

## The Stakeholders: A Key Player for Lebanese SMEs in Difficult Times

Riad Makdissi<sup>1</sup>, Danie Khawaja<sup>2</sup>, Nadine Dubruc<sup>3</sup>, Sélim Mekdessi<sup>4</sup>

<sup>1</sup>Riad Makdissi, Ph.D., Associate Professor, Lebanese University, Lebanon

<sup>2</sup>Danie Khawaja, Ph.D. candidate, CNAM Paris, France

<sup>3</sup>Nadine Dubruc, Ph.D., Associate Professor, Ecole Nationale Supérieure des Mines de Saint-Etienne, France

<sup>4</sup>Sélim Mekdessi, Ph.D., HDR, Full Professor, Lebanese University, Lebanon.

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**Abstract:** This paper emphasizes the importance of the networks' role: adoption's networking, integration, and the importance of commitment's degree in CSR of Lebanese SMEs. To highlight networks and important stakeholders, we have decided to focus on particular life's moments of a Lebanese company in an uncertain and unstable environment. Thus, we propose an analysis of the stakeholders during the 2006 crisis by analyzing eight enterprises in order to identify the stakeholders of the socially responsible Lebanese SMEs. We have identified a trend among the interviewed managers, which is giving more importance to shareholders satisfaction, motivation, continuous training of employees and the central role of banks in the survival and development of their business. We were also able to emphasize the role of the socially responsible values of proactive managers and their ability to act durably during difficult times and in an unstable and uncertain environment. We can conclude that the Lebanese manager involved in a CSR logic manages crises better mainly by dint of certain stakeholders including employees and banks. However, there are several limitations to our research. The number of SMEs studied and the effects of the crisis in the Arab countries, for which the managers are not able to see the end, open the way for further analysis.

**Keywords:** Stakeholders, SME, Lebanon, CSR, Networks

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### I. Introduction

In the context of small and medium-sized enterprises (SMEs), the implementation of corporate social responsibility's practices (CSR) is more often tied to the managers' commitments of these enterprises. SMEs are characterized by a strong centralization around their manager, who often owns the company. Therefore, his personal conception of CSR will determine the forms and the degree of the SME's commitment (Paradas, 2007; Courrent, 2012; Berger-Douce, 2014). This central role of SMEs managers is highlighted in a 2006 survey of the French Assembly of Chambers of Commerce and industry (ACFCI). It reveals that 91% of the questioned SMEs attribute their CSR approach to the conviction of the manager (Laarraf et al., 2015).

Beside the central role of the manager, the factors affecting the adoption of CSR by SMEs are mainly the pressures of the stakeholders and the costs incurred by the company compared to the advantages procured by this commitment in CSR (Courrent, 2012). Bonneveux (2010) also points out that the appropriation of CSR by the SMEs managers is favored by the network as real vector of the managerial learning, used as "a catalyst of approaches to CSR in SMEs" (Berger-Douce, 2006). Moreover, the implementation of SME's social strategies is justified by their proximity to civil society (Berger-Douce, 2013).

No wonder if we refer to the CSR definition according to the ISO<sup>1</sup> 26000 guidelines. It is the "responsibility of an organization towards the impacts of its decisions and activities on society and on the transparent and ethical environment that contributes to sustainable development, including health and the well-being of society, takes into consideration the expectations of stakeholders, respect the laws in force and is compatible with the international standards of behavior, and is integrated in the Organization and in its relations" (Perin and Quairel-Lanoizelee, 2012).

Based on the classification of Saulquin and Schier (2007), we suggest asking the question of manager's behavior of the Lebanese SMEs. Do they perceive the CSR as a constraint, an opening lever, a lever for internal dynamics or a strategic lever? This will depend on their attitude toward CSR and the role played by CSR within their company: in Lebanon, does the manager have an active, passive, reactive, proactive policy in CSR for his SME? Does he consider CSR as a response to stakeholders' pressures, a solution to minimize risks, or to innovate on the long term for stakeholders?

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<sup>1</sup> International Organization for Standardization

All these questions will guide us to emphasize the importance of the networks' role: adoption's networking, integration, and the importance of commitment's degree in CSR of Lebanese SMEs. To highlight networks and important stakeholders, we have decided to focus on particular life's moments of a Lebanese company in an uncertain and unstable environment. In this article, we propose an analysis of the stakeholders during the 2006 crisis.

At first, we will present the mobilized theories to understand the definition of stakeholders and their conception as key player for SMEs. Second, we will present the analysis of eight companies to try to identify who are the stakeholders of Lebanese socially responsible SMEs.

## II. The integration of CSR by some theories

In this section, we will develop stakeholder theory, actor-network theory and the role of networks in the adoption of CSR practices in SMEs.

### A- Stakeholder Theory

We focus here on the definition of the stakeholders and the foundations of this theory.

#### A.1. Defining Stakeholders

Using the definition of Freeman (1984), stakeholders are defined as any "*individual or group of individuals which may affect or be affected by the achievement of organizational objectives*". This notion and especially its use as operational means become decisive and unavoidable; they allow to take into consideration the actors of economic and socio-political of the business environment and to provide a framework for analysis of the expectations of civil society (apprehended as sum of stakeholders) as well as the means to satisfy them.

With the CSR, Freeman has surpassed the economic classic vision, interested only in the interests of shareholders for a more comprehensive vision, taking into consideration all the stakeholders of the company. This utilitarian wave appears at the moment when the productivity gains of the Ford model begin to run out. Management authors started then to conduct numerous studies trying to prove a positive link between social performance and financial performance without that these attempts do not lead to definitive results (Orlitzky & al., 2003; Allouche, Laroche, 2005; Mekdessi 2007; Makdissi & al., 2016). Accordingly, CSR is defined as "the taking into consideration of the stakeholders' expectations" and almost all of the guidelines for the CSR implementation, regardless of the company's size, begin with the identification of stakeholders and their expectations (Quairel-Lanoizelée, 2012).

As part of CSR and sustainable development (SD), identifying interested stakeholders is therefore the first step toward an SD management (Igalens and Point, 2009). This is often done via reading grids and cartographies of all kinds. At first, it is necessary to list the stakeholders according to the threefold objective of the company, economic, social and environmental. Next comes the definition of the interactions between stakeholders in order to identify groups of influence or influenced. The next step is to segment the different stakeholders in categorizing them into separate, relatively homogeneous subgroups. This is not only to identify, but also to prioritize the stakeholders with strategic intent (part of internal/external, part involved primary/secondary...). As regards the classification of stakeholders, we can distinguish several according to the authors listed below:

Caroll (1989)	<b>Primary or secondary</b> stakeholders
Clarkson (1995)	<b>Voluntary or involuntary</b> stakeholders <ul style="list-style-type: none"> <li>- Voluntary stakeholders have chosen to take a risk following their investment in the company in the form of human or financial capital.</li> <li>- Involuntary stakeholders have been exposed to the consequences of the activities of the company unintentionally. (Mercier, 2001)</li> </ul>
Carroll and Näsi (1997)	<b>Internal</b> stakeholders: owners, managers, employees And <b>external</b> stakeholders: competitors, consumers, governments, lobby groups, media, community and the natural environment
Mitchell, Agle and Wood (1997)	<b>Urgent, powerful, legitimate</b> stakeholders: these are three factors to measure the degree of involvement and consideration of stakeholder demands, to know: urgency, power and legitimacy. These factors articulate several theoretical approaches that may seem contradictory or incoherent, such as agency theories, resource dependency, and neo-institutionalist sociology. These criteria are evolutionary; they are not fixed because they are social constructs. (Laarraf and al., 2015)
Pelle-Culpin (1998)	<b>Institutional, economic and ethical</b> stakeholders <ul style="list-style-type: none"> <li>- Institutional stakeholders: resulting from legislation and regulations, inter-organizational or professional organizations specific to a sector of activity;</li> <li>- economic stakeholders: the various players in the company's markets;</li> <li>- ethical stakeholders: Agencies of ethical Pressures</li> </ul>
Friedman and Miles (2002)	By analyzing the relationships between the company and the stakeholders, depending on whether they are <b>compatible</b> with the interests of the company, or, <b>necessary</b> (internal) or <b>contingent</b> (external): <ul style="list-style-type: none"> <li>- Necessary and compatible relationships: management, shareholders, partners;</li> <li>- Necessary but incompatible relationships: employees, unions, government, customers, suppliers, lenders,</li> </ul>

	organizations; - contingent and compatible relations: public in general, related organizations in joint associations; - Contingent but incompatible relations: non-governmental organizations (NGOs).
Pesqueux (2002)	<b>Contractual stakeholders, diffuse</b> - Contractual stakeholders that relate to actors in direct and contractual relationships, as its name indicates (shareholders and investors, employees, customers, suppliers); - "diffuse" stakeholders, representing the actors around the company, who can be affected or affected by the company without being in contract (public organizations, local authorities, NGOs, associations, public opinion).

**Table 1: Classification of stakeholders in the Management Literature**

The study and the field analysis of our study will focus on the stakeholders' definition of Lebanese SMEs; internal and external stakeholders, and to identify, for each of these stakeholder categories, whether it is a voluntary or involuntary stakeholder.

According to Damak Ayadi (2003), stakeholder theory is multifaceted in the sense that it can be the subject of different readings: it can be translated into a normative approach that focuses on the responsibility (social) through its stakeholder relations but can also be presented using an empirical approach centered on the interests of the organization and the effort that the organization must allocate among stakeholders according to their importance. In the implementation of CSR, stakeholder definition and classification will ultimately involve engaging stakeholders and involving them in the strategy and core business of the company (Igalens and Point, 2009).

**A.2. The fundamentals of stakeholder theory**

The main objective of stakeholder theory is to include the interests and rights of non-shareholders in corporate governance (Cazal, 2011). Bonneveux and Saulquin (2009) argue that "the value of this contractual partnership model lies in the description of societal issues by highlighting the stakeholders and their expectations". According to Donaldson and Preston (1995), why to take into consideration stakeholders' expectations in corporate governance? The theoretical answer is the stakeholder theory according to its descriptive<sup>2</sup>, instrumental<sup>3</sup> and normative<sup>4</sup> aspects (Rasolofo-Distler, 2011). These three perspectives fall within two opposing paradigms that define two types of CSR representation. For the first, it is an "ethical-oriented" vision considering "CSR as an ideal" and the other two are part of a "business-oriented", utilitarian vision that considers "CSR as a tool" (Pasquero, 2005).

*"It is essentially from the" instrumental "angle that SMEs, which are generally very dependent on their environment, are confronted with the CSR approach by the stakeholders, but they can also integrate the ethical approach of the concept" ( Quairel-Lanoizelée, 2012).*

The theory of stakeholders has the great merit to make the framework of reflection which was lacking on the concept of corporate social responsibility. Thus, the notion of stakeholder makes it possible to identify and organize the multiple obligations of the company towards the various groups that contribute to it. It is also the most relevant (and the most mobilized) to integrate the notion of organizational ethics in the management science issues (Mercier 2001).

Therefore analyzing the integration of CSR in SMEs requires paying special attention to identify the stakeholders who can establish the companies' network and have a role to play there.

**B. Theory of the actor-network**

In the analysis of the SME network's role in the adoption of CSR approaches, the actor-network theory emphasizes the respective role played by the actors, the stakeholders of the companies. For this, the sociological approach of translation (Callon and Latour, 1986, Akrich et al., 1988) analyzes the development of an innovative approach within a network of actors (Calme and Bonneveux, 2015).

According to Latour (2004), in the actor-network theory, the network is a means of describing objects or phenomena. The present theory includes both human and non-human actants. The actor-network theory, with the notion of network, aims "to give itself means of description of phenomena. It is a tool to trace relationships, movements between multiple entities" (Cazal, 2007). "Networks are a grammar of forces and relationships power

<sup>2</sup>This aspect seeks to show the empirical relevance of this framework of analysis in stressing that managers tend to think of their activity as the management of multiple relationships with internal and external groups

<sup>3</sup> It examines the economic and financial implications of stakeholder management, and will help to answer the following question: To what extent does the inclusion of the expectations of all stakeholders in the enterprise contribute to improve its performance?

<sup>4</sup> It's based on the business ethics and on the philosophical foundations such as the theory of justice of John Rawls (1971) in order to justify the taking into consideration of stakeholders in the management of the company. The theory of Rawls seeks to treat stakeholders in terms of "fairness", in a fair and equitable manner. (Lobez, 2011)

that translate into forms that sometimes" become irreversible ", at least for some time" (Callon and Ferrary, 2006: 38).

The actor-network theory (Callon and Latour, 1986; Akrich, Callon and Latour, 2006) is a support to analyze the process of stakeholders' mobilization (players) around a theme (in this case the adoption of CSR by SMEs) by breaking it down into different phases: the contextualization, the problematization and Mobilization (El Abboubi and Cornet, 2010).

- Contextualization: this phase involves identifying the relevant stakeholders and analyzing their interests around the project under study.
- Problematization: this step is essential for mobilization by highlighting how the promoter has formulated the project so that it is acceptable to all relevant stakeholders.
- Mobilization: it defines the roles played by each and the studied project, it's explained "*through the regular involvement of the working group in the elaboration and follow-up of the diagnosis and the action plan , by the management continuous support and by the effective involvement of the various mobilized external stakeholders*" (El Abboubi and Cornet, 2010).

We therefore propose to consider the relations woven by the Lebanese managers such as the mobilized network as acting player on the survival, and even the future of the company, including delicate and unstable periods. The manager of a Lebanese SMEs relies on his network to run his business; this network has a role more or less important depending on the context and becomes necessary and essential during crisis periods of managerial order, economic, social, political.... The existence of this network and the capacity to manage it to ensure the sustainability of his business would lead to have a socially responsible enterprise.

### **C. CSR in SMEs: Proximity and the Role of Networks**

According to Torres (2003), the proximity is the central element which allows, to identify a great diversity of SMEs, and to explain the specific behaviors of SMEs managers, in our case, the adoption of CSR practices and the role played by the networks to which belong the Lebanese SMEs. This proximity is relative to internal actors (employees) as external (customers, suppliers, etc.) to SMEs. In this paper, we are mostly interested in temporal proximity, spatial, marketing of proximity, and the territorial proximity that allow the company to cross and overcome the crises:

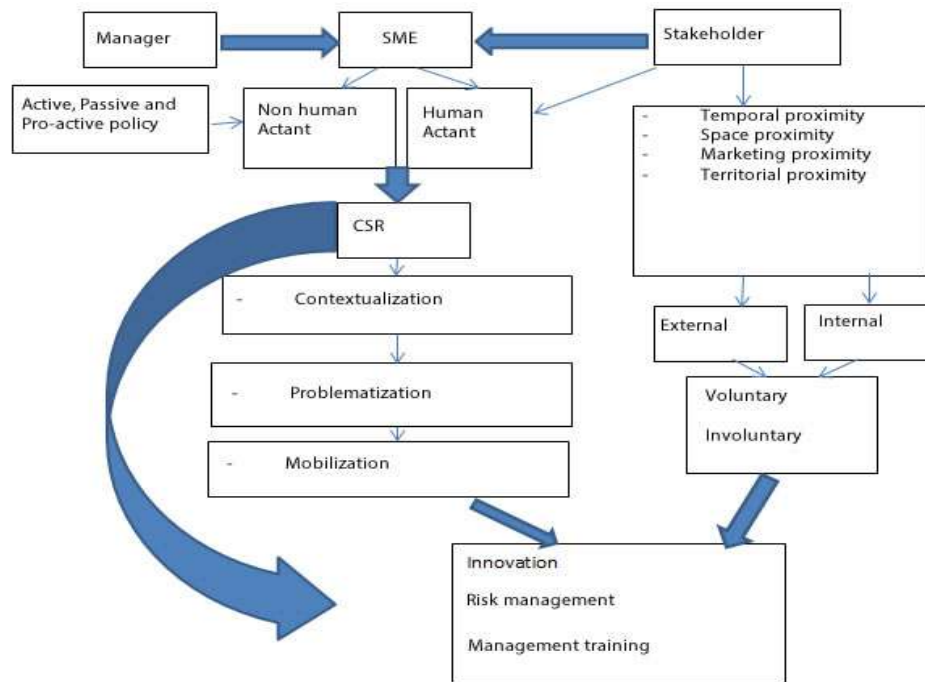
- Temporal proximity: This is an implicit strategy. There is a preference for the short term and where the manager uses intuition in strategic directions and where his decisions are reactive rather than proactive.
- Space proximity: Weaving links with customers, suppliers, bankers and capital providers.
- Marketing proximity: It is a matter of forging close links with customers and suppliers. We talk about a clientele rather than a market. By knowing each of his clients, the manager of an SME is able to anticipate their needs, even their desires, and thus carry out a personalized marketing (Torres, 2003).
- Territorial proximity: Quairel and Auberger (2005) argue that territorial establishment is fundamental for SME managers. Due to their proximity, regional networks could promote ownership of CSR approaches in SMEs. In addition, SMEs have a higher sensitivity to their local environment than large groups: they are in general truly "inserted" into a territory with which they interact, at several levels: economic, social, cultural, institutional (Brodhag and al., 2011). According to Rallet and Torre (2004), this proximity is therefore geographical as well as organizational and based on the animation of a network of actors.

The network is a framework in which resources and capacities are matched between internal and external actors. Thus, networking can be seen as a new way of CSR disseminating, going beyond the boundaries of the company (Bonneveux and Saulquin, 2009). "*Managers' ability to learn is reflected in their ability to acquire information through stakeholder interaction, including through stakeholder networking. The appropriation and processing of this information are also two determining elements of managerial learning*" (Bonneveux and Saulquin, 2009).

According to Latour's translation theory (1996), translation mechanisms must be established so that each actor appropriates the object of innovation in his own rationality and interests (Helfrich, 2008). In this case, the integration of SMEs into networks is an essential factor, for their own development and for the dissemination of CSR practices. Networks can thus play a role in promoting and implementing CSR policy in SMEs, sometimes helping to fill in the lack of internal SME finance and skills resources (Brodhag and al., 2011).

In addition, crisis can be defined as a serious emergency in which the functioning of the organization is severely disrupted and the normal management and control processes of the organization are no longer effective; the disruption of normal business processes and the basic structures of an organization can take on such proportions that business continuity is threatened (Robrechts&Thienpont, 2015). Company crisis' management must be an integral part of the overall strategic processes at all levels of the organization. It helps the company's

management to identify the risks that threaten it and to tackle their roots when they arise. Innovation is essential in order to overcome the crisis; CSR has become a means of communication in order to regain a good reputation, a necessary means of building trust (Fahd, 2009). The figure below summarizes the process of adoption of CSR by SMEs.



**Figure 1: Stakeholders of the company socially responsible and perpetrators in crisis management**

This theoretical framework will serve us to examine the practices of the Lebanese SMEs’ managers and to see their level of commitment and their attitude towards CSR. It will then identify the most involved stakeholders in encouraging Lebanese SMEs to engage in CSR and emphasize their role and, more broadly, whether the stakeholders of these SMEs are favorable or rather indifferent to the emergence and development of CSR practices in these companies. Finally, it is a matter of clarifying the roles played by the networks in order to encourage the development of responsible practices.

### III. Research methodology

Seeing the role of networking in the integration of CSR in SMEs in Lebanon is regarded as an exploratory research which requires meetings with managers in order to identify the main internal and external stakeholders involved in the promotion of CSR practices in these companies and the role they can play during difficult times such as when there was a war with Israel in 2006. For this reason, our research approach was based on a qualitative approach (Wacheux, 1996, HladyRispal, 2002) to "understand the why and the how of events in concrete situations" (Wacheux, 1996, p.15). In order to better understand this theme, we have chosen a qualitative methodology based on several interviews conducted with the managers of eight Lebanese SMEs in different sectors of activity. Without doubt, qualitative information present a great variety that it adopts an adequate method of processing materials; in order to give meaning to the information without distorting them, until leading to knowledge renowned and validated. We therefore relied on primary data collected during semi-directive interviews lasting one hour with the manager of each of the SMEs, which made it possible to collect information and to have the materials that are the basis of our analysis.

The analysis of the interviews’ content will be carried out according to the following steps:

- Data collection
- Classification of data into themes
- Retain quotations in each theme in order to interpret the phenomenon that is taking place.

This process is called coding in the language of qualitative research (Miles and Huberman, 2003).

Prior to conducting the interviews, a maintenance guide has been prepared, which is an exploration tool for the production of data; the interview guide we focused on was based on the following themes:

- General information on the history and evolution of the company
- Stakeholders: important networks to operate the company
- Management of the crisis 2006

- Tips for managing the company and its various networks.

Next comes the analysis grid which is an explanatory tool aimed at the production of results (Blanchet and Gotman, 2010). For reasons of respecting professional secrecy, we were led to promise most of the interviewed SMEs' managers not to reveal their identities. Below is the table that develops the characteristics of the studied companies:

SME	Activity sector	Information	Number of employees
A	Printing (school books, artistic, ..., magazines ...)	It is one of the largest printing enterprises in Lebanon, founded in 1968; it is the leader on the market. It exports to Europe, Africa and the Middle East.	120
B	Craft manufacturing company	A large proportion of employees are persons with a physical disability. Family business, the owner is himself the manager. There is a steering committee but the decision-making power and the strategy is the responsibility of the owner manager. Annual CA between \$500,000 and \$750,000.	50
C	Lebanese cuisine and seafood restaurant	Management of a restaurant founded in 2004 by a company that has several restaurants in Lebanon whose property is to three partners. The restaurant is located in Byblos (Jbeil)	22
D	Agri-food production	Production of olives and their derivatives: oil, coal, etc.	40
E	Agri-food production	Dairy production, cheese and other milk derivatives	50
F	Architecture and Constructions	The company buys land for the construction of buildings or sets of houses which will be sold to customers, the more often individuals.	70
G	Information system	The activity of this company revolves around four main axes: IT (network, systems, security ..), office automation (printing, copying, scanning), the cloud (IaaS, PaaS, SaaS) (Links, VoIP, VoIP)	15
H	Publicity	Promotes unique items of advertising, promotional items and gifts and creative ideas on a personalized basis. It offers a wide range of promotional items and innovative marketing solutions.	20

**Table 2: The characteristics of the studied Lebanese companies**

#### IV. Banks, customers and employees: important stakeholders

This qualitative study based on the interviews' analysis will allow us to validate or not the following exploratory hypothesis: SME's manager, involved in CSR logic, manages crises better, especially by dint of his stakeholders. According to the interviews conducted with the managers of the eight Lebanese SMEs, we focus primarily on the identification of persons and networks as well as their roles in relation to these companies in order to be able subsequently to consolidate into internal or external stakeholders.

##### A. Which network to operate the business?

The following table focuses on the internal and external stakeholders of SMEs, whether they are voluntary or involuntary stakeholders.

Stakeholders		Voluntary	Involuntary
Temporal proximity	Internal	Leading team Executive Directors Shareholders (owner-manager, family members, ...)	Employees
	External		
Space proximity	Internal	Board of Directors	
	External	Shareholders	
Marketing proximity	Internal	Clients	Clients
	External	Suppliers Banks	Audit Experts
Territorial proximity	Internal		
	External	Elected politics* <sup>5</sup> Law firm Insurance companies NGOs	Chamber of Commerce and Industry (CCI)

**Table 3: The classification of the companies' different stakeholders**

<sup>5</sup> In some SMEs, Lebanese politicians play a role in maintaining the survival of the company through their social relations, or rather their professional and social network.

We have identified a trend among the interviewed managers, which is giving more importance to shareholders satisfaction, motivation, continuous training of employees and the central role of banks in the survival and development of their business.

As far as shareholders are concerned, in most cases the manager is a shareholder or owner, so he must work to ensure the continuity of the company and improve its performance on a continuous basis. The business is often considered by the owner-managers as one of their children as several managers express it: "A *business is like a child and the owner is the father*"; "Without the entrepreneur the business does not exist, as are the parents for the child"; "The business depends on me as my son is."

As for employees, managers help employees to develop real skills through the annual training program and open communication to all members and they apply health and safety measures at work. The manager of company A emphasizes the importance of continuous training; as far as his company is concerned, annual training is carried out for the employees according to the need after the annual evaluation. He stresses the fact that this falls within the requirements of ISO standards. It is important to note that this SME is certified ISO 9001 and ISO 14001; and it is the first company that had ISO 14001 in Lebanon. In addition, another manager (SME B) has expressed his desire to combat discrimination in the workplace and in recruitment to all companies. In fact, more than half of his employees are people with physical disabilities. Another manager states that it is essential to "never marginalize an employee, because the simplest can have creative ideas".

As for banking partners, the studied SMEs used bank loans to develop their activities and make new investments. They regard the bank as "the main partner". The manager of company A, operating in the printing sector, emphasized the industrial credits supported by the central Bank of Lebanon (BDL) which he benefited. He also stressed the importance of environmental loans granted by commercial banks and supported by the European Union and the BDL for a period of 10 years with an interest rate of 1%. The manager of this SME has made an environmental investment up to \$ 300,000 in 2014 to install "LED lighting" and a photovoltaic plant that generates 250MWh / year. This case illustrates the importance of the bank's support for the development of actions to improve business in SD. The manager was able to mobilize this stakeholder to implement CSR actions.

**B. Management of the 2006 crisis: mobilization of stakeholders**

To better understand the role of stakeholders, we have chosen to study those mobilized by SMEs to survive and overcome a period of crisis. Thus, we sought to understand the stakeholders mobilized by Lebanese SMEs in 2006.

Lebanon is a country with an area of 10,452 km<sup>2</sup>. Beirut is its capital that extends for 30 km along the coast and on the first slopes of Mount Lebanon up to 1,000 m altitude. In the capital there are nearly two million Lebanese people, half of the estimated population in Lebanon (Buccianti-Barakat, 2007). A crisis occurred in Lebanon during July and August 2006 when Hezbollah kidnapped two Israeli soldiers and Israel entered Lebanese territory. It was a one-month war: Hezbollah fired 4,000 rockets into Israel and Israeli forces bombed Lebanon, temporarily seizing the south of the country (Rubin, 2008). Despite its outcome, this war has had negative consequences, notably through the destruction of the country's economy, its main infrastructures and its tourist image abroad (Buccianti-Barakat, 2007).

SME	Problems caused by the 2006 crisis	Solutions found / Innovations	Mobilized stakeholders
A	Temporary Security Issues		
B	Decrease in the number of orders by 40% and increase in stock	Decrease in sales / sponsorship prices	Employees
C	Decrease in the number of visitors	Sponsorship of social events	
D	Decrease in the number of orders and increase stock	Reduction in selling prices and use of bank loans due to lack of cash	Bank
E	Security problems + temporary exports		
F	Security problems and temporary cessation of new investments (CT)	Sponsorship of sports events	
G	Security Issues		
H	Decrease in the number of orders by 30%	Decrease in selling prices, promotional offers	Employees

**Table 4: Main solutions found by SMEs in managing the 2006 crisis**

In the framework of the interviews conducted with eight managers we identified five SMEs that were affected in one way or another by the 2006 crisis. The main impacts of this crisis are mainly due to security concerns, the reduction in the number of orders between 20% and 40%, the increase in the stock and subsequently the decrease in their economic profitability (see Table 4). The manager of SME C adds: "We have lost an important source of income, which comes mainly from tourism during the peak period of July and August". For company D, the manager said: "We have an increase in stock; it is mainly the Lebanese expatriates who bought our products during this season".

In order to counteract the negative effects of this crisis, SMEs have decided to reduce their selling prices and, to increase their market share by using advertising and sponsoring, especially for sports and social events. It is important to note that these SMEs have refused to use redundancy to reduce their costs. Indeed, SMEs B, F, G and H have argued that there is no question of dismissing employees who represent the added value of their business. According to the manager of SME G, "*our employees are well trained on an ongoing basis and subsequently this investment will have a positive impact on the performance of the company, and even if we are going through difficult times, keeping them within the company is increasingly involved in retaining them and motivating them in post-crisis times*".

At the same time, the three SMEs least affected by the 2006 war had the following certifications:

- SME A: certified ISO 9001 and ISO 14001; It has the FSC (*Forest Stewardship Council*) label and respects the ten principles of *Global Compact* concerning human rights, labor, the environment and the fight against corruption.
- SME E: certified ISO 9001.
- PME F: certified OHSAS<sup>6</sup> 18001.

These labels, obtained before or after the 2006 period, suggest that these SMEs were on the right track and were part of the logic of social and / or environmental responsibility. In fact, obtaining the ISO or other local and / or international certification is not the result of a momentary action; it is the culmination of a long-term process over a period of time within the framework of a continuous process of improvement.

What can these labels encourage? Let us take again their different meanings. ISO 14001 is the standard for environmental management. It certifies that the company has analyzed the various environmental risks related to its activities, its products or services and that it has put in place a process of continuous improvement to reduce its risks. The purpose of ISO 9001 is to evaluate the assurance of quality performance. It is based on a number of quality management principles, including strong customer focus, motivation and commitment of management, process approach and continuous improvement. In addition, the OHSAS 18001 certification evaluates the occupational health and safety management system. Companies are audited by an external organization and must establish a management system that systematically identifies hazardous substances and preparations and assesses their dangers (Sobczak, 2011). Moreover, the FSC label makes it possible to encourage forest management initiatives and to promote their visibility and credibility. These initiatives promote social, ecological and economic responsibility. Once the FSC logo is affixed to a product, the consumer will be reassured that the wood or wood-based product respects the pillars of sustainable development.

These certifications give an idea of the CSR's commitment to quality, health, safety or respect for the environment. These standards are considered as a "*management object that will correspond to any sign, technique or local and elementary know-how whose aim is to guide or facilitate collective action*" (De Vaujany, 2006). In our study, standards can lead us to see that these SMEs have a proactive CSR policy that would have helped the company deal with or overcome crises. Thus, Bonneveux and Saulquin (2009) stress the importance of being proactive in the search for information for the implementation of innovative management tools within the framework of a CSR approach. As for the first group (the five SMEs affected by the 2006 crisis), we can conclude that it is implementing a CSR policy that is rather qualified as reactive. SMEs in this group have used certain socially responsible practices such as sponsoring sports events or not resorting to the dismissal of employees despite a rather difficult crisis context. Their social responsibility led them to adopt solutions to minimize risks (Saulquin and Schier, 2007).

Furthermore, in our case, ISO standards appear to be "*innovation processes, since they formalize a network of actor / negotiators, define terms (translation) and define a standard (object) that will serve as a basis for the Development of a hybrid network of human and non-human actors (standard and derived tools)*" (Brodhag, 2010). According to the actor-network theory, these standards are real tools for the evolution of the organization (Latour, 2006). Indeed, the development of this logic has allowed companies to find solutions, to have processes of innovation leading to limit the negative effects of this crisis.

### C. Overcoming a crisis: advices given by the Lebanese SMEs' managers

Several councils were given by the entrepreneurs. These advices are the basis of their own experiences, the uncertain situation of the country and the various crises experienced and concern both the internal and external environment of the company.

- Be up to date, a good listener, a good observer, surround yourself with simple but active and enthusiastic people,
- One cannot be an expert in all areas, there is a need for consultants,
- It is important to be the manager but the most important is to be a leader,
- Staying on the market is a very big challenge,

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<sup>6</sup>Occupational Health and Safety Assessment Series



- « We have to be survivor »,
- Having very high skills in management (in Lebanon it is rare),
- Having an environment and a corporate culture,
- « We have to be very diplomatic in order to satisfy everybody » in order to be in a win-win situation and subsequently act in the interests of all stakeholders.

These different councils enroll in one way or another in logic of durability and sustainability. They highlight the qualities of a manager and the valuation of SME stakeholders, therefore the importance of their network.

## V. Conclusion

Acting in a socially responsible way relies mainly on mobilization and interaction with stakeholders such as shareholders, employees and banks, which are the main network of Lebanese SMEs. Banks remain the main stakeholder who can motivate and incite to be more and more responsible and the important part in order to overcome difficult periods, for example according to subsidized credits. We were also able to emphasize the role of the socially responsible values of proactive managers and their ability to act durably during difficult times and in an unstable and uncertain environment. We can conclude that the Lebanese manager involved in a CSR logic manages crises better mainly by dint of certain stakeholders including employees and banks. Similarly, trying to avoid dismissal and continuously work to train, motivate and retain employees, and at the same time resort to sponsoring have helped to promote risk management.

However, there are several limitations to our research. Thus the number of SMEs studied and the effects of the crisis in the Arab countries, for which the managers are not able to see the end, open the way for further analysis. Indeed, since 2011, the war in Syria and, more generally, in the Arab world has had, and continues to have, negative and even catastrophic repercussions on the Lebanese economy particularly the residence of approximately two million refugees on the Lebanese territory (Jamali and Mirshak, 2010). This period is very difficult for the Lebanese economy, especially Lebanese SMEs, which are strongly impacted by the social and economic fabric. This was also mentioned by the interviewed managers. The question that would arise here is whether this crisis of a political and socio-economic nature would lead to the question of the role of networks in the sustainable management of SMEs within a new institutional context.

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