Different perceptions of company leaders: Corporate social responsibility in Brazil and India

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ABSTRACT

This article evaluates corporate social responsibility strategies and efforts to implement them in a Brazilian oil and gas multinational and an Indian steel multinational. Qualitative research was conducted through interviews with executives of both companies, and a content analysis and comparison of approaches to corporate social responsibility and engagement with stakeholders were made. The evidence from this research shows that the type of corporate social responsibility adopted by each company depends on the ethical values, socio-economic environment, legal and institutional framework of the country in which the firm operates.

1. INTRODUCTION

The increase of cultural, political and socio-economic integration of countries has brought with it big changes that are marked by the weakening of local government and governance mechanisms as well as power, wealth and influence of multinational (SCHERER; PALAZZO, 2008). The emergence of civil society and the spread of state authority in more decentralised networks of actors have expanded discussions about corporate social responsibility (CSR) (LEVI; KAPLAN, 2008). Bird and Smucker (2007) emphasise that there is no universal standard for CSR to be implemented because multinationals operate within regulatory, normative and cultural standards that generate different expectations, opportunities and obstacles to business.

Alon et al. (2010) Fetscherin et al. (2010) emphasise the lack of knowledge on the development of CSR in developing countries. Because of this, Brazil and India are able to arouse the interest of CSR strategies. In 2012, Brazil assumed the position of the 7th largest economy in the world, while India reached 11th. However, they are still considered developing countries with major social and institutional inequalities. These social problems are reflected in the GINI coefficients of literacy rates and the Corruption Perception Index (CPI).

In 2011, the GINI coefficient that measures income inequality in the world was 0.339 for India and 0.527 for Brazil. Despite this apparent Indian advantage, Brazil stands out for having a literacy rate of about 90% (as opposed to the Indian’s 74.04%) as well as a lower ranking in the CPI (69th place compared to India’s 94th). The two countries have struggled to reverse social deficiencies, but Brazil’s poverty rate has fallen significantly and about 30 million Brazilians have joined the middle class. The case of Indian is more critical since 350 million people live on less than $0.56 a day.

Brazil is a multicultural and ethnically diverse nation, while India is known for its cultural and religious wealth and is characterised as an ancient, pluralistic, multi-lingual and multi-ethnic nation. Both countries are classed as republics, however,
Brazil has established a presidential democracy while India has a system of parliamentary democracy.

Based on differences in the institutional environments, this study focuses on two executives’ views of their company’s CSR strategies and engagement with stakeholders, one of which is located in Brazilian and the other in India. The result of this investigation is useful as they allow one to evaluate how the national business system of each country shapes the regulatory, normative and cultural forces that affect CSR responses. By studying Brazil and India, the article adds to the limited knowledge about CSR in emerging countries.

To achieve this proposed objective, this study was divided into sections. The theoretical framework addresses the institutional environment’s influences on CSR strategies in Brazil and India. The methodology addresses the used research instruments and analysis of information collected in interviews, after which results are presented. Finally, the differences and similarities of CSR approaches in Brazilian and Indian companies are considered and conclusions are presented.

2. CONCEPTUAL FOUNDATION

The institutional structure of each country reflects its own unique history and the peculiarities of their socio-political configuration. Matten and Moon (2008) argue that differences in CSR strategies between countries can be explained by the following systems: political, financial, labour, educational and cultural. These components shape the national business system and influence the nature of enterprises, the organisation of market processes and the coordination and control systems of the countries. It is worth noting that institutional contexts are not static and changes occur in a slow and fragmented way (AGUILERA; JACKSON, 2003).

As shown by Griesse (2007), the Brazilian political system was shaped by a long period of colonialism, followed by systems of monarchy and republic (after a populist reform), a repressive military dictatorship and, finally, structural reforms and democratisation. Such political developments are seen as generators of unequal social classes and have been characterised by the constant presence of corruption in all spheres of power (POWER; TAYLOR, 2011).

The recent democratisation of its social and political institutions marked a significant transition and the rise of Brazilian civil society (HELLER, 2012). However, society has still lacked expansion of participatory governance (WAMPLER, 2012). Cappellin and Giuliani (2004) argue that Brazilian companies have adopted CSR practices as a way to associate a company image with "concerns with the welfare of society" and not just profit. Abreu et al. (2010) add that structural reforms brought by trade liberalisation and the reduction of state intervention have demanded that companies play a more proactive and targeted approach to CSR.

At the same time, recent changes in the Brazilian economy have produced disparities in the labour market that include restructuring, deregulation and a decrease in job security (CAPPELLIN; GIULIANI, 2004). However, Brazilian labour laws impose obligations on employers and require minimum working conditions, generating a coercive force for the adoption of CSR (ABREU et al., 2012).

Regardless of the financial system, state and private banks have extensively adopted social responsibility to strengthen their corporate image and environmental assessments as one of the parameters to be addressed in the process of risk analysis (BEVINS, 2011). Abreu et al. (2014) argue that the reorientation of Brazilian banks towards CSR occurred during structural reform so that they could be seen as "development agents", in contrast to the image of "agents of hyperinflation".

In the Brazilian educational system, Griesse (2007) highlights problems of illiteracy and truancy. The deficiency in the system creates an environment of dependency and low development, pressing companies towards philanthropic approaches to CSR. Finally, the cultural system is marked by the phenomenon of the "jeitinho brasileiro" ("Brazilian way"), consisting of a social mechanism to solve problems in the presence of bureaucracy (VOLKEMA; FLEURY, 2002; DUARTE, 2006). This relational behaviour among stakeholders induces firms to adopt an explicit and instrumental approach to CSR (Abreu et al., 2014).

For India, the institutional environment is strongly influenced by the traditions of the country, such as the importance attached to respect for elders, relationships and family values and strong moral motivations for having company-community relationships. (MISHRA; SUAR, 2010; AREVALO;
The Indian political system has been shaped by the influence of a long period of colonisation, followed by independence and market liberalisation in 1991 that have led India to political and economic changes. Democracy obtained a role in Indian politics well before its formal independence; however, Vitale, Specie and Mendes (2009) argue that in India there is no tradition of participatory society. Bussell (2010) also claims that there is an endemic level of bureaucratic corruption.

As claimed by Heston and Kumar (2008), Indian corruption has been strongly influenced by the bureaucracy of the country and the low importance given to transparency, leading to the weakening of public services. The financial system is marked by the strategic role of the state as a financial intermediary, which redistributes incentives among key actors (SANTANA, 2011).

Economic reform paved the way for increases in inequality across India, exacerbating social and political tensions and forcing political leaders to propose a comprehensive package of redistributive policies in 2004 (GERRING et al, 2011; HESTON; KUMAR, 2008). Asadullah and Yalonetzky (2012) point out that India has made significant progress in recent decades, increasing the number of students enrolling and concluding education.

However, educational inequality in the country is still one of the highest in the world, and significant questions about differences in gender, social class, religion and between urban and rural populations persist. India, Dubochet (2012) states, faces the challenge of creating jobs that correspond to the population’s growth whilst simultaneously constructing appropriate skills and expertise.

In terms of labour regimes, Indian law is controversial and lacks homogeneity and, according to Ashan and Pagés (2009), it is considered as one of the major obstacles to the growth of income and employment. As stated in research done by the Institute of Energy Research, Indian stakeholders feel that companies in the country must adhere to the highest standards of work and reduce human rights abuses in the workplace (MISHRA; SUAR, 2010).

Institutions shape the social and political processes of how the interests of stakeholders are "socially constructed" and represented vis-a-vis companies (AGUILERA; JACKSON, 2003). According to Aguilera et al. (2006), actors drive CSR practices as a result of the following motivations: instrumental (driven by self-interest), relational (group-oriented and search for legitimacy) and moral (ethically oriented responsible practices). Companies adjust themselves to institutional environments as a way of gaining legitimacy (DIMAGGIO, POWELL, 1983).

Tempel and Walgenbach (2007) argue that organisations comply with the institutionalised expectations of their environment and adopt expected structures and management practices. Thus, the institutional framework provides a theoretical perspective that helps to understand organisational strategies and pressure mechanisms that are employed to deal with concerns about sustainability (SILTAOJA; ONKILA, 2013). Perez-Batres, Miller and Pisani (2011) add that the forces of institutional environment can explain differences in corporate governance and CSR practices.

A cosmetic level of convergence in explicit CSR can be materialised in the light of isomorphic pressures (JAMALI; NEVILLE, 2011). Matten and Moon (2008) indicated that regulatory, normative and cognitive forces induce a growing standardisation and rationalisation of practices in organisations, which occur both at national and industrial borders. Based on the common thesis of globalisation, a Western style of CSR is increasingly being introduced into emerging countries; however, Prieto-Carrón et al. (2006) reinforce the need for CSR to go beyond the standard "one-size-fits-all" approach for countries and companies.

3. METHODOLOGY

This research adopted a qualitative, exploratory and descriptive approach (COLLIS; HUSSEY, 2005) based on case studies (YIN, 2010). The research involved the largest energy company in Brazil (Petrobras) and India’s largest private steel company (Tata Steel). These companies were chosen based on the existing pressures from stakeholders and CSR strategies. Petrobras was founded in 1953 and is a publicly-held company. In 2005, it was classified by Goldman Sachs as one of six energy companies for
sustainable investment. For seven consecutive years it was nominated to participate in the Dow Jones Sustainability Index, and received the maximum rating for the criterion “policies and environmental management systems” (BERTOLI; RIBEIRO, 2006; VOLTAPON; MACEDO-SOARES, 2007). However, it has been also involved in environmental accidents, such as the oil spill in Guanabara Bay in 2001 (BBC, 2013).

Tata Steel was founded in 1907 and was the first private company of steel and iron in India. It belongs to the Tata Group, which according to Goldstein (2008), is at the forefront of Indian companies’ internationalisation. In 2008, Tata Steel was selected to join the Dow Jones Sustainability Index; won the International Golden Peacock Award for CSR in 2009; received recognition by the World Steel Association for its excellence in safety and health programmes; and in 2011, it won the Business World Award for the most respected company in the metal category (TATA STEEL, 2013a). However, in 2006, it became involved in a conflict with the indigenous people of Orissa, who were protesting against the construction of a factory on their land (CORPWATCH, 2013).

Interviews were conducted with executives who report directly to the presidency of the multinationals. The interview with Petrobras was held in Brazil and with Tata Steel in England, and were recorded and transcribed with the permission of respondents for further analysis of content. The interview guide consisted of two sections of questions: "CSR strategy" and "engagement with stakeholders".

In the section related to CSR strategy, companies were questioned about how their corporate social responsibility has developed over time, significant events and the results of the CSR strategy. The section on stakeholder engagement dealt with the company’s interactions with its regulatory, market and non-market stakeholders. Each of these three groups has a specific type of influence on companies (MITCHELL, AGLE; WOOD, 1997).

Based on the approaches of Roesch (2006), multiple cases were used to compare differences and similarities and thereby helping to interpret data. It tried to identify the correspondence between the two categories, namely, CSR strategy and engagement with stakeholders. Afterwards, the data was separated and assembled again to provide an overall picture of CSR in the leading companies in Brazil and India.

4. RESULTS

4.1 CSR strategies of Brazilian and Indian companies

CSR strategies of the Brazilian company reflect their history and the issues that it had to cope with. From its emergence until Brazilian structural reforms in 1994, the government and society had expected the company to play a major role in infrastructure development. According to the respondent, the philanthropic approach is a natural consequence of having a government company. However, the oil spill in Guanabara Bay in 2001 was a tipping point. The spill created a significant demand from the public, regulatory agencies and the media to reshape the social and environmental projects of the company. The respondent from Petrobras highlights that:

Environmental accidents greatly damaged the soul of the company and served to strengthen and fortify concerns about the company’s investment in safety and the environment. Today, Petrobras is the company with the best oil leakage control in the world.

In 2001, Petrobras took steps to implement a system of management of safety, environment and health, based on ISO 14001 and OHSAS 18001. In 2003, Petrobras began reporting the use of GRI guidelines and IBASE, it became responsible for social balance indicators and signed the Global Pact. As reported in the interview, 2003 presented a moment of disruption for the organisation of "social responsibility" in the company. In late 2004, it reviewed its governance structure and created a social and environmental responsibility management committee, which increased the use environmental and social performance indicators. A CSR department was created in 2005, and in 2007, CSR policy with guidelines was released. According to the interviewee:

The company has been actively involved in social philanthropy for many years as a result of its position as a major government company. Its CSR strategies reflect this involvement, as well as its more recent priorities related to health, environmental and safety issues. As the company has taken steps to improve environmental performance, it has realised that its community-oriented actions must go beyond philanthropy and become part of corporate strategy.
The two main CSR priorities of Petrobras are: i) to build, together with local communities where it operates, a schedule of operations and in a scale compatible with the impact of its operations in the area, thus seeking to understand the desires and needs of community actors as well as the sustainable development of the locality; and ii) to act as a sustainable development engine in Brazil, and thus, to be an example for other companies. The respondent stated that leadership in improving social and environmental governance makes the company attractive to financial markets and guarantees recognition by civil society.

In the case of Tata Steel, CSR strategies also reflect its history and its role in the construction of the Indian nation as well as the country’s culture. A key feature of Tata Steel’s CSR is the fact that it belongs to philanthropic funds, which roughly hold a two-thirds stake in Tata Sons, the main holding company of the Tata group. The interviewee emphasises:

> We do not work for this family [Tata], we work for the charitable funds. The profits that the company generates go to a charitable trust. And the feeling that we are working for the trust, and that the profits are used to help others is great; social responsibility becomes a kind of body of the company. For most people it is difficult to accept that the company is owned by a charitable trust, but that is the truth. You know that by itself, it generates a very big change. So that is the philosophy of the company.

The Indian company assumes responsibility to take care of those who do not have a sound financial condition. The philosophy of the Tata group involves improving the quality of life of the communities with which it relates. Thus, Tata Steel and Tata believe that they are committed to bring prosperity and well-being to the community around them, as pointed out by the respondent:

> The path pursued by the company, as well as by its founder and all of us, is to do something good for the community. In the past, our company was surrounded by very poor and very backward people. You can say that we had no choice but to take care of these people, which may be true. But he [the founder] was, and we were, going well beyond the call of duty, and every year Tata increased its support and then decided to look to the community, making them able to take care of their children. We not only provide money, but also provide training, offer access to medical care and seek to make things around us prosperous.

In its structure, Tata Steel has sectors and companies who care directly for investments and social actions of the company. In 2000, eight divisions of Tata Steel were certified with ISO 14001, and currently all of its manufacturing plants have environmental management certificate systems. The company was the first Indian iron and steel company to achieve ISO 14001 certification and Tata Steel is also certified with the SA 8000 and OHSAS 18001, in addition to reporting the use of the GRI guidelines. Furthermore, in 2001 the company signed the Global Compact. The company also has a committee that is responsible for monitoring, reviewing and providing global leadership in the fields of health, safety and the environment.

As of June 2004, the company started using the Tata Index of Human and Sustainable Development, created in 2003 in order to continuously improve its corporate responsibility initiatives. In October 2008, the Tata Steel Code of Conduct was revised and for the first time addressed the importance of implementing a sustainability protocol. According to the respondent, the CSR priority of Tata Steel is to improve people’s quality of life.

### 4.2. Brazilian and Indian companies’ engagement with their stakeholders

The Brazilian company has traditionally dealt with social issues through philanthropy. Although, the publication of environmental regulations and its increased enforcement have been having an impact on business operations. According to the respondent from Petrobras, the rigidity of the Brazilian environmental legislation hinders licensing decisions and leads to delays in new investments. In any case, the company tries to maintain a credible relationship when working with environmental regulatory agencies and even provides technical assistance to them. Because it is a government company, it carefully complies with environmental legislation since it is also pressed to be example for other companies.

Petrobras has a strong control over its supply chain and has developed several requirements to be met by suppliers that constitute the chain. Suppliers are registered and required to answer to social responsibility indicators, with their performance being evaluated; they are thus integrated into a listing of Petrobras’ registered suppliers. In this process, the company had to help existing and
potential suppliers to develop their technology and management skills so that they can follow technical safety and environmental requirements and human rights, after which they are included in the supply chain. The respondent highlights that:

Petrobras signed the National Pact for the Eradication of Slave Labour in 2005, and it is a contractual obligation that the company’s suppliers sign. Contractually, any supplier that is caught participating in degrading work, slave or child labour has its covenant to supply cut.

The Brazilian company has developed strong links with local communities. To work in a community in additional to socioeconomic diagnosis, Petrobras built Agenda 21 with community members that is aimed at sustainable development. According to the interviewee, Petrobras establishes a process of annual public selection to support social projects in communities throughout Brazil, many of which involve volunteer staff. Priority is given to education and training to increase employment opportunities. As for environmental projects, there is also a public selection process held every two years, whose priority involves the rational use of water resources and environmental education.

The respondent added that financed projects are monitored, have performance indicators, targets to be achieved and a deadline for completion. This process allows Petrobras to legitimise the demands of the local community and thus contribute to poverty reduction, increased security, sustainable local development and improvement of its public image. According to the interview, Petrobras understands CSR as something that is integrated internally because it is an attitude, a policy is a commitment within the company, of its modus operandi. It was also stated that customers, NGOs and media were influential in establishing environmental and social practices. Overall, the company has incorporated CSR into its core business and seeks, in addition to meeting legal requirements, to take a proactive stance that brings a full recognition of civil society through its actions.

In the case of Tata Steel, the Indian company has traditionally given priority to social issues through philanthropic activities that focus on community development. The charity fund (to which the company belongs) donates funds for the construction of universities, hospitals, research institutes, schools and offers scholarships and health care to the poor. The aim is to work with communities close to the company. As stated by the respondent of Tata Steel, while working in a village or community, all local needs are raised first in order to know their priorities. Secondly, it seeks to work with village leaders in order to make sure that they does not feel excluded from the process, but instead, feel a part of it. The company therefore believes that the process is successful.

As for environmental concerns, the respondent from Tata Steel states that the general public recognises that the steelmaking process has a high environmental impact. However, according to the respondent, the company researches and produces steel with high resistance, which requires a smaller amount of raw material and therefore has a more rational use of natural resources. The company follows the Tata Index of Human and Sustainable Development, periodically monitors the indicators and also follows the indicators of its Environmental Management System, a result of implementing ISO 14001.

The respondent highlights the role of the pioneering company, serving as an example to other Indian corporations and excelling in areas related to the country’s legislation.

Even without many established rules and regulations, Tata goes well beyond what is legally determined. We were the first to introduce eight-hour work days, even before it became law. The respondent highlighted the role of the provident fund and the maternity benefit, which started all of these practices long before they became law. Thus, we do not have to wait or just comply with the laws, we can go much further. Laws can give you something, but if you think there is something more to be done, we have to do it.

Regarding the influence of Tata Steel on its supply chain, the company implemented the ISO 9001 quality system and only acquires supplies and services from companies with audited quality systems (TATA STEEL, 2013b). The respondent from Tata Steel added that the company sees CSR as an internal driver because it is a philosophy of the company, as stated by the respondent:

We take care of social and environmental issues because they are the right things to do - this is the philosophy we have. We think about benefits for the places where we work. So when our shareholder questions why we are spending so much money, if this is the work of government, our response has always been that this is what we think is the right thing to do. Reducing the distress of people around us is our benefit.
India has weak environmental and social legislation, and the government and market forces are not considered to be influential when establishing environmental and social practices. However, since its emergence, Tata Steel has incorporated CSR into their actions that seek to go beyond compliance with legal requirements, leading to positive gains in the relationship with its stakeholders and with the communities where it operates.

5. DISCUSSION

5.1. Similarities and differences between the Brazilian and Indian companies

The study shows that in Brazil and India, the companies seek consensus in the development of their social responsibility with stakeholders in an attempt to legitimise their actions. CSR strategies of both companies reflect the context of their countries, where the social deficit and need for services cannot be solved solely by the government. In this scenario, the studied companies are notable for taking on the role of visionary leaders and “first movers”, promoting the transformation of the environment in which they operate (HOFFMAN; WOODY, 2008).

As for the explored CSR practices, we can see a homogenisation between the companies, whose first actions are strongly marked by philanthropy. Then there voluntary adherence to international standards through certification (ISO9001, ISO14001, OHSAS 18001), sustainability reports (GRI) and agreements (Global Compact), as well as the transformation of CSR into policies, departments and indicators.

Despite these similarities in their actions, there are different approaches to the two categories defined earlier: "CSR Strategies" and "Engagement with Stakeholders", as shown in Table 1. For Petrobras, CSR strategy is the main factor that determines external issues, which are mainly linked to environmental risks and impacts on its reputation and image. In Brazil, companies are more likely to explicitly define their practices and CSR policies in response to society's demands. They are dedicated to building an image as a responsible company as well as adopting innovative approaches.

Tata Steel has strong internal motivations that translate into an ethical discourse, which advocates a corporate stance in favour of an intrinsic social obligation that has installed a concern with CSR since its emergence. In India, social responsibility activities of companies are not well recognised both nationally and globally. In some cultures, it is believed that doing good deeds discreetly is more desirable and rewarding than publicising them (AMALADROSS; MANOHAR, 2013).

As highlighted by Sagar and Singla (2004), spirituality and corporate social responsibility have deep-rooted connections in India. Furthermore, respect is an inherent part of the culture that goes beyond the value of the corporate world. Large and traditional companies of the country, such as the Tata Group and the Birla Group, incorporated CSR into their business plans.

“Engagement with Stakeholders” also reveals

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Source: Prepared based on interviews
different approaches. Brazil faces a comprehensive and rigid legal framework with regard to social and environmental issues, which are aspects that companies are dedicated to meet. However, the increased demand for compliance with legal requirements leads to the adoption of a reactive posture by Brazilian companies that is limited to fulfilling legal requirements. According to Féres and Reynaud (2012), environmental regulatory agencies face human resource constraints that generate criticism of the environmental licensing system.

For India, we observe unclear environmental and social policies, bureaucracy, poor monitoring, complicated tax systems and weak infrastructure as serious obstacles to CSR. However, due to the softness of Indian laws related to social and environmental issues and the increasing recognition of CSR by the business community and corporate citizenship as an imperative to change, a more proactive approach has now been adopted (AREVALO; ARAVIND, 2011).

Regarding the relationship with its suppliers, the Brazilian company is in a more advanced stage, as it has its own indicators for constant performance measurement of its supply chain. However, the Indian company is limited to external investigations, selecting suppliers from those that possess certification.

The two companies show a strong motivation to engage with the communities in which they operate for instrumental reasons, that is, they are driven by self-interest to obtain competitive advantage and/or minimise risks. To communicate and coordinate with various actors, Petrobras presents a relational base that reflects a concern with their position in the community (AGUILERA et al., 2006). According to Volkema and Fleury (2002), finding ways around the red tape in Brazil often involves the use of an extended social network.

In addition to volunteer activities and support and sponsorship for cultural and environmental projects, the Brazilian company has strategic programmes that combine social and business values. Porter and Kramer (2006) argue that CSR can be much more than a cost, a constraint or a charitable action and can be set up as a source of opportunity, innovation and competitive advantage. Companies should therefore analyse their CSR projects in the same way that they conduct their choices, regarding their main activity (core business).

For India, beyond the instrumental approach when dealing with the community, there has also been a concern with emphasising business ethics. Tata Steel has a strong moral base that reflects a concern for the well-being of members of the community as well as a model of "care" that seeks to do things that are considered correct (AREVALO; ARAVIND, 2011). The Indian company does business in a way that is deeply rooted in philanthropy, which is reflected in health care, education, water supply and electricity projects. The aim is to meet the basic needs of the poor so that their members can have a better future.

According to Mishra and Suar (2010), with globalisation and the entry of multinationals into the country, Indian companies began to change their CSR perspective and now look beyond passive philanthropy. However, Amaladoss and Manohar (2013) argue that since earlier times CSR in India has been seen as part of corporate philanthropy, a view that is strongly reflected in the relationship between companies and the market.

The relationship with civil society also reveals the different approaches of Petrobras and Tata Steel. Themudo (2013) points out that a strong civil society is characterised by a dense relationship of networks between NGOs that operate in an environment with guaranteed civil liberties. However, an inverse relationship between levels of corruption and the strength of civil society is observed. In Brazil, it appears that the strength of civil society is compromised by high levels of corruption in the country. Petrobras has been developing a dynamic process of integration with civil society through the construction of Agenda 21. The company has promoted an intense process of multiplication and training of its actors, but requires further promotion of the formal connections between them.

It appears that Indian civil society is also characterised by a lack of linkages between its actors, which undermines its power to affect change. Ehmke (2011) states that in India, only a small number of citizens are culturally equipped to form civil society. According to Bussell (2010), corruption is a major source of funding for Indian election campaigns. When providing services, bribes are paid by citizens to receive government services,
which dramatically varies corruption from state to state.

6. CONCLUSION

As shown by the executives of the leading companies in Brazil and India, social and environmental concerns are present and the companies seek to meet the needs of the communities around them in partnership with stakeholders. The CSR approach of each company is greatly influenced by the country of origin and the historically rooted national institutional frameworks.

This study relates to the work of Matten and Moon (2008), Alon et al. (2010) and Fetscherin et al. (2010) that show how the institutional environment of each country influences and shapes the CSR policies and practices of companies. The companies’ CSR approaches tend to be similar or different in accordance with the similarities and differences of the countries institutional frameworks.

The institutional environments of India and Brazil share resemblance due to the role of the companies as business leaders in promoting social and environmental improvements, and share a similar trajectory marked by voluntary initiatives of an international standard. However, the investigated companies differ when outlining their CSR strategies. In Brazil concerns about the environment and doing business in a way that is lower risk and increases competitiveness are more evident. In India, there are a number of social questions that strongly reflect the company’s moral values, which is related to the development of business whilst promoting welfare actions.

Both companies show concerns about stakeholders and define mechanisms for engagement. In Brazil, the relational environment fosters a broader engagement of companies with stakeholders. In India, the existence of a more rules-based environment (legacy of the British model) as well as a strong religious influence of Hinduism and a rigid social structure based on caste, results in an engagement with stakeholders focused on philanthropy.

The study has some limitations. Firstly, the research is based on the accounts of executives and CSR reports for its information, which may or may not correspond to the reality practised. Secondly, the sample of only two companies does not allow for the generalisation of results. The addition of other Indian and Brazilian companies is recommended, as it would allow further testing of the analysis of this study, as well as a more extensive diagnosis of the large number of social and environmental practices.

Despite these limitations, the study contributes to the understanding of the multifaceted aspects of CSR in Brazil and India. In-depth interviews with large corporate executives are not frequent opportunities and can support the insight of theories in practice, despite the possible distortions related to personal opinions that are not fully aligned with the reality of the companies. This comparative study therefore provides the initial steps for understanding the influence of institutional environments on CSR decisions.

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Diferentes percepções sobre a responsabilidade social corporativa em empresas líderes do Brasil e da Índia

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RESUMO

Este artigo avaliou as estratégias de responsabilidade social corporativa e os esforços para implementá-las em uma multinacional brasileira, que atua no setor de petróleo e gás, bem como em uma multinacional indiana, que atua no setor de siderurgia. A pesquisa qualitativa foi realizada por meio de entrevistas com executivos de ambas as empresas, efetuando-se uma análise de conteúdo e uma comparação das abordagens de responsabilidade social corporativa e engajamento com os stakeholders. A pesquisa identificou evidências de que a responsabilidade social corporativa depende dos valores éticos e do ambiente socioeconômico, legal e institucional do país no qual a firma opera.

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