Chapter 5

Sampling Frame

The list of SMEs was obtained from the directory of SMEs available with Maharashtra Industrial Development Corporation (MIDC) and Gujarat Industrial Development Corporation (GIDC). Out of the total list, only 500 SMEs were taken for this research depending upon the location of the enterprise and the type of enterprise. The method for selecting the sample was stratified random sampling method. For the purpose of this research only manufacturing enterprises were taken. The list was sent out to approximately 500 SMEs. The selected enterprise should fall in the category of SMEs as given by Ministry of Small scale Industries (SSI). Only those SMEs were selected for this research which were into CSR.

5.1 Collection of Information

The research was conducted in western India in the States of Gujarat and Maharashtra, both the states being industrially very progressive in India. The researcher would have liked to cover other States also but for the want of the time and other constraints, the research was restricted to these two states. From the total number of samples, equal number of entrepreneurs responded from both the States. The questionnaires were filled by personally meeting and interviewing the entrepreneur who started that particular enterprise or their next generation who had inherited the business. This was necessary because in the SMEs, the founder entrepreneurs generally make all decisions regarding
CSR activities undertaken by the enterprise. Equal number of forms were collected from the enterprises located in the SEZ and industries not located in SEZ.

5.2 Structure of Questionnaire:

The questionnaire was divided into two parts: personal information and information on CSR activities.

5.2.1 Personal Information

All personal questions pertaining to the background of enterprise were asked like name, age, qualification, turnover, profit, etc.

5.2.2 Information on CSR activities undertaken by the enterprises

Part two consisted of questions pertaining to the CSR activities undertaken by the enterprise. Information like what kind of CSR they carried out, implementation of the CSR activities undertaken, budget allocation etc were asked.

A letter was written by the researcher addressing the enterprises, assuring them that the information filled in the given questionnaire will be kept confidential by the researcher and will only be used for the said research work.

5.3 Pre-testing of Questionnaire

After the title approval, this researcher drafted the questionnaire and got it filled up from as many as 50 SMEs across all the sectors i.e. manufacturing as well as service and also enterprises irrespective of their involvement in CSR activities. After collecting data from them, lot of points became clearer and some more parameters were added and some
questions were altered while others were deleted. After many alterations, a new questionnaire was prepared which was then used for a pilot study.

5.4 Development of Opinion Scale:

While going through the literature relevant to CSR practiced by SMEs in various countries like Europe, U.K., Italy, Spain, Australia, South Africa, the researcher developed her own scale, by taking some relevant factors from different literature review. 11 statements were taken for measuring the attitude towards CSR among SMEs and the response was taken on five point Likert scale with the opinion to be expressed from strongly agree to strongly disagree.

5.5 Pilot Study

After making a new questionnaire after pre-test, a pilot study was conducted among 100 SMEs in western part of India. Out of the two states Gujarat and Maharashtra – an equal number 100 questionnaires was collected from each state. The forms were coded and numbered, after which code sheet was prepared in SPSS and data were entered by the researcher herself. Data were analyzed using SPSS version 17 and reliability test was found out using Cronbach’s Alpha and for 11 item scale the Cronbach’s Alpha came to 0.689 which showed the reliability of the scale adopted.

5.6 Processing of the Data

After the pilot study, the questionnaire was further fine tuned. This questionnaire was distributed to 500 respondents, all of which were returned filled-in. The 320 respondents who indicated carrying out of CSR activities alone were considered for the main research.
4.9 Research Design

Fig. 4.1 Research Design

The research design may be broadly classified into exploratory or conclusive; the insight gained from exploratory research might be verified or quantified by conclusive research.
5.8 Analysis of the Data

The data was analyzed in SPSS version 17 using different statistical tools viz.:

1. Frequency table with percentage
2. Chi square Test
3. T- test
4. Analysis of Variance (ANOVA)
5. Correlation

One of the objectives of the study is to determine if there is any relation between the type of CSR activities undertaken by the enterprise and age of the entrepreneur. For enabling the analysis, entrepreneurs were classified into two categories. The first category consisted of young entrepreneurs who were between 21-40 years. The second category consisted of middle aged or older entrepreneurs whose age group was above 40. It was found from the table above that 51% (153) of the entrepreneurs come under the age group of 21-40 years and balances i.e. 49% (147) are above the age of 40.

It can thus be inferred that age is not a determining factor towards setting up of CSR activities by SME entrepreneurs.