



## **An International Comparison of Corporate Social Responsibility**

**Victoria E. Fisher<sup>1</sup>**

Accounting Major  
College of Business, Eastern Michigan University, USA

**Lois S. Mahoney<sup>2</sup>**  
**Joseph A. Scazzero<sup>3</sup>**

College of Business  
Eastern Michigan University, USA

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### **Abstract**

As globalization has increased, so have the increased pressures and expectations for companies to participate in corporate social responsibility (CSR). Using a new database, Sustainalytics Global Platform (SGP), we examined how a globalized economy affects CSR rankings, including the categories of environmental, social, and governance for 4,643 companies in the six international regions of Africa, Asia-Pacific, Europe, Latin America, North America and South America. We found that the regions of Africa, Europe and South America had consistently higher CSR scores for Total CSR and all categories, followed by North America, while the regions of Latin America and Asia-Pacific had the lowest CSR scores. Additionally, we found that the CSR category of governance had the highest CSR scores while the environmental category has the lowest.

**Keywords:** *Corporate Social Responsibility, Sustainalytics Global Platform*

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### **Introduction**

Escalating pressures and expectations of social responsibility involvement for large corporations have resulted from globalization (Mohan, 2006). Corporate social responsibility (CSR), also referred to as corporate citizenship or corporate social performance, can be defined as the economic, legal, ethical, and discretionary expectations that stakeholders have for companies at any given time (Carroll et al., 2012; Carroll, 1979). By 2009, most stakeholders perceived that companies have “ethical and philanthropic obligations towards society” (Jamali and Keshishian, 2009, p. 278). As of 2015, 92% of the 250 largest companies worldwide had some method

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<sup>1</sup> e-mail: [vfisher@emich.edu](mailto:vfisher@emich.edu)

<sup>2</sup> e-mail: [lois.mahoney@emich.edu](mailto:lois.mahoney@emich.edu)

<sup>3</sup> e-mail: [jscazzero@emich.edu](mailto:jscazzero@emich.edu)

of reporting CSR information, with the reporting rates fluctuating between 90% and 96% since 2012 (KPMG, 2015).

As stakeholders increasingly pressure companies to act as socially responsible corporate citizens, those companies must evaluate how best to communicate their commitment to CSR. Due to the inevitable information asymmetry between companies and stakeholders regarding companies' CSR activities, companies may provide signals to stakeholders to demonstrate company commitment to CSR (Clarkson et al., 2011). For example, many will communicate their CSR commitment by including social and environmental information in either stand-alone CSR reports on the company's website or in its annual financial report (Bouten et al., 2011). However, due to the lack of regulatory requirements and the varied and sometimes self-serving nature of CSR reporting (Gugerty, 2009), other methods may also be used to supplement voluntary disclosures of social and environmental information to formulate a comprehensive picture of a company's CSR commitment.

In the past, it was difficult to compare CSR performance across international regions and countries because there was no dependable database that consistently calculated CSR scores of companies across different national contexts. Recently, the Sustainalytics Global Platform (SGP) was made available to analyze how various international companies value CSR. Using a uniform evaluation procedure and methods, including the application of a consistent statistical approach and methodology, this database evaluates CSR scores for companies in over 46 countries. The SGP performs an identical calculation of CSR for companies in various countries throughout the world and thus, the resulting database allows researchers to make "apples to apples" comparison of CSR scores for companies across international geographical regions and countries.

Drawing on this database, our study specifically compared CSR scores among companies located in different international geographical regions, including Africa, Asia-Pacific, Europe, Latin America, North America and South America. Comparing CSR across international companies, allowed us to gain a further understanding of the institutional importance of CSR in different national contexts along with how social and environmental activities are affected by CSR. Our findings provide insights into whether national differences in CSR exist and further our understanding of CSR in various countries as well as the best way to promote additional firm CSR activities.

The paper is structured as follows. The next section is a review of CSR literature followed by the development of our research questions. Following that is a discussion of our sample and CSR calculations. The next section presents our findings, followed by our conclusions with a summary of the key points from our research, as well as a discussion of our study's limitations and suggestions for further research in this area.

### **Literature Review**

CSR encompasses a firm's considerations of its responsibility to investors and consumers, as well as its ethical responsibilities to society, its legal responsibilities to its home government or the law, and its discretionary responsibilities to the community (Carroll, 1979; Griffin and Mahon, 1997). CSR captures how well

companies have met social and environmental expectations of the public and various stakeholders (Clarkson, 1995; Griffin and Mahon, 1997; Hillman and Keim, 2001). According to Wartick and Cochran, CSR incorporates the “interaction among the principles of social responsibility, the process of social responsiveness, and the policies and programs designed by corporations to address social issues” (1985, p. 758). Although wealth maximization has traditionally been considered the primary focus of a firm’s board of directors (Board), CSR is receiving increased attention and board members consider the interests of numerous stakeholders (Donaldson and Preston, 1995; Jones and Wicks, 1999).

CSR implies that a firm voluntarily integrates social and environmental concerns in its operations and interactions with stakeholders (Branco and Rodrigues, 2006). Companies that are committed to practicing CSR are committed to sustainable economic development, to working with employees as well as their families, to local communities, and to society at large to improve the general quality of life (Holme and Watts, 2000, p.10). The CSR concept is used “to cover almost every possible obligation, concern, effect, or responsibility that an organization might encounter including externalities resulting from corporate behavior or neglect of behavior” (Werhane, 2008, p. 271).

CSR practices vary among countries, and factors like industrial, legal, and cultural practices can affect the degree of importance of socially responsible activity within a country. According to Holloway et al. (1999), a firm’s responsiveness to CSR is influenced by the national institutional context in which it operates in. This national institutional context includes legal, regulatory, and professional structures. According to Robertson (2009) CSR should be “strongly influenced by relevant cultural, social, political, and economic factors specific to a particular country, and thus subject to cultural adaptation” (p. 631). For example, companies in Indonesia have recently been obligated to conduct CSR since the passage of Indonesian Law 40 in 2007 (Fauzi et al., 2007)

In 2015, KPMG conducted a survey looking at the rate of CSR reporting across 45 countries. The firm found that while CSR reporting continues to grow, it is growing at a slower rate than in the past. It also found that the main reason for the growth is an increase in regulation requiring CSR (KPMG, 2015). The survey data showed that 73% of the Top 100 companies, operating in 45 countries, and over 92 percent of the 250 largest companies in the world, based on Fortune Global 500, now report on CSR activities, with Asia Pacific leading the way. The data also show that India, Indonesia, Malaysia and South Africa have the highest CSR reporting rates due to recent mandatory and voluntary reporting requirements.

Research has found that those companies that disclose CSR practices and issue standalone CSR reports do so to signal their commitment to CSR and have higher CSR scores (Mahoney, 2012). Additional research has shown that the type and quantity of disclosures vary by both country and time (see, for example, Gray et al., 1987; Guthrie and Parker, 1989, 1990). Furthermore, the literature suggests that a corporation’s age (Roberts, 1992), its capital availability and intensity (Belkaoui and Karpik, 1989), the existence of a CSR committee and the attitudes of senior executives (Cowen et al., 1987; Roberts, 1992; Trotman and Bradley, 1981) are related to a company’s predisposition to make social disclosures.

Hofstede (2001) found that the values that distinguished country cultures from each other can be statistically represented in four dimensions of national cultures: power distance, individualism *vs.* collectivism, masculinity-femininity, and uncertainty avoidance. Vitell, Nwachukwu and Barnes (1993) argue that all four of Hofstede's cultural dimensions relate to ethics in the sense that they influence the individual's perception of ethical situations, norms of behavior and ethical judgment, although no conclusive research has found a correlation between national culture and CSR reporting when comparing multiple countries.

Regional differences in firms' CSR may be described by Matten and Moon's (2008) implicit-explicit conceptual framework where implicit CSR practices are less strategic and deliberate than explicit CSR practices. Yungwook and Soo-Yeon (2010) suggested that a practitioner's fundamental ideas about the corporation's role in society seem to be more important than the practitioner's cultural values to understand CSR attitudes in South Korea. Thus we would expect that the cultures of a company's home country would affect the company's CSR activities. For example, we would expect that companies in countries high in uncertainty avoidance would be subject to more laws and rules associated with CSR, especially in the environmental area. Since CSR is influenced by relevant cultural, social, political, and economic factors specific to a particular country, and as firms face increasing pressure to be more socially responsible, we propose the following research question:

*Is there a difference in CSR scores across international geographic regions?*

## **Methodology**

### **Sample Selection**

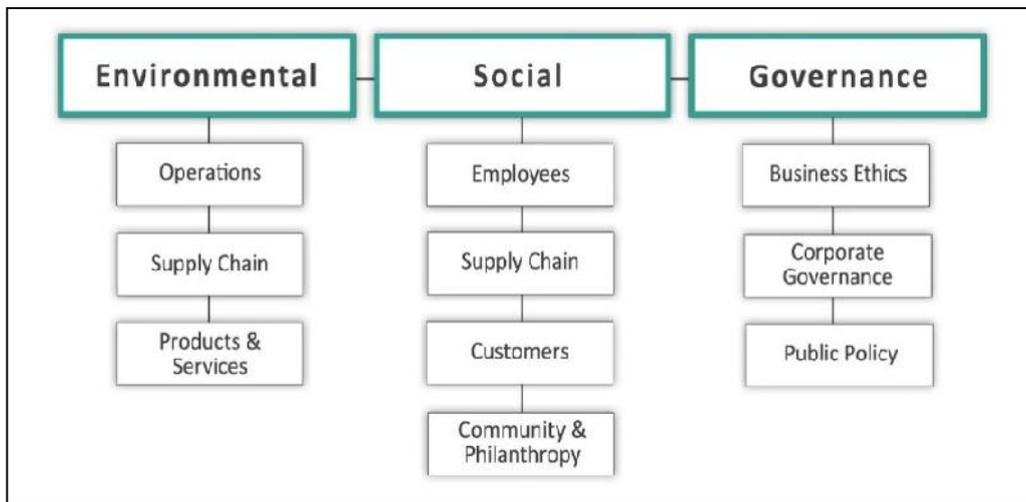
Our sample consisted of 4,643 companies for which Total CSR, Governance CSR, Social CSR, and Environmental CSR scores were available from the 2014 SGP database. Of the 4,643 companies, 97 were from the African region, 1,724 were from the Asia-Pacific region, 1,359 were from the European region, 63 were from the Latin American region, 1,262 were from the North American region, and 138 were from the South American region.

### **Measurement of CSR Performance**

CSR scores used in this study came from the SGP database by Sustainalytics, US Inc. This is one of the first databases to collect, analyze, and calculate CSR scores for companies in six different regions throughout the world, including companies in over 46 countries. This database examines social, environment and governance area of a company by examining 10 different topics that include 70 industry-specific and core indicators (Sustainalytics, 2014). The SGP collects both internal and external data in order to calculate CSR. The SGP obtains information from sources that include environmental and safety policies, annual reports, company codes of ethics, industry and government publications, and interviews with key stakeholders (Thorne et al., 2015). The SGP calculates various CSR scores for each company using a scale of 0 to 100, with various categories given different weights as determined by Sustainalytics. As shown in Figure 1, the Total CSR score consists of three main categories, environmental, social and governance, with each category having further subdivisions

of topics for data measurement. The SGP Environmental CSR score is based on sub scores in operations, supply chain and products and services. The scores for operations are based on the company’s formal environmental policies, as well as their policies on waste reduction, water usage, emissions and as well as an assessment of social impact. The scores for supply chains reflect sustainability stimulation programs and external suppliers’ environmental certifications. Finally, product and service scores are based upon the quantity and quality of sustainability-related service and products, sales resulting from organic products, clean technology, and contentious practices such as the quantity and amount of GMO in products.

**Figure 1. Total CSR Components**



The Social CSR score is made up of five topical performance areas that include employees, supply chain, customers, society and community, and philanthropy. For scores in the employee category, analysts consider work conditions, employee turnover and training, the number of fatalities, employment policies on discrimination and bargaining, and other employee-related issues. Scores for supply chain take into account external social certification of suppliers, supply chain standards, fair trade, and other supply chain-related issues. Customer scores are based on the content and existence of the company’s public policies including data privacy and advertising ethics. Scores for community are based on community engagement, policy on human rights, and community development and engagement programs while the philanthropy score is based on a company’s policy on philanthropic activities, the existence of a corporation foundation, and the amount of donations when compared to net earnings before taxes.

The Governance CSR score is comprised of topics based on business ethics, corporate governance, and public policy. The score for business ethics includes information on the existences of a whistleblower program, policy on bribery and related incidents, animal welfare and clinical trials policy, and other ethics concerns. The score for corporate governance is based upon the company’s board independence and diversity, the existence of audit-related issues, and any other issue involving corporate

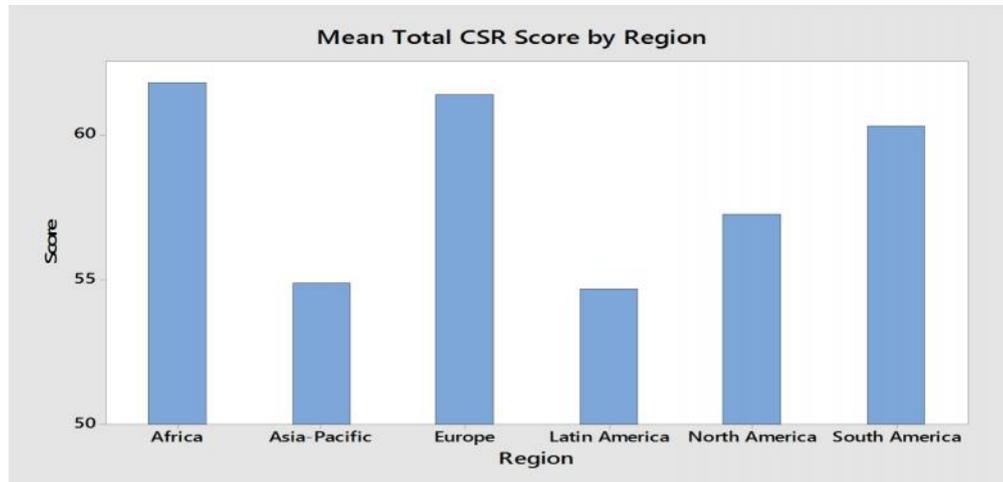
governance. The score for public policy is based upon political contributions and involvement, government payments transparency, and other issues involving public-policy.

After collecting all data, each individual measure is given a score ranging from 0 (worst) to 100 (best) on a scale similar to a Likert scale, and then multiplied by a factor that weights each item according to its significance to the firm's industry peers, as predetermined by Sustainalytics. The scores for Total CSR, Environmental CSR, Social CSR and Governance CSR are calculated from these weighted scores. The present format of the SGP database, which was revamped in 2009, is just beginning to be used in research and is likely to become the new standard for international CSR research (Thorne et al., 2015) as it uses a consistent methodology to calculate CSR scores for companies throughout the world. To our knowledge, two research articles have used this database (i.e. Thorne et al., 2015 and Graafland and Smid, 2015), but neither of these studies compared CSR scores across all international regions. As CSID has been the predominant source of CSR data for Canadian companies and KLD had been the predominant source of CSR data for U.S. companies, it follows that SGP will become the predominant source of international CSR research in the future. In addition, because its scope is wider than KLD and CSID combined, SGP will make it convenient for researchers to access CSR data for more countries in one database, and to have the resulting CSR scores consistently calculated. The use of a single database increases the reliability of CSR score comparisons across international regions for our research (Chelli and Gendron, 2013).

## Results

### Total CSR

Our research question considered whether CSR scores differ across international regions, and to test that, we compared SGP's CSR scores. Figure 2a presents the Total CSR scores by region, and Table 1a presents the mean Total CSR scores by region, along with the standard deviation, and minimum and maximum scores. Africa had the highest mean score of 61.8, followed by Europe with 61.4, South America with 60.3, North America with 57.3, Asia-Pacific with 54.9 and Latin America with 54.7. Table 1b gives the one-way analysis of variance (ANOVA) results showing significant differences in Total CSR Scores by regions ( $F = 79.0$ ,  $p = .000$ ). Using a 95% family-wide confidence level, we then applied the Tukey pairwise comparison procedure to determine the significant differences in Total CSR scores among regions. These results, as shown in Table 1c, showed no significant differences in Total CSR scores among Africa, Europe, and South America, but that all three had significantly higher Total CSR scores than the other regions. North America had the next highest Total CSR score while Asia-Pacific and Latin America had the lowest. We found no significant difference between the Total CSR scores for Asia-Pacific and Latin America. North America had a significantly higher Total CSR score than Asia-Pacific, but not Latin America.

**Figure 2a. Mean Total CSR by Region****Table 1a. Total CSR Score by Region**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Std Dev</i>	<i>Minimum</i>	<i>Maximum</i>
Africa	97	61.8	11.6	38.1	88.8
Asia-Pacific	1,724	54.9	9.0	30.1	89.1
Europe	1,359	61.4	10.5	36.8	91.0
Latin America	63	54.7	9.1	41.9	78.3
North America	1,262	57.3	8.6	39.1	86.7
South America	138	60.3	10.0	35.4	81.4
<i>All</i>	4,643	57.8	9.8	30.1	91.0

**Table 1b. One-way ANOVA Table - Total CSR Score by Region**

<i>Source</i>	<i>DF</i>	<i>SS</i>	<i>MS</i>	<i>F-value</i>	<i>P-value</i>
<b>Region</b>	5	35,316	7,063.2	79.0	.000
Error	4,637	414,520	89.4		
Total	4,642	449,836			

**Table 1c. Total CSR Score Grouping Using the Tukey Method for 95% Family-Wide Confidence**

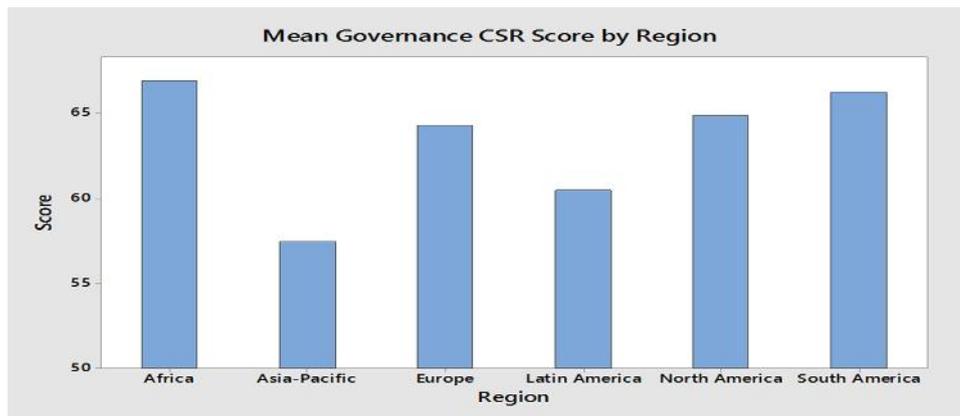
<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Grouping</i>
Africa	97	61.8	A
Europe	1,359	61.4	A
South America	138	60.3	A
North America	1,262	57.3	B
Asia-Pacific	1,724	54.9	C
Latin America	63	54.7	B C

*Means that do not share a letter are significantly different.*

## Governance CSR

Figure 2b presents the Governance CSR scores by region, and Table 2a presents the mean Governance CSR scores by region along with the standard deviation, and minimum and maximum scores. Overall, the Governance CSR scores are higher for all regions than the Total CSR scores. Africa had the highest mean governance score of 67.0, followed by South America with 66.3, North America with 64.9, Europe with 64.3, Latin America with 60.5 and Asia-Pacific with 57.5. The ranking of these Governance CSR scores is consistent with the ranking of the Total CSR scores, except Europe had a lower governance score than North America and South America, and Latin America and Asia-Pacific were reversed as the lowest-ranked regions. Table 2b gives the ANOVA results which show significant difference among Governance CSR Scores by regions ( $F = 99.8$ ,  $p = .000$ ). Using a 95% family-wide confidence level, we then applied the Tukey pairwise comparison procedure to determine the significant differences in Governance CSR scores. These results in Table 2c show no significant difference among Governance CSR scores in Africa, South America, North America, and Europe, and all four regions had significantly higher Governance CSR scores than Asia-Pacific. We found no significant difference between the Governance CSR scores between Europe and Latin America and between Latin America and Asia-Pacific.

**Figure 2b. Mean Governance CSR by Region**



**Table 2a. Governance Score by Region**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Std Dev</i>	<i>Minimum</i>	<i>Maximum</i>
Africa	97	67.0	14.0	37.3	97.3
Asia-Pacific	1,724	57.5	10.3	30.7	100.0
Europe	1,359	64.3	12.0	31.6	98.0
Latin America	63	60.5	12.8	37.9	90.1
North America	1,262	64.9	9.4	38.1	92.5
South America	138	66.3	12.9	37.9	93.8
<i>All</i>	4,643	62.0	11.4	30.7	100.0

**Table 2b. One-way ANOVA Table - Governance Score by Region**

<i>Source</i>	<i>DF</i>	<i>SS</i>	<i>MS</i>	<i>F-value</i>	<i>P-value</i>
Region	5	58,301	11,660.1	99.8	.000
Error	4,637	541,756	116.8		
Total	4,642	600,057			

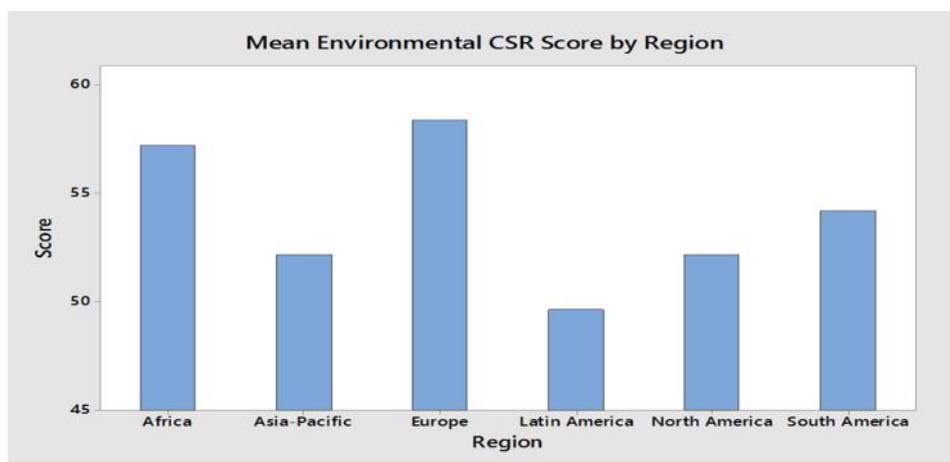
**Table 2c. Governance Score Grouping Using the Tukey Method for 95% Family-Wide Confidence**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Grouping</i>
Africa	97	67.0	A
South America	138	66.3	A
North America	1,262	64.9	A
Europe	1,359	64.3	A B
Latin America	63	60.5	B C
Asia-Pacific	1,724	57.5	C

*Means that do not share a letter are significantly different.*

## Social CSR

Figure 2c presents the Social CSR scores by region, and Table 3a presents the mean Social CSR scores by region, along with the standard deviation and minimum and maximum scores. Overall, the Social CSR scores were higher than the Total CSR score for all regions except North America where it was approximately the same. Africa had the highest mean Social CSR score of 63.0, followed by Europe and South America with 62.6, North America with 57.2, Asia-Pacific with 56.1 and Latin America with 55.7. Overall, the rankings of these CSR scores were consistent with the Total CSR ranking. Table 3b gives the ANOVA results indicating significant differences in Social CSR Scores by regions ( $F = 75.4$ ,  $p = .000$ ). Using a 95% family-wide confidence level, we then applied the Tukey pairwise comparison procedure to determine the significant differences in Social CSR scores among regions. These results per Table 3c show no significant difference among scores in Africa, Europe, and South America and that these regions had significantly higher Social CSR scores than all other regions. Again, North America had the next highest Social CSR score while Asia-Pacific and Latin America had the lowest. We found no significant difference between the Social CSR scores for Asia-Pacific and Latin America and found none between North American and Latin America. North America had a significantly higher Social CSR score than Asia-Pacific.

**Figure 2c. Mean Social CSR by Region****Table 3a. Social Score by Region**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Std Dev</i>	<i>Minimum</i>	<i>Maximum</i>
Africa	97	63.0	11.7	32.2	88.9
Asia-Pacific	1,724	56.1	9.6	20.2	90.6
Europe	1,359	62.6	11.3	35.0	94.4
Latin America	63	55.7	8.9	39.9	72.9
North America	1,262	57.2	10.1	31.7	94.6
South America	138	62.6	10.1	35.8	89.6
<i>All</i>	4,643	58.6	10.7	20.2	94.6

**Table 3b. One-way ANOVA table - Social Score by Region**

<i>Source</i>	<i>DF</i>	<i>SS</i>	<i>MS</i>	<i>F-value</i>	<i>P-value</i>
Region	5	39,984	7,996.8	75.4	.000
Error	4,637	491,516	106.0		
Total	4,642	531,500			

**Table 3c. Social Score Grouping Using the Tukey Method for 95% Family-Wide Confidence**

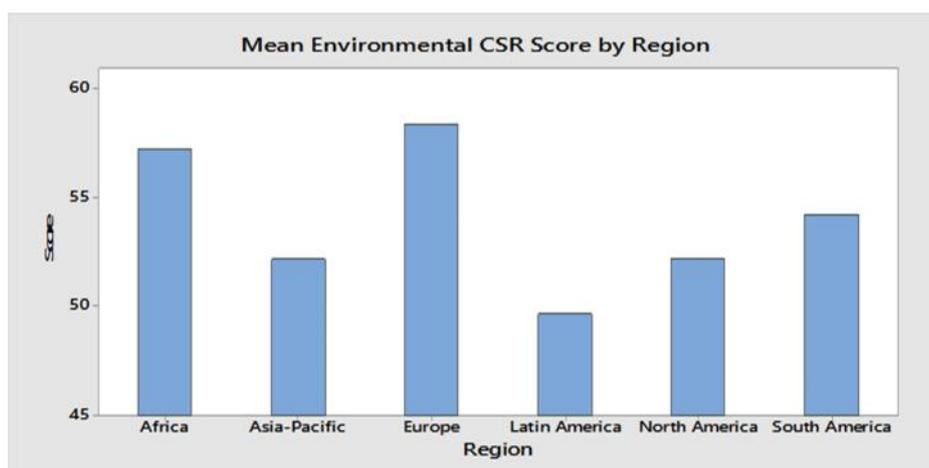
<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Grouping</i>
Africa	97	63.0	A
Europe	1,359	62.6	A
South America	138	62.6	A
North America	1,262	57.2	B
Asia-Pacific	1,724	56.1	C
Latin America	63	55.7	B C

*Means that do not share a letter are significantly different.*

## Environmental CSR

Figure 2d presents the Environmental CSR scores by region, and Table 4a presents the mean Environmental CSR score by region along with the standard deviation, and the minimum and maximum scores. At 58.4, Europe had the highest mean Environmental CSR score, followed by Africa with 57.3, South America at 54.3, North America and Asia at 52.2, and Latin America with 49.7. Overall, the Environmental CSR scores were lower than the Total, Social and Governance CSR scores for all regions. Table 4b gives the ANOVA results indicating significant differences in Environmental CSR scores by regions ( $F = 40.2$ ,  $p = .000$ ). Using a 95% family-wide confidence level, we then applied the Tukey pairwise comparison procedure to determine the significant differences in Environmental CSR scores among regions. These results per table 4c show no significant differences between Environmental CSR scores between Europe and Africa, and both regions had significantly higher Environmental CSR scores than North America, Asia-Pacific and Latin America. South America's environmental scores were significantly lower than those of Europe but not of Africa. We found no significant difference among the Environmental CSR scores of South America, North America, Asia-Pacific and Latin America.

**Figure 2d. Mean Environmental CSR by Region**



**Table 4a. Environmental Score by Region**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Std Dev</i>	<i>Minimum</i>	<i>Maximum</i>
Africa	97	57.3	14.9	31.7	90.2
Asia-Pacific	1,724	52.2	13.8	19.9	95.9
Europe	1,359	58.4	14.4	27.5	93.7
Latin America	63	49.7	12.6	31.7	84.6
North America	1,262	52.2	13.0	28.0	96.0
South America	138	54.3	13.4	22.9	91.4
<i>All</i>	4,643	54.1	14.0	19.9	96.0

**Table 4b. One-way ANOVA Table - Environmental Score by Region**

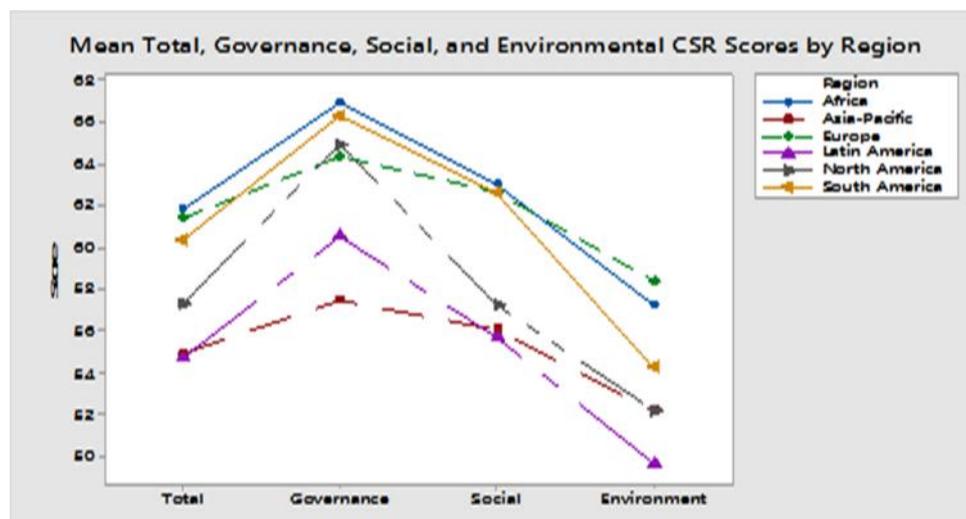
<i>Source</i>	<i>DF</i>	<i>SS</i>	<i>MS</i>	<i>F-value</i>	<i>P-value</i>
Region	5	37,970	7594.0	40.2	.000
Error	4,637	876,730	189.1		
Total	4,642	914,700			

**Table 4c. Environmental Score Grouping Using the Tukey Method for 95% Family-Wide Confidence**

<i>Region</i>	<i>n</i>	<i>Mean</i>	<i>Grouping</i>
Europe	1,359	58.4	A
Africa	97	57.3	A B
South America	138	54.3	B C
North America	1,262	52.2	C
Asia-Pacific	1,724	52.2	C
Latin America	63	49.7	C

*Means that do not share a letter are significantly different.*

Overall, as Figure 3 shows, the Africa region had consistently higher Total, Governance and Social CSR scores than all other regions. This results are consistent with Ioannou and Serafeim (2014) who found that South African companies significantly increased their CSR disclosures and significantly increased their use of reporting using the Global Initiative guidelines after passing mandatory reporting of CSR practices prior to 2011. While Europe had the next highest CSR scores, it was followed by North and South America, depending on the category of CSR score. These results are consistent with Matten and Moon (2008) who suggested that North America has a more explicit framework than Europe, and that North American companies' CSR practices consist of more voluntary programs and strategies. The Latin America and Asia-Pacific regions had CSR scores lower than those for other regions for all categories. These results are consistent with Welford (2004) who found that European companies are ahead of Asia in their CSR activities, with the issue of human rights playing a factor in the lower Asia CSR scores.

**Figure 3. Mean CSR Scores by Category and Region**

### Discussions and Conclusions

Our research examined whether there are differences in CSR scores across international geographic regions and makes a three-fold contribution. First, our findings suggest that company CSR scores differ according to the company's different home regions throughout the world. We found significant differences in the types of CSR scores across international regions. In particular, we found that the regions of Africa, Europe, and South America had consistently higher Total CSR scores than all other international geographic regions, while Asia-Pacific and Latin America had the lowest Total CSR scores with North America's CSR scores usually falling between these two groups. Thus, we found support for our research question that CSR scores do differ across international geographic regions.

We found that the category area of Governance CSR had consistently higher CSR scores for all regions compared to the Social CSR and Environmental CSR scores, while the category of Environmental CSR consistently had the lowest CSR scores. For the category of Governance CSR, we also found that the regions of Africa and South America had consistently higher Governance CSR scores than Asia-Pacific and Latin America regions, which again had the lowest Governance CSR scores. For Governance CSR, Europe and North America scores were slightly lower than Africa and South America, although not significantly lower.

We also found that the category of Social CSR had consistently lower scores than Governance CSR, but these scores were higher or the same as Total CSR scores. Similar to the Total CSR scores, we found that the regions of Africa, Europe and South America had the highest CSR scores while Asia-Pacific and Latin America had the lowest, with North America between the two groups. For the category of Environmental CSR, we found that these scores were consistently lower than for all other CSR scores for every region. Again, Africa and Europe had the highest CSR scores whereas Asia-Pacific, Latin America and North America had the lowest scores.

Overall, we found that Africa was consistently in the top CSR scores in all categories, followed closely by Europe and South America. Only for the environmental dimension did Europe have a slightly, though not significantly, higher CSR score. Also, Asia-Pacific and Latin America consistently had the lowest scores for all categories.

These results provide support for our research question that differences exist in CSR scores across international geographic regions. This suggests that the differences may be caused by differences in institutional national contexts, thus supporting Robertson (2009) who stated that CSR is influenced by relevant cultural, social, political, and economic factors specific to a particular country. Additionally, our findings are consistent with Gray, Kouhy, and Lavers (1995) who noted that different theories may be needed to understand a company's CSR strategies and activities. Thus, it appears that institutional and stakeholder pressures differ among international geographical regions and future research is needed to understand how these pressures influence companies' CSR behavior and their practices. Global corporations should consider these difference in CSR practices when developing their CSR strategies.

Finally, we used a relatively new CSR database, the SGP, which uniformly calculates CSR scores across companies throughout the world. This newly improved database reliably measures CSR and now allows an "apples-to-apples" comparison of how CSR differs among international geographical regions. While some of our findings are not new, this is the first study to statistically validate others' findings using this new database.

There are several implications for our research findings. While most research has focused on firm's CSR within one or two countries, we sought to further the understanding of CSR across companies located in six international regions. By being the first study to specifically examine CSR scores in all these regions, our study contributes to the CSR literature, and in particular international CSR research, by examining the relative rankings of CSR in each region. In addition, our research provides empirical evidence that national institutional context does affect a firms' CSR activities and suggests support for Matten and Moon's (2008) implicit-explicit framework that the differences in CSR among geographical regions and cross-national differences may affect the strategic approach that companies engage in to obtain CSR proficiencies. Furthermore, we add to our understanding of which categories of CSR are most important in each region and how emphasis on different aspects of CSR may vary by region, extending the literature on natural cultures, legal systems, and cross-national corporate governance. Finally, by increasing the exposure of SGP, a relatively new and infrequently used database that consistently calculates CSR scores for companies located in international regions, our study will promote future research on CSR comparisons across international companies.

Similar to others' research, ours has limitations associated with the research method and measurement. The use of this new database adds a level of concern about the validity and reliability of the data used in our analysis. The results of our analysis are only as good as the validity of the database and need to be considered in this context. Future research may want to ascertain the validity and reliability of this database. Also, as many companies in the SGP database operate in many countries and regions beside the country housing their corporate headquarters, the comparison of CSR

scores by regions may not reflect actual practices in these regions. Additionally, our research did not examine specific cultural, legislative, and institutional contexts that may cause these differences in CSR.

Future research may want to examine the impact of specific cultural, legislative, and institutional variables on the CSR scores of companies in different regions. In particular, future research may want to examine differences in CSR using Matten and Moon's (2009) implicit-explicit framework. Furthermore, because disclosure practices may vary by industry in accordance with industry norms, and globalization may result in the diffusion of these practices, future researchers may want to examine the impact of CSR scores by industry within these regions.

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