

Comprehensive Evaluation of Businesses Strategy and E-Commerce Performance in Smes: A Corporate Social Responsibility Perspective

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Abstract

As an important business model in the era of network economy, electronic commerce has played an increasingly important role in the development of the world economy. However, when the enterprise carry out the e-commerce strategy, it is often difficult to put corporate social responsibility in an important position. In this paper, we make an empirical analysis to test whether corporate social responsibility will affect the enterprise performance. Through questionnaire survey of the small and medium enterprises in Beijing City, the result shows that corporate social responsibility behavior has a direct positive impact on the corporate performance. Therefore, facing the challenge of internet, SMEs should pay more attention to the construction of enterprise ethics, enhancing the internal value of enterprise by strengthening corporate social responsibility.

Keywords: *Businesses Strategy; E-commerce; Corporate Social Responsibility; SMEs*

1. Introduction

In recent years, the enterprise ethics has been concerned increasingly in the international management system, the enterprise is generally recognized that the enterprise ethics progress is the inevitable direction of the entire market economy; the international outstanding enterprise has put moral idea and the ethics management method into the enterprise's daily management. According to "fortune" magazine survey found that in the world's top 500 enterprises, 90% enterprises have set up a code of conduct and ethics manual. Enterprises begin to pay attention to social responsibility and business ethics, and pay attention to the important role of social responsibility and business ethics in the process of enterprise development. The development of market economy in China is late, so the market system is not perfect, and how to promote the construction of domestic enterprise ethics and make it effective for guiding the daily management of the enterprise become the important content of the academic and enterprise management research. At the end of twentieth Century, the electronic commerce, which is accompanied by the extensive application of the Internet, has caused a new revolution in the application of information technology. E-commerce can greatly simplify the traditional trade process, reduce production costs, and promote the use of information technology to enhance their competitiveness, to make up for small and medium enterprises in the technology and cost relative to the disadvantages of large enterprises. With the increasing standardization and perfection of the commercial and economic environment, enterprises must handle these issues properly. On the one hand, from the view of international economic trade, trade and economic globalization, information, the requirements of multinational enterprises in China are gradually increasing, and constantly set up all kinds of trade barriers (such as environmental standards, labor standards, etc.), domestic enterprises can gain advantage in the competition of economic globalization, to obtain the trust of stakeholders, which is the enterprise can continue to

develop must focus on the problem. On the other hand, the domestic market economy is constantly developing and improving, the market standardization, legal system, and the scientific development concept of the party put forward by the party, the enterprise will need to seek a scientific and reasonable way, in the domestic market to remain competitive, the enterprise's ethical capability for the enterprise management and development to provide effective soft constraint, which is the enterprise survival and development of competitive sources.

Though the enterprises gradually realized that the importance and necessity of management and administration of ethics, but because the enterprise due to its own production and development of the pursuit of the maximization of interests, when the enterprise ethics and enterprise's profit-driven conflict, and external constraints on corporate failure, especially in the electronic commerce environment, the enterprise will trample the ethical rules in pursuit of short-term interests, lead to the emergence of a series of enterprise ethics problems[1]. Therefore, business ethics and management must rely on institutional guarantee to implement. In addition, ethical system construction and management is also the effective countermeasures and ways of building a harmonious society, help the social transformation and standardize the moral life. In the process of building a harmonious society, the government and the enterprise system of ethics and moral education should be both, improve the effectiveness of ethical and moral construction, build a harmonious and orderly, fairness and justice in the modern society. Therefore, this paper discusses how to construction enterprises and improving the capacity of the enterprise ethics, and emphasized the importance of system under the background of electronic business ethics is especially important. Research ethics and enterprise performance of the organic unity between the law and realize its mechanism, so as to keep the enterprise performance and competitive advantage for a long time, is a very important subject deserving of study in.

2. Literature Review

2.1. E-Commerce in SMEs

Ramanathan (2012) point out that expansion of small and medium-sized enterprises can rely on third-party platform[2], so as to promote the development of e-commerce, small and medium-sized enterprise with the tripartite model, the essence is not only the changes in marketing, procurement and management, more important is the enterprise trade patterns change, the electronic commerce convenience and high efficiency to bring more opportunities for the enterprise, of course, the attendant risks to alert. Credit crisis, credit crisis, and so may become an obstacle to the electronic road of small and medium enterprises in the road. Development of small and medium-sized enterprise third party e-commerce platform, Bourletidis (2014) pointed out that small and medium-sized enterprise and development of electronic commerce should be closely combined with the actual situation of itself and the social economic environment, we must step by step, size up the situation, cannot blindly aggressive[3]. Enterprise informatization level in China is low, low penetration rate, relevant laws and regulations system is not perfect, have decided to develop e-commerce in the small and medium-sized enterprise impossible in the short term can be achieved great progress, must firm word head by seize the opportunity to seek opportunities ahead.

Nasco & Toledo (2008) pointed out that in today's e-commerce era[4], it is not necessary to discuss whether it is necessary for the enterprise to carry out the problem of electronic commerce, but choose what kind of mode of electronic commerce, and service outsourcing may be the best choice for enterprises. Lefebvre(2005) analyze the relationship between e-commerce and logistics[5], e-commerce is the inevitable product of the development of economy and information technology and the interaction between

the inevitable product and modern logistics is the fulcrum of e-commerce, small and medium enterprises should promote the coordinated development of logistics and e-commerce. Dahnil (2014) think that the traditional small and medium enterprises want to the electronic commerce, must be with the help of outsourcing, can achieve the purpose of reducing costs, expanding market share[6].

2.2. Ethical System

With the development of market economy and continuous improvement, the enterprise ethics is more and more attention and attention. Felix (2012) pointed out that the organization ethics itself is as any a business group or organization structure through the use of legal means management activities should comply with a kind of ethics rules[7]. The combination of enterprise and ethics, the formation of the ethics of management, the management of enterprises has changed profoundly, and the ethics management has become the leading and developing trend of current corporate governance. Enterprises use the ethical values to guide the daily management activities, then the enterprise ethics management must rely on the guarantee of the system, in the form of "ethical value, system ethics, organizational performance", the ethical value is the core of enterprise ethics, the ethical leadership is the key, and the ethical system provides a guarantee for the enterprise, how to implement the ethical system is the way to achieve. The performance of employee's ethical behavior is the foundation of the construction of the entire ethical ability, and the improvement of enterprise's performance is the goal of the whole system construction, and finally realizes the sustainable development of the enterprise.

In the existing research literature summary can be found that more scholars from the ethical leaders stressed the importance of the construction of ethics and necessity, especially the entrepreneur's moral cognition level, entrepreneur's ethical decision-making and other business activities of the relationship between research, and less literature from the institutional level to study the ethical management of enterprise management activities, resulting in the system of ethical management system. Enterprise ethics system is to avoid the system of ethical blind spots appear, in the system of the contents of the full expression of the ethical values and ethical spirit. Through the clear ethical standards, the behavior of the enterprise is restricted, the norm and the supervision. Therefore, enterprises must pay more attention to the construction of ethical system, in the form of the system of business ethics and social responsibility into the enterprise management decision-making process. Drew (2003) observed that in the context of economic development in the context of globalization[8], corporate ethics management has been adopted by many international enterprises, these enterprises to corporate ethics into the corporate strategy and daily ethical decision-making, in the enterprise internal and external business ethics system.

The ethical system is based on the basic values of the enterprise, and it is hoped that the members of the enterprise behavior must comply with the ethical standards, which mainly reflects the business ethics and social responsibility into the management decision-making and the degree of institutionalization. The enterprise ethics system includes two forms, that is, the implicit and explicit ethical system. The most important is that the ethical behavior, rather than the direct performance, mainly refers to the ethical project into the organization culture, through effective moral leadership and all members of the enterprise value system, the implementation of effective responsibility management practices, such as corporate executives leading ethical decision-making awareness, employee ethics awareness, corporate internal ethics and ethical issues, such as effective communication.

2.3. Corporate Social Responsibility

From the beginning of twentieth Century 50, the theory of corporate social responsibility began to develop, especially in the 60's in twentieth Century; a large number of scholars began to study the corporate social responsibility. In the 70's, the debate about whether the enterprise should bear social responsibility is more intense, which contributed to the formation of the theory system of corporate social responsibility, and then the empirical research on corporate social responsibility theory, especially the development of stakeholder theory, business ethics, etc.. In the 90's, "corporate social responsibility" is still the core of theoretical framework, but with the further development of research and practice, corporate social performance theory, stakeholder theory, business ethics theory gradually replace the original content of corporate social responsibility theory, become the main body of corporate social responsibility theory.

Sukarmijan (2014) defines the corporate social responsibility as follows corporate social responsibility is to seriously consider the impact of the company's every move on the community[9].Asta and Gatautis(2014) make the definition of corporate social responsibility [10], they said when the enterprise develops to a certain stage, the enterprise will be given a certain economic, legal, ethical and free decision expectations, corporate social responsibility is the social economic and legal expectations of the enterprise, and some of the more socially oriented concern that the ethical responsibility. Nulkar (2014) think corporate social responsibility refers to the obligations of the enterprise in the pursuit of the maximum profit of the shareholders of other stakeholders [11]. Javalgi (2012) believes that corporate social responsibility is the enterprise in order to maintain and promote the legitimate rights and interests of stakeholders [12], benefit the society and the interests of stakeholders and society should take the responsibility of the whole, including the bottom line responsibility and beyond the bottom line responsibility, including the comprehensive responsibility.

Gabriel (2007) pointed out that corporate social responsibility is to enhance the corporate behavior and the current social norms[13], values and goals, and he proposed corporate social responsibility behavior of three-dimensional model: social obligations (corporate market performance or corporate behavior measures adopted by the legal restrictions), social responsibility (corporate social norms, and social values, to achieve the level of social pressure), social response, and in the face of social pressure, the role played by enterprises in the whole social environment, and to adapt to social and some measures and behavior. In recent years, a number of representative scholars have found that corporate social responsibility behavior is based on stakeholder theory, corporate social responsibility, and corporate social responsibility to measure the performance of corporate social responsibility.

3. Model Design and Assumptions

3.1. Basic Assumptions

The relationship between the ethical system and the enterprise performance: the excellent ethics has become a source of sustainable competitive advantage with its value, scarcity and difficulty of imitation. Enterprise ethics is the core competitiveness of other enterprises is difficult to imitate, can enhance the public image of the enterprise, bring the whole human resource management ability, and make the enterprise realize the win-win, so the enterprise's ethics gradually become enterprise production practice management operation and investment capital. Research shows that the ethical system will affect the employee's organizational commitment and employee job satisfaction, because the biggest influence factor is employee's organizational commitment, including ethics or ethics related factors, such as work fair, the employee's care, trust and organizational reputation, etc.. The ethical system can be more comprehensive and trustworthy, then more likely to

be fair to the enterprise. Therefore, the ethical system has a significant impact on the employee's job satisfaction, team spirit and organizational commitment, from the empirical research literature shows that the enterprise's ethical behavior has a positive impact on the performance of the enterprise. On this basis, we propose the following hypothesis:

H1a: Implicit system has a positive effect on financial performance

H1b: Explicit system has a positive effect on financial performance

Ethical system and corporate social responsibility behavior: the enterprise's social analysis and ethical choice for the enterprise overall development has a significant contribution in the process of ethical decision making use of certain ethical analysis tool can help enterprises to make more effective decision, but also to fulfill the interests of the relevant person to provide a more solid theoretical foundation, a lot of research is that social responsibility is to create a win-win situation for all the people of consciousness and efforts, and follow the enterprise behavior is often good social responsibility performance, so the two is a certain degree of causal relationship. So, we propose the following hypothesis:

H2: Ethics system has a positive effect on corporate social responsibility

The relationship between corporate social responsibility (CSR) and corporate performance: corporate social responsibility behavior is the behavior of corporate social responsibility performance, is bound to have a certain impact on the enterprise. But taking the social responsibility behavior really can bring the positive influence to the enterprise? Some scholars conclude that corporate social responsibility has increased the burden of enterprises, the enterprise cost, the impact on the enterprise performance is negative, but some scholars believe that corporate social responsibility can enhance the corporate image, enhance corporate social status, and actively promote the performance of enterprises, the impact is positive. In this regard, the domestic and foreign scholars use the statistical method to determine the relationship between the two, and the results show that the corporate social responsibility behavior is positively related to corporate performance. Although there is no unified conclusion about the relationship between corporate social responsibility and corporate performance, but this paper is based on the research conclusions of scholars in recent years, corporate social responsibility behavior can bring some benefits to the enterprise. Therefore, this study shows that corporate social responsibility and corporate performance are positively related.

H3a: CSR behavior has a positive effect on financial performance

H3b: CSR behavior has a positive effect on non-financial performance

3.2. Research Model

With the theoretical research on the importance and necessity of the construction of the ethical system, this paper will focus on the impact of the construction of the ethical system on the enterprise performance and the path, and discuss the influence of the social responsibility of the enterprise on the performance of the enterprise. The research model of this paper is shown in Figure 1:

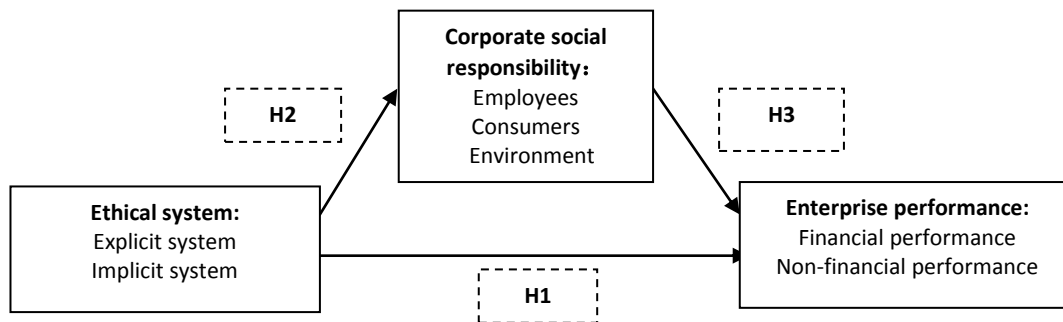


Figure 1. The Conceptual Model and Study Hypotheses.

4. Empirical Analysis

4.1. Statistical Analysis of Questionnaire

The survey object for the enterprise in the middle and top management personnel, data and the main source of e-commerce in Beijing area of small and medium enterprises in the survey. Through the questionnaire survey, we on the business logic system construction and social responsibility are systematically reviewed and aiming at the characteristics of small and medium-sized enterprises, in the business model and network operation and management group exchanges, the survey issued a total of 1500 copies, effective questionnaire total 1326. The basic situation of the questionnaire is shown in Table 1.

Table 1. Descriptive Statistical Analysis

Factors	Category	Number	Percentage
Gender	male	824	62.15%
	female	502	37.85%
Age	Under the age of 25	37	2.79%
	age 25-35	253	19.08%
	age 35-45	790	59.57%
	older than 45	1080	81.48%
Degree of education	Specialty	491	37.02%
	Undergraduate	643	48.49%
	graduate	192	14.47%
Working years	Less than 1 year	206	15.53%
	2-5 year	840	63.34%
	More than 5 years	280	21.11%

From Table 1 ,it can be seen that most top management in the enterprise is male, female ratio is low (37.85%); from the age analysis, more than half (59.57%) between 35-45 years old, young people are the main force of business management, from the level of education, this section (48.49%) and specialist managers (37.02%), and has more than 21.11% years of work experience analysis, more than 5 years of business management, work 2-5 years of business managers accounted for 63.34%.

4.2. Reliability Analysis

This study is Cronbach's α as the reliability of the questionnaire analysis, mainly to Cronbach's α as assessment of the reliability index, Cronbach's α value more, says to reliability is higher, the higher the stability. According to the view of previous scholars, worksheets for any test or quantity, the reliability coefficient if more than 0.8, said test or scale reliability is very good. From Table 2 it can be seen that the overall reliability of the ethical system is 0.864, the overall reliability of the corporate social responsibility behavior scale is 0.912, the overall reliability of the enterprise performance is 0.886, and the reliability of the three scales is more than 0.8, which shows that the data is in good agreement.

Table 2. The Reliability Analysis

Variables	Secondary indicators	Reliability	Comprehensive reliability
Ethical system	Explicit system	0.825	0.864
	Implicit system	0.870	
Corporate social responsibility	employees	0.904	0.912
	consumers	0.862	
	environment	0.841	
Enterprise performance	Financial performance	0.812	0.886
	Non-financial performance	0.897	

4.3. Validity Analysis

Validity refers to the extent to which a test can measure the psychological or behavioral characteristics of the test, or the degree of the quality of the measurement. The higher the validity of a questionnaire is, the more it can display the real features of the measured object. This study used exploratory factor analysis. Before the factor analysis, the factor analysis is needed to analyze the suitability test, and the KMO test is generally used. According to Kaiser, if the KMO value is more than 0.90, it is suitable for the analysis of factors. If the KMO value is between 0.80-0.90, the KMO value is between 0.70-0.80, it is suitable for analysis. If the KMO value is between 0.60-0.70, it means that the scale can be analyzed.

Table 3. The Result of KMO Statistical Test and Bartlett Test

Kaiser-Meyer-Olkin		0.838
Bartlett test	Approximate chi-square	652.714
	df	21
	Sig.	0.000

In order to examine the validity of the questionnaire, we test that data and the result shows that Chi square values (χ^2) is 135.71, degree of freedom (df) is 89, (χ^2/df) is 1.751, P value is 0.00025, the approximate residual root mean square value is 0.027, the specification of adaptation is 0.712, non standardized fitness index is 0.752, parsimonious fit indices is 0.503, simple criteria, comparison fit indices is 0.926, incremental fit indices is 0.948 and relative fit indices is 0.913. Standardization of RMS residual values is 0.029, fit index is 0.793, and adjusting the fit indices is 0.815, parsimonious goodness of fit index is 0.637. Therefore, the evaluation model is a consistent with empirical data models, the overall construct validity is high, can carry on the factor analysis. The result of Validity analysis was shown in Table 4.

Table 4. The Validity Test of Each Factor

Factor	Evaluation index	corrected item-total correlation	Cronbach's Alpha if item deleted	Cronbach's Alpha
ethical system α_1	X1	0.7631	0.8292	0.9178
	X2	0.8820	0.9056	
	X3	0.7652	0.8112	
	X4	0.7139	0.7638	
Corporate social responsibility α_2	X 5	0.6840	0.7154	0.8541
	X 6	0.6982	0.7453	
	X 7	0.7017	0.7586	
	X 8	0.7892	0.8346	
	X 9	0.7538	0.7952	
	X 10	0.7206	0.7867	
Enterprise performance α_3	X 11	0.7831	0.8425	0.8016
	X 12	0.8052	0.8579	
	X 13	0.7538	0.8023	
	X 14	0.6820	0.7381	

4.4. Intermediary Effect Test

In this research, we use structural equation modeling (AMOS7.0) to examine the relationship between the ethical system, corporate social responsibility and corporate performance. The fitting index of the model is shown in Table 5.

Table 5. Fitting index of model

Fitting index	Numerical
ratio of chi square to freedom(χ^2/df)	1.791
Approximate root mean square error RMSEA	0.068
Comparison fitting index(CFI)	0.876
Tucker-Lewis index(TLI)	0.850

Data analysis results show that the ratio of the chi square and the degree of freedom is less than 3, which indicates that the model can be accepted. In addition, the RMSEA is less than the critical value 0.08, and the fitting index CFI and TLI are close to 0.9, which indicates that the fitting results of the model can be accepted. Institutional ethics on firm performance without significant positive effect ($\beta = 0.19, P > 0.05$), system ethics of corporate social responsibility behavior was significant positive effect ($\beta = 0.86, P < 0.001$). Corporate social responsibility behavior on firm performance was significantly positive effects ($\beta = 0.42, P < 0.001$).

Table 6. Path Coefficient Estimates

Route	coefficient	S.E.	C.R.	P
CSR \leftarrow ES	0.86	0.138	7.953	***
EP \leftarrow CSR	0.42	0.114	4.216	***
EP \leftarrow ES	0.19	0.122	1.544	0.069

Table 7. Standardization Effect Value

Route	Direct effect	Indirect effect	Total effect
EP \leftarrow ES	0.265	0.352	0.802
CSR \leftarrow ES	0.790	0.002	0.746
EP \leftarrow CSR	0.542	0.000	0.613

From Table 6, the standard path coefficient of ethical system and corporate social responsibility behavior is 0.86, and the $P < 0.001$ level is significant, which indicates that the ethical system has a direct positive impact on the corporate social responsibility, and this effect is significant, so the H2 is supported by empirical evidence. Corporate social responsibility behavior and corporate performance of the standardized path coefficient is 0.42, the $P < 0.001$ level reached a significant, indicating that corporate social responsibility behavior has a direct positive impact on their corporate performance, and this effect is significant, so H3 has been empirically supported. The path coefficient of ethical system and enterprise performance is 0.19, but not through significance test. Therefore, H1 has not been empirically supported by using structural equation model to study the mediating effect of organizational identification, and the structural equation model allows for all the variables to be tested simultaneously, and can evaluate the fitting results of the whole model. From the above analysis, we can know that the ethical system, corporate social responsibility and corporate performance have a significant correlation, so it is in line with the premise of the effect of the test.

5. Conclusion

With the development of the electronic commerce, the electronic commerce has become an important business model in the network economy era, and e-commerce has been playing an increasingly important role in the development of the world economy. Small and medium-sized enterprise funds is weak, the lack of professional talent, compared to large enterprises, more vulnerable to the external environment of the impact and constraints. The construction of ethical system is more important for small and medium enterprises. Through the empirical research, we found that the ethical system and enterprise performance, although not directly have a significant impact, but there is a significant correlation between the two. Therefore, enterprises should set up the system of the combination of implicit and explicit system, and pay attention to the ethics system should have a strong practical and operational. Enterprise development and construction of ethics and morality should complement each other, are indispensable, enterprises should establish the conception of justice and the unity and integrity of the ethical value, improve the staff on the importance of ethics cognition level, strengthen the training of ethical education, make clear and specific, clearly the detail clarity, strong operability of institutional ethics and ethical norms, promote enterprise performance improvement.

According to the results of the study, the ethical system did not bring the improvement of enterprise performance, but with the help of corporate social responsibility performance to improve performance. In the same time, enterprises should pay more attention to the ethical management of the various stakeholders, so as to improve the performance of the whole enterprise. Enterprises should pay more attention to the establishment of clear ethical standards; guide the ethical behavior of employees, support and supervision of corporate social responsibility performance. In addition, enterprises should protect the interests of consumers and shareholders, and they carry out ethical management, and pay attention to environmental protection in the process of construction and production.

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