a management model. This in itself is a gap, as owners of construction organisations, including SME owner-managers, should be responsible for managing their organisations' CSR initiatives. This is supported by Rangan, Chase and Karim (2015) who mention that developing coherent CSR strategies is an essential part of the job of every chief executive officer (CEO) and company board. Thus, understanding and evaluating CSR challenges experienced by SMEs through the adoption of the St Gallen Management Model (illustrated in Figure 1) seems fitting, as it places management in the context of the organisation and business environment, enabling an integral view on management and its nexus with the organisation and business environment.

The St Gallen Management Model adapted from Elford and Daub (2019: 4) (illustrated in Figure 1) is divided into four management levels, namely the normative, strategic, operative and environmental management levels, serving as an acceptable guide regarding decisions, communication flows, actions and tasks of management that vary on each level. Noting this, at the normative management level, the organisational culture, norms, shared values, and important long-term commitments that determine an organisational culture are established (Ulrich & Kreig, 1972). Villa (2019) stipulates that, at the normative management level, the organisation's

overall vision, mission, strategy, and policies are developed to establish identity and responsibilities. The strategic management level, as documented in the St. Gallen Management Model, emphasises establishing the organisation's strategy to ensure its competitive advantage and, in so doing, gives rise to its long-term survival and success, positively impacting on the sustainable business performance. Ruegg-Sturm and Grand (2017) mention that the objective of the operative management level relies on SMEs performing their daily business functions correctly and efficiently. They, therefore, believe that the key elements at this management level are the proper coordination of practices and the allocation of resources such as finance, knowledge, experience, and time. Lastly, the environmental management level emphasises the management of factors influencing the organisation from an external perspective. According to the British Broadcasting Corporation (BBC, 2024), these factors can be positive or negative, depending on the way in which the organisation reacts and strategises to remain successful. Noting the St. Gallen Management Model constructs and their functions, the extension of the literature review in the subsequent sections further documents CSR challenges affecting SMEs across all four management levels.

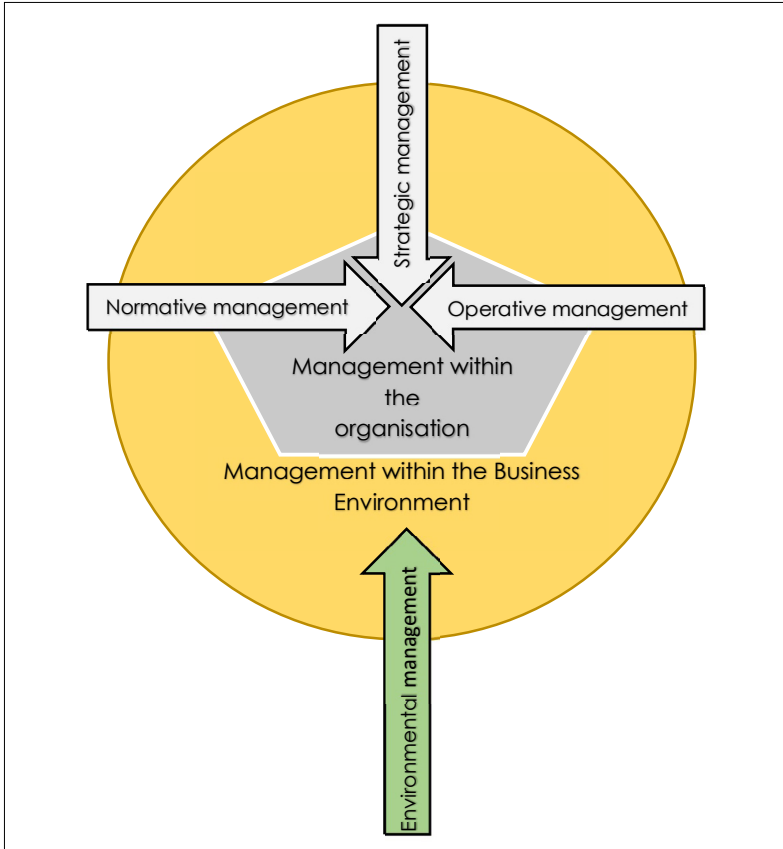


Figure 1: The St. Gallen Management Model

Source: Adapted from Elford & Daub, 2019: 4; Wentzel, 2022: 33

## 2.2 CSR implementation challenges affecting SMEs at the normative management level in the organisational dimension

It is the responsibility of management at the normative management level to inaugurate the organisational culture (Ruegg-Sturm & Grand, 2017). Galli (2022) concurs and adds that the organisational culture can be considered one of the main factors impacting on the success or failure of an organisation. Likewise, management at the normative management level is certainly a critical factor in ensuring the successful implementation

of CSR via a CSR culture, as the philosophies of management at this level affect the organisation's CSR practices (Goyal & Kumar, 2017), by shaping the behaviour of employees and establishing changes to undesirable behaviour and stability in the desired behaviour (Pathiranage, Jayatilake & Abeysekera, 2020). Therefore, the commitment/non-commitment of management at this level may motivate/demotivate employees to ensure or not ensure the effective implementation of CSR in the organisation (Goyal & Kumar, 2017). This position is supported by the view of Wilms, Hardcastle and Zell (1994: 108):

“People will follow management direction. Whatever management does, and in what direction they push, and how hard they push dictates where the company eventually goes.”

Based on the culture and characteristics of SMEs, as explained by Chi Vo (2011), it is possible that CSR practices by the owner-managers of SMEs across all sectors and geographical locations might not take precedence over more pressing concerns impacting on their businesses. Carlisle and Faulkner (2004, cited by Sweeney [2007]) as well as Aras-Berger and Taskin (2021) support this view, mentioning that owner-managers of SMEs, including construction SMEs, are likely to perceive that CSR is irrelevant to them. A study by Ebekezien *et al.* (2024) suggests that this is not only synonymous with construction SMEs, but with all stakeholders within the South African construction industry. These sentiments justify why SMEs in South Africa, particularly owner-managers of SMEs in the construction environment, seem to have hardly any to no commitment to CSR and tend to view CSR as an unnecessary burden to their already struggling businesses (Ladzani & Seeletse, 2010). This suggests that CSR and its integration into the SME culture, objectives, norms, and values, particularly in the South African construction environment, remains a challenge at the normative management level of these organisations (Murphy, 2020).

### 2.3 CSR implementation challenges affecting SMEs at the strategic management level in the organisational dimension

Elford and Daub (2019) mention that features specific to SMEs influence CSR practices at the strategic management level. One challenge related to CSR practices in SMEs identified at the strategic management level is that SMEs do not seem to internally or externally communicate their CSR practices, compared to larger organisations. Murillo and Lazano (2006, cited by Andriyani & Rochayatun [2023]) concur, linking this lack of communication to the fact that SMEs find it difficult to understand CSR and still need to acquire more knowledge. This is further justified as a challenge, as Hamidu, Haron and Amran (2015) confirm that, based on the

legitimacy theory, communicating CSR practices by both SMEs and larger organisations allows for initiating and protecting the business legitimacy of their stakeholders.

According to Elford and Daub (2019), another strategic challenge of SMEs when concentrating on CSR practices is their limited resources, which refer not only to their limitation to access financial resources, as mentioned by Pettersson and Lagerkvist (2023); Abdullah *et al.* (2016), as well as Ramasobana and Fatoki (2014), but also to their limited human resources, time, knowledge, awareness, understanding, information, as well as legal and media support (Ebekoziem *et al.*, 2024; Abdullah *et al.*, 2016; Manuere & Majoni, 2016; Lepoutre & Heene, 2006; Ramasobana & Fatoki, 2014; Chiloane-Tsoka & Rsvetshela, 2014; Zou *et al.*, 2021). According to Jenkins (2006) as well as Bianchi and Noci (1998), these stipulated challenges direct SMEs to prioritise differently; hence, challenges closer to home, for example, employee motivation, as reinforced by Abdullah *et al.* (2016), customer retention, and community involvement gain more priority.

Another challenge that SMEs face at the strategic management level concerning CSR practices is due to their informal and owner-centric nature: they find it difficult to justify investments in CSR practices (Stubblefield Loucks, Martens & Cho, 2010). Scagnelli *et al.* (2013, cited by Zastempowski & Cyfert [2021]) state that the difficulty in justifying investments into CSR stems from both an economic and competitive point of view, based on the fact that the vast majority of clients are not prepared to pay more for environmentally friendly products and processes, while CSR is frequently perceived as business cost without benefit. From a broader construction industry perspective, this point is further supported by Ebekoziem *et al.* (2024), who in their findings indicate that capitalism is so entrenched in the South African construction industry that anything related to social responsibility is interpreted as socialism. Bay (2012, cited by Ramasobana & Fatoki [2014]) further supports this sentiment, explaining that SMEs in South Africa, specifically SMEs in the construction environment, lack the necessary investment and justification of investment required to undertake CSR practices. Raynard and Forstater (2002) support these views, contending that SMEs in developing economies consider an investment in CSR practices an expense to their businesses, blinding them from the economic perspectives, especially in the short term. According to Carroll (1991, cited by Elford & Daub [2019]), this illustrates that, regardless of the values and norms of management and owners, the legitimization of CSR practices represents a sizeable challenge, given that the main goal of any business is to be profitable. This is especially the case of SMEs, where survival and business growth take priority, leaving non-commercial goals secondary (Worthington, Ram & Jones, 2006). Therefore, the known



organisational characteristics of SMEs typically greatly influence how these companies deal with CSR practices at the strategic management level (Ruegg-Sturm & Grand, 2017).

## 2.4 CSR implementation challenges affecting SMEs at the operative management level in the organisational dimension

A CSR challenge identified at the operative management level about CSR practices in SMEs, both nationally and internationally, is the belief that SMEs should apply the same CSR theory and strategies to their organisations as that of their larger counterparts (Chi Vo, 2011). According to Chi Vo (2011), as well as Davies and Crane (2010), this belief is faulty, considering the cultural differences and specific characteristics of SMEs and larger organisations. It is clear that CSR theory and strategies applied by larger organisations are too complex and suboptimal for SMEs (Jenkins, 2004; Castka *et al.*, 2004), who, according to Jenkins (2004), are not simply smaller versions of larger organisations. Elford and Daub (2019); Pettersson and Lagerkvist (2023); Aras-Berger and Taskin (2021); Zou *et al.* (2021); Ebekoziem *et al.* (2024), as well as Bello, Banda and Kamanga (2017) suggest that high levels of bureaucracy, lack of CSR skills and knowledge, and adaptation of CSR practices and standards to SME internal business processes should also be regarded as direct CSR challenges to SMEs within the operative management level. Elford and Daub (2019) further emphasise through their research that CSR challenges at the operative management level are linked to barriers at the strategic management level, such as limited financial, human, and technical resources.

## 2.5 CSR implementation challenges affecting SMEs at the environmental management level in the business environment dimension

CSR challenges affecting SMEs have been discussed predominantly from the organisational dimension, which is encapsulated in the literature at three different management levels – normative, strategic, and operative – all of which are linked to the St. Gallen Management Model as adapted by Elford and Daub (2019). This section documents CSR challenges that SME owner-managers experience within the business environment dimension of the St. Gallen Management Model.

According to Ruegg-Sturm and Grand (2017), an organisation is embedded in a dynamic business environment that continuously creates opportunities for the organisation and establishes expectations. With regards to the business environment dimension, represented in the St.

Gallen Management Model, some of the challenges hindering SME owner-managers across all sectors globally from practising CSR in accordance to Manuere and Majoni (2016) are linked to unstable economic conditions, negative government regulations or policies, poor collaboration among SMEs, poor customer care, and a lack of CSR culture in SMEs. Mloi (2013) and Klara (2011) suggest that poor supplier care and the organisation's location concerning the business environment dimension of the St. Gallen Management Model similarly hinder the successful implementation of CSR practices by SME owner-managers, in general, and in the South African construction industry. Furthermore, Laudal (2011) believes that these CSR challenges may be predominantly related to the organisation's size.

### 3. RESEARCH METHODOLOGY

#### 3.1 Research design

Guided by Creswell and Plano Clark (2011), the research philosophical paradigm adopted for this study combines two paradigms, supporting the explanatory sequential mixed-method design – postpositivism, representing the quantitative data, using a structured questionnaire survey, and constructivism, representing the qualitative data collected from structured interviews. The research design allows for descriptive and inferential data analysis (Cresswell & Plano Clark, 2011). The justification for selecting the explanatory sequential mixed-method design is to elaborate on the quantitative findings, such as similar CSR challenges on the four management levels suggested from respondents' groups (Cresswell & Plano Clark, 2011). In this study, descriptive data analysis was used to identify the CSR implementation challenges affecting SME owner-managers in the South African construction industry. Inferential statistics was used to analyse whether SMEs are affected similarly or differently.

#### 3.2 Population, sample, and response rate

A stratified random sampling strategy was used for phase 1 (quantitative data) of the data-collection process to ensure that each subgroup within the diverse research population received proper representation within the sample (Murphy, James & Kvilhaug, 2021). The research participants were drawn from the national cidb register of contractors who occupy General Building (GB) and Civil Engineering (CE) classes of work between Grade 1 and Grade 6 and who, according to Windapo, Olugboyega and Odediran (2020), represent the SME cluster in the South African construction industry, with current upper limit tender values ranging between less than ZAR 1 million to ZAR 20 million and comprising of 51,636 contractors.

To determine a suitable representative sample of 50% for this study (Ankrah, 2007; Akadiri, 2011; Oyewobi, 2014), a 95% confidence level was assumed with a significance level of  $\alpha = 0.05$ ;  $z = 1.96$  at 95% confidence level, and a confidence interval (c) of  $\pm 10\%$  was taken.

The sample size was computed as follows:

$$ss = \frac{1.96^2 \times 0.5(1-0.5)}{0.1^2} = 96.04$$

According to Takim, Akintoye and Kelly (2004), response rates are usually 20%-30%. Consequently, adjusting the sample size to account for non-responses was necessary. Assuming a 20% response rate, the appropriate sample size to be surveyed was calculated as follows:

$$\text{Survey ss} = \frac{\text{new}}{\text{response rate}}$$

$$\text{Survey ss} = \frac{96}{0.2} = 480$$

The survey sample size was, therefore, 480 respondents, who were randomly selected as guided by the views of Murphy *et al.* (2021). Of the 480 survey questionnaires emailed to respondents, 110 were suitably completed and returned, resulting in a response rate of 23%. Suitable response rates within the domain of construction management research vary between 20%-30% (Takim *et al.*, 2004; Oladokun, Isang & Emuze (2020); Ofori & Chan (2001). Table 1 reports the questionnaire distribution compared to the responses received for the different provinces.

Table 1: Questionnaire distribution vs. responses

Province	Distributed	Received	%
Western Cape	84	51	60.7
Northern Cape	38	4	10.5
North-West	38	2	5.3
Mpumalanga	38	7	18.4
Limpopo	38	2	5.3
KwaZulu-Natal	84	11	13.1
Gauteng	84	18	21.4
Free State	38	3	7.9
Eastern Cape	38	12	31.6
Total	480	110	22.9

Purposive sampling, as guided by Stewart (2024), was used for the qualitative structured face-to-face interviews. As a precautionary measure and to eliminate bias in the selection of participants to be interviewed, a formal letter was emailed, asking construction organisations, who partook in the questionnaire survey, if they would consent to be interviewed, in order to gain a detailed and nuanced understanding from specific respondents who represent SMEs. From the 110 responses received at the close of the quantitative survey, only four respondents agreed to be interviewed. According to Mason (2010), the vast majority of scholars contend that saturation is the most important factor to consider regarding the sample size for qualitative research. Acknowledging the justification for the adoption of explanatory mixed-method design, the research achieved saturation after four interviewees (Morse, 2000).

### 3.3 Data collection

The questionnaire was piloted using two phases. The first phase was an internal pilot, during which the questionnaire was forwarded to the researcher's supervisors for comments and changes. The second phase was an external pilot for which the questionnaire was forwarded to 24 potential participants registered on the national cidb register of contractors who occupy General Building (GB) and Civil Engineering (CE) work classes between Grade 1 and Grade 6. The external pilot was conducted to check the clarity and feasibility of the questionnaire survey. Feedback from both pilot studies such as streamlining variables in the questionnaire survey was used to revise the questionnaire. A cover letter with the questionnaire survey (Lime Survey) link was emailed to the 480 respondents between 5 and 12 October 2020. The questionnaire was developed guided by the study's objectives and the variables obtained from the literature review. The questionnaire consisted of two sections with closed ended questions. Part A contained questions on the demographic data of the respondents, whereas Part B consisted of 26 statements categorised under four headings: CSR challenges at the Normative Management Level; CSR challenges at the Strategic Management Level; CSR challenges at the Operative Management Level, and CSR challenges at the Environmental Management Level. Respondents were asked to rate these statements based on their level of agreement on a 4-point Likert scale.

For the face-to-face interviews conducted between 27 May 2021 and 3 June 2021, the interview guide was prepared, using the literature review as guided by the St. Gallen Management Model as well as the findings of the quantitative data. The interview guide consisted of two sections with open-ended questions. Section A contained questions on the demographics of the respondents and section B contained questions

related to CSR implementation challenges experienced by SMEs at the Normative, Strategic, Operative, and Environmental Management Levels, which represent the main and sub-themes. All interview questions were identical for the participants to ensure that respondents were asked the same question and for ease of analysis.

Ethical clearance was applied for and received before commencing the study.

### 3.4 Data analysis

Data analysis was done using a Statistical Package for Social Sciences (SPSS), version 27 (Pallant, 2020). Descriptive statistics were generated and reported to analyse the respondents' profile (percentiles, frequencies) and rank the implementation challenges affecting the SMEs (frequencies, standard deviation, and mean scores (MSs). For the purpose of analysis, the ranges relative to the MS are defined as follows: 1.00-1.75 (strongly disagree); 1.76-2.50 (disagree); 2.51-3.25 (agree); 3.26-4.00 (strongly agree). Standard deviation was also used to report the variability (how concentrated the data are around the mean) in ranking those items that have the same mean score (Neuman, 2011). Only the mean of the items was used to show the central tendency and to rank the challenges in order of having the most effect to having the least effect.

For the analysis of the internal reliability of the factors in the questions on CSR implementation challenges, Cronbach's *alpha* values were used (Taber, 2018). Pallant (2020) suggests that the acceptable values of Cronbach's *alpha* would range from 0.70 to 0.95. In this study, a cut-off value of 0.70 was adopted.

To analyse whether SMEs are affected similarly or differently, inferential statistics were generated using the analysis of variance (ANOVA) test with  $p \leq 0.05$  to find any significant differences between the means in the opinions of the respondent groups on all the challenges identified in the study (DeVincenzo, 2023). In addition, the eta squared effect of size was calculated to measure the relative magnitude of the difference between mean scores (Tabachnick & Fidell, 2012). The strength of the effect size statistic was interpreted using the guidelines provided by Cohen (1988), which are represented as follows: 0.01 = small effect size ; 0.06 = medium effect size ; 0.138 = large effect size. Descriptive statistics (MSs, standard deviation, and 95% confidence intervals) relative to the ANOVA test and calculation to determine the eta squared effect of size is reported to represent the SMEs' CSR implementation challenges for each SME grade (Laerd statistics, 2018).

The qualitative data was analysed using deductive thematic analysis, where the researcher brings to the data a series of concepts, ideas, or topics used to code and interpret the data (Braun & Clark, 2021: 3). The authors relied on the main theme, and the four pre-set sub-themes derived from the literature review as guided by the St. Gallen Management Model as well as the quantitative findings of this study to code the implementation challenges based on frequency of occurrence for the normative, strategic, operative, and environmental management levels as experienced by the organisations interviewed.

## 4. RESULTS

### 4.1 Quantitative results

#### 4.1.1 Participants' profile

Table 2 indicates that approximately 61% of the SME owners have over 5 years' construction-related experience, indicating significant experience in the construction sector, contributing to the validity and reliability of their responses. Although approximately 52% of the SMEs who partook in the survey have been operational between 1 and 5 years, approximately 44% of the SMEs have on average been operational for 16 years, and 5% for over 25 years. These statistics indicate that the contribution of the SMEs towards the study data is considered significant and dependable. Nearly 46% of the SMEs are registered for both the GB and CE classes of work; 28% are registered as CE contractors, and 26% as GB contractors. It also shows that approximately 86% of the contractors surveyed are registered as small contractors (Grade 1 to Grade 4), and 14% registered as medium contractors (Grade 5 to Grade 6), thus representing the SME cluster (Grade 1 to Grade 6 contractors), as described by Windapo *et al.* (2020). Of the SME owners, 71% obtained some form of construction-related education and training qualification, and approximately 42% obtained construction-related qualifications from various universities across South Africa. Approximately 29% of the SME owners, who make up 71%, obtained construction-related qualifications from various public and private technical and vocational education and training colleges (TVET) across South Africa, and 24% obtained other, non-construction-specific qualifications. From the above analysis, it can be deduced that the respondents' representations are from SME owners who are mostly qualified and competent, and whose judgements and information provided can be considered reliable and valid.

Table 2: Respondents' demographics

Demographic	Category	Variable	Frequency (n= 110)	%	
Construction-related experience	Years	1-5	43	39.1	
		6-10	25	22.7	
		11-15	25	22.7	
		16-20	8	7.3	
		21-26	9	8.2	
Operational as SME	Years	1-5	57	51.8	
		6-10	27	24.5	
		11-15	15	13.6	
		16-20	3	2.7	
		21-25	3	2.7	
		>25	5	4.5	
cidb	Class of work	Both	50	45.5	
		CE	31	28.2	
		GB	29	26.4	
	Grading	Grade 1	46	41.8	
		Grade 2	26	23.6	
		Grade 3	10	9.1	
		Grade 4	13	11.8	
		Grade 5	6	5.5	
		Grade 6	9	8.2	
	Educational qualifications	University	ND Civil Engineering	16	14.6
ND Building			10	9.1	
BTech Construction Management			6	5.5	
BTech Civil Engineering			4	3.6	
BTech Quantity Surveying			3	2.7	
BSc Construction Management			2	1.8	
BSc Civil Engineering			1	0.9	
ND Architecture			1	0.9	
MSc Project Management (Construction)		1	0.9		
TVET		Qualified bricklayer	17	15.5	
		Qualified tiler	2	1.8	
		Qualified carpenter	2	1.8	
		Qualified plasterer	1	0.9	
		Qualified plumber	1	0.9	
		Cert. Building and Civil Engineering	3	2.7	
		Cert. Construction Project Management	1	0.9	
		Cert. Road Construction	1	0.9	
		Cert. Construction Maintenance	1	0.9	
		Cert. Contractor Development Programme	1	0.9	
		Other	Qualifications in: Business Management; Education; Internet Technology, and Mechanical Engineering	26	23.6
			Matric certificate	4	3.6
None			6	5.5	

#### 4.1.2 CSR implementation challenges affecting the SMEs at different management levels (quantitative results)

Table 3 indicates the ranking results about the CSR implementation challenges across all four management levels (normative, strategic, operative, and environmental). SMEs in the South African construction industry, through the average MS, consider their CSR implementation challenges to be greater at the strategic management level (MS=3.22), followed by the operative management level (MS=3.21), the environmental management level (MS=3.15), and the normative management level (MS=3.11). Table 3 also indicates that the internal consistency for SME CSR implementation challenges is reliable and acceptable, as the Cronbach's *alpha* values for all the variables are above 0.70, with the overall Cronbach's *alpha* coefficient at 0.933.

Table 3: Ranking of SME CSR implementation challenges

Variables	Response (%)				Mean	Std. dev.	Rank	Cronbach's alpha
	Strongly disagree	Disagree	Agree	Strongly agree				
	1	2	3	4				
<b>Normative management level</b>								
Lack of integration in the SMEs' culture and the SMEs' business norms	2.7	10.9	48.2	38.2	3.22	0.747	1	.933
Lack of integration in the SMEs' culture and the SMEs' business objectives	4.5	8.2	53.6	33.6	3.16	0.761	2	.933
Lack of integration in the SMEs' culture and the SMEs' business values	4.5	12.7	52.7	30.0	3.08	0.780	3	.932
Lack of commitment and motivation of SME managers and owners towards CSR	10.0	13.6	44.5	31.8	2.98	0.928	4	.934
Average MS					3.11			.933
<b>Strategic management level</b>								
SMEs have limited financial resources to undertake CSR practices	2.7	5.5	35.5	56.4	3.45	0.725	1	.934
SMEs have limited human resources to undertake CSR practices	3.6	4.5	43.6	48.2	3.36	0.739	2	.934
SMEs have limited media support to undertake CSR practices	4.5	4.5	50.0	40.9	3.27	0.753	3	.933



Variables	Response (%)				Mean	Std. dev.	Rank	Cronbach's alpha
	Strongly disagree	Disagree	Agree	Strongly agree				
	1	2	3	4				
SMEs have limited information to undertake CSR practices	3.6	7.3	48.2	40.9	3.26	0.750	4	.932
SMEs find it difficult to justify or legitimise CSR efforts since benefits are challenging to measure	3.6	10.0	43.6	42.7	3.25	0.783	5	.933
SMEs have limited legal support to undertake CSR practices	4.5	8.2	45.5	41.8	3.25	0.792	6	.932
SMEs have limited knowledge to undertake CSR practices	3.6	9.1	51.8	35.5	3.19	0.748	7	.932
SMEs have limited awareness to undertake CSR practices	5.5	10.9	43.6	40.0	3.18	0.837	8	.932
SMEs have limited time to undertake CSR practices	3.6	12.7	46.4	37.3	3.17	0.788	9	.932
Reluctance of SMEs to communicate CSR practices externally to the business	8.2	12.7	47.3	31.8	3.03	0.883	10	.934
Reluctance of SMEs to communicate CSR practices internally to the business	9.1	13.6	44.5	32.7	3.01	0.914	11	.932
Average MS					3.22			.932
<b>Operative management level</b>								
SMEs find it difficult to adapt CSR practices and standards to their internal business process	0.0	7.3	54.5	38.2	3.31	0.602	1	.934
Lack of CSR skills and knowledge	0.9	10.0	47.3	41.8	3.30	0.685	2	.933
Standardised CSR guidelines are too complex and inapplicable for SMEs	0.9	11.8	54.5	32.7	3.19	0.670	3	.932
High levels of bureaucracy	6.4	10.9	53.6	29.1	3.05	0.811	4	.934
Average MS					3.21			.933
<b>Environmental management level</b>								
Poor collaboration among SMEs	1.8	9.1	42.7	46.4	3.34	0.720	1	.933

Variables	Response (%)				Mean	Std. dev.	Rank	Cronbach's alpha
	Strongly disagree	Disagree	Agree	Strongly agree				
	1	2	3	4				
Unstable economic conditions	2.7	2.7	55.5	39.1	3.31	0.660	2	.935
Lack of CSR culture in SMEs	1.8	10.9	48.2	39.1	3.25	0.719	3	.934
Negative government regulations and policies	2.7	11.8	46.4	39.1	3.22	0.759	4	.936
The location of the SME business	7.3	10.9	49.1	32.7	3.07	0.854	5	.934
Poor supplier care by SMEs	5.5	25.5	40.9	28.2	2.92	0.869	6	.933
Poor customer care by SMEs	8.2	21.8	40.9	29.1	2.91	0.914	7	.936
Average MS					3.15			.934
Overall average MS					3.17			.933

Within the normative management level, it is indicative that SME CSR implementation challenges are particularly brought about by the lack of CSR integration in the SMEs' culture and the SMEs' business norms (MS=3.22) and lack of CSR integration in the SMEs' culture and the SMEs' business objectives (MS=3.16). This finding is supported by Ladzani and Seeletse (2010), who indicated that CSR and its integration into the SME culture, objectives, norms, and values, particularly in the South African construction environment, is a challenge at the normative management level of these organisations. Murphy (2020) also agrees with this finding, stating that one of the biggest challenges SMEs face in terms of implementing CSR is the lack of, and differing culture and priorities within different segments of the business, suggesting poorly aligned priorities and corporate goals.

On the strategic management level, CSR implementation challenges experienced by SMEs are particularly brought on because SMEs have limited financial resources to undertake CSR practices (MS=3.45) and SMEs have limited human resources to undertake CSR practices (MS=3.36). This is supported by Pettersson and Lagerkvist (2023); Zou *et al.* (2021); Elford and Daub (2019); Abdullah *et al.* (2016); Lepoutre and Heene (2006); Ramasobana and Fatoki (2014); Chiloane-Tsoka and Rasivetshela (2014), as well as Manuere and Majoni (2016), who agree that a strategic challenge that SMEs face when concentrating on CSR practices concerns limited resources, referring to limitations not only of financial resources, but also of human resources, time, knowledge, awareness, understanding, information, as well as legal and media support.

At the SME operative management level, the data reveals that SME CSR implementation challenges are particularly brought on by the fact that SMEs find it difficult to adapt CSR practices and standards to their internal

business process (MS=3.31) and SMEs lack the necessary CSR skills and knowledge (MS=3.30). Comparing these findings to previous studies, many researchers such as Pettersson and Lagerkvist (2023); Aras-Berger and Taskin (2021); Zou *et al.*, (2021); Elford and Daub (2019), as well as Bello *et al.* (2017) agree with the findings that the lack of CSR skills and knowledge and the adaption of CSR practices and standards to SME internal business processes are regarded as a direct CSR challenge to SMEs within the operative management level, preventing them from undertaking CSR and from comprehending its importance and potential business benefits.

Finally, at the SME environmental management level, the analysis shows that SME CSR implementation challenges are predominantly brought on by poor collaboration among SMEs (MS=3.34) and unstable economic conditions (MS=3.31). These findings are supported by Manuere and Majoni (2016), who state that challenges hindering SME owner-managers across all sectors globally from practising CSR are linked particularly to unstable economic conditions, negative government regulations or policies, poor collaboration among SMEs, poor customer care, and lack of CSR culture in SMEs. In addition, Klara (2011) indicates that CSR implementation challenges experienced by companies within the Czech Republic are also due to economic decline. Furthermore, Laudal (2011) believes that these CSR challenges encountered may be predominantly related to the size of the organisation.

Comparing the findings of this study to the literature, it is evident that, although there are contextual differences related to the countries (including, among others, South Africa, Sweden, Pakistan, Germany, Austria, Switzerland, Malaysia, Belgium, and Zimbabwe), in which the studies were conducted, similar CSR challenges are encountered by construction businesses in all these countries. One of the main reasons for this could be based on the deductions made by Loosemore *et al.* (2018); Xia *et al.* (2018), and Chi Vo (2011), who agree that CSR research in the global construction industry is still in its initial stages, compared to other industries. An additional reason for these challenges could also stem from the lack of a clear framework for implementing and measuring CSR initiatives (Karmakar, 2022).

#### 4.1.3 ANOVA: SME CSR implementation challenges

The results reported in Tables 4 and 5 confirm that there is no statistically significant difference pertaining to the MSs of SMEs in relation to CSR implementation challenges:  $F(5, 104) = 1.33$ ,  $p = 0.26$ , and the calculated eta squared effect of size was medium with a value of 0.06. This implies that, even though SMEs are in different categories in terms of their cidb

grade and their upper limit of tender value range, as documented by Windapo et al. (2020), the two groups of contractors experienced similar implementation challenges relative to CSR. This finding is not surprising, considering the findings by Ebekoziem et al. (2024), as alluded to in section 4.1.2, that indicate similarities among stakeholders particularly from a South African construction industry perspective. Noting these similarities, exploring ways to mitigate CSR implementation challenges and enhance CSR implementation in the South African construction sector cannot be over-emphasised. Great caution should, however, be taken in addressing this concern, particularly from the perspective of this study, as further research should not immediately assume that the similarities regarding the CSR implementation challenges experienced among SMEs require similar mitigation strategies, as these could differ based on the logical assumption that the business environment pertaining to SEs and MEs are different.

Table 4: Descriptive statistics of SME CSR implementation challenges

SMEs	N	Mean	Std. Dev.	Std. Error	95% confidence interval for mean		Min	Max
					Lower bound	Upper bound		
Grade 1	46	3.20	0.540	0.080	3.04	3.36	2	4
Grade 2	26	3.32	0.425	0.083	3.15	3.49	3	4
Grade 3	10	3.00	0.203	0.064	2.85	3.14	3	4
Grade 4	13	3.22	0.401	0.111	2.98	3.46	3	4
Grade 5	6	2.99	0.616	0.252	2.34	3.63	2	4
Grade 6	9	2.97	0.512	0.171	2.57	3.36	2	4
Total	110	3.18	0.483	0.046	3.09	3.27	2	4

Table 5: ANOVA on SME CSR implementation challenges

	Sum of Squares	df	Mean Square	F	Sig.
Between groups	1.534	5	0.307	1.333	0.256
Within groups	23.940	104	0.230		
Total	25.475	109			

Significant  $p \leq 0.05$

Calculation of effect of size for the ANOVA test:

$$\text{EtaSquared} = \frac{\text{Sum of Squares Between Groups}}{\text{Total Sum of Squares}}$$

$$\text{EtaSquared} = 1.534 / 25.475 = 0.06$$

## 4.2 Qualitative results

### 4.2.1 Organisation background

This section presents the analysis of the qualitative data based on individual structured face-to-face interviews, in order to further elaborate and support the quantitative data established by the quantitative data. The data emanating from the four structured face-to-face interviews are presented and coded as Organisation A, B, C and D to protect the privacy of each respondent. Table 6 indicates the background information of each organisation that partook in the structured face-to-face interviews. From Table 6, it is deduced that the organisations (owners) are representative of the SME cluster in the South African construction industry, as described by Windapo *et al.* (2020) and the cidb (2020). Another deduction is that all four organisations are open to general building and civil engineering classes of work across all nine provinces of South Africa, with owners of these organisations having acquired an average of approximately 16 years of overall construction-related experience. In addition, all four owners have obtained relevant qualifications, allowing for more confirmatory and elaborative responses and validating the data obtained from the interviews.

Table 6: Background information of participating organisations

Organisation name	Year est.	Geographical area of operation	Core operation	BBBEE Level	CIDB grade	CIDB class of works General Building (GB) Civil Engineering (CE)	Eligible tender value range	Years of construction business experience	Years of overall construction industry experience	Qualifications
A	2002	All nine provinces in South Africa	Manufacturing, supplying, and installing major fencing products	1	6	GB and CE	R10-R20 mil.	19	25	Bachelor's Degree in Business Administration
B	2015	All nine provinces in South Africa	Manufacturing and installation of signage products as well as undertaking building maintenance projects	1	4	GB and CE	R3-R6 mil.	7	12	Bachelor's Degree in Construction Management
C	2015	Operates predominantly in the Western Cape province of South Africa and occasionally tenders and acquires work in other provinces	Building and maintenance of simple structures and occasionally prioritises small civil engineering works	1	1	GB and CE	Up to R500,000	7	11	National Diploma in Building and Civil Engineering
D	2018	All nine provinces in South Africa	Architectural and construction services that integrate sustainable building design with physical construction	1	2	GB and CE	Up to R 1 mil.	4	15	Bachelor of Architectural Studies, and Bachelor's Degree in Construction Management

#### 4.2.2 CSR implementation challenges affecting the SMEs at different management levels (qualitative results)

Figure 2 illustrates the main theme, sub-themes, and codes used for analysing interview data regarding CSR implementation challenges. Due to the fact that the sub-themes are directly linked to the main theme, it seems fitting to analyse the qualitative data from the perspective of each sub-theme.

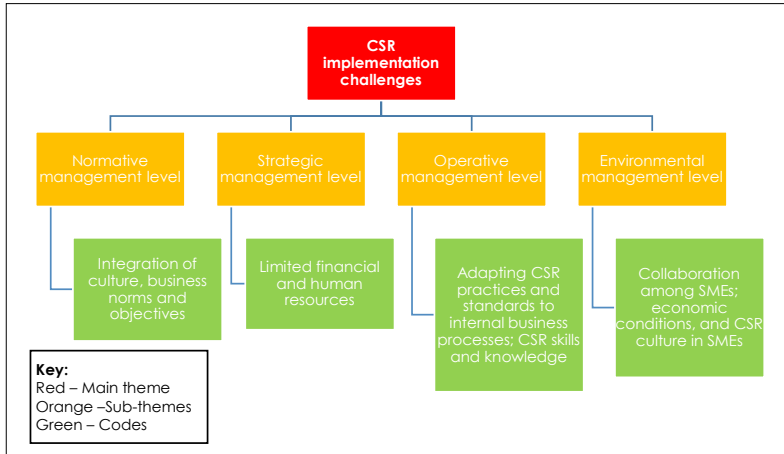


Figure 2: The code tree

##### Sub-theme 1: Normative management level

An organisation's vision, mission, values, strategy, and overall ground rules are usually established at the normative management level, which strategically defines the organisation's way forward. It is our belief that, if SMEs within the South African construction industry are to successfully implement CSR within their businesses, CSR should be entrenched within this management level. However, analysing the interview responses for this study, it is evident that respondents (Organisations A-D) agreed that they experience CSR implementation challenges across all four management levels: normative, strategic, operative and environmental. More specifically, all the respondents (Organisations A-D) believed that at the normative management level, SMEs such as themselves experience inadequacies relating to integrating CSR into their business culture, norms, and objectives. Some of the reasons for this lack of integration stem from the fact that:

“not a lot of construction businesses, more specifically SMEs in the South African construction environment, practice CSR within their businesses on a regular basis.” (Organisation B)

This finding is supported by Ebekoziem *et al.* (2024) who state that the implementation of CSR by South African construction organisations has not been encouraging.

## Sub-theme 2: Strategic management level

The strategic management level of any organisation is considered a very important level, as at this level organisations follow through making in-depth strategic decisions and formulate strategies that align with the organisation’s overall vision, mission, values, and objectives. The successful implementation of CSR among SMEs within the South African construction industry thus not only requires SMEs to entrench CSR within the elements at the normative management level, but very importantly require SMEs to formulate reliable CSR strategies that will drive the delivery process of the CSR fundamentals that have been set at the normative management level. From the qualitative data, all the respondents (Organisation A-D) agreed that they experience CSR implementation challenges related to limited financial and human resources. The respondents elaborated on several reasons:

“We are a third-world country and thus I can say from my own business experience that resources remain a challenge in allowing us to practice CSR as we take whatever we have and try to make the best of it”. (Organisation B)

“Profit margins on construction projects are very limited and thus as an SME our profit margins do not afford us the opportunity to always consider CSR initiatives”. (Organisation C)

“The fact is that there are not always enough finances available for more CSR activities to be initiated”. (Organisation D)

These findings are buttressed by Elford and Daub (2019), who mention that a strategic challenge for SMEs, when concentrating on CSR practices, is their limited resources. This refers not only to their limitation to access financial resources, as mentioned by Pettersson and Lagerkvist (2023); Abdullah *et al.* (2016), as well as Ramasobana and Fatoki (2014), but also to their limited human resources, time, knowledge, awareness, understanding, information, as well as legal and media support (Ebekoziem *et al.*, 2024; Abdullah *et al.*, 2016; Manuere & Majoni, 2016; Lepoutre & Heene, 2006; Ramasobana & Fatoki, 2014; Chiloane-Tsoka & Rsvetshela, 2014; Zou *et al.*, 2021).



### Sub-theme 3: Operative management level

The operative management level of an organisation is generally associated with short-term management. Management at this level ensures that the daily activities of the organisation are achieved, complementing the management duties at the strategic management level that primarily focuses on the long-term vision of the organisation. Alluding from the analysis of the previous theme, it is noted that the strategic management level is considered a very important level for the successful implementation of CSR among SMEs in the South African construction industry. However, it should be equally noted that all management levels rely on one another, and, therefore, it is necessary for SMEs to realise that CSR activities at the operative management level complements CSR activities at the strategic and normative levels.

Analysing the data in this section, it is noted from the comments of Organisation A that there is a challenge in terms of adapting CSR practices and standards into their organisation's internal business processes. This is caused predominantly by resistance within the organisation. Another CSR implementation challenge experienced at the operative management level, as confirmed by Organisations B and D, is the lack of CSR skills and knowledge. Organisation B mentioned that the lack of CSR skills and knowledge is indirectly caused by the lack of CSR drivers to drive CSR practices among SMEs in the South African construction industry. Organisation B also stated:

“Having more knowledge, particularly with regards to CSR is powerful and I feel that when we as construction business owners are not informed we would not understand how CSR can unlock future potential, especially in terms of sustainable business performance, specifically through the boosting of the organisation's image allowing for more sustainable business to plant itself on the organisation's doorstep”.

The data under the theme is well supported in literature by Elford and Daub (2019); Pettersson and Lagerkvist (2023); Aras-Berger and Taskin (2021); Zou *et al.* (2021); Ebekoziem *et al.* (2024), and Bello *et al.* (2017), who suggests that high levels of bureaucracy, lack of CSR skills and knowledge, and adaptation of CSR practices and standards to SME internal business processes should also be regarded as direct CSR challenges to SMEs within the operative management level.

### Sub-theme 4: Environmental management level

The environmental management level of an organisation, in the context of this study, refers to the management of all aspects positive or negative, influencing the organisation from the outside. Some of these aspects could,

for example, be opportunities for new business or challenges such as poor economic conditions impacting on the business. Similar to what was mentioned under the previous theme, all management levels are important, as every level has a direct relationship to each other. Therefore, noting the stance of this study, it is equally important for SMEs to be able to manage the implementation of CSR within their businesses, through the proactive management of the business environment that, as alluded to, could either positively or negatively impact on the businesses' CSR practices as well as the business in general.

Analysing the data in this section, it is noted that Organisations A-D all agree that they face challenges aligned with unstable economic conditions. One reason given by Organisation A is that

“many of the CSR initiatives are conducted with our own profits and based on the economic conditions, profit margins become either smaller or bigger at any given time. If they become smaller, CSR initiatives become limited”.

Another specific implementation challenge, evident from the data related to the environmental management level, as documented by Organisation B, was the absence of CSR culture and poor collaboration among SMEs. From a broader perspective, Organisations D summarises the reasons for the CSR implementation challenges across all four management levels, experienced by SMEs, as follows:

“My main view regarding the CSR implementation challenges is that the challenges seem to have a ripple effect on one another. This said I am certain that the CSR implementation challenges stipulated at the Environmental Management Level, contributes to the challenges at the Operative Management Level, which contributes to the challenges at Strategic Management Level, which eventually contribute to the challenges at the Normative Management Level”.

These findings are supported by Manuere and Majoni (2016), who state that some of the challenges hindering SME owner-managers across all sectors globally from practising CSR are linked to unstable economic conditions, negative government regulations or policies, poor collaboration among SMEs, poor customer care, and a lack of CSR culture in SMEs.

## 5. CONCLUSIONS AND RECOMMENDATIONS

It is indicative, from the onset of this study, that CSR research within the global construction industry is a relatively recent phenomenon compared to CSR research within the broader business community. This extends to the South African construction industry. Furthermore, research relative to the relationship between the application of CSR by SMEs is almost

non-existent, specifically from a South African construction industry perspective, as very few studies have to date been conducted on this relationship, opening up this area for extensive research. Acknowledging this, a study by Wentzel *et al.* (2022) indicates that SMEs in the South African construction industry could realise business benefits through the application of CSR. However, Kageyama (2017) is of the opinion that SMEs across all sectors face unique challenges relative to the application of CSR. Therefore, by identifying the CSR challenges experienced by SMEs in the South African construction industry, further research can be conducted to explore mitigating factors that will afford SMEs the opportunity to realise the business benefits of applying CSR.

Through the triangulation of the analysed quantitative and qualitative data, as well as the supporting literature, which includes, among others, Ebekoziem *et al.* (2024); Elford and Daub (2019); Pettersson and Lagerkvist (2023); Zou *et al.* (2021), and Manuere and Majoni (2016), the research identified the following CSR implementation challenges as some of the key challenges affecting SME owner-managers in the South African construction industry: Lack of integrating CSR into their business culture, norms and business objectives; have limited financial and human resources to undertake CSR initiatives; struggling to adapt CSR practices and standards to their internal business processes; lack CSR skills and knowledge; do not collaborate well with one another in terms of CSR practices; struggling to implement CSR within their businesses, due to unstable economic conditions, and lack in establishing a holistic CSR culture within their businesses. In addition, the findings of the study also indicate that CSR implementation challenges among SMEs within the South African construction industry are similar. This finding coincides with the findings of Ebekoziem *et al.* (2024), which indicate similarities in CSR hinderances among built environment stakeholders in South Africa.

Overall, the findings of this study theoretically contribute to the body of knowledge as hardly anything is known regarding the CSR implementation challenges experienced by SMEs in the South African construction industry. In addition, the findings are also presented using the framework of the St Gallen Management Model. This is an important contribution, as CSR implementation challenges experienced by stakeholders within the construction industry, let alone SMEs, have to date been loosely mentioned and were not necessarily linked to any particular management framework or model. It is therefore recommended that:

- Policymakers in government should assist, by phasing in more enforceable statutory requirements; for example, mandating the practice of CSR across all business sectors and sizes in line with relevant training and monitoring mechanisms, ensuring adequate

implementation of CSR among SMEs within the South African construction industry.

- This could be achieved through the assistance of CETA and institutions of higher learning who should develop and administer accredited CSR training programmes for construction SMEs.
- As a government agency, the cidb should assist, by introducing a CSR merit and demerit monitoring system that will encourage the adequate practice of CSR by SMEs in the South African construction industry.

Hinging on the study's contributions and recommendations, it is suggested that further research efforts should explore modalities using the St. Gallen Management Model to mitigate against CSR implementation challenges as identified in this study.

Contractors registered with the cidb between Grade 1 GB and/or CE and Grade 6 GB and/or CE across South Africa were selected to partake in the study, implying that the study results may only be valid for the South African context, thus representing a limitation. However, the methodology and techniques used for analysing data can be replicated for other countries. A major limitation of the study is the difficulty of the data-collection process, due to the COVID-19 pandemic, during which many construction businesses prioritised business survival over research participation. Notwithstanding, adequate data was acquired to confirm the findings, ultimately satisfying the aim and purpose of the study.

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