

The effects of corporate social responsibility and practices on the performance of SMEs in Vietnam

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ABSTRACT

Corporate social responsibilities (CSR) have gained the attention of regulators and recent studies due to their comprehensive influence on the firm performance. Thus, the present study examines the impact of CSR practices such as social welfare, human rights and physical environment on SMEs performance in Vietnam. This research also investigates the mediating role of organizational support among the links of social welfare, human rights, the physical environment and SMEs performance in Vietnam. This study has followed the primary data collection methods such as survey questionnaires to collect the data from respondents and also executed the smart-PLS for analysis. The results indicated the social welfare, human rights and physical environment have a positive association with SMEs performance in Vietnam. The results also exposed that organizational support positively mediates among the links of social welfare, human rights, the physical environment and SMEs performance in Vietnam. This study guided the regulators while developing the regulations related to CSR and firm performance.

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1. Introduction

Small to medium-sized enterprises have the potential to create employment, generate revenue revenues, increase managerial capabilities, and foster creativity. SMEs are particularly important in improving the administrative skills of small and medium-sized businesses and in fostering innovation. Furthermore, SMEs are helping to establish an accessible industrial development infrastructure, with close ties and mobilize local capacity to construct a healthier competitive environment, and introduce beneficial economic spillover results. The promotion of SMEs as a means of mobilizing capital and other tools for manufacturing and commercial operations is, thus, considered an important way in which to lead to economic development and social prosperity (Nguyen, Mickiewicz, & Du, 2018). SMEs must be optimistic and aggressively pursue means of making a fair profit in the new intensely competitive market in order to succeed and expand. To do this, the owner of SMEs must first become aware of the factors which impact the output of his or her SME. Profitability is the indicator of the success of small and medium-sized enterprises, which is the core component of the financial reporting of the SME. SME earnings represent the potential of the SME to earn revenue for a certain time span. The crucial consideration for managers in developing an efficient profitability approach for SMEs is profitability (Safari & Saleh, 2020). In Vietnam, the government is now strongly concerned with developing small and medium-sized companies (SMEs), as the development of a nation depends very much on economic stability and on company health. SMEs, in particular, play a vital role in the start of establishing a market-oriented economy because most businesses take part in the economy, let alone because they create the greatest number of employees. Until now, however, a widespread and full description of SMEs has not been available. Parallel to the transition from the centrally planned to the business economy, the concept of SME undergoes a complex phase of reform (Bach, Le, & Bui, 2020). The SME's contribution towards the government is also noticeable. In Vietnam, SMEs are making a substantial contribution to both the public and state budgets. The 2011 survey report found that small and medium-sized businesses

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accounted for over 97.6 percent of Vietnam's overall number of companies, making them a significant tool in the generation of jobs and revenues for government budgets. Corporate tax receipts were 103.6 percent higher and 13 percent higher than in 2002. In 2003, SME incomes increased by about 15 percent over the last decade, and by 29.5 percent. Private sector revenues in 2004 amounted to VND 13.1 billion, with a 7.8 percent budget. However, the allocation of SMEs to the local budget is even higher in comparison with the government budget. Private sectors, for instance, account for about 15% in Ho Chi Minh city, 24% for Kien Giang, 16% for Dong Thap, 22% for Ninh Binh, 19% for Yen Bai, 17% for Thai Nguyen, 22% for Quang Nam, 33% for Binh Dinh (Thanh, Huan, & Hong, 2021; Van & Nguyen, 2019).

On the other hand, SMEs are responsible for 49% of non-agricultural jobs in rural areas, comprising about 25-26% of Vietnam's total workforce. In the business sector, they hire about 45 million workers with an average income of VND 1.5 million every month due to the growing number of SMEs per year. This means more of the struggle today to eliminate and stabilize unemployment. In Vietnam, a company invests in an employment vacancy of between 70 and 100 million VND on average, while an SME invests between VND 210 and VND 280 million (around 3 times higher). The private sector is a large field recruiting new jobs each year and redundant staff as a result of re-allotment or substantial improvements to the economic structure due to this high degree of investment. This approach has aimed to sustain and improve workforce lives. To date, the private sector employs more than 7 million employees. This contributes very positively to social and economic stabilization, elimination of poverty, and improved understanding. SMEs are also the core source for export. Between 2014 to 2015, the investment of SMEs in export and import operations was 80.6% and 84.2% respectively. In 2012, the overall volume of exports of SMEs amounted to \$4,108 million, representing 24.6%. The import value was USD 4.789 million, representing 23.3% of all exports – the total volume of imports of the economy as a whole. The most notable thing is that private-sector small and medium-sized enterprises have thrived, at some EUR 740 million, to be the leading export sector in maritime goods, representing 39 percent of the industry sector. The same story applies to almonds, which account for 141 million USD, accounting for 42% of the overall value. As these numbers grow, small and medium-sized businesses are soon to become the leading foreign currency industry for the region. These statistics urge investigation of the SMEs in Vietnam (Nguyen, Bensemann & Kelly, 2018; Van-Thanh & Podruzsik, 2018). Further, SMEs are also facing multiple issues with Vietnam GDP as is given in Fig. 1. These issues also urge the study on SMEs in Vietnam.

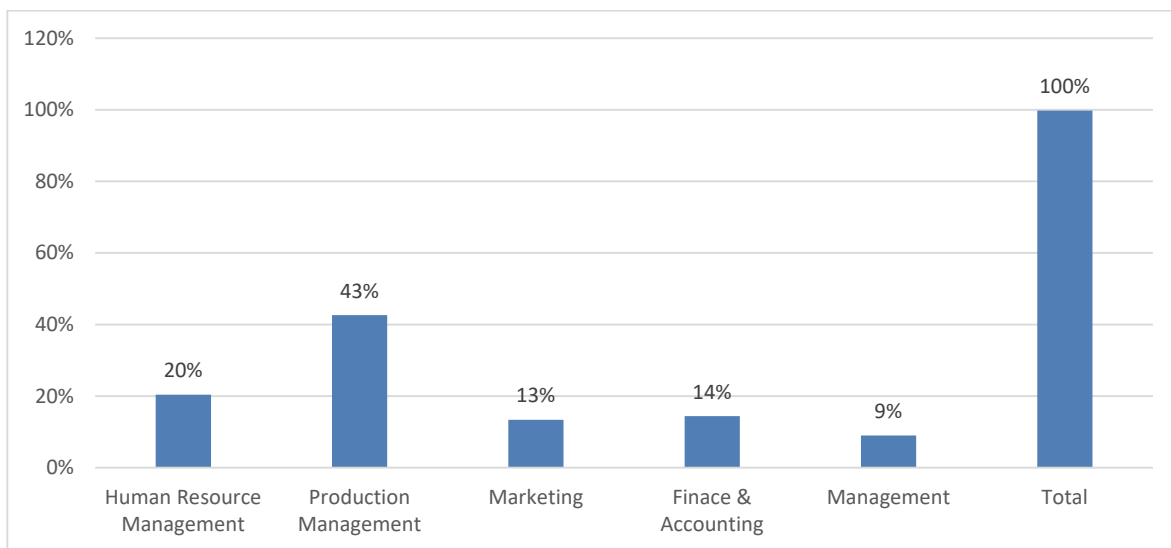


Fig. 1. Issues faced by SMEs in Vietnam.

In recent years, the concept of corporate social responsibility (CSR) has been investigated both academically and also in the business environment (Kong, Antwi-Adjei, & Bawuah, 2020; Saha, Shashi, Cerchione, Singh, & Dahiya, 2020). In developing strategic advantages and establishing symbiotic connections with the businesses, organizations employ CSR. The principle of CSR is well established in developing countries and the introduction of CSR is a vital practice for maintaining a sustainable and socially, environmentally, environmentally, and business-friendly ecosystem. The term CSR is gradually becoming common in under-developed countries but it is not entirely voluntary to adopt CSR in a business setting as the potential benefits of CSR are being less highlighted, particularly in Vietnam. In past this term was limited to developed nations only but with the passage of time this has become almost mandatory for local organizations (Naseem, Shahzad, Asim, Rehman, & Nawaz, 2020; Úbeda-García, Claver-Cortés, Marco-Lajara, & Zaragoza-Sáez, 2021). The welfare of society from all aspects is the prime responsibility of the government. The country's government ensures the applicability of the existing laws regarding the welfare of society. CSR is the well-being of society. CSR is all about the well-being of Society and SMEs operated by the mid to bottom level of the society. SMEs are a form of business that heavily support governments all around the globe. As the SMEs operated from mediocre to bottom level of the society that's why sometimes they went CSR. The importance of CSR towards SMEs is vital. It needs to be focused more on by the country government to bring equality in the society by

practicing CSR at all levels of SMEs. Keeping this strong association between SMEs and CSR in view this study is conducted on the CSR impact on SMEs in Vietnam.

The research objective of this study includes (1) to access the impact of corporate social responsibility practice on SMEs performance, (2) measure the impact of Social Welfare on SMEs performance, (3) measure the impact of Human Rights on SMEs performance, (4) measure the impact of Physical Environment on SMEs performance, (5) finally to test the mediation effect of Organizational Support. Although there are a number of studies conducted on the relationship between corporate social responsibility practices and SMEs performance in Vietnam (Bach et al., 2020; Tran & Pham, 2020; Van-Thanh & Podruzsik, 2018) there is a lack of literature available by employing the moderation/mediation impact. This study will try to cover this gap. This study will highlight the importance of CSR practices in the performance of SMEs, especially in Vietnam. This study will also help the SME management to incorporate or refine the CSR practices with a view to enhancing the performance of the firm. It is pertinent to mention here that this study will test the overall performance of SMEs rather than financial performance.

2. Literature Review

Corporate social responsibility entails various perspectives existing in the performance of different industries. The induction of corporate social responsibility provides facts of businesses that are engaged in the societal implied agreements. This provides fair and true trade practices for the local as well as the international community. Corporate entities are legally committed to the communities with the prevalence of resources that are further benefits for the social welfare of societies. The system of social welfare is exceptional in many countries like the US (Hungerford, 2017). This is due to the schemes of incentives that are introduced for social welfare. Social welfare-wide corporate social responsibility is significantly discussed in the SMEs of Vietnam. This endorsement of corporate social responsibility and wide social welfare develops favorable elements for the societies. This involvement is a positive indicator of Vietnam's small and medium enterprises and its performance in the competitive markets. Many conditions are imposed with the relevance of social welfare on the performance of SMEs of Vietnam. With the effective role of corporate social responsibility, the industries could positively achieve risky perspectives (Jung, Kim, Kang, & Kim, 2018). These risky perspectives are overcome by the important role of social welfare which influences the industry's performance (Mohsin, Kamran, Nawaz, Hussain, & Dahri, 2021). The establishment of social welfare-wide CSR practices provides an increasing range of services and activities by the organizations and volunteers. This helps to fulfill the needs of people by considering the element of social welfare. Many people in Vietnam are unable to meet their needs, therefore, social welfare is established through CSR practices that are influential toward the performance of SMEs. Among the motivation of leaders and regulation of governments, the performance of SMEs has been attained with environmental importance (Graafland & Bovenberg, 2020). The small and medium enterprises are intrinsically improved with the crowds of regulation developed with the emergence of social welfare-wide corporate social responsibility. Many phenomena of social welfare are included in the CSR practices which are positive toward the increasing performance of SMEs.

H₁: *Social welfare significantly influences the performance of SMEs.*

Human rights are closely associated with corporate social responsibility. It directly relates to the aspects of environmental as well as social and economic corporate activities. This association states the inclusion of human rights toward the performance of companies. The small and medium enterprises of Vietnam have asserted the human right wide CSR practices and their impact on performance. While fortifying the future of human rights with the emergence of educational development of human rights the performance of industries has considerable impacts (Cargas, 2019). These impacts are further described by the projects of complete pictures of human rights-wide CSR practices. Government has primary responsibilities toward human rights. Therefore, under the treaties of human rights corporate social responsibilities are established. This establishment has a dominant impact on the performance of the SMEs sector of Vietnam. Among the societies entailing human rights, corporate social responsibility is associated with individual rights and civil society rights. It promotes the impact of human rights-wide CSR upon the performance of SMEs of Vietnam. Among the exploration of CSR practices with the important role of firm competitiveness, performance is the main denominator (Lu et al., 2020). Competencies with the CSR practices, human rights are inducing a comprehensive role over the performance of various firms. While influencing the performance of SMEs of Vietnam, the elements of human rights-wide CSR practices are eminently described. It is the ultimate responsibility of organizations to develop human rights with the relevancy of corporate social responsibility. This inclusion of human rights is the main contributor to the performance of SMEs of Vietnam. It is also considered a vital element of corporate social responsibility in organizations (Nawaz et al., 2021; Sun et al., 2020). Numerous benefits are prevalent in the structures of corporate social responsibility and the dominance of human rights for the green performance of SMEs (Belhadi, Touriki, & El Fezazi, 2018). The integration of green and lean practices is positive development and improvement for the performance of SMEs. A strong correlation of human rights factors with corporate social responsibilities is inducing a prominent influence on the performance of various industries.

H₂: *Human rights significantly influence the performance of SMEs.*

The physical environment is related to the CSR practices and has a portion toward the business sector of many countries. Along with the physical environment, the transparency of other environmental elements endorses a significant impact on the

performance of SMEs in Vietnam. This relevancy of physical environment-wide CSR practices reduces negative aspects toward the performance of small and medium enterprises. Many factors are considered as evidence in the physical environment which induces an appropriate impact on the performance of different organizations (Lim & Bahauddin, 2019). It is the pre-schooling of organizations that develop various standards for the performance of industries in developed as well as developing countries. It is important to develop feasible physical environments for the societies which are more reluctant toward the small and medium enterprises. The SMEs of Vietnam have emerged due to the inclusion of physical environment-wide corporate social responsibilities. The physical environment is considered an important element of CSR which separates variational aspects and constraints toward the performance of companies. A significant relationship is dominant among the organizational performance and corporate social responsibility wide physical environment (Moneva, Bonilla-Priego, & Ortas, 2020). This is implemented in the numerous sectors of businesses that asserted a positive approach to the physical environment. Most of the physical environments are created with the relevance of corporate social responsibility. This creation has provided ease to the people of many countries to get the availability of everything for sustaining the physical environment. In Vietnam, the physical environment is considered the more beneficial marking by the corporate social responsibility that enhances the performance of SMEs. While calculating the role of managerial capability as well as the entrepreneurial orientations, the performance of SMEs is asserted through the social capital of the physical environment (Aidoo, Agyapong, & Mensah, 2020). It is proposed by the links of social capital which is explained with the physical environment and corporate social responsibilities. For the presentation of the firm's capabilities, the physical environment-wide CSR practices insert a vital role. This role further enumerates the dominance of CSR elements that are influential toward the performance of various firms.

H3: *Physical environment significantly influences the performance of SMEs.*

Organizational support is related to the social welfare and performance of organizations with wide induction of CSR practices. The organizational support with the culture and politics help in the development of social welfare elements which are beneficial for the performance of SMEs of Vietnam. However, there is the distinction of constructs that are developed from the social welfare-wide CSR practices. In the discussion of relations between the performance of jobs as well as organizations and organizational support, the occupational commitments are significant toward social aspects (Aydın & Kalemci Tüzün, 2019). These social aspects contribute a major portion toward the performance of different firms where the prevalence of occupation commitment is dominant. There is the engagement of social welfare with the organizations but the performance of SMEs is more related due to implied agreements. This may be written or maybe upon the minds of corporate social responsibility with the ultimate support of organizations. Social welfare-wide corporate social responsibility ultimately took care of the citizens of the state due to this agreement and also entailed the performance of SMEs. It is the association of social networks with the welfare association and social cooperatives that volunteers over the firm concrete behaviors (Degli Antoni & Sabatini, 2017). By inducing the eminent role of social welfare upon the performance of SMEs. The role of organizational support is also vital with the inclusion of corporate social responsibility. Many factors in social welfare are established with the CSR practices that impact the performance of SMEs. Therefore, with the importance of organizational support, the social welfare in literature has induced its role with plenty of factors for the performance of SMEs of Vietnam. The corporate image in organizations explore the exports of performance in SMEs which instigates the social welfare enclosure (Villena manzanares, 2019). The relevance of organizational attitude and behaviors is having support over social welfare. This is positive toward the enhancement of SME's performance in Vietnam. The strong mediating effect of organizational support is depicting clear reliance on social welfare as well as the performance of many organizations. Organizational support with the engagement of work induces a prominent role in the performance of organizations and social welfare (Gillet, Becker, Lafrenière, Huart, & Fouquereau, 2017). This is further elaborated with the engagement of work, motivational profiles, job resources, and organizational support.

H4: *Organizational support significantly mediates between social welfare and the performance of SMEs.*

The development of organizations is providing feasible benefits to human rights. Not only for securing the rights of people but also to establish dominant human rights-wide CSR practices. This is importantly discussed to have an important impact on the performance of SMEs of Vietnam with the ultimate role of organizational support. Combined influences of organizational support and workplace bullying are rendered on the firm performance (Naseer, Raja, Syed, & Bouckenoghe, 2018). The growing acceptance of human rights in societies with CSR endorse a vital role in the performance of SMEs of Vietnam. Numerous other elements also comprised of the CSR practices that insert influence on the small and medium enterprises. Different corporations mitigate the importance of human rights-wide CSR practices and their contact toward the performance of Vietnam SMEs with the role of organizational support. Different measurements are placed on the basis of initiatives that are developed with human rights dominance over large enterprises (Brook, Clay, & Randolph, 2020). While creating human rights for the public as well as societies, the performance of SMEs could not be overlooked. This prevalence is positively enumerated by the role of organizational support that extended the importance of human rights. In many countries, human rights are violated that assert a negative impact on the performance of SMEs. Therefore, the SMEs of Vietnam have positively induced human rights involvement that helped organizations to enhance their performance. Rather than human rights, the performance of SMEs have further influence of the external pressures in most of the industries (Muhammad Auwal, Mohamed, Nasir Shamsudin, Sharifuddin, & Ali, 2020). Human rights are developed with the importance of CSR practices for providing feasible opportunities. These opportunities have positively enclosed the rights of humans which asserted influence

toward the performance of SMEs of Vietnam. There is the dominance of many other elements with human rights which place a significant impact on the performance of organizations. The role of work-family, internal motivation, and organizational support are evident in the performance and human rights (Hong, Jeong, & Downward, 2019). It is the effectiveness of strategies which are functioned for the interpretation of SME's performance.

H₅: *Organizational support significantly mediates between human rights and the performance of SMEs.*

Physical environments are created with the support of organizations with a variety of opportunities. These elements are significant measurements for the establishment of safety and workmates with physical environments wide CSR practices. This implementation of the physical environment reflected an imminent impact on the performance of SMEs in Vietnam. With the behavioral decisions, the working engagements and organizational support prevail over the physical environment and performance of organizations (Chen & Li, 2017). With the emergence of physical environment-wide CSR practices, the performance of SMEs of Vietnam has been considerably enhanced. This enhancement is due to the embedded societal values which are primarily highlighted due to the emergence of the physical environment. With the role of organizational support, the physical environment-wide CSR practices could be beneficial for the performance of organizations. It is upon the promotion of physical activities and assistance of living by the inducement of the physical environment that is important for the performance of industries (Mahrs Träff, Cedersund, & Abramsson, 2020). While emphasizing the relevance of SME's performance in Vietnam, the role of organizational support has provided many facilities. These facilities are developed with the reliance on a physical environment that has attained organizational support. This wide association of physical environment-wide CSR practices is significantly related to the performance of SMEs of Vietnam. Therefore, the establishment of a physical environment also uplifted numerous elements of wellbeing with the support of organizations in Vietnam. Various determinants are importantly enumerated over the performance of SMEs in many European countries (Cicea, Popa, Marinescu, & Cătălina Ștefan, 2019). The close reliance on the physical environment is placed by many organizations. This development positively benefited offshore employees as well as societal people to avail the benefits. The benefits are provided with the organizational support that correlated the physical environment with the performance of SMEs in Vietnam. Organizational support plays a significant role in the development of HRM with the relevance of organizational behaviors for citizens (Detnakarin & Rurkkhum, 2019). This extends the importance of physical environment-wide CSR practices developed especially for the performance of SMEs.

H₆: *Organizational support significantly mediates between the physical environment and performance of SMEs.*

3. Research Methods

This study examines the impact of social welfare, human rights and physical environment on the SMEs performance and also investigates the mediating role of organizational support among the links of social welfare, human rights, the physical environment and SMEs performance in Vietnam. This study has followed the primary data collection methods such as survey questionnaires to collect the data from respondents. The employees of SMEs currently operating in Vietnam are the respondents and send the questionnaires by mail and personal visit. This study has used the five-point Likert scale, where five for strongly agree and one for strongly disagree. A total of 540 surveys were sent to the respondents, but after three weeks, only 295 received, that shows about 54.63 per cent rate of response. This research has also executed the smart-PLS to examine the nexus among understudy variables along with testing of convergent and discriminant validity. This statistical tool has provided the best estimation when the model is a complex and large size data set used by the study (Hair Jr, Babin, & Krey, 2017). This study has used the three dimensions of CSR practices as independent variables such as social welfare (SW) six items, human rights (HR) with four items and physical environment (PE) with three items. In addition, the present study also used organizational support (OS) as the mediating variable with eight items and small and medium-size firm performance (SMEP) used as the dependent variable with five items. These variables are shown in Fig. 2.

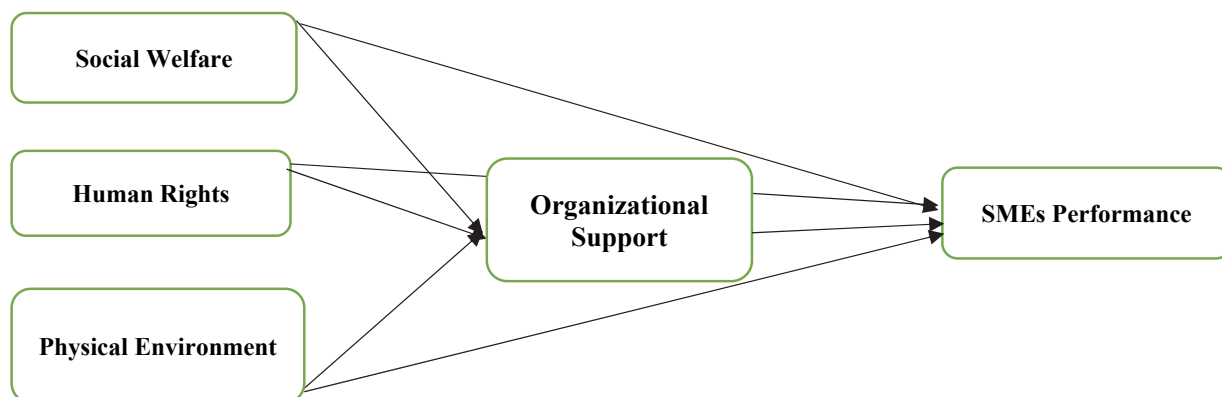


Fig. 2. Theoretical Model

4. Findings

This research has examined the convergent validity that is related to the item correlation. The statistics have highlighted that loadings and AVE values are larger than 0.70 while Alpha and CR values are smaller than 0.50. These values indicated a high correlation among items and valid convergent validity. These figures are shown in Table 1.

Table 1
Convergent Validity

Constructs	Items	Loadings	Alpha	CR	AVE
Human Rights	HR1	0.906	0.710	0.790	0.563
	HR2	0.670			
	HR4	0.648			
Organizational Support	OS1	0.873	0.917	0.932	0.634
	OS2	0.664			
	OS3	0.803			
	OS4	0.782			
	OS5	0.901			
	OS6	0.718			
	OS7	0.860			
	OS8	0.740			
Physical Environment	PE1	0.921	0.785	0.874	0.699
	PE2	0.848			
	PE3	0.729			
SMEs' Performance	SMEP1	0.731	0.807	0.866	0.565
	SMEP2	0.650			
	SMEP3	0.759			
	SMEP4	0.856			
	SMEP5	0.749			
Social Welfare	SW1	0.839	0.911	0.930	0.689
	SW2	0.891			
	SW3	0.795			
	SW4	0.721			
	SW5	0.834			
	SW6	0.887			

This research has also tested the discriminant validity that is related to the variable correlation. Firstly, cross-loadings along with Fornell Larcker have been used, and the statistics have highlighted that the values that show the nexus with constructs itself are more than the values that show the nexus with other constructs. These values indicated a low correlation among variables and valid discriminant validity. These figures are shown in Table 2 and Table 3.

Table 2
Fornell Larcker

	HR	OS	PE	SMEP	SW
HR	0.750				
OS	0.486	0.796			
PE	0.402	0.452	0.836		
SMEP	0.582	0.591	0.739	0.752	
SW	-0.340	-0.273	-0.655	-0.415	0.830

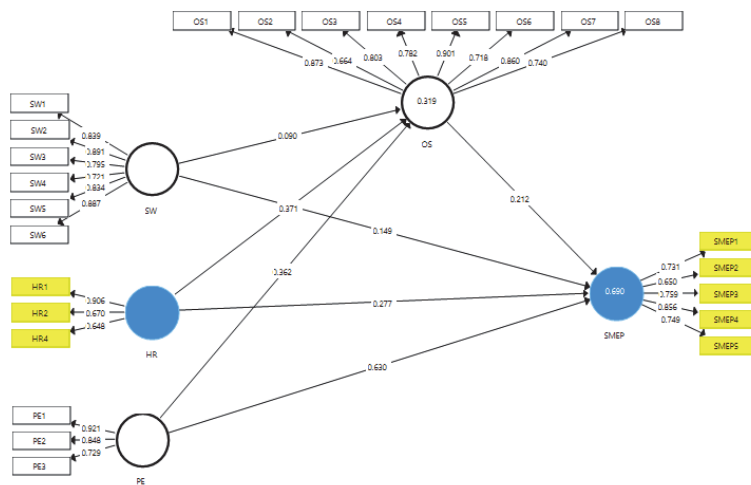


Fig. 3. Measurement Model Assessment

Table 3
Cross-loadings

	HR	OS	PE	SMEP	SW
HR1	0.906	0.493	0.351	0.583	-0.242
HR2	0.670	0.269	0.197	0.287	-0.161
HR4	0.648	0.275	0.344	0.373	-0.387
OS1	0.318	0.873	0.304	0.404	-0.145
OS2	0.429	0.664	0.401	0.495	-0.287
OS3	0.318	0.803	0.241	0.323	-0.144
OS4	0.421	0.782	0.432	0.590	-0.170
OS5	0.357	0.901	0.338	0.442	-0.206
OS6	0.327	0.718	0.281	0.402	-0.171
OS7	0.393	0.860	0.321	0.400	-0.278
OS8	0.440	0.740	0.440	0.554	-0.282
PE1	0.390	0.440	0.921	0.723	-0.549
PE2	0.281	0.366	0.848	0.660	-0.543
PE3	0.348	0.316	0.729	0.423	-0.583
SMEP1	0.296	0.331	0.459	0.731	-0.260
SMEP2	0.768	0.511	0.355	0.650	-0.213
SMEP3	0.424	0.469	0.640	0.759	-0.407
SMEP4	0.381	0.459	0.763	0.856	-0.420
SMEP5	0.293	0.427	0.492	0.749	-0.212
SW1	-0.255	-0.182	-0.458	-0.250	0.839
SW2	-0.281	-0.266	-0.501	-0.306	0.891
SW3	-0.284	-0.149	-0.665	-0.377	0.795
SW4	-0.305	-0.276	-0.599	-0.472	0.721
SW5	-0.258	-0.188	-0.456	-0.250	0.834
SW6	-0.274	-0.248	-0.488	-0.303	0.887

Secondly, Heterotrait Monotrait (HTMT) ratios have been used, and the statistics have highlighted that the values are lower than 0.85. These values indicated a low correlation among variables and valid discriminant validity. These figures are shown in Table 4.

Table 4
Heterotrait Monotrait Ratio

	HR	OS	PE	SMEP	SW
HR					
OS	0.600				
PE	0.584	0.506			
SMEP	0.779	0.653	0.782		
SW	0.461	0.278	0.769	0.444	

The path analysis has exposed the nexus among the variables, and the results indicated the social welfare, human rights, and physical environment have a positive association with SMEs performance in Vietnam H1, H2 and H3. The results also showed that organizational support positively mediates among the links of social welfare, human rights, the physical environment and SMEs performance in Vietnam and accepts H4, H5 and H6. These links are highlighted in Table 5.

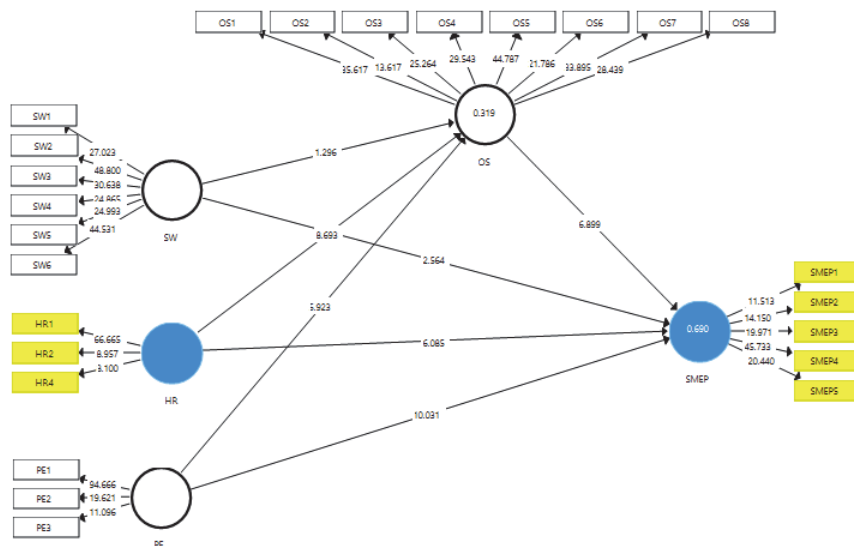


Fig. 4. Structural Model Assessment

Table 5**A path analysis**

Relationships	Beta	S.D.	T Statistics	P Values	L.L.	U.L.
HR → SMEP	0.277	0.045	6.085	0.000	0.211	0.367
OS → SMEP	0.212	0.031	6.899	0.000	0.158	0.257
PE → SMEP	0.630	0.063	10.031	0.000	0.501	0.718
SW → SMEP	0.149	0.058	2.564	0.006	0.048	0.228
HR → OS → SMEP	0.079	0.015	5.182	0.000	0.051	0.100
PE → OS → SMEP	0.077	0.017	4.575	0.000	0.047	0.104
SW → OS → SMEP	0.029	0.014	2.071	0.009	0.007	2.037

5. Discussions and Implications

The study results have indicated that the practices of CSR regarding social welfare have positive impacts on the performance of small & medium enterprises in the country. The study elaborates that when the small & medium enterprises are engaged in CSR for driving social welfare like free or low-cost education for children, charity to free medical programs and help destitute or needy persons, they have a good reputation among the public who prefer these enterprises while making purchase decisions. These results are in line with the past study of Stekelorum (2020). This study analyzes the contribution of CSR practices for social welfare into the performance of small & medium enterprises. This study suggests that the small & medium enterprises which have a serious concern towards society under the CSR policy, and take initiatives for the health improvement of the public, providing necessities of life to needy persons, and carry charitable programs for orphans, their employees also take benefits from the enterprises and then work more efficiently. Thus, the performance of the enterprises improves. These results are also in line with the past study of O'Connor, Parcha, and Tulibaski (2017), which shows that some small & medium enterprises which perform a wide range of activities voluntarily out of devotion under CSR policy to provide help to needy persons who are unable to care for themselves, provide resources to enhance the well-being of individuals, families, or the larger society, and to reduce the incidence of social problems. The enterprises which spend money in this regard have support from society and government regulators. This support helps them in meeting different economic operations and enhances the overall performance. The study results have shown that the practices regarding human rights under CSR have a positive association with the performance of small & medium enterprises. These results are supported by the past study of , which shows that the small & medium enterprises which take care of human rights during operations within or outside the work environment have higher operational, production, and financial performance as the employees who are provided with all basic human rights during work perform their activities with great responsibility and efficiently. The stakeholders who are impressed with the just behavior of enterprises cooperate with it in the relevant activities, which is somehow helpful in getting higher performance. These results are also supported by the literary investigation of Stoian and Gilman (2017) into the CSR effects on firm performance. This investigation proves that the small & medium enterprises where the employees are allowed to give expression to their views and are motivated use their ideas in the different projects. This helps in decision making problem solving and leads to innovation in business.

The study results have indicated that CSR practices regarding a healthy physical environment have a positive association with the performance of small and medium enterprises. These results are approved by the previous study of Stekelorum, Laguir, and Elbaz (2019), which shows that the small & medium enterprises which have the policy to handle the physical environmental issues in order to keep them safe and healthy have higher operational and economic performance. When the enterprises use ecological friendly material, resources and technology to mitigate the negative environmental impacts of operational activities, it provides a healthy working environment to employees and positive change in their performance. These results are also supported by the study of Jain, Vyas, and Roy (2017), which states that when the small & medium enterprises monitor by themselves that they are performing the ecological friendly activities set in the CSR policy, they produce reports to environmental regulatory authorities and publish them to make it visible on the public that they are not indulged in any such activities that harm natural resources or the health of living beings, the public feel satisfied towards their activities and products and forms their buying intentions accordingly. The study results have indicated that organizational support is a suitable mediator between the implementation of CSR practices regarding the social welfare and the performance of small & medium enterprises. These results are in line with the past study of Harness, Ranaweera, Karjaluoto, and Jayawardhena (2018), which shows that the support from the organization to the employees enables them to act efficiently upon the CSR practices regarding social welfare, which leads to higher performance of enterprises. These results are also supported by the past study Stekelorum, Laguir, and Elbaz (2020), which shows that organizational support in the form of financial security, good behavior, easy and polite guidance, and encouragement is available to employees when the organization is engaged in CSR practices for social welfare. This organizational support improves the performance of employees and, thus, the performance of enterprises.

The study results have indicated that organizational support is a significant mediator between the CSR practices for human rights and the performance of small and medium enterprises. These results are also supported by the past results of Doshmanli, Salamzadeh, and Salamzadeh (2018), which suggests that employees have more organizational supports in case the organization shows responsibility to the application of CSR practices regarding the provision of human rights; this supports results in the superior performance of the enterprises. The study results have indicated that the organizational support to the employees plays a mediating role between CSR practices for a healthy physical environment and the performance of small & medium enterprises. These results are in line with the previous literary work out of Bahta, Yun, Islam, and Bikanyi (2020), which

encourages CSR practices regarding the physical environment to have more organizational support and the superior performance of small & medium enterprises.

Theoretical, as well as the empirical implication, is carried by the present literary work. The study has great theoretical importance because of its dramatic contribution to the literature on CSR importance in business. This study gives a detailed description of CSR practices and their contribution to a growing organization. It shows the influences of CSR practices regarding social welfare, CSR practices relating to human rights and CSR initiatives regarding the physical environment on the achievement of small & medium enterprises. The contribution of organizational support to small & medium enterprises have been described by many studies, but little attention has been given to the mediating influences of organization support between SCR practices and the performance of small & medium. Thus, this study adds to the scope of existent literature with the introduction of organizational support as a mediator between SCR practices for social welfare, human rights, and a healthy physical environment and the performance of small and medium enterprises. This study guided the regulators while developing the regulations related to CSR and firm performance. This study also has great practical importance in the emerging economy of Vietnam. It provides a guideline to the management of small & medium enterprises on how to achieve superior performance with the implementation of CSR practices for social welfare, human rights, and a healthy physical environment that enhances organizational support.

6. Conclusion and Limitations

The study examines the performance of small & medium enterprises in the economy of Vietnam, which is a developing one. The study elaborates the influences of SCR practices for social welfare, human rights, and a healthy physical environment on the performance of small and medium enterprises. The study states that when the small and medium enterprises show a great responsibility towards social welfare under a combined CSR policy they have superior performance. The small & medium enterprises which take certain measures to improve public health, provide necessities of life to the needy and destitute and carry different charitable programs have public support and the employees who also enjoy such benefits work wholeheartedly in favor of enterprises. The study implies that the effective implementation of CSR practices regarding human rights improves the performance of small & medium enterprises. When the stakeholders like employees, customers, and government etc., are provided with due human rights and are treated in a just manner, they help the enterprises in getting the higher performance. Similarly, the implementation of CSR practices for the provision of a healthy physical environment improves the operations and raises the marketing performance of small & medium enterprises. The implementation of CSR practices regarding social welfare, human rights, and a healthy physical environment enhances organizational support, which results in superior performance.

The current study has certain limitations that must be removed in the future literature replicating the conceptions of the present study. The author just talks about CSR and addresses limited CSR practices regarding social welfare, human rights, and physical environment as the drivers of the performance of small & medium enterprises. Other CSR practices and many other economic factors also affect the performance of small & medium enterprises, but none of them has been addressed by this study. Thus, the scope of the study is limited. For a more comprehensive study, the author's future must address more CSR practices and other factors related to the performance of small & medium enterprises. The scope of the study is also limited in the sense that the data which provides evidential support to this study has been acquired from small & medium enterprises in a developing country like Vietnam, which has different social and economic conditions from developed countries. This study may not be equally valid in developed countries. That is why authors must analyze the small & medium enterprises in both developed and developing countries.

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