

Handbook of Research on

# Small and Medium Enterprises in Developing Countries



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and Syed Abidur Rahman



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# Chapter 16

## Corporate Social Responsibility in SMEs: The Role of Non-Audit Services

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### **ABSTRACT**

*Given the increasing importance of the role played by small and medium-sized enterprises (SMEs) within the developing economy, this paper intends to provide further insight into corporate social responsibility (CSR) practices among SMEs. Within this context, the purpose is to propose the role of non-audit services (NAS), which contribute to the possible explanation of the SME adoption of CSR practices. A conceptual approach is taken whereby this paper is based on an extensive literature review of NAS and CSR practices in the SME context. Then, based on the knowledge-based view (KBV), this paper set to explain and highlight the role of NAS play to enhance CSR practices among SMEs. This paper provides a theoretical discussion on the importance of CSR in ensuring the survival of the SMEs. Although the proposition of NAS is relatively new, it provides an interesting and remarkable avenue for further research especially in the developing country. Overall, this paper draws attention to the importance of NAS in enhancing the survival and performance of the SMEs.*

### **INTRODUCTION**

With the growing popularity and importance of corporate social responsibility (CSR), research on CSR has grown exponentially (Carroll, 1999; Crowther & Aras, 2008; Carroll & Shabana, 2010), despite no universal definition of CSR (Dahlsrud, 2008). The notion of CSR has a long and diverse history, it proliferated and the most popular definition stated that organisations in favour of CSR typically strive to be a good corporate citizen, making profits, obey the law, and to be ethical (Carroll, 1991). Economic, ethical, legal and philanthropic, has been identified as the four important responsibilities of CSR (Car-

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