

Article

Corporate Social Responsibility of SMEs: Learning Orientation and Performance Outcomes

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Abstract: Responsibility and sustainability are today a key part of doing business globally. However, the attention of scholars and policymakers has mainly been on large multinational enterprises, with small and medium-sized enterprises (SMEs) receiving less attention. Recent studies have noted the importance of learning for SMEs to engage in corporate social responsibility (CSR), but it is not yet known how the learning orientation of SMEs impacts their CSR, and how the development impacts the internationalization and performance of SMEs, which are research gaps that recent studies have noted. Shedding light on those dynamics is also important from a practical perspective since in most countries SMEs constitute a large majority of firms in both amounts and total employment. The present study contributes by illustrating how CSR impacts different types of performance in SMEs, and how the learning orientation of SMEs predetermines their CSR. Regression analyses conducted on an empirical sample of Finnish SMEs indicate that CSR in SMEs has an impact on certain types of performance and that their learning orientation determines their CSR. Therefore, the study contributes to the literature on responsibility and sustainability in SMEs, and to that SME internationalization, by shedding light on the antecedents and outcomes of CSR for SMEs.



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1. Introduction

Sustainable development, i.e., the development that simultaneously addresses the needs of the present generation but does not compromise the ability of future generations to meet theirs, is increasingly becoming an important aspect of entrepreneurship [1] and management in small- and medium-sized enterprises (SMEs) [2]. Companies increasingly need to exhibit a willingness and ability to adopt responsible practices that are in line with sustainable development. This is especially relevant for internationally operating SMEs, as practices such as engaging in corporate social responsibility (CSR) are important in accruing a competitive advantage [3]. This is doubly important because SMEs are the backbone of economies in many countries around the world, and thus their social responsibility has major potential for changing societies. Many SMEs also engage in socially responsible activities: For instance, within the European Union, 97% of SMEs engage in activities that can be characterized as corporate social responsibility (CSR) [4].

However, CSR and responsible business practices in SMEs also need further study [5], since SMEs face distinct challenges in their CSR activities [6], especially when compared to larger multinational enterprises [7]. Despite this, to our knowledge, the role of CSR in SMEs has received very little research attention in comparison, and only recently [8] has research on international entrepreneurship started to assess the importance of CSR from the perspective of SMEs.

This is a notable omission in the literature since there is recent evidence that sustainability and responsible business practices can be an important competitive advantage for SMEs [4,8–10]. However, such practices may also incur commercial liabilities for SMEs [11]. Due to their inherent resource constraints relative to larger enterprises, SMEs also often need to carefully consider where to invest their time and efforts, and thus may have to endure trade-off decisions, for instance, between choosing to innovate or internationalize [12]. Therefore, it is also important to clarify how SMEs can engage in CSR activities while also ensuring performance, and whether, in fact, engaging in CSR does result in improved or decreased performance among SMEs.

In addition to clarifying the results of CSR in SMEs, the question of what determines the level CSR in SMEs and the resulting outcomes for engaging in CSR has remained largely undetermined. However, recent studies have indicated that learning can be the basis for the development of CSR in SMEs. For example, organizational learning is linked to CSR in SMEs [13]. There is also some evidence that strategic orientations are linked to the development of CSR in SMEs [14,15]; therefore, we suggest that strategic orientation literature streams can be linked with CSR literature in the SMEs context through the concept of learning orientation [16].

The findings of the present study indicate that CSR specifically impacts the international performance of SMEs, rather than their general performance or profitability increases. The findings also indicate that the learning orientation of SMEs determines the extent of their CSR. Therefore, the study contributes to the literature on responsibility in SMEs, illustrating that SMEs stand to gain the most from their internationalization efforts, rather than necessarily accruing general performance increases as such. The study also contributes to emerging literature streams on the role of learning and the role of strategic orientations in the development of CSR in SMEs, by integrating the two through the application of learning orientation as a concept to help explain the growth of CSR in SMEs.

The paper continues as follows. The next section develops the hypotheses to be tested based on the existing literature. That is followed by describing the research method and data collection and measure development processes. The results section includes the analysis used to test the hypotheses, after which the paper concludes by discussing them and their implications and contribution to theory and practice.

2. Literature Review and Hypothesis Development

2.1. *The Impact of CSR on the Performance of SMEs*

CSR of SMEs is a distinct phenomenon [6,17], which means that studies conducted in larger organizations are not generalizable to the SME context. Conducting practices related to responsibility and sustainability also presents SMEs with distinct challenges [18]. These notions suggest that much of the research outlines the positive effects of social responsibility on firms in general and CSR in particular. An important question business scholars have considered has been the extent to which CSR can result in increased performance, growth, and profitability of companies, i.e., the extent to which investing time and effort in developing CSR activities can also enable companies to increase their financial outcomes, as opposed to engaging in CSR simply for ethical reasons. Such decisions are important, especially for SMEs, which, due to their inherent resource limitations, are often faced with trade-off decisions as to where to invest their resources.

There is some evidence that internationally operating SMEs can benefit more from CSR relative to the SMEs originating from the same country but only operating domestically [7]. By engaging in CSR, SMEs may have opportunities to signal their legitimacy in markets [19], which is critical for internationally operating SMEs especially [20]. Therefore, the first research question of the present paper is: How does CSR impact the performance of domestic and international SMEs?

The existing studies on the role of CSR in SMEs suggest that both general performance and international performance would be enhanced by promoting CSR activities in SMEs. Moreover, there is also recent evidence that CSR activities tend to increase organizational

growth [21], which is critical for any growth-seeking small firm such as born globals [22]. The importance of CSR in international business is increasingly recognized and multinational enterprises (MNEs) increasingly need to incorporate CSR as part of their international operations [23]. While extant research on CSR in international business has largely focused on large MNEs rather than SMEs, overall, it points towards CSR having an impact on the extent of success of enterprises internationally. Therefore, we hypothesize that SMEs should also be able to leverage their CSR to better performance in international markets:

Hypothesis 1 (H1). *The higher the CSR of an SME, the higher its international performance.*

Moreover, when SMEs can align their CSR activities with their overall competitive strategy, they can enhance the growth of the firm [24], and engaging in CSR activities tends to increase the value of the firm [25]. CSR can also be linked to increased technological innovation in SMEs [26], but SMEs also experience specific barriers in their efforts to engage in CSR [27]. Several studies illustrate the positive impacts that CSR can have on SMEs, for instance, through CSR contributing to marketing efforts [28] and can, with beneficial stakeholder and proximity conditions, impact the performance of SMEs [29]. Therefore, we posit that the benefits of CSR in SMEs are not limited to international performance, but should also result in gains in performance of the SME in general:

Hypothesis 2 (H2). *The higher the CSR of an SME, the higher its overall performance.*

Finally, CSR can also lead to increased profitability in firms [30], and small firms may be in a better position to retain their productivity through CSR activities compared to large enterprises [31]. Scholars have emphasized that practicing CSR is not merely an altruistic act by companies, but instead a way for both companies and society to prosper [32]. Therefore, companies would be expected to engage in CSR in areas where they can also profit from doing so. This assumption is supported by studies that have found that spending on CSR can result in revenue and profitability increases in tech companies [21], and that specific types of CSR can result in both reputation and profitability gains [33]. Taken together, this leads us to posit that CSR in SMEs would be expected to have benefits not only for international and overall performance as such, but to also have benefits for profitability. Therefore, we hypothesize that:

Hypothesis 3 (H3). *The higher CSR in SMEs will result in increased profitability.*

2.2. Strategic Orientations and CSR

Strategic orientations are “the strategic directions implemented by a firm to create the proper behaviors for the continuous superior performance of the business” [34] (p. 78) whereas some other authors [35] see them as more culture-like elements. Strategic orientations are important concepts for CSR especially for SMEs, for two main reasons. First, strategic orientation towards CSR has been linked to performance and reputation outcomes [15], and strategic orientations in the context of CSR in SMEs constitute a distinct phenomenon [36], suggesting that extant studies that have sought to explain CSR and the related strategic management in large firms, often in the context of large multinational enterprises (MNEs), are not generalizable to SMEs.

Second, strategic orientations also have an important role in shaping performance outcomes among SMEs [37]. A study on Hungarian and Finnish SMEs [37] indicated that strategic orientations can facilitate business growth of SMEs through both brand and market performance increases. Another study [38] conducted on data of 500 SMEs from ten different industries further emphasizes the role of strategic orientations for SMEs by outlining how different types of entrepreneurial orientation are linked to internationalization outcomes among SMEs. Extant studies on strategic orientations attest in general to their importance for growth and long-term success for SMEs.

Moreover, there are plausible grounds to posit that strategic orientations in general and learning orientation may underlie the development of CSR in SMEs. Learning approaches have been reported to be related to the development of CSR in SMEs. Organizational learning is a key element in strengthening CSR [12,13]. Learning orientation is defined as the organizational culture pervasive to facilitating continual learning, knowledge accumulation, and personal development of employees [16]. Higher-order learning processes, such as learning orientation, may come to determine performance both domestically and internationally.

Learning orientation can impact the performance of SMEs [39], as well as other outcomes such as those related to innovation [40]. At the macro level, learning is crucial in sustainability transitions [41], and small firm growth has been noted to be a function of only entrepreneurial orientation but also learning orientation [42]. Thus, the second research question we ask in this paper is: *How does the learning orientation of SMEs impact the development of CSR in these SMEs?*

Learning orientation specifically is also an important concept for small businesses, as their growth has been argued to be a function of learning orientation [42]. Learning orientation has been found to be applicable for specific type of sustainable innovations [43], which suggests that it can determine responsible behavior in companies. This possibility is further suggested by findings linking learning orientation to environmental management of companies [44]. Therefore, we suggest that, for SMEs, learning orientation and CSR should be expected to be interrelated, and we posit that:

Hypothesis 4 (H4). *The higher the learning orientation of SMEs, the higher their CSR.*

The hypotheses are illustrated below in Figure 1.

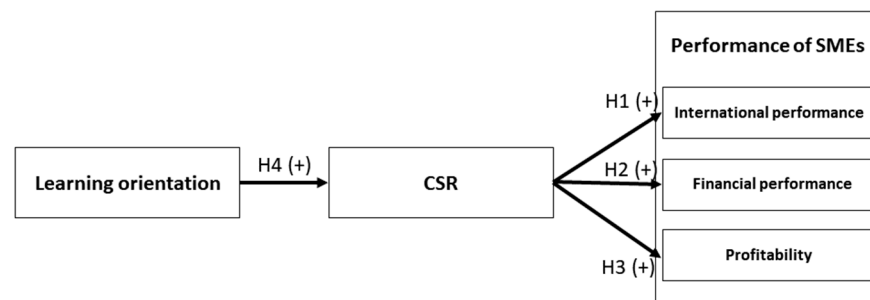


Figure 1. The proposed hypotheses.

3. Method

To test the hypotheses, we employ quantitative methods on a sample of internationally operating SMEs. In doing so, we adhere to the definition of SMEs in line with that of the European one: independent companies employing less than 250 people, with a turnover of less than EUR 50 million or a balance sheet total of less than EUR 43 million. We chose the country context of Finland, due to the large prevalence of SMEs in the economy of Finland, since the context is applicable for studying CSR in SMEs [3].

3.1. Data Collection

The data collection was conducted by means of a survey questionnaire in 2014, and the balance sheet data (e.g., for measuring profitability) were supplemented to the dataset several times, in 2018 for the last time. The data were collected with a cross-sectional online survey instrument using the online Qualtrics software. Most of the survey items were adapted from existing academic literature; therefore, the first step was for us to translate them into Finnish, after which a professional language editor conducted a back-translation to ensure that the intended meanings of the items were retained. The questionnaire was then uploaded to the online Qualtrics platform, after which it was piloted with two SME

managers to ensure that it was understandable and legible to its intended respondents in full. No problems were found during the piloting process.

The initial list of firms to be contacted was obtained from the Amadeus online database and covered SMEs in the following industry sectors: metal industry, chemical industry, forest industry, energy supply, water supply, mining and quarrying, waste management, construction, and other manufacturing activities industries. The resulting list had 1310 SMEs in total. The firms were then contacted via phone, and the initial call determined that the firm was a valid respondent, there were willing participants, and that the most knowledgeable respondent within the firm (in most cases the CEO) would fill out the survey. The link to the online questionnaire was then sent to that person. During this process, 311 of the companies contacted declined to participate, while 306 did not respond to the questions. For those SMEs who agreed to participate but did not initially fill out the questionnaire, we sent two rounds of reminder emails. The first one after two weeks post-first contact, and the second one in the week after the first; in cases where the respondent had not filled out the questionnaire prior to that.

The data collection process resulted in 148 responses in total (14% response rate). Of these, 61% (91 firms in total) were operating in international markets, and the rest had domestic operations only. The average size of the SMEs in terms of employment was 58 employees, and the SMEs were 34 years old on average. The internationally operating SMEs in the sample had international operations for 20 years on average. T-tests were conducted to ensure that there were no issues with late response bias, and we took several measures to mitigate any potential issues with common method bias, namely, we included negatively worded items in the questionnaire, and the scales used for the present study were located in different parts of the questionnaire. In summary, we sought to adhere to the guidelines provided by [45] throughout the process.

3.2. Measure Development

We used seven-point Likert scales (1 = 'strongly disagree' to 7 = 'strongly agree') for measuring the main independent variables. To measure CSR, we applied the widely used CSR scale measuring CSR to society, the natural environment, future generations, and non-profit organizations [46]. To determine the reliability and validity of the measure, we conducted a principal component factor analysis by varimax rotation. Convergent validity was considered through average variance extracted (AVE) values and reliability through examining Cronbach's alpha values. The analysis resulted in a sufficient CSR measure, capturing 76% of the total variation of the items, with Cronbach's alpha value of 0.95, indicating strong reliability. The communality values of the included items were between 0.71 and 0.81, and the Kaiser–Meyer–Olkin measure of sampling adequacy (KMO) value was 0.69. Bartlett's test of sphericity was also highly statistically significant ($p < 0.01$), all of which indicated an adequate CSR measure. The items thus calculated in the summated CSR scale were as follows:

- We participate in activities whose goal is environmental protection.
- We invest to create a better life for future generations.
- We execute specific programmes, whose goal is to minimise the impact of our company on the natural environment.
- We aim for sustainable growth which also takes into account future generations.

We measured learning orientation with a five-item scale adapted from [16]. The items were combined for a single-item measure of learning orientation that exhibited sufficient reliability (Cronbach's alpha = 0.86). The factor for learning orientation captured 64% of the total variation of the items, with communality values 0.56–0.75, a KMO value of 0.82, and Bartlett's sphericity test again statistically significant at the 0.01 level ($p < 0.01$). The items for the resulting learning orientation measure were as follows:

- Managers agree that our firm's ability to learn is the key to our competitive advantage.
- The sense around here is that employee learning is an investment, not an expense.

- Learning in my organization is seen as a key commodity necessary to guarantee organizational survival.
- Managers encourage employees to “think outside of the box”.
- Original ideas are highly valued in this organization.

For international performance, we used a scale of Likert-scale items measuring the extent of success in internationalization from a strategic perspective, a measure often used in studies on SME internationalization. The measure proved to be valid and suitable for analysis, as both the KMO value (0.78) and Bartlett’s test value ($p < 0.01$) were sufficient, the communality value was between 0.55 and 0.73, and the resulting one factor explained 65% of the total variation of the items. The items included were:

- Generally speaking, we are satisfied with our success in international markets
- We have reached the turnover goals we set for internationalization.
- We have reached the market share goals we set for internationalization
- Internationalization has had a positive effect on the profitability of our company.
- Internationalization has had a positive effect on the image of our company.
- Internationalization has had a positive effect on the development of our know-how.

For the overall performance, we used a single item (“How would you characterize the success of your company [this year]”), and for the profitability, we calculated the growth of profit/loss before tax from the balance sheet information for the next three years. Finally, we included the size (number of employees) and the age of the company as control variables in the analysis: since SMEs have been found to exhibit distinct characteristics in terms of their CSR, and since medium-sized enterprises are likely to have more resources than small enterprises, the hypothesized relationships could be affected by the size of the SME. Age of the SME may also have such effects, since older firms have had more time with which to develop their (learning-oriented) organizational culture, practices, and routines related to CSR, and in the case of internationalized SMEs, may have had more time to reach their international goals.

The descriptions and correlations between the variables are shown in Table 1. There are statistically significant correlations between the main variables, and specifically, the relationships between CSR and learning orientation are positive and statistically significant (0.25, $p < 0.01$), with international performance measures having positive and significant correlations with both CSR and learning orientation variables. Additionally, the size of the SME is positively and statistically significantly correlated with CSR but not with a learning orientation, indicating that the size of the firm size may be less important for developing a learning-oriented culture than for developing CSR. Overall, the descriptions and correlations between the variables provide grounds to continue testing the hypotheses with regression analysis.

Table 1. Descriptions and correlations of the variables used in the analysis. (** $p < 0.01$, * $p < 0.05$).

Variable	CSR	Learning Orientation	International Performance	Performance	Profitability	Firm Size [Employees]	Firm Age [Years]
CSR	1						
Learning Orientation	0.25 **	1					
International Performance	0.43 **	0.22 *	1				
Performance	0.16	0.03	0.17	1			
Profitability	0.22	0.15	−0.02	0.07	1		
Firm size [employees]	0.18 *	0.03	0.26 *	0.01	0.08	1	
Firm age [years]	0.13	−0.06	0.19	0.06	−0.08	0.25 **	1
Min	1.00	2.00	1.00	1.00	−4,769,809.00	1	2
Mean	4.28	5.38	4.19	6.36	681,620.37	48.71	31.28
Max	7.00	7.00	7.00	10.00	12,287,463.00	240	144
St.Dev.	1.41	0.99	1.45	2.34	1,723,422.747	47.02	24.34

4. Results

We applied linear regression modeling to test the proposed hypotheses. For each hypothesis, we first examined a model with only the control variables included to distinguish between the potential impacts of the control variables as compared to the main effect. The results are illustrated in Table 2 below. The model of controls only for international performance was statistically significant with the variable of firm size, explaining some of the international performance. When the CSR variable was added, the model was significant and the adjusted R² value rose to 0.20, and the main coefficient was both positive and significant at $p < 0.01$. Therefore, the first hypothesis (H1) received support from the analysis.

Table 2. Results of the hypotheses testing. (* $p < 0.05$, ** $p < 0.01$).

	Control Model for H1		International Performance (H1)		Control Model for H2		Performance (H2)		Control Model for H3		Profitability (H3)		Control Model for H4		Learning Orientation (H4)	
	β	t	β	t	β	t	β	t	β	t	β	t	β	t	β	t
Firm size [employees]	0.23	2.11 *	0.17	1.65	−0.01	−0.10	−0.03	−0.36	−0.02	−0.14	−0.04	−0.33	0.04	0.47	0.00	0.03
Firm age [years]	0.13	1.25	0.10	0.97	0.06	0.71	0.05	0.54	0.19	1.52	0.17	1.35	−0.07	−0.79	−0.10	−1.08
CSR			0.39	3.90 **			0.16	1.77			0.16	1.30			0.26	2.97 **
Adj. R ²	0.06		0.20		−0.01		0.01		0.01		0.01		−0.01		0.05	
F	3.89 *		8.03 **		0.26		1.22		1.18		1.31		0.35		3.19 *	

We next tested for the impact of CSR on the overall performance of the SMEs (hypothesis H2). As seen in Table 2, the control variables did not have a significant impact on the main relationship and, with the CSR variable added, the model remained non-significant at the 0.05 level as did all the individual coefficients including that of CSR. Therefore, hypothesis H2 did not receive support, and CSR was not found to impact the overall performance of SMEs, only their international performance. Similar result was found when testing for hypothesis H3, which did not receive support from the analysis. In other words, the profitability of SMEs was not predicted by their CSR.

Finally, we tested Hypothesis H4 to find out if CSR was determined by the learning orientation of the SMEs. The control variables were again non-significant, indicating that neither firm size nor firm age were important determinants of the learning orientation of the SMEs. When CSR was added to the model, it turned statistically significant at the 0.05 level, with the CSR coefficient positive and statistically significant at the 0.01 level. Therefore, hypothesis H4 received support from the analysis, as learning orientation and CSR were found to be positively linked with each other. The results of the hypotheses testing are summarized in Table 3.

Table 3. Results of the hypotheses testing.

Variable	Result
H1. The higher the CSR of an SME, the higher its international performance	Supported
H2. The higher the CSR of an SME, the higher its overall performance	Not supported
H3. The higher CSR in SMEs will result in increased profitability.	Not supported
H4. The higher the learning orientation of the SMEs, the higher their CSR.	Supported

5. Discussion and Conclusions

The findings of this study suggest that the learning orientation of SMEs predicts the extent of their CSR and that the impact of CSR on the performance outcomes of SMEs is distinct, in that CSR can result in higher levels of international performance but not necessarily in increased company performance or profitability in general. These results indicate the importance of CSR for the literature on international entrepreneurship and the internationalization of SMEs, both domains of literature in which the role of CSR and responsible business practices, in general, has been underdeveloped until recently [3].

Research on corporate sustainability and CSR has traditionally been mostly absent from international entrepreneurship literature, as evidenced by the fact that they were not visible in seminal review studies on international entrepreneurship [47,48], and the lack of research has persisted until recent years.

The result that CSR was associated neither with the profitability nor the overall performance of the SMEs was an interesting one, considering the fact that socially responsible behavior is increasingly expected of companies by consumers, policy makers, and other stakeholders. Moreover, while the role of CSR in business differs across cultures, ours was a study empirically focused on Finnish SMEs, a country context where CSR is both expected from companies and prevalent as a phenomenon in business and society [49]. We suggest that the inherent resource constraints that SMEs have to deal with compared to larger firms may require them to make tradeoffs between activities aimed at developing their CSR and profits. The relationship between CSR and profitability in firms can be complex and context-dependent [30], with the relationship between CSR and financial performance being evident only on the long term [45]. Although we did use lagged measures for profitability, our overall performance was measured within the same instrument and thus the result for the second hypothesis might be due to the performance measure not having been a long term one. The findings that CSR is not associated with profitability or overall performance of SMEs may further emphasize the fact that SMEs often need to make tradeoffs when deciding where to invest their limited resources. Those tradeoffs can be between, for instance, innovation, capability development, and internationalization [12,50]. The findings of the present study suggest that those tradeoffs may extend to CSR as well, and that SMEs may have to choose whether to prioritize CSR and international expansion, or profitability and short-term performance in general.

Overall, the results indicate that the role of social and environmental responsibility is particularly important when conducting business internationally, since foreign institutional pressures can influence SMEs related strategies [51], and for that reason, it is also crucial to establish the extent to which and the contexts in which CSR is beneficial for entrepreneurial internationalization and international business conducted by SMEs in general. The present study contributes to this discussion by illustrating the differences in the impact that CSR may have in the international domain, rather than on the performance and profitability of all SMEs in general. The first main contribution of the present study is thus to the literature on international entrepreneurship and SME internationalization [52] from this perspective.

The second main contribution of the study is to link learning orientation to the development of CSR—and thus, indirectly, also to increased international performance—in SMEs. The role of learning for both CSR and the internationalization of SMEs has been noted but previously mainly in separate studies, as the domains of responsibility and sustainability in SMEs and international entrepreneurship have traditionally been mostly separate from each other. However, the role of learning orientation in SME internationalization is an important one, since the research in general highlights the role of learning in the process [53], and therefore it is also an important finding that not only can learning orientation lead to increased success in the internationalization of SMEs, but that learning orientation can help SMEs develop their CSR activities in the process. The role of learning orientation specifically has also been noted previously in the literature on internationalizing small firms [54,55], and thus the present study extends that discussion to also emphasize the importance of learning orientation in the CSR development of such firms: In other words, by seeking to develop a learning-oriented organizational culture, SMEs can reap dual benefits in both increased CSR and increased international performance.

The findings of this study also have several managerial and policy implications. For managers of internationally operating SMEs in particular, the results paint a clear picture of the usefulness of promoting the continual learning and development of employees within the organization. Since the role of CSR in SMEs may not be as explicit as in larger multinational corporations, for example, entrepreneurs and managers of SMEs can still seek to foster a learning-oriented culture within their enterprises, through which developing CSR

activities can become increasingly possible. By developing such a culture, SMEs may be able to accrue benefits both directly through more developed CSR activities and indirectly through more successful international operations. We thus surmise that, especially for international enterprises operating in industries and markets where the requirements of public policy makers and customers for CSR are relatively high—such as in circular economy or social entrepreneurship contexts—empowerment and continuous training of employees are essential in ensuring competitive success abroad.

For policy makers, in turn, this implies that educational and training resources should be focused accordingly on the SMEs in such fields, as doing so would be expected to result in an increasingly internationally successful population of SMEs. In larger SMEs, the human resources (HR) department should be actively involved to support the employees with specific HR practices. Policy makers too are expected to find the results useful to offer specific training and consulting support for SMEs aiming at improving CSR.

We readily note several limitations of this study. One of the main ones relates to the single-country context: the level of the home- and host-country institutional support and societal attitudes towards CSR tend to vary, and for both areas, we consider Finland a home country environment for SMEs to be representative of Western European values and attitudes in general. It is therefore possible that, especially in developing and transition economies, the role and therefore also the impact of CSR on organizational-level outcomes may be distinct [56]. Another limitation arising from the research methodology is the fact that the data were collected as a cross-sectional survey, which can be argued to limit the causal inferences from the empirical perspective. Similarly, the fact that the data collection was conducted as a single respondent procedure may limit the conclusions. For instance, the level of learning orientation in an organization may be experienced differently depending on the role and function of the organization member (top management, middle management, ordinary employees). Potential endogeneity issues often inherent with similar methodological approaches can also be considered a potential limitation of this study.

However, we sought to mitigate such limitations by also including performance measures that go beyond the data collection period. Still, the present study did not measure the development of the key constructs—CSR and learning orientation—longitudinally over time, which can be considered a limitation since learning, in particular, is often considered a longitudinal process [57]. Therefore, future studies could look to apply longitudinal perspectives to further establish the dynamics between CSR and the learning orientation of firms over time, with qualitative approaches through process studies perspectives offering in our assessment particular value for such purpose. The role of entrepreneurial learning in the development of learning orientation in SMEs would warrant further study, especially in international entrepreneurship, where the role of learning is particularly critical [58,59]. Moreover, in addition to learning orientation, market orientation can also have an impact on SMEs in general [60] and on international SMEs in particular [61]. Although the present study did not consider the impact of market orientation jointly with learning orientation on CSR of SMEs, future studies could seek to do so, considering that the role of market orientation on CSR development may in some contexts conflict with the internationalization of SMEs [62]. Focusing on specific types of SMEs, such as family firms or start-ups, would also be of interest for future studies, since the dynamics of learning orientation and its impact on firm-specific outcomes may be distinct in these firms, compared to SMEs in general.

Future studies could also seek to establish comparative perspectives with cross-country datasets, to ascertain how similar the relationships of CSR with both the performance outcomes and learning orientation are across different country contexts. An important yet under-researched context for doing so is emerging markets, for instance, China, where issues related to sustainable development, such as engagement factors related to waste management and environmental efficiency, in general, have been found to be important areas of study [63,64]. Finally, the role of learning in SMEs could also be explored from

the perspective of entrepreneurial learning, which could be approached from a qualitative longitudinal perspective.

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