



## **SMEs and CSR**

# **Assessing the Level of Corporate Social Responsibility Activities by Irish Small and Medium Enterprises**

This report is based on the results of a survey conducted in Q3, 2013 by ISME, the Irish Small and Medium Enterprise Association.

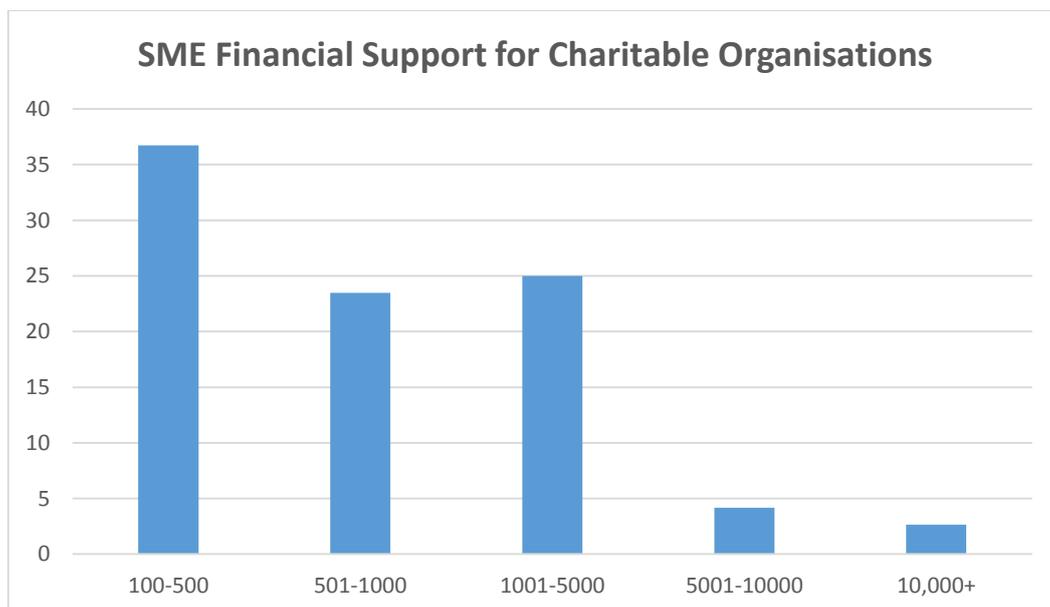
*ISME is the only independent voice of Small & Medium business in Ireland, representing in excess of 8,750 members across all sectors. The Association is owned and run by owner managers and is independent of big business, government and unions; the TRUE voice of the Irish SME. [www.isme.ie](http://www.isme.ie)*

The Corporate Social Responsibility (CSR) activities of businesses provide a valuable contribution to local communities. SMEs, in particular, are dedicated to improving their localities through varied CSR measures such as sponsorship, mentoring and fundraising. SME owner-managers play a central role in developing and improving their communities. These CSR activities are often informal and are considered to be a normal part of business life. They tend to be largely undocumented and unpublicised and are not recorded or planned in strategy documents. The informal nature of these activities and charitable endeavours make them hard to quantify. This report is based on the results of a survey conducted in Q3, 2013 which specifically asked owner-managers questions concerning the voluntary efforts and donations they gave to the community.

## Voluntary Financial Support

The survey found that 92% of Irish SMEs give financial support to charitable organisations each year.

The survey then analysed the amounts of these financial contributions. This graph shows the percentage of businesses who give donations within set monetary categories:



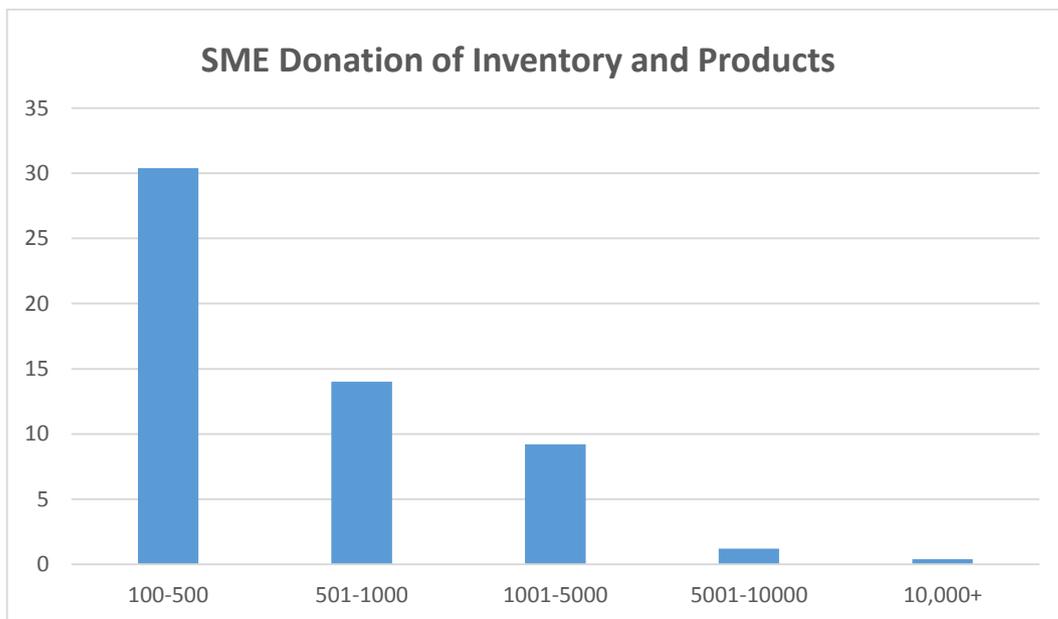
The graph shows that the largest proportion of businesses (37%) donate between €100- €500 annually. 25% of businesses donate between €1001- €5000 and 23% donate between €501- €1000 per year. A combined 7% donate more than €5000 to charities or voluntary organisations every year.

## Co-Operation with a Charity Partner

Although much of the CSR activity of SMEs is informal and ad hoc, the survey found that 34% of respondents had a charity partner which it was committed to supporting on a long-term, year-on-year basis.

## Voluntary Donations of Inventory and Products

SMEs often donate some of their inventory or products to local causes, schools, voluntary groups etc. Often these donations are used to support community projects or as fundraising prizes and incentives. The survey asked respondents to place a value on the goods which they donate yearly. This graph shows the percentage of businesses who give inventory/product donations within set monetary categories:



The graph shows that the largest proportion of businesses (30%) donate between €100- €500 worth of goods to charitable causes annually. 14% of businesses donate between €501- €1000 and 9% donate between €1001-€5000 of goods per year. 2% of Irish SMEs donate more than €5000 worth of inventory or products to charities or voluntary organisations every year.

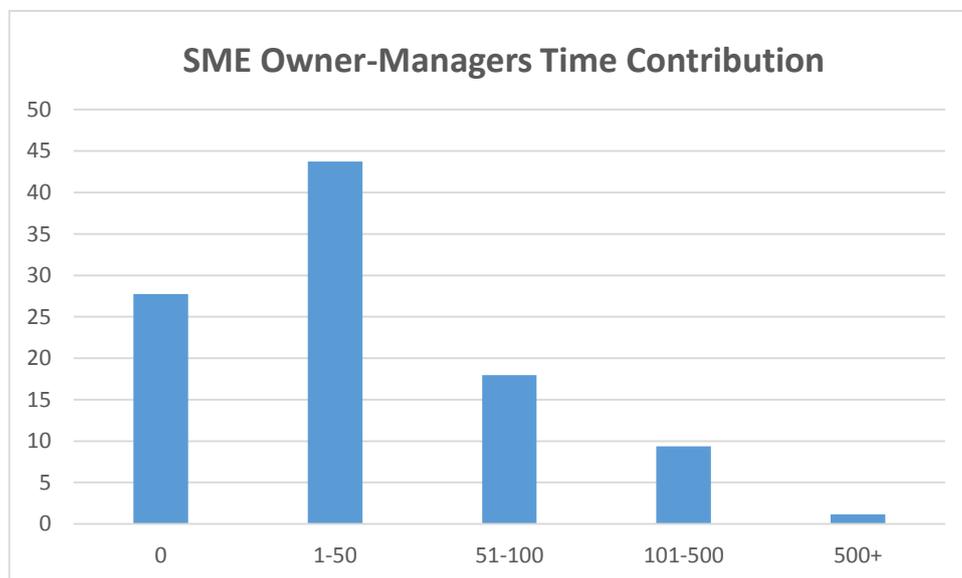
## Contribution of Time

CSR activities are often related to the contribution of time, effort and expertise as opposed to being simply defined by monetary donations. The survey collected data concerning the time resources donated by SMEs by asking how many hours were given annually by both the owner-manager and the SME employees.

### *Owner-Managers*

The survey found that 72% of Irish SME owner-managers voluntarily give their time to support charitable organisations each year.

The following graph shows the breakdown of this contribution in terms of the hours given:



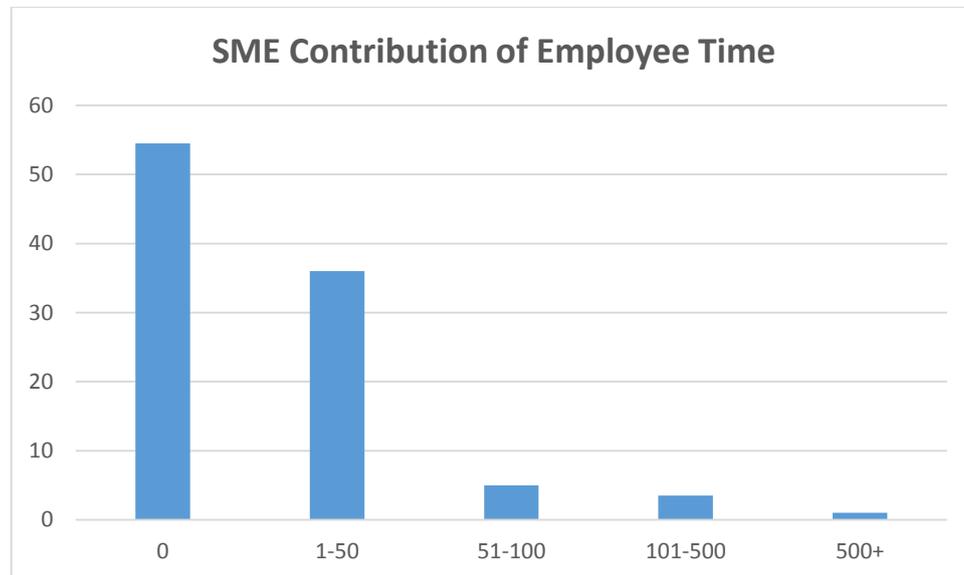
The graph illustrates that:

- 28% of owner-managers give 0 hours annually.
- 44% give between 1-50 hours.
- 18% give between 51-100 hours.
- 9% give between 101-500 hours.
- 1% give over 500 hours every year.

## ***Employees***

The survey found that 45% of SMEs give employee time to charitable organisations on an annual basis.

The following graph shows the breakdown of this contribution in terms of the hours given:



The graph illustrates that:

- 55% of SMEs do not give employee hours annually.
- 36% give between 1-50 hours of their employees time each year.
- 5% give between 51-100 hours.
- 4% give between 101-500 hours.
- 1% give over 500 hours of employee time every year.

## **Conclusion**

The results outlined in this report show that Irish SMEs make a significant contribution to their local communities through financial, time and goods donations. These activities are usually not reported or documented in company literature and so tend to go unnoticed and unacknowledged. They are appreciated only by their direct beneficiaries and it is difficult to quantify their economic value or, indeed, the value of their contribution to local initiatives and organisations.