Orientation towards Social Responsibility of North-West African Firms

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Abstract

Purpose: Corporate Social Responsibility orientation (CSRO) is considered a crucial strategy to enhance long-term competitiveness around the world and it is starting to be a broader issue in Africa. Based on recent works addressing the CSRO-performance relationship in countries outside the African continent, this paper aims to assess CRSO in North-West Africa.

Design/methodology/approach: In this study a questionnaire was applied to a sample of 122 managers in two countries in North-West Africa: Guinea-Bissau and the Ivory Coast. Partial least squares (PLS) structural equation modelling (SEM) is used to assess the path or relationships for the North-West African context.

Findings: The results show that there is a generally positive perception of the economic, social and environmental dimensions of CSRO, although special emphasis is given to economic and social issues, mainly when they are related to human resources. The study also revealed the important role of innovation as mediator between CSRO and firm performance.

Practical implications: The study points out the role of managers in promoting a culture of social innovation by focusing on the CSR philosophy for improving the competitive success of African businesses.

Social implications: The social, economic and legal context of Guinea-Bissau and the Ivory Coast are vulnerable. Our findings raise concerns about whether governments and regulatory efforts improve the development of the strategies toward social responsibility of African firms and whether they also increase the role of the firms in producing positive externalities to the market through CSRO'.

Originality values: Very few studies have investigated CSRO in Africa. Aiming to switch from the current CSRO in developed countries to an African perspective of CSRO, this paper contributes to filling the existing gap through the study of managers' perceptions about CSR in two countries in North-West Africa: Guinea-Bissau and the Ivory Coast.

Keywords: Corporate Social Responsibility Orientation; North-West Africa; Performance, Competitive Success, Innovation, Structural Equation Modelling (SEM)

Introduction

Corporate Social Responsibility (CSR) is starting to be an imperative societal strategy across the African continent. Over the years, the core body of literature on CSR in African countries has been focused on areas such as inequality, poverty, violence and conflict, corruption and social change (Akpan 2006; Campbell, 2012; Renouard and Lado, 2012; Shaw, 2015), unlike the prevailing preoccupation with stakeholders and operational efficiencies, performance, reputation and innovativeness of firms in developed countries (Revelli and Viviani, 2015). This is not surprising given the complexity of the institutional-level forces existing in the external and internal environment of firms within the national business system, such as political system and governance, cultural system, societal values and customs and financial system (Jamali and Karam, 2018) in these countries.

Despite the social and economic fragility of the African continent, the performance of economies in West Africa provides some indications of a trajectory of progress and many leading African companies have committed to CSR actions, programs or specific campaigns that have improved their competitiveness and have benefited the development of African countries (Haji and Anifowose, 2016).

At the moment, and against the scepticism of stakeholders, a growing number of African businesses show commitment to CSR (Eweje, 2007). These firms are seeing significant benefits in regards to the observation of the triple bottom line, popularized by Elkington (1999), with the three classical dimensions of responsibility: economic, social and environmental (Fairhead and Leach, 2003).

In the field of strategic management, after the contribution of Porter and Kramer (2006), CSR has been empirically linked with competitive success and better performance (Weber, 2008; Vilanova et al., 2009; Marín et al., 2012; Boulouta and Pitelis 2014; Gallardo-Vázquez and Sánchez-Hernández, 2014a; Bernal-Conesa et al., 2016). There are two important concepts under the consideration of CSR as a strategic option for businesses: first, the concept of share value (Porter and Kramer 2011) stresses the idea that every enterprise has to generate benefits not only for shareholders but also for society, in order to create a competitive advantage to guarantee success and their own sustainability. And second, the concept of co-creation value (Hörish et al., 2014), highlighting that value is created by the firm for all stakeholders but also with all stakeholders (customers, shareholders and all actors in the firm's value constellation). In fact, businesses everywhere are increasingly employing socially and environmentally responsible practices though new sustainable businesses models, while maintaining and improving their levels of profitability (Upward and Jones, 2016).

Despite the scarce number of publications devoted to Africa which address CSR and firm performance, some relevant contributions exist in specific countries or specific contexts (Eweje 2006; 2007), dedicated to discovering emerging trends in corporate social investment (Skinner and Mersham, 2008; Arya and Bassi, 2011; Mersham and Skinner, 2016) and studying the use of codes of good practices (Arya and Bassi, 2011) or related to corporate social reporting activities (De Villers and Van Staden, 2006; Dawkins and Ngunjiri, 2008; Mitchell and Hill, 2009; Kolk and Lenfant, 2010; Sánchez-Hernández et al., 2017b). Previous literature also has focused on countries such as South Africa (Hinson and Ndhlovu, 2011), Kenya (Cheruiyot and Maru, 2012; 2014; Muthuri, 2013), Nigeria (Amaeshi et al., 2006; Amao, 2008), Tanzania (Egels, 2005) and Ghana (Julian and Ofori-Dankwa, 2013). Furthermore, studies on CSR in Africa have been fragmented, asymmetrical and less representative (Cheruiyot and Onsando, 2016; Jamali and Karan, 2018).

However, managers' orientation to CSR (CSRO) in Africa is still an understudied topic in the African context. Studying managers' perceptions about CSRO will contribute to understanding the specific features of the CSRO-performance relationship in Guinea-Bissau and the Ivory Coast and highlight the role of managers in promoting a culture of social innovation by focusing on the CSR philosophy for improving the competitive success of North-West African businesses.

In this study, a questionnaire was applied to a sample of 122 managers in these two countries. Partial least squares (PLS) structural equation modelling (SEM) is used to assess the path or relationships for the North-West African context. The existing models developed to understand and measure the concept and to determine how to obtain competitive advantage through responsible business behaviour have not yet been extensively applied to Africa by academics or practitioners.

Aiming to switch from the current CSR in developed countries to an African perspective of CSR, the purpose of this work is to contribute to filling the existing gap through the study of managers' perceptions about CSR in two countries in West Africa: Guinea-Bissau and the Ivory Coast (also known as *Côte d'Ivoire*). After this introduction, the remainder of the article is organized as follows. Section 2 identifies relevant literature on the topic, followed by the description of the methodological approach and data in Section 3. Respectively, the results from estimating the model are presented in Section 4. Finally, Section 5 presents the conclusions and managerial implications of the study.

Literature overview

There is a rich literature on CSR that goes back as far as the 1930s (Barnard, 1938; Clark, 1939). However, it was after this period, during the so called "modern era" of CSR that a proliferation of studies appeared on the topic. According to Carroll (1999), this modern era started with the publication by Bowen (1953) of "Social responsibilities of the businessman". It triggered so much interest that many studies on CSR were published in the following decades.

In the 1960s, the literature sought to provide a clearer definition of CSR (Frederick, 1960; McGuire, 1963) and this was followed by many further definitions and analyses in the 1970s. At this time, many references were being made to corporate social performance and the term CSR gained greater projection (Johnson, 1971; Eells and Walton, 1974; Sethi, 1975; Preston and Post, 1975).

In the 1980s, the focus was no longer on defining CSR but on a more in-depth study of related subjects, notably business ethics and stakeholder management, CSR and profitability, responsibility, responsiveness and social issues (Jones, 1980; Tuzzolino and Armandi, 1981; Dalton and Cosier, 1982; Strand, 1983; Cochran and Wood, 1984; Drucker, 1984; Aupperle et al., 1985; Epstein, 1987). Other themes (such as corporate citizenship) were also developed in the 1990s but there were few attempts to add to the definition of CSR. In 1991, Carroll revisited his four-part definition of CSR (Carroll, 1991) and proposed using the term philanthropic for the discretionary component of CSR. The author suggested placing the four components in a pyramid with economic responsibility at the base. According to Carroll (1991), a socially responsible company makes profits, obeys the law and behaves ethically as a corporate citizen through charitable activities.

Since the 1990s, studies have tried to determine what needs to be considered to assess corporate social performance (Clarkson, 1995). The beginning of the twenty-first century is characterized by the emergence of a set of national and international organizations that were dedicated to ethics and CSR; mechanisms were also developed for the institutionalization of ethics and CSR (Carroll, 2008). Ethics codes, training in ethics, directors and managers responsible for CSR, audits in ethics and CSR all started to be introduced and reports were also compiled on social responsibility and sustainability (Matten and Moon, 2008). Nowadays CSR is considered a global phenomenon, but it is most likely to be found in democratic countries with solid political structures, with active civil society organizations and active companies (Baskin, 2006).

In the new context of business, firms are encouraged to work actively towards CSR because not only is it a business opportunity for them in today’s world, but also a reflection of the expectations of their customers, employees, society and other stakeholders (Mark-Herbert and Von Schantz, 2007; Ratajczak and Szutowski, 2016; Yu et al., 2017). The European Commission recently proposed defining CSR quite simply as the responsibility of enterprises for their impacts on society, and provided guidelines on what a business should do to meet that responsibility (Commission of the European Communities, 2011).

Based on the concept of market orientation developed by Kholi and Jaworski (1990) and Narver and Slater (1990), some authors such as Orlitzky and Swanson (2012) or Gallardo-Vázquez and Sánchez-Hernández (2014b) considered an extended concept, the organizations oriented to social responsibility. A market-oriented organization carries out actions under the current marketing concept of satisfying customer needs. However, from the perspective of CSR, in line with the classical Stakeholder Theory (Freeman, 1984; Ruf et al., 2001; Johnson and Scholes, 2002) and how a Superior Stakeholder Theory continues to develop (Agle et al., 2008; Parmar et al., 2010), the concept of market expands and it is no longer enough to satisfy clients or customers.

To summarize, in the new theoretical CSR framework, the organization responsible looks for co-creation and share value. In other words, organizations aim to meet the demands of all stakeholders and society as a whole. The question should be: is this framework appropriate for considering and analysing CSR in Africa? This question is appropriate because, according to Visser (2006), Ofori and Hinson (2007), Muthuri (2013) or Tuokuu and Amponsah-Tawiah (2016) for instance, the African perspective on CSR has different priorities and characteristics from developed countries (for example, American or European business). Consequently, studying African managers’ perceptions about orientation to CSR will contribute to understanding these specific features.

Economic fragility in West Africa: The role of CSR

Despite the economic fragility of the African continent, the performance of the economies in West Africa provides some indications of a growth trajectory. Avoiding the most studied countries, two countries lacking studies related to CSR were selected to approach the CSR orientation of business according to the perceptions of managers. First of all, and acknowledging the absence of relevant data on consistent time series for these countries, we present the following as an overview of the context for doing business in Guinea-Bissau and the Ivory Coast.

Social, economic and legal context of Guinea-Bissau and the Ivory Coast

A variety of social, political, economic and legal factors have influenced the way in which CSR principles have been developed in Western Africa countries, in particular, Guinea-Bissau and the Ivory Coast. Guinea-Bissau and the Ivory Coast are neighbouring countries, former French and Portuguese colonies in West Africa. The Ivory Coast gained its independence earlier, in 1960. Guinea-Bissau declared unilateral independence in 1973 after a civil war with the Portuguese army and it was only in 1974 that independence was recognised. It is possible that this historical evolution and cultural matrix influenced the evolution and development of these countries. There are key factors that demonstrate unequal performance between the Ivory Coast and the Guineas (French Guinea and Guinea-Bissau): political philosophies of organisation of resources; the extent of foreign markets; and the role of foreign entrepreneurs in the national development effort (O'Connor, 1972).

Once hailed as a potential model for African development, Guinea-Bissau is presently one of the poorest countries in the world. The Guinean economy is basically based on the primary sector - agriculture and fisheries. According to data from the Economist Intelligence Unit (EIU), in 2014 the Gross Domestic Product (GDP) was divided into agriculture, forestry and fisheries (43.9%), services (42.5%) and industry (13.6%). The agricultural sector includes subsistence crops such as rice, corn, beans, potatoes, yams, sugarcane and tropical fruits. Cashew nut culture is of central importance in the country's economy - about 1/3 of GDP, and more than 85% of export revenue. The country is highly dependent on subsistence agriculture, cashew exports and foreign aid. With 350 km of coastline, fishing is another sector with great potential. The manufacturing industry is incipient, consisting mainly of consumer goods and food (mainly beer and soft drinks, mainly for domestic consumption) and products resulting from the processing of wood. The country is rich in bauxite and phosphate, with the extraction of the latter ore taking its first steps.

The vital cashew nut crop provides a modest living for most of Guinea-Bissau's farmers and is the main source of foreign exchange. Today the nation has a massive foreign debt and an economy that relies heavily on foreign aid.

The social, economic and legal context of Guinea-Bissau and the Ivory Coast are very vulnerable. The current level of development of these Western African countries and frequent political crises has conditioned the inflow of foreign direct investment. In 2015, in a universe of 207 countries, Guinea-Bissau placed 174th in the world ranking as a direct investment foreign recipient (UNCTAD, 2017). In addition, despite the large reserves of bauxite, phosphate and petroleum, there has been no large-scale start-up of mining operations. The Ivory Coast is an open economy, but has little relevance in the context of world trade, placing 128th in the world ranking in 2013 as a foreign direct investment recipient (UNCTAD, 2017).

These two countries present different demographic and cultural characteristics, namely in area (322,463 km2 vs. 36,125 km2), population (20.8 million vs. 1.78 million) and language (French vs. Portuguese) as compared with the Ivory Coast with Guinea-Bissau. The Ivory Coast reveals better positions in the rankings of transparency (136 vs. 168), facility of business (147 vs. 172) and GDP (38,368 vs. 1,056) compared to Guinea-Bissau. The inflation rate is lower in Guinea-Bissau. Nowadays, the urgent strategies of country governments are the way to sustainability, focusing on partnership with international agencies and the private sector to augment development spending. The effort towards

CSR practices in the Western African continent may have on the development challenges of Africa. The most important economic indicators of the two countries are presented in Table 1.

Table 1. Main socio-economic indicators in 2016

Indicators	**Guinea-Bissau**	**Ivory Coast**
Area	36,125 km2	322,463 km2
Population	1.78 million	20.8 million
Language	Portuguese	French
Transparency (Rank on Corruption Perceptions Index)	168	136
Facility of business (Rank on Doing Business Report)	172	147
Gross Development Product (millions USA $)	1,056	38,368
Inflation Rate	1.4	2.5

Source: The World Bank, 2017

CSR and Sustainability in Africa

CSR in developing countries is a new under-researched area of enquiry that is becoming important in theory and practice (Jamali and Neville, 2011). The development of CSR on the African continent owes much to developments in South Africa, which continues to host the most extensive practice of public relations on the continent (Skinner and Mersham, 2008; Setia et al., 2015) and weak development in other countries (Yu et al., 2017). Idemudia (2014) recognizes that literature about CSR and sustainable development in Africa is only just emerging and there is a lack of sufficiently grounded systematically accumulated empirical evidence.

Nevertheless, Noyoo (2010) has argued that the notion of CSR is not new to Africa and related how an Anglo-American Corporation as early as 1929 was responsible for providing housing and hygiene for its employees in Zambia but with racial bias. Similarly, Honke (2012) explained that there were continuities between the paternalistic nature of corporate-community intervention pursued by mining companies during the colonial and the post-colonial period within the Democratic Republic of Congo. However, the literature on CSR in Africa remains dominated by research developed in South Africa and also in Nigeria (Eweje, 2006; Visser, 2006; Eweje, 2007; Muthuri, 2013).

According to Fig (2005), the term CSR has been abandoned by most South African firms in favour of the term corporate social investment, to divert attention from calls on business to redress the results of its historical contribution to the apartheid system. He avers that South African companies CSR contributions are regarded as cosmetic and self-serving. In this respect, according to Hamann (2006), there are two ongoing debates concerning CSR in African context in the literature. On one line, critics of the black economic empowerment legislation in South Africa argue that CSR is primarily about the creation of black elite, with little benefit to the poor. On second line, defenders believe that the inclusive stakeholder approach taken to develop industry-level charters and the codes of good practice implemented in the South Africa will benefit the poor.

Following the historical development of CSR and the views at current practice in Southern Africa, some studies examine the emerging trends (Skinner and Marsham, 2008; Arya and Bassi, 2011). All these studies concentrate on social investment and maximising social benefits. Based on the corporate social investment and impact of new legislation in

South Africa, Skinner and Marsham (2008) concluded that African public relations practice may have an impact on the sustainable development challenges of Africa. The study of Arya and Bassi (2011) provided some evidence that firms operating in South Africa under economic empowerment legislation, namely codes of good practice, are contributing to expansive CSR goals by means of their activities in the workplace, enlarging their supply chains and attracting social investment activities.

In general terms, following Idemudia (2010; 2014), CSR practices in Africa can be organized into three dimensions. First, internal factors such as local social movements and corporate-community conflict. The second dimension is related to external factors, such as the spread of global norms as the United Nations Global Compact, international reputational concerns and shareholder activism. And finally, the third dimension refers to transnational factors, such as the collaboration between African Non-Governmental Organizations (NGOs) and Western NGOs explained by Mzembe and Meaton (2014).

Moving to the most typical responsible actions in Africa, Hayes (2006) argued that social issues as opposed to environmental are more popular. In fact, CSR practices in Africa have largely taken the form of philanthropy or social investment. The CSR initiatives of most business enterprises in Africa cover a wide range of issues such as health and HIV/AIDS, community development, economic and enterprise development, education and scholarships, human rights and sports (Alstine and Afionis, 2013; Bagire et al., 2013; Muthuri, 2013).

In addition, the debate about cultural and socio-economic factors that influence CSR policies and practices in Africa is still open. Amaeshi et al. (2006), Visser (2006) and Muthuri and Gilbert (2011) conducted research on CSR in Nigeria, South Africa and, Kenya respectively, and found evidence of cultural and socio-economic influence on CSR practices in these countries. Nonetheless, Idemudia (2014) argued that the socio-cultural as well as economic context of Africa does shape societal expectations of the social responsibility of business and therefore what should ideally constitute CSR priorities of businesses operating in the region.

Attending now to the Transnational Corporations (TNCs) in the process of colonial domination and exploitation in Africa, the concept of CSR for some researchers is just a euphemism that has recently re-emerged to “sugar-coat” the pillage of Africa by TNCs that has lasted for hundreds of years (Orock, 2006; Noyoo, 2010; Bagire et al., 2013; Orock, 2013). Orock (2006; 2013) suggested that TNCs have failed to effectively react to social needs in Africa. Because while TNCs are generating significant profits on a daily basis from their investment in Africa, they are failing to create a credible case for their social relevance in such a way as to be directly felt by most people at the grassroots. Therefore, they see CSR (or corporate social “irresponsibility”) as a new form of corporate colonialism (Banerjee, 2008; Fougere and Solintander, 2009; Vertigans, 2011).

The discussion about the role of the TNCs for the promotion of CSR in Africa continues to have different perspectives. Visser et al. (2006) provided another perspective, and noted that since the late 1990s, there has been a general consensus that the private sector via CSR could provide positive contributions toward improving social, economic and environmental conditions in Africa and more and more scholars state that business could be a part of solution to the problem of underdevelopment in this region (Rajak, 2006; Idemudia, 2010). The next section develops a conceptual model to approach the orientation towards CSR to be empirically contrasted later.

A conceptual model for assessing the orientation towards CSR (CSRO)

CSR has emerged as a critical philosophy but also as a strategy for business success. The firm's strategic CSRO is based on the concept of market orientation described by Kholi and Jaworski (1990) and Narver and Slater (1990). According to these authors, a market-oriented firm is one that takes decisions and carries out actions under the goal of satisfying customer needs. Later, other works developed the general concept of market orientation in relation to the CSR framework (i.e. Brik et al., 2011; Kiessling et al., 2016; Bello et al., 2018). In this respect, Kiessling et al. (2016) claimed that customers want firms to be responsible and as a result, when market-oriented firms gather this knowledge, they will implement CSR. Specifically, previous studies considered the application of the three classical dimensions of the market orientation – information, diffusion and response – to the orientation to CSR (Gallardo-Vazquez and Sanchez-Hernandez, 2014b).

According to this approach, if firms want to co-create shared value through social responsible actions, they have to become market-oriented firms. First, they need to be informed, to get information from their markets related to CSR. Second, they have to coordinate their resources internally by breaking down inter-departmental barriers. And third, they have to provide effective inter-organizational responses to stakeholders' needs and wants. This logic, previously accepted in non-African contexts, leads us to raise the first hypothesis.

Hypothesis 1: CSRO in North-West African firms is a composite of information, diffusion and response.

Moving to the nature of the expected responses to co-create share value (Porter and Kramer, 2006; 2011; Hörish et al., 2014), in this research, and according to Elkington (1999), it is considered that firms in West Africa should pursue the three distinct but complementary types of objectives – economic, social and environmental.

Other authors in different contexts have considered the same three axes or dimensions for analysing CRS, such as Van Marrewijk (2003), disentangling the concept of CSR from the concept of sustainability, or Torugsa et al. (2013), analysing the role of each dimension in the association between organizational capabilities and performance. That leads us to raise the second hypothesis.

Hypothesis 2: The response of a North-West African firm to co-create share value is a composite of economic, social and environmental actions.

Hypotheses 1 and 2 together will define and characterize the greater or lesser orientation to CSR of firms from West Africa. In addition, and according to previous studies in developed countries, the level of CSRO will have an effect on other related variables, all of them relevant for assuring a positive performance. In this study, we have put the attention on innovation and competitive success.

Firstly, according to MacGregor and Fontrodona (2008), CSR implementation and innovation are susceptible to be configured and managed to form a very virtuous circle. Likewise, Bocquet et al. (2013) proved that firms with strategic CSR profiles were more likely to innovate than others with a responsive CSR profile. In the same vein, Luo and Du (2015) demonstrated that firms with greater CSR activities exhibited higher capability for innovativeness. More concretely, there is recent empirical evidence about the direct and positive effect of the CSRO on innovation (Rexhepi et al., 2013; Castilla-Polo et al., 2017; Yu et al., 2017). The third hypothesis derived from the above, and applied to North-West African firms, is the following:

Hypothesis 3: CSRO is positively and significantly related to innovation in North-West African firms.

In addition, CSR has been seen as a strategic success factor and a valuable opportunity to create shared value (Martinuzzi and Krumay, 2013). The literature on competitive advantage and strategic CSR has also identified positive effects of CSR disclosure. A good example is the work of Yu et al. (2017), using intellectual capital as a proxy for competitive advantage to demonstrate stakeholders' positive reaction to CSR. Specifically, the literature has enhanced the mediation role of innovation in this relationship. Tidd et al. (2006) summarized the most important characteristics of innovations in contributing to achieving competitive success and, related to CSR, the authors highlighted growth by means of non-price factors. According to this general framework, we consider that the level of CSRO in North-West African firms will have an effect on competitive success (Gallardo-Vázquez and Sánchez-Hernández, 2014a; Sánchez-Hernández et al., 2017a) thanks to the ability of West African firms to innovate and to create competitive advantages in the market (Porter and Kramer, 2006; 2011). In sum, innovation is essential for sustainable growth and development and both CSR and innovation are the foundation of firm competencies. Consequently, the higher the CSRO, the higher the firm's innovation will be and that will have a positive impact on competitive success. The following hypothesis is stated to complete the logic of the model:

Hypothesis 4: Innovation is positively and significantly related to competitive success in North-West African firms.

To finish shaping the conceptual model to approach CSRO in West African countries, the generally recognized linkage of competitive success and innovation with a better firm performance is notable in previous academic works in other economic contexts (Vázquez et al., 2001; Ireland and Webb, 2007; Gunday et al., 2011). Concretely, competitive success has been also related to firm performance in Africa. Kropp et al. (2006) showed that South African firms with market orientation tended to have a better understanding of their competitive environment, were more successful and improved their performance. The work of Acquaah and Yasai-Ardekani (2008) in Ghana found that firms implementing coherent competitive strategies tended to gain incremental performance benefits over others. Therefore, the following is hypothesized.

Hypothesis 5: Competitive success is positively and significantly related to firm performance in North-West African firms.

The relationship between innovation and performance has also been studied before in Africa. Mavondo and Farrel (2003) found that market-oriented firms in Zimbabwe were likely to be more innovative and to have superior performance. Kropp et al. (2006) also demonstrated the positive relationship between innovation and performance in South African firms.

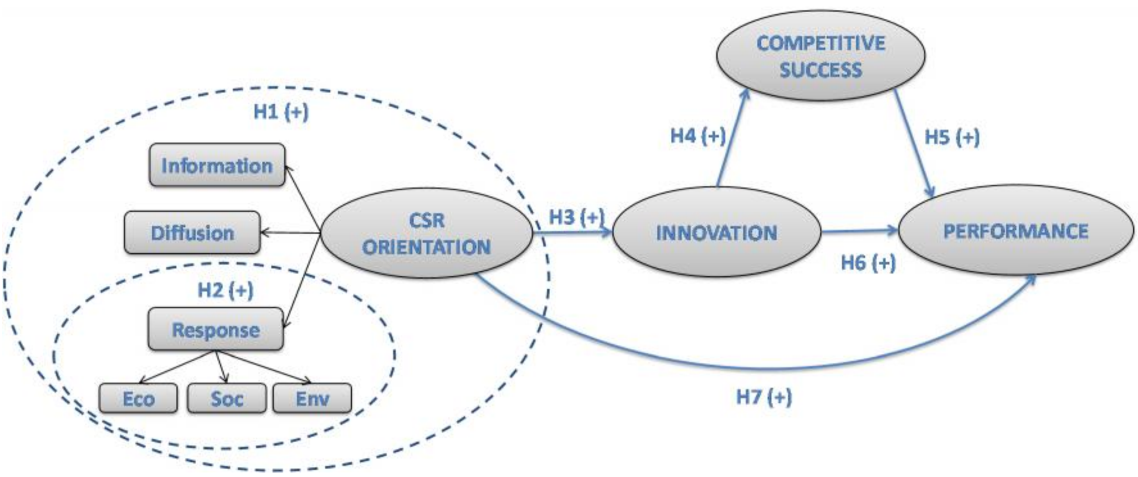
Hypothesis 6: Innovation is positively and significantly related to performance in North-West African firms.

Finally, in general terms, and while recognizing that the direct correlation between CSR and performance has shown mixed results (positive, negative or neutral) (Orlitzky et al., 2003) and may be contingent upon other variables such as competitive success or innovation (Augusto and Coelho, 2009) as explained before, a positive effect on firm performance is accepted (Hull and Rothenberg, 2008; Wood, 2010). While previous research on the relationship between CSR and firm performance has largely been concentrated on developed countries, some contributions exist in the African context. For instance, firms in Botswana and Malawi were studied by Lindgreen et al. (2010). According to their results, both countries had a positive perception of CSR practices as improving firm performance. In Kenya, Tarus (2015) found a positive and significant relationship between two of the dimensions of CSR considered in our study (economic and social) although the relationship was not significant to the environmental dimension. At the same time, the global CSR index offered in this work is significant to firm performance. Therefore, the last hypothesis is stated as follows.

Hypothesis 7: CSRO is positively and significantly related to performance in North-West African firms.

Based on the above, the conceptual model illustrated in Figure 1 describes the multidimensional nature of CSRO (H1 and H2) and the theoretical relationship with innovation, competitive success and firm performance (H3 to H7).

Figure 1. A representative illustration of the conceptual model



Source: Based on Kholi and Jaworkshi (1990) and Gallardo-Vázquez and Sánchez-Hernández (2014a, 2014b).

Method and procedure

A partial least squares (PLS) structural equation modelling (SEM) is proposed to assess the path or relationships previously hypothesized for the West African context in the selected countries. As a multivariate variance-based technique, PLS estimates a predictive path model rather than a confirmatory one (Fornell and Bookstein, 1982) involving latent sub-constructs and constructs that are indirectly approached and measured by multiple indicators. The usefulness of PLS in this specific study is the possibility of developing hierarchical latent variable models, as is the case.

The PLS path modelling technique allowed us an empirical analysis of the theoretical model through the conceptualization of a hierarchical model that allows the repeated use of manifest variables (Tenenhaus et al., 2005; Wetzels et al., 2009). The theoretical model presents two higher-order latent constructs. The construct CSRO was considered a reflexive second-order construct with three sub-constructs (information, diffusion and response). But, at the same time, the sub-construct response was also considered a reflective second-order construct composed by economic, social and environmental actions. Thus, the model presents eight first-order sub-constructs or constructs (information, diffusion, economic actions, social actions, environmental actions, innovation, competitive success and performance), one second-order construct (response) and one innovative third-order construct, which is CSRO, created by specifying that this latent variable represents all the manifest variables of the underlying lower-order latent variables.

The software developed by Ringle et al. (2005) called Smart PLS (new version 3.0) was used. From a previous convenience sample, a selection was made of 145 firms presenting some characteristics to be potentially oriented to CRS. Based on a previous self-perception question about CSRO of these firms, we discarded 20 firms as they claimed to be only oriented towards profit (8) or because the questionnaire was incomplete (12) and the final sample was composed of 122 firms. To obtain the valid questionnaires, a total of 145 firms were invited to participate, 80 in Guinea-Bissau and 65 in the Ivory Coast with a participation rate of 84%. This corresponds to the percentage of firms in which the valid interlocutor agreed to participate in the study and which were not only oriented towards profit. Fieldwork was conducted in November 2016. As we mentioned before, CSR in Africa is understudied with some exceptions (Visser, 2006; Forstater et al., 2010; Okoye, 2012), has focused on few countries such as South Africa and, has been essentially focused on issues related to philanthropic support, in particular education, health and the environment (GTZ, 2009). The North-West African countries and firms in the field of CSR are still understudied. This justifies the selection of two countries, Guinea-Bissau and the Ivory Coast, where studies are almost inexistent.

The intention of the composition of the sample and the methodology for selecting the 122 firms was to get a sample that expresses the entrepreneurial reality of these countries. The study sample was constituted mainly by firms in the tertiary sector (81%, n = 99), followed by firms in the secondary sector (14 %, n = 17) and the primary sector (5%, n = 6). The size of the company was measured on the basis of the annual average number of employees. In line with the structure of the productive sector in these countries, small firms (fewer than 50 employees) were the majority of the sample, followed by medium-sized firms (36% presenting between 50 and 250 employees) and big firms with more than 250 employees (15%). Table 2 presents the data characterizing the study.

Table 2. Technical Data Sheet

Geographical scope	Guinea-Bissau and the Ivory Coast
Population census	145 firms (80 from Guinea-Bissau and 65 from the Ivory Coast)
Period under study	November 2016
Method of gathering information	Electronic questionnaire (Reinforced by previous/post phone call)
Sampling unit	Managers
Sample	122 firms (60 from Guinea-Bissau and 65 from the Ivory Coast)
Participation index	84%
Maximum error sample	0.5
Confidence Level	95%

Source: Authors

Measurement scales

Primarily following the work of Gallardo-Vázquez and Sánchez-Hernández (2014a; 2014b), the measurement of the CSRO was designed in accordance with the market orientation logic of Kolhi and Jaworski (1990) (information, diffusion and response), taking into account the section responding to the three axes of the Triple Bottom Line (Elkington, 1999) (economic, social and environmental). Therefore, the items considered to measure the CSRO are: first, indicators related to the extent to which managers and employees are informed about and aware of CSR issues (4 items from INFO1 to INFO4). Information is important and determines the planning of the actual business as well as the activities being undertaken and the achievement of results; second, aspects related to the inclusion of CSR in the strategy and communication (diffusion or disclosure, from DIF1 to DIF5); and third, three dimensions for measuring the firm's response to CSR needs, catching managers' perceptions of economic (12 items from E1 to E12), social (14 items from S1 to S14) and environmental issues (9 items from M1 to M9).

To measure the innovation construct, we adopted a broad concept and innovation was conceived as the adoption of a new idea or practice that can create new products, markets or productive, organizational or administrative processes. It is generally understood that actions linked to products and processes are more closely linked to technology, research and development, marketing actions and organization. In fact, we consider all the aspects of the innovation concept listed in the Oslo Manual (2005), as considered by many authors before. A total of 14 items from I1 to I14 approach innovation.

In general terms, the measurement of competitive success is not easy because opinions vary on the definitions found in the literature on what business success or competitiveness means. In this analysis, competitive success was understood as a firm achieving a favourable competitive position in relation to a rival, maintaining and strengthening its position in the market and obtaining better results without resorting to excessively low remuneration of the production factors, following Gallardo-Vazquez and Sánchez-Hernández (2014a,b). Attention has been given to different aspects of human resources management and staff training to correct organizational structure or levels of know-how (Sánchez-Hernández et al., 2016). In the same vein, business performance was considered a much broader concept than financial results and we measured the firm's results from many perspectives in line with Wiklund and Shepherd (2003), including aspects such as the increase in sales of products and services. Competitive success was composed by 10 items from C1 to C10 and performance by another 10 items from P1 to P10.

To sum up, the study uses a total of 64 indicators distributed in 8 constructs. It is important to underline that the measurement scales proposed for each construct in this analysis provide a wide-ranging contribution based on the previous literature and adapted to the purposes of the study. Annex 1 shows the original scales used in the development of the proposed model.

Results

SEM-PLS models are analysed, and results are interpreted, in two stages. Following Fornell and Larcker (1981) and Tenenhaus et al. (2005), the first stage consists of the evaluation of validity of the measurement model where the scales used for each construct of the model are verified to discover whether the constructs (theoretical) were properly measured through the selected indicators applied to our sample (empirical). This is the assessment of the measurement model. Once the quality of the measurement model is verified, in the second stage the path model has to be evaluated and each structural regression equation to accept or reject the hypothesized relationships.

The measurement model analysis

In this study, as indicators are viewed as being caused by the latent variables, we assumed that the items used to measure latent variables in the proposed model were reflective in nature. Taking into consideration the recommendation made by Falk and Miller (1992), we decided to maintain all factor loadings higher than 0.614 to consider a satisfactory item reliability.

Firstly, Table 3 shows the preliminary results for building second- and third-order constructs. Secondly, Table 4 shows the final results related to the general model. Scale reliability was considered satisfactory when composite reliability was above 0.70 (Nunnally, 1978). Convergent validity was confirmed as the average variance in manifest variables extracted by constructs (AVE) was always higher than 0.50, indicating that more variance was explained than unexplained in the variables associated with a given construct (Fornell and Larcker, 1981).

Finally, discriminant validity indicates the extent to which a construct is distinct from other constructs in the same model. To assess discriminant validity in the general model, we followed two different and complementary means, the Fornell-Larcker criterion and the recent Heterotrait-Monotrait ratio of correlations (HTMT). Results were satisfactory (Table 5) and suggested that it was appropriate to proceed with the evaluation of the structural model.

Table 3. Preliminary Measurement Model for building second- and third-order constructs

Construct	**Subconstruct**	**Indicators**	**Factor Loadings (λ)**	**Cronbach's Alfa**	**Composite reliability**	**Average Variance Extracted**
Information				0.731	0.898	0.550
		INFO1	0.808			
		INFO2	0.762			
		INFO3	0.717			
		INFO4	0.675			
Diffusion				0.859	0.911	0.775

		DIF2	0.909			
		DIF3	0.890			
		DIF5	0.841			
Response				0.760	0.863	0.680
	Economic			0.894	0.918	0.654
		E1	0.789			
		E2	0.813			
		E3	0.833			
		E5	0.848			
		E6	0.871			
		E7	0.690			
	Social			0.863	0.865	0.593
		S4	0.897			
		S5	0.614			
		S6	0.743			
		S10	0.819			
		S11	0.812			
		S12	0.703			
	Environmental			0.507	0.800	0.669
		M4	0.844			
		M7	0.792			

Table 4. Final Measurement Model

Construct	Indicators	Factor Loadings (λ)	Cronbach's Alfa	Composite reliability	Average Variance Extracted
CSR Orientation (CSRO)			0.716	0.832	0.627
	Information	0.891			
	Diffusion	0.660			
	Response	0.806			
Innovation (I)			0.774	0.847	0.527
	I1	0.805			
	I4	0.669			
	I6	0.701			
	I7	0.712			
	I10	0.734			
Competitive Success (C)			0.895	0.917	0.580
	C1	0.701			
	C2	0.777			
	C3	0.854			
	C4	0.844			
	C5	0.743			
	C6	0.746			
	C7	0.659			
	C8	0.751			
Performance (P)			0.847	0.887	0.569
	P5	0.714			

	P6	0.777			
	P7	0.763			
	P8	0.854			
	P9	0.688			
	P10	0.719			

Table 5. Discriminant Validity (Fornell-Lacker & HTMT)

	CSRO	C	I	P
CSRO	**0.791**	(0.665)	(0.891)	(0.606)
C	0.534	**0.762**	(0.794)	(0.818)
I	0.709	0.670	**0.726**	(0.736)
P	0.473	0.719	0.600	**0.754**

Notes: 1) The square root of AVEs are shown diagonally in bold. 2) The lower diagonal elements show the Fornell-Lacker criteria. 3) The upper diagonal elements show the HTMT criteria.

The structural model analysis

Having assessed that the measurement model is valid and reliable with regard to the measurements of the constructs, we must conduct an interpretation of the internal model for the specific purpose of checking whether the proposed model includes the relationship between the latent variables targeted by the theory.

The structural model evaluates the weight and magnitude of the relationship between the two main constructs of the model, which are CSR orientation and performance. The procedure consists of: collinearity assessment; the value of the trajectory coefficients (the path coefficient or standardized regression weights (β) and significance levels); the analysis of R^2 (the explained variance of the endogenous variable); the values of f^2 effect size; Q2 (predictive relevance); and the SRMR value as an approximation to model fit for PLS-SEM.

Collinearity was checked by examining the Inner Variance Inflation Factor (VIF values) of the predictor constructs. According to Hair et al. (2006), VIF is the reciprocal of the tolerance value. Under ideal conditions, tolerance values are below 0.2 or VIF value are above 5 as critical levels of collinearity. In our model, all VIF values were below the conventional threshold (VIF-CSRO = 2.364; VIF-C = 1.818; VIF-I = 3.065) and therefore collinearity among the constructs was not a critical issue in the proposed model.

Moving to the analysis on the path coefficient, or the obtained standardized regression weight, this coefficient must be interpreted as an indicator of the relative strength of the statistical relationship; Chin (1998) proposes values exceeding 0.2, and ideally greater than 0.3. Analysing the path coefficients shown in Table 6, all path coefficients are positive and exceed the recommended limit. The strength of the model is determined by the strength of each structural path and is analysed using the R^2 value by the latent dependent variable. According to our results, 0.449, 0.576 and 0.542 are good values for R^2 for competitive success, innovation and performance respectively (Henseler et al., 2009).

In addition, the effect size (f^2) was calculated. The measure f^2 expresses the change in the R^2 value when a specific predictor is omitted. Following Cohen (1988), f-values of

0.02, 0.15 and 0.35 are labelled small, medium and large, respectively. We found a large effect of CSR orientation on innovation (1.375) but no effect on performance (0.000), announcing a mediation effect that will be analysed in the next section. We also found a large effect of innovation on competitive success (0.813) and competitive success on performance (0.397). Finally, a medium effect was found of innovation on performance (0.031).

Q^2 (construct cross-validated redundancy) is a means for assessing the inner model's predictive relevance. Blindfolding was used to evaluate the model with the cross-validated redundancy index. A Q^2 value larger than zero for a particular endogenous construct indicates the path model's predictive relevance, although it does not say anything about the quality of the prediction (Rigdon, 2014). In our model, competitive success had a value of 0.24, innovation 0.28 and performance 0.27, confirming the satisfactory predictive relevance of the model for all the endogenous constructs. Finally, the goodness of fit index SRMR (standardized root mean square residual) was calculated. A value of 0.0 for SRMR would indicate a perfect fit. Our model had an SRMT score of 0.079, suggesting an acceptable fit.

Moving to hypothesis testing (significant levels), in this study, the two first hypotheses (H1 and H2) were related to second- and third-order constructs and consequently they were verified when analysing the measurement model. To test the rest of the hypotheses from H3 to H7, we used the nonparametric bootstrap resampling technique that provides values for both the standard error and Student's *t*.

To calculate the significance of the path coefficients, we applied the technique to 300 subsamples using a two-tailed Student's *t* distribution with *n*-1 degrees of freedom, where *n* was the number of subsamples. Results are shown in Table 6 where we can appreciate how all the structural paths posited in the model are significant. The value and positive signs of the β coefficients for the verified relationships are coherent with theoretical expectations. As a result, we can say that the hypotheses are supported by the data.

Table 6. Hypotheses testing

Hypotheses					
H1: CSR orientation, as third order construct Information (β = 0.148); Diffusion (β = 0.366); Response (β = 0.611)					Confirmed
H2: Response, as second order construct Economic (β = 0.366); Social (β = 0.140); Environmental (β = 0.164)					Confirmed
Hypotheses **Structural Path A → B**	**Original Sample (β)**	**Expected Sign**	**Sample Mean**	**t-student (standard error)**	
H3: CSRO → I	0.759	+	0.759	20.427 (0.03)	Confirmed***
lH4: I → C	0.670	+	0.676	12.832 (0.05)	Confirmed***
H5: C → P	0.574	+	0.570	5.920 (0.09)	Confirmed***
H6: I → P	0.594	+	0.593	4.495 (0.13)	Confirmed***
H7: CSRO → P	0.459	+	0.465	7.516 (0.05)	Confirmed***
*p < 0.05; **p < 0.01; ***p < 0.001 - Distribution $t_{(499)}$ – Student two tails $t_{(0.05; 499)}$ = 1.964726835; $t_{(0.01; 499)}$ = 2.585711627; $t_{(0.001; 499)}$ = 3.310124157					

Mediation assessment

In order to understand the role of competitive success and innovation in the model, this study examined the indirect effect of innovation on performance through innovation, and the indirect effect of CSRO on performance through innovation. According to the methodological approach proposed by Preacher and Hayes (2008), the first step was to demonstrate the existence of direct effects (Sub-Model 1 and Sub-Model 2, represented in Figure 2). In this scenario, results supported the respective H_o in both sub-models. Sub-Model 1 describes the direct relationship between innovation and performance ($a = 0.612$; $t = 10.916$), and Sub-Model 2 describes the direct relationship between CSRO and performance ($d = 0.490$; $t = 9.089$).

Sub-Model 1 encompassed all the hypothesized relationships once the competitive success was included within the model. Results revealed that b_1, c_1 and a´ were significant as direct effects. In contrast, individually, Sub-Model 2 only encompassed the new relationships once innovation was included (e_1 and f_1 were significant as direct effects) but b´ revealed no significance in supporting the power of innovation to mediate between CSRO and performance.

Following Williams and MacKinnon (2008) for quantifying and contrasting mediating effects, we used both direct and indirect paths to perform bootstrap re-sampling. As is indicated, the estimation of significance and the size of the indirect effects in relation to the total effect was performed through the assessment of the variance accounted for (VAF). It was possible to determine the extent to which the variance of the dependent variable was indirectly explained via the mediator variables. According to Hair et al. (2014), as Table 7 shows, VAF was 62% for the total effect of innovation on performance, which means partial mediation of competitive success. Results for the total effect of CSRO on performance gave a VAF value of 90%, expressing full mediation.

Figure 2. Sub-Models addressing total, direct and indirect effects

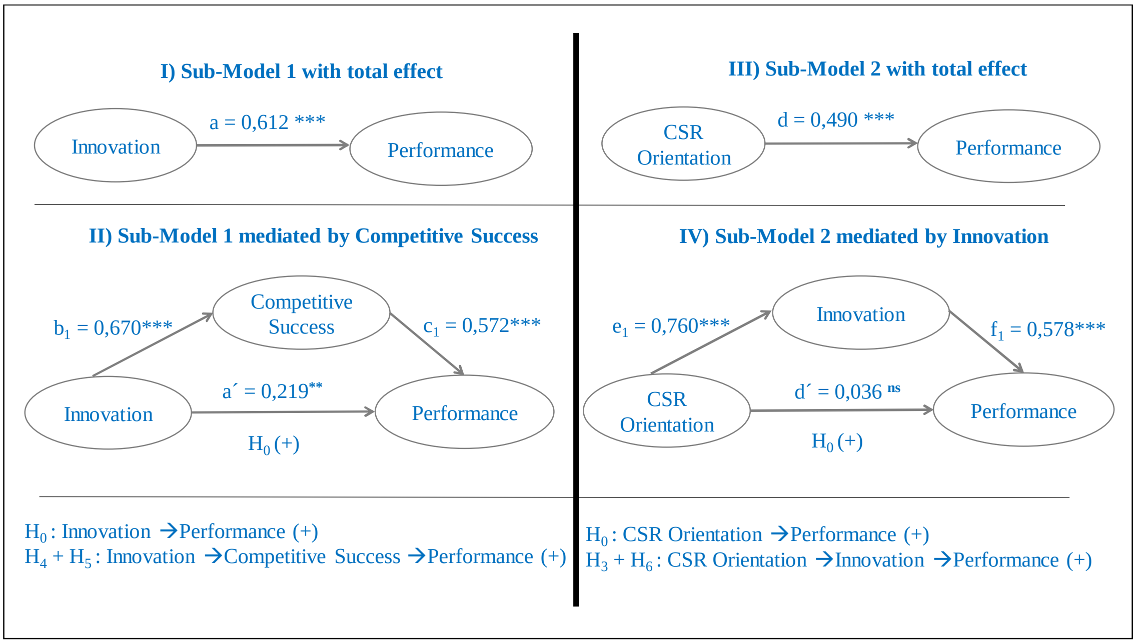


Table 7. Assessing total, direct and indirect effects

Sub-Model 1										
Total effect of Innovation on Performance			Direct effect			Indirect effects				
Coefficient	t-value		Coefficient	t-value		Point estimate	Coefficient Intervals Bias Corrected			VAF
							Bias	2.5%	97.5%	
0.612***	10.916	H_6=a´	0.219	2.325**	Total = $b_1 * c_1$	0.383	0.005	0.003	0.339	62% (partial medition)
Sub-Model 2										
Total effect of CSR on Performance			Direct effect			Indirect effects				
Coefficient	t-value		Coefficient	t-value		Point estimate	Coefficient Intervals Bias Corrected			VAF
							Bias	2.5%	97.5%	
0.490***	9.089	H_7=d´	0.036	0.26 n.s.	Total = $e_1 * f_1$	0.439	-0.001	-0.193	0.381	90% (full mediation)

Discussion and conclusions

While researching CSR topics, we considered the fact that developed and developing countries have different priorities and values that shape their way of doing business. Although CSR is viewed as one of the most important issues of our time, it is still an underexplored topic in African countries. Our study adds to the existing literature to date on sustainable management with an empirical contribution in a very new context of study, North-West African firms from Guinea Bissau and the Ivory Coast. The theoretical contribution of the study, the proposed model and the empirical study are completing a gap in existing research. More specifically, this paper contributes to the generation of knowledge on CSR in Africa in the following aspects.

First, in line with previous research conducted on the CSR and performance issues in developed countries, this study demonstrated that the CSRO of firms in two different North-West African countries could be also considered as a multidimensional concept composed by the information and response dimensions. Bearing in mind the hierarchical nature of the model, data from the countries considered allow us to confirm the three-dimensionality of this construct when studied in isolation. In this respect, H1 was accepted. The proposed model is based on the market orientation concept of Kholi and Jaworkshi (1990) and the CSR model developed by Gallardo-Vázquez and Sánchez-Hernández (2014a, 2014b). However, this work uses the basis of these models to extend it to North-West African companies in a new and more complete, accurate and embracing way. For the first time, to the best of our knowledge, CSRO is presented as a third-order construct. The model proposes, analyses and empirically proves that CSRO has three dimensions (information, diffusion and response) and at the same time the response is expressed by the economic, social and environmental axes. This theoretical background has been considered before in other contexts, different from African firms, but separately, and never before in the same model. Thus, this article contributes to the state of the art by validating the existing models in African firms and, at the same time, by offering a very complete model presenting CSRO as complex as it is, deploying its dimensions for a better understanding of its multifaceted nature.

Second, and related to the variable response, we confirm that the three classical components are significant: the economic, social and environmental dimensions, according to previous literature (Van Marrewijk, 2003). However, when analysing the significant items in each dimension, it has to be highlighted that the emphasis is given especially to the economic and the social issues, mainly when they are related to human resources. The managers surveyed are clearly focused on the management of economic and social aspects of CSRO instead of environmental issues. That is, concern with providing high quality products and services and concern with improving the quality of life of employees. That includes offering equal opportunities for all staff, having dynamic mechanisms of dialogue with employees, giving consideration to workers' proposals in the firm's management decisions, relating workers' salaries to their skills and the results obtained, and increasing the level of health and safety at work to be higher than the minimum legal required. In all of these aspects, we can conclude that the sample shows a specific social orientation towards CSR. This trend may be associated with the economic fragility and the social situation in these countries (Akpan 2006; Campbell, 2012; Renouard and Lado, 2012; Shaw, 2015).

Third, this study incorporates a model that enlarges the classical CSR-financial performance relationship to the broader CSR orientation-performance where the dependent variable was not only a financial outcome (Kropp et al., 2006; Tarus, 2015). Instead, the concept of performance includes a broader view of the effects of the CSRO in companies. In our view, this must be very useful in developing countries, given that the construct considers the existence of a significant number of intangibles created by CSR that are the most important in the first stages of CSR development.

This study provides several useful implications. Firstly, for academics, considering the young state of CSRO-performance research in Africa, this study provides that there is a positive perception of sustainable management and a corporate response to new challenges (economic, social and environmental dimensions of CSRO), although special emphasis is given to economic and the social issues, mainly when they are related to human resources. The study supports the fact that a specific orientation to CSR is emerging in firms in the countries studied. This orientation is in the first stage, focused on economic and social aspects but a future evolution is expected to environmental aspects as well. This emergent CSRO also translates into superior performance for these companies but fundamentally when this orientation is translated into innovation. It has been demonstrated that the indirect effect of the necessary culture change switching to CSRO in firm performance is fully mediated by innovation. Additionally, we defined a set of measurement scales for the cooperative field whose real significance will arise from the application and evaluation of its use in these businesses.

Secondly, the study provides several useful implications for international policymakers who design or try to implement guidelines for CSRO policies. In particular, for emerging countries, the empirical insight of this study from North-West African countries was that the application of CSR has a voluntary setting. Unsurprisingly, most of the results obtained are from studies in South Africa, where implementation of CSR is somehow mandatory. In this way, international entities will be able to obtain useful results in the countries which have voluntary application of CSR in companies to improve competitiveness and reputation in markets in general.

Thirdly, the findings inform local regulatory authorities of the extent of the practice of CSR performance orientation and draws attention to specific areas of practice that require improvement. In particular, authorities should provide specific reporting guidelines focused on the improvement of environmental issues. Furthermore, the pioneering findings of our study in this African region could provide new information for investors and other relevant stakeholders, such as Non-Governmental Organizations (NGOs) which assess labour or firm performance. Mainly in African countries with similar characteristics to the Ivory Coast and Guinea-Bissau in terms of CSRO. This study could help in highlighting understanding of the benefits associated to CSRO, such as market reputation, performance, access to capital, retaining and attracting staff, etc. and we believe that this could influence new approaches and attitudes of African firms in the future.

However, the findings of this study must be interpreted within the context of several limitations. First, the study is limited to two North-Western African countries. Research shows that the CSR model being practiced in Africa was introduced from developed countries, which makes its implementation problematic (Tuokuu and Amponsah-Tawiah, 2016). Particularly, although CSR has become popular in recent times, it is still suffering from peculiar characteristics in Africa. A variety of social, political, economic and legal factors have influenced the way in which CSR principles have been developed in North-Western Africa countries, in particular, Guinea-Bissau and the Ivory Coast. Therefore, sustainable management means different things to different people and its drivers vary from country to country, as does its implementation (Jamali and Karam, 2018). Future studies should draw evidence from other countries, or provide comparative analyses involving the voluntary setting of African and South African countries (obligatory setting) to provide useful insights.

The next limitation of this study derives from the selection of managers who responded to the questionnaires, being aware of the sample. Managers can have different perceptions of CSRO due to the different political and cultural characteristics of the two countries selected. Additionally, this study did not specify the change in managers' perception brought about to the sector and industry in which they operate. Future studies should present a more focused assessment in order to examine the country- and industry-specific characteristics for a better understanding of the differences in the specific features of the CSRO-performance relationship.

The findings of our study should interest those contemplating engaging in sustainable management and socially corporate activities, investors and other relevant stakeholders, such as NGOs who assess labour or firm performance and also policy makers who design or try to implement guidelines for CSR policies in Africa, mainly in the African countries with similar characteristics to the Ivory Coast and Guinea-Bissau. Furthermore, the pioneering findings of our study in this African region could provide new information about CSRO and clarify understanding of the benefits associated with more sustainable management, thus influencing new approaches and attitudes for firms in the near future.

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Annex 1. Measurement Scales (Based on Gallardo-Vázquez and Sánchez-Hernández, 2014a,b)

Information
I am well informed about the CSR actions taken by other firms (INFO1)*
Whenever possible, I look out for and go to meetings and participate in discussions about sustainable development and corporate responsibility (INFO2)*
I consider it necessary to devote time and resources to developing and publicizing CSR actions (INFO3)*
We take specific actions to raise awareness among employees and to train and inform them about the principles of SR and associated actions (INFO4)*
Diffusion
CSR values are present in the firm's vision and strategy (DIF1)
We collaborate with other entities to further CSR (DIF2)*
We publicize the activities we undertake to benefit society and that go beyond the firm's mission (DIF3)*
We are aware of the importance of publicizing socially responsible actions through means of communication (sustainability report, codes of conduct, internal reports, website…) (DIF4)
We participate in professional associations and/or business organizations devoted to promoting CSR development (DIF5)*
Social Dimension
We are in favour of hiring people at risk of social exclusion (S1)
We value the contribution made by disabled people to the business world (S2)
We are concerned about improving the quality of life of our employees (S3)
The salaries we pay are above the sector average (S4)*
Employees' compensation is linked with their skills and performance (S5)*
Our levels of hygiene and safety at work are higher than the minimum legal requirements (S6)*
We are committed to job creation (internships, creating new work posts,.., …) (S7)
We provide employees with professional training and development (S8)*
We have flexible labour policies that permit a good balance between work and personal life (S9)
We take employees' proposals into account when making management decisions in the company (S10)*
All employees enjoy equal opportunities (S11)*
We participate in social projects for the community (S12)*
We encourage employees to participate in voluntary activities or to collaborate with NGOs (S13)
We have dynamic mechanisms of dialogue with employees (S14)
Economic Dimension
We are aware of the importance of enabling employees to have complementary pension plans (E1)*
We take care to provide our clients with high quality products and services (E2)*
Our products and/or services comply with national and international quality standards (E3)*
We stand out for guaranteeing a better price/quality ratio (E4)
The guarantee of our products and/or services is broader than the market average (E5)*
We provide our clients with full and accurate information about our products and/or services (E6)*
Respect for consumer rights is a priority for our management (E7)*
We work hard to create stable and collaborative relations with our suppliers and that are of mutual benefit (E8)
We are aware of the importance of responsible purchasing (we prefer responsible suppliers) (E9)
We foster commercial relations with the region's enterprises (E10)
We have effective procedures for handling complaints (E11)
Our enterprise is worthy of regional or national public support (subsidies, tax benefits, etc.) (E12)

Environmental Dimension
We are able to minimize our environmental impact (M1)
The raw materials, goods to process and/or processed goods are of low environmental impact (M2)
We consider saving energy an important part of reaching higher efficiency levels (M3)
We consider it positive to introduce alternative sources of energy (M4)*
We participate in activities related to protecting and enhancing the natural environment (M5)
We are aware that enterprises should consider reducing their environmental impact when planning investments (M6)
We are in favour of reducing gas emissions and waste, and in favour of recycling materials (M7)*
We take a positive attitude to the use, purchase or production of ecological products (M8)
We value the use of recycled packaging (M9)
Innovation
We strive to undertake research and development projects (I1)*
We launch new goods and services (I2)
We introduce new practices that allow us to capture new national markets (I3)
We introduce new practices that allow us to capture new international markets (I4)*
We are aware of the importance of networking and creating new alliances or partnerships (I5)
We introduce improvements in our production and/or distribution processes or techniques (I6)*
We develop information technologies (I7)*
We boost our presence on the internet (I9)
We implement changes in the marketing area (design, packaging, price…) (I10)*
We introduce new methods with a view to meeting certification standards (I11)
We provide internal or external training for staff with the aim of increasing knowledge and developing the firm's creative work (I12)
We develop new business practices in the organization of work and in the organizational structure (I13)
We introduce standards of production/manufacturing and client management that respect social and environmental aspects (I14)
Competitive Success
In human resources management (C1)*
In training levels and the empowerment of personnel (C2)*
In the leadership skills of our managers (C3)*
In capacities in the marketing field (C4)*
In the quality of our products and services (C5)*
In the quality of management (C6)*
In the technological resources and information systems (C7)*
In the transparency of our financial management (C8)*
In the cohesion of our corporate values and culture (C9)*
In market knowledge, Know-how and accumulated experience (C10)
Performance
Pre-tax profits (P1)
Profitability (P2)
Increase in sales (P3)
Profit margin on sales (P4)
Market share of our goods and services (P5)*
Client satisfaction and loyalty (P6)*
Satisfaction and retention of best employees (P7)*
Corporate image and reputation (P8)*
Shared values and corporate culture (P9)*
Market knowledge, Know-how and accumulated experience (P10)*

Notes: Items in boldface and marked with an asterisks are those validated in this study from the original scales.