

Corporate Social Responsibility as a Dynamic Process a Comparison of Emerging and Developed Countries

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Institutional Theory has been one of the most used theories to explain differences in Corporate Social Responsibility (CSR) practices in different countries. Much of this literature is based on the Varieties of Capitalism (VOC) or National Business System (NBS) approaches, which are mainly focused on the comparison of liberal markets of Anglo-Saxon countries, with coordinated markets in Continental European countries. This dichotomy leads to a vision of a substitute CSR in liberal countries, and a mirror CSR in coordinated countries. However, the VOC and NBS have been criticized for their lack of adherence to emerging countries. This leads us to question whether the substitute/mirror view is also adequate to explain CSR practices in such countries. Previous works show that in emerging countries, substitute and mirror views can coexist (Abreu et al., 2021; Barkermeyer et al., 2019). Furthermore, this dichotomous view does not incorporate recent discussions that CSR is a dynamic process, in which practices undergo a process of implicitization and explicitization (Matten & Moon, 2020), which may reflect on the substitute/mirror logic within a country. In order to fill these gaps, we aim to investigate how institutional characteristics can influence the adoption of CSR practices in four different countries (Brazil, Canada, India and Spain), and how this relationship unfolds over time. We chose these countries they represent different clusters in the Varieties of Institutional Systems (VIS) taxonomy proposed by Fainshmidt et al. (2018). We compared these countries using a balanced longitudinal sample of 97 companies, ranging from 2011 to 2018, summing up to 776 firm-year observations. Our dependent variables are three CSR environmental practices provided by CSRHub (Energy & Climate Change, Environmental Policy & Reporting, and Resource Management). Our independent variables are the characteristics of the countries selected from the institutional roles of the VIS taxonomy. We employed ridge regressions since it is robust to multicollinearity problems. Our results show that institutional characteristics in Canada and Spain exert more stable influences over the years and that they reflect the substitute/mirror dichotomy. As for Brazil and India, the influence of the institutional environment has a more diverse behavior over the years.