

## **Abstract**

CSR is a relatively new subject in Kosovan business environment and by now there is lack of studies conducted on this field. Additionally, no evidence has been found in regards to investigating the influence of CSR understanding on the effectiveness of business decision making in Kosovo SMEs. This doctoral dissertation examines the impact of CSR understanding on the effectiveness of economic decision making of SMEs in Kosovo. In particular, analyzes whether the increase of knowledge, skills and awareness towards CSR through educational interventions (CSR trainings) would lead to an improvement on the effectiveness of decision making for Kosovo managers. CSR approach in the current research was divided into five thematic CSR dimensions like: fairness, personal honesty, employee rights, ethical aspects and criminal act reactions. Therefore, it is interesting to investigate whether CSR related managerial training will increase the effectiveness of economic decision making in fairness, personal honesty, employee rights, ethical and criminal act reactions related business situations. Another aim of the current dissertation is to investigate whether behavioral interventions such as framing effect, moral hazards, anchoring effects, overconfidence, risk aversion, etc. will have an influence on the effectiveness of decision making in Kosovo SMEs.

To conduct the current dissertation, the experimental simulation method has been used that was based on quasi-experimental design. The research has been conducted among 120 third-year undergraduate business students which were divided in two groups: experimental group which has been exposed to CSR training the control group that has not received the CSR training. The aim of the having two groups was to investigate whether students trained in CSR decision making can make better business decisions compared to non-CSR trained group. This research will contribute to the literature and practice. The findings of the research indicate that CSR training and education increases the effectiveness of economic decision making in Kosovo SMEs for all five dimensions. In addition, even behavioral intervention had supplementary character, the findings reveal that behavioral intervention fail to increase the effectiveness of economic decision making of Kosovo SMEs.

**Keywords:** CSR, SMEs, decision making, behavioral interventions