

CALL FOR PAPERS

Sustainability and SMEs: opening the black box

Guest Editors:

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Over the last decade, scholars and policy makers have put under pressure businesses to engage firms in activities related to sustainability at large (e.g. CSR, ESG, SDGs, etc.), increasing awareness about the need to rethink the global economic system. This paradigm shift was driven by the increasing attention paid by civil society to emerging themes, such as climate change, social inequality, and gender gaps (Crutzen, 2006). In this sense, policy makers integrate with their policies both financial and non-financial aspects to move from a linear toward a more dynamic approach to sustainable and economic development (Bebbington & Unerman, 2020).

In this context, a pivotal role is covered by the United Nations, which brought to the international debate a new approach to sustainable development based on the explicit identification of interlinkages between economic and sustainable dynamics (Sachs, 2012). In 2016 the United Nations officially launched the 2030 Agenda, which represents an international agreement between all the 193 Member States (United Nations, 2015). The main innovation of the 2030 Agenda is represented by the direct identification of 17 sustainable development goals (SDGs) and 169 targets, which consists of multidimensional indicators based on quantitative proxies. In this sense, policy makers can evaluate countries' contributions through the adoption of metrics characterized by an adequate degree of comparability and reliability (Schaltegger, 2018).

However, the lesson learnt from the previous experience highlighted that an effective sustainable transition cannot be achieved without the involvement of the private sector (Pizzi et al., 2020; Scheyvens et al., 2016). Encouraging businesses to integrate sustainable and ethical principles in their business models represents a complex task for policy makers. The relevance of the topic has been also underlined by management scholars, as evidenced by the high degree of attention paid to the managerial implications related to the adoption of business practices inspired by the SDGs (Dalton, 2020; Macht et al., 2020; Pizzi et al., 2020).

In such a transformation, SMEs cannot be left aside. Nowadays, across the OECD area, small and medium-sized enterprises (SMEs) represent around the 99% of all firms, approximately two thirds of all employment, and contribute to over half of the value added (OECD, 2019). Given the weight of small businesses in the economy, it is important to remind that their aggregate achievements have a major effect across the globe. Therefore, how SMEs act and react to the needs for a more sustainable future is crucial for economic, environmental, and social well-being (Dalton, 2020; Pizzi et al., 2021).

However, SMEs and sustainability are a controversial research field (Jorge et al., 2015). At the end of the last century, scholars have opened the debate by exploring the levels of awareness of SMEs in relation to sustainability, often seen as Corporate Social Responsibility (CSR). Scholars started approaching the topic by focusing on the exploration of the main CSR practices put in place by SMEs and looked at the related CSR performances (Murillo and Lozano, 2006; Cassells and Lewis, 2011; Marco-Fondevila et al., 2018). In many cases, empirical works focus on size as a continuum, and underline that firm size is positively correlated to the commitment of firms in CSR practices. Therefore, SMEs seem to be less committed in CSR practices than larger ventures. Researchers relate these empirical evidences to both a lack of resources, preventing the adoption of

responsible behaviours, and a limited understanding of the phenomenon and its implication for businesses (Russo and Fouts, 1997; Schaper, 2002). Yet, a recent literature review unveiled how most studies investigating the relationship between sustainable practices and financial performance found a positive impact (Bartolacci et al., 2020).

More recently, studies have shed light on drivers and performance of SMEs implanting CSR related actions (Gangi et al., 2020; Longo et al., 2005). Here, findings underline the informal and cooperative nature of CSR in SMEs. In different research fields, many scholars have explored the diffusion of responsible practices through SMEs (Baumann-Pauly et al., 2013; Perrini et al., 2007) and the barriers of SMEs in incorporating responsible behaviours in their activities (García-Quevedo et al., 2020; Ormazabal et al., 2018). However, despite the increasing interest on the topic and the need for a clear understanding of the role of SME through the sustainability transition, findings are still contradictory and scarce to offer a comprehensive and robust theory about CSR and SMEs.

Evaluating the enabling role covered by organizational structure represent another critical issue for management scholars interested to evaluate CSR in SMEs. In fact, firm size is not just a continuum defining homogenous groups of organizations. SMEs are not indeed a homogenous group of businesses. Literature does not offer a clear definition of what SME means, especially in terms of business models and organizational structures (Miller et al., 2021). Generally, how SMEs act strongly rely on the psychological characteristics of the entrepreneur or “owner-manager” (Jenkins, 2004). On the one hand, SMEs behaviours mainly rest on informal and flat organisational structures and limited management, leadership, and strategic capabilities (Pati et al., 2018, Radas and Bozic, 2009), on the other hand, flexibility, and strategic agility assure competitiveness and high innovation capability (Nooteboom, 1994).

In a such organizational structure, sustainability takes a different meaning in respect to sustainability in large corporations. Specifically, regulation and bureaucracy do not find a fertile ground in SMEs, and SMEs often don't have shareholders, so they are not affected by their pressures (Kinderman, 2020). Moreover, SMEs are responsible to fewer and/or different stakeholders comparing with large firms. Therefore, the different theories driving sustainability are not consistent for SMEs. In his seminal work, for example Jenkins (Jenkins, 2004) concludes underlining that in many cases SMEs' activities are often unrecognised as CSR related, there are no dedicated personnel for CSR programmes and CSR activities are generally the result of informally planned CSR strategies.

In absence of specific rules, SMEs may deeply exploit resources without paying attention to negative externalities and avoiding playing the role of a good citizen. It is important to remember that businesses do not automatically and necessarily behave in a responsible way (Schoeneborn et al., 2020). For SMEs, the mix of factors preventing sustainability practices vary and there are not clear compensators. However, when agglomeration of specialised SMEs embeds in places defining a cluster, the heterogeneous set of local stakeholders start playing an important role. Because of the dense daily overlapping of life experiences of families and enterprises, it is quite well known that the socio-cultural and institutional structure of clusters of specialised SMEs tends to focus on both the needs of the local communities and the opportunities of growth of the cluster (Russo & Tencati, 2009). Here, when the local stakeholders perceive the negative externalities produced by the population of SMEs as an urgent problem for the society, the collective action should be able to mitigate the lack of resources of SMEs in incorporating economic responsibility behaviours.

Aims and scope of the Special Issue

There is a growing interest in understanding the capabilities of SMEs to assume responsibility in running their business, but still sustainability and SMEs is a black box (Álvarez Jaramillo et al., 2019; Bos-Brouwers, 2010; Cassells and Lewis, 2011). Moreover, considering the different specificities related to each sector where SMEs run their business, the complexity of the topic increases (Oduro et al., 2021). The only clear and unquestionable evidence is that to apply the same lens for exploring sustainability in both large corporations and SMEs is not consistent.

Jenkins (Jenkins, 2004) underline how the sustainability theories applying for large corporations are not relevant for SMEs. Drivers and enabling factors of sustainability in large corporations and SMEs are strongly different. This divergence mainly relies on the informal nature of sustainability in SMEs and the lack of often well-defined business models and organizational structures of SMEs (Russo & Tencati, 2009). As such, the transition toward more sustainable business models may be limited and is seen to be highly influenced by enabling factors, such as

digital technologies (Pizzi et al., 2021). Yet, to support such enablers actions toward the improvement of the innovative capacity of SMEs must be taken. Similarly, the balance between the long-term need for sustainability and the short-term interests for sufficient financial returns must be achieved.

Building on this evidence, the aim of this Special Issue is to assemble high quality papers that deepen and enhance understanding of sustainability in the context of SMEs and their management. We welcome papers that will investigate topics such as:

- Factors enabling the SMEs transition toward sustainable business models (e.g. technology, innovation, policy, individual behaviours, collective action, etc.)
- Sustainability policies and practices in SMEs
- SMEs contribution to SDGs
- Challenges and benefits to sustainability strategies in SMEs
- Decision-making for sustainability in SMEs
- Digitalisation and sustainability in SMEs
- Accountability and responsibility in SMEs
- Formalisation and reporting of sustainable actions in SMEs

More generally, this track welcomes contributions that will investigate, in the context of entrepreneurship and innovation, issues related to the sustainable behaviours of SMEs for their transition toward more sustainable business models. The editors are keen to bring, with this Special Issue, significant value added to the fields of Sustainability management, entrepreneurship, SMEs management, and the private sector contribution to SDGs. We are seeking for high-quality empirical (both qualitative and quantitative), conceptual and theoretical papers.

Important dates

Paper Development Workshop

We offer an online Pre-Submission Paper Development Workshop (not mandatory for submission to the special issue) to be held on the 15th September 2022. Please send an extended abstract (up to 1.500 words) including authors' details.

Submission deadline: 30th July 2022 to erica.santini@unitn.it with subject "Pre-Submission Workshop Special Issue JMO Sustainability and SMEs".

Related conferences

Interested contributors to the special issue are encouraged to submit their early work to one of the following conferences and tracks where the guest editors will be able to provide feedback (not mandatory for submission to the special issue).

EURAM Conference 2022 (<https://conferences.euram.academy/2022conference/> - 15-17 June 2022, ZHAW School of Management, Winterthur/Zurich, Switzerland) – Meet the editors within the papers submitted to the track ST03_03 "Entrepreneurial Decision Making and Behaviour". Info: andrea.caputo@unitn.it

R&D Management Conference 2022 (<http://www.rnd2022.org/> - 9-13 July 2022, University of Trento, Trento, Italy) – Meet the editors within the papers submitted to the track no. 5 "Sustainability and SMEs: what roles for entrepreneurship and innovation?". Info: erica.santini@unitn.it

BAM Conference 2022 (<https://www.bam.ac.uk/events-landing/conference.html> - 31st August - 2nd September 2022, Alliance Manchester Business School, Manchester, UK) – Meet the editors within the papers submitted to the track no. 7 "Entrepreneurship". Info: andrea.caputo@unitn.it

Submission deadline for the Special issue: 30th November 2022

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Link: <https://www.cambridge.org/core/journals/journal-of-management-and-organization>

About the editors

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