

WHAT DIFFERENTIATES COMPANIES THAT COMPLY FROM THOSE THAT FOLLOW CSR IN THE WESTERN WORLD AND BRICS?

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Abstract

In today's business world, the concept of corporate social responsibility (CSR) appears to be gaining more ground (Haski-Leventhal, 2020). In some cases, businesses are required to operate in a manner consistent with the demands of modern, globalized societies, while in others, they seek to incorporate contemporary requirements into their organizational culture. Thus, on one hand, we have businesses that act responsibly as this is an integral part of their organization, and on the other hand, there are businesses that simply comply with modern requirements for socially responsible companies (Balon et al., 2022).

In this context, there emerges a need to investigate what differentiates companies that incorporate CSR philosophy into their culture from those that simply comply with guidelines (Ziolo et al., 2023). The selected articles deal with the impacts and differentiations that arise regarding the effectiveness of CSR actions implemented by companies compliant with social and legal requirements compared to companies that incorporate and assimilate the requirements of modern societies for

socially responsible business operations (Stanaland et al., 2011; Meseguer-Sánchez et al., 2021; Velte, 2022). A systematic study was conducted based on the recording and processing of 32 articles and studies from the last fifteen years related to the research question posed in this study. The articles refer to companies operating in the Western World and companies operating in BRICS countries (Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran, and the United Arab Emirates) to reach a conclusion related to global developments (Green Templeton College, n.d.).

The selection of articles was based on highlighting CSR dimensions and expected benefits during its implementation in the above groups of countries. Initiatives and strategies concerning CSR are examined, as well as information about its practical implementation. There are many studies worldwide that deal with primarily the economic effectiveness of CSR actions carried out by businesses globally. However, the results in several cases are conflicting, highlighting another reason for investigating the deviations encountered. Researchers consider the differences in social, cultural, and economic systems a key factor in these deviations, leading to different attitudes and perceptions regarding CSR implementation (Lombardi et al., 2015; Park, 2008).

Due to CSR differentiations in areas such as history, culture, economy, social systems, and development stages, businesses worldwide developed different methods and strategies to promote their research and practice in CSR (Sen & Bhattacharya, 2001; Barlas et al., 2023). This results in apparent differences between them. It is therefore very important to realize these differences and their causes for further research and application of CSR in businesses.

As typical representatives of eastern and western countries, the BRICS group, Europe, and the USA differ greatly in CSR development (Albuquerque et al., 2019; Selcuk & Kiyamaz, 2017; Marakova et al., 2021; Ahmed et al., 2012). Several countries have proceeded to legislate rules for business operations that could be part of their implemented CSR actions. We thus return to the question of differentiation between companies that comply and those that consider this behavior self-evident. Within this framework, we will investigate through existing literature whether differences ultimately emerge regarding the effectiveness of CSR actions when they are motivated by ethical and organizational incentives compared to actions that are products of compliance and legitimacy.

The results showed that companies that incorporate the CSR philosophy into their organizational culture are more effective than companies that simply comply (Khan et al., 2023; Aagaard & Ritzén, 2020; Espasandin-Bustelo et al., 2021; Ruffatto et al., 2022; Duarte, 2011; Barić, 2017; Houghton et al., 2009; López-Concepción et al., 2022; Kim et al., 2015; Karagiorgos, 2010).

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