

**INSTITUTIONAL PRESSURES AND CORPORATE SOCIAL RESPONSIBILITY IN THE
BRAZILIAN FASHION INDUSTRY**

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The purpose of this article is to analyze the relation between the institutional pressures and Corporate Social Responsibility practices in the Brazilian fashion industry, aiming to provide an understanding of stakeholder perceptions with regards to the extant theory. Using a descriptive and quantitative approach to investigate the industry practices, the survey deployed a non-probabilistic, convenience sample from the Industry's association database. In-person and online questionnaires were distributed to participating firms, yielding 112 valid responses. Ordinary regression analysis was used to support our findings, which reveal that the intensity of CSR pressures, the perception of the influence of the stakeholders, and the conflict or consistency of the pressures produce an influence on CSR. Furthermore, anticipation was found to be the most frequent strategic response. The study contributes to the advancement of knowledge in the field, in the context of an emerging market. In addition, the research confirms Pedersen and Gwozdz's (2014) proposition with regards to relations between institutional pressures and Corporate Social Responsibility.

Keywords: Institutional Pressures. Corporate social responsibility. Fashion Industry.

1. Introduction

There is an increasing pressure on firms imposed by the environment. Social norms and expectations are increasingly being placed on firms, demanding them to go further from the simple pursuit of profit (Martín, Johnson, & French, 2011).

A company does not exist in the vacuum and it must interact with society and conform to these pressures in order to survive. Such pressures originate from institutions and form the 'rules of the game' which may be viewed as "the humanly designed constraints that structure political, economic and social interaction" (North, 1991, p. 97). Such rules embody a set of informal controls (sanctions, taboos, customs, traditions and codes of conduct), as well as formal rules such as constitutions, laws and property rights.

The corporate actions that derive from institutional pressures can be viewed as a set of strategic responses (Oliver, 1991). Even though equivalent environmental pressures could be applied to several firms, the responses that they entail may be very different. In other words, the manner and the degree of the firm's actions may range from the proactiveness, to the slavish conformity to such pressures (Pedersen & Gwozdz, 2014).

Corporate social responsibility (henceforth referred to as CSR) is a strategic firm's response to institutional pressures (Jackson & Apostolakou, 2010). Oftentimes, the organization's CSR actions are influenced by external expectations and pressures. Moreover, they could be associated with the firms' attempts to compensate or replace formal institutions (Apostolakou, 2010; Jackson & Vashchenko, 2017). To be sure, the concept of CSR denotes an integration of the firm's social, ethical and environmental aspects, as well as legal requirements and stakeholder obligations with regards to business activities (Aksak; Ferguson & Duman, 2015; Batres; Miller & Pisani, 2010) but the reasons behind recent corporate responsible behavior and the use of CSR practices remain uncertain requiring a better understanding of what forces explain this change in decision making (Thornton, Ocasio & Lounsbury, 2012).

In many industries, the institutional CSR pressures intensified recently, as a result of considerable social and environmental interests (Pedersen & Gwozdz, 2014). After several cases

of environmental degradation, use of hazardous chemicals, widespread public criticism and violation of workers' rights, businesses have increasingly espoused business practices that respond to social pressures and environmentally sustainable actions (Pedersen & Gwozdz, 2014). Hence, from the standpoint of the institutional theory, CSR can be viewed as the strategic response to institutional pressures.

2. Research Objectives

A large body of CSR theory helps us to describe how constituents understand and accept different practices, in specific social contexts (Bondy; Moon & Matten, 2012). However, Most CSR literature focuses on the outcomes of implementing CSR practices and researches call for more systemic studies on what motivates companies to adopt such practices (Thornton, Ocasio & Lounsbury, 2012).

In addition, the CSR literature sheds light on the identification of macro institutional pressures, which in turn promote the adoption and the institutionalization of CSR practices (Bondy; Moon & Matten, 2012). Since CSR is a social phenomenon, it is paramount to understand how it operates in this context (Wang *et al.*, 2016); specifically, the research question is hereby presented: are institutional pressures and Corporate Social Responsibility correlated, in the context of the Brazilian fashion industry?

And so, this article analyzes the relationship between institutional pressures and Corporate Social Responsibility. The choice of the industry is justified by its social significance and environmental impact. In addition, CSR in emerging economies is a poorly understood phenomenon, since much research on this subject is carried out in developed countries (Pedersen & Gwozdz, 2014; Wang *et al.*, 2016). Nonetheless, disruptive institutional is not uncommon in emerging markets, when compared to developed economies (Singh *et al.*, 2018; Oewenthal & Spencer, 2019). Accordingly, the investigation of the firm practices in developing countries are in tune with social and environmental variables (Batres; Miller & Pisani, 2010). We also note that studies related to this theme in Brazil are scarce (Álvarez; Formigoni; & Antunes, 2014; Ikeda; Maclennan & Borini, 2015; Rodríguez & Pérez, 2016) – in fact, none directly addresses the relationship between institutional pressures and CSR.

Specifically, in this article we replicate Pedersen and Gwozdz's (2014) study, which was carried out in the fashion industry of the Nordic countries (Denmark, Norway, Sweden, Finland, and Iceland). By replicating this research, we expect to compare results of developed and developing countries, and expect to bring a scientific contribution to the advancement of knowledge in the field, through the understanding the determinants of CSR. Such knowledge can support decision makers in the pursuit for socially responsible practices. In addition, this research may also bring elements to organizations and entities – such as the Brazilian Textile and Apparel Industry Association -, which would help engage the CSR practices in the industry.

3. Literature Review

Companies are presently making increasing strides to disclose corporate values and socially responsible behavior (Shnayder; Rijnsoever & Hekkert, 2016). In this sense, Campbell (2007) notes that there are varying degrees of CSR adoption by firms. In fact, the increased level expectations for social CSR brought forth several companies that act in a proactive manner, as a response respond to social demands (Vashchenko, 2017; Wang *et al.*, 2016).

Since it does not exist independently from the institutional context of the firm, CSR must be viewed as a social phenomenon (Wang *et al.*, 2016). In that sense, North (1991, p. 97) posits that institutions are “humanly designed constraints that structure political, economic, and social interaction”; in other words, they are made of informal restraints (sanctions, taboos, customs, traditions and codes of conduct) and formal rules (such as constitutions, laws, property rights). Along the same lines, Scott (1995, p.50) defines institutions as “cognitive, normative, and regulatory structures and activities that provide stability and meaning to social behavior”.

These concepts and firm behaviors are named institutional forces, or pressures. Following Scott's (1995) regulatory, normative and cognitive conceptual categories, Abreu, Cunha, and Barlow (2015) posit that the regulatory forces are originated in the regulatory agencies, laws and formal policies. For the authors, the normative forces are the social rules and customs that represent prescriptive, evaluative and obligatory dimensions in the relations that involve the society and the firm. The role of cultural beliefs and cognitive forces are relatively unquestioned by the society. For Pedersen and Gwozdz (2014), the institutional pressures are exercised by stakeholders, as well as by broader and more abstract institutions (such as shared forces, models, cultural and structures of meanings) and then, Stakeholder theory and Institutional theory are the dominant theories used by academics to study the forces driving and motivating CSR practice (Oliver, 1991; Pureza, 2019).

Though all firms are subject to institutional pressures, these forces vary according to the sector, size, and characteristics of the company (Gao, 2011). Even when different companies are subject to the same pressures, their answers may be distinct (Pedersen and Gwozdz, 2014).

The term Strategic Response is defined by Oliver (1991) as the firm’s response to institutional pressures. He categorizes the concept into five types of response: (1) Acceptance, which arises from conscious or unconscious adherence to rules, values and norms; (2) commitment, which represents partial compliance with institutional requirements; (3) avoidance, or the attempt to prevent compliance by concealing its non-conformity; (4) challenge, which refers to challenging institutional rules and values – or resisting compliance; and (5) manipulation, which corresponds to the situation whereby the firm intentionally attempts to affect institutional demands and expectations.

Conversely, Pedersen and Gwozdz (2014) proposed three broad groups of Strategic Responses to institutional pressures. In our study, we adopt the classification of strategic responses proposed by Pedersen and Gwozdz (2014), which are divided into five categories as depicted in Table 1:

Table 1: Strategic Responses

Category	Subcategory	Description
Search Opportunity	Definers	The company tries to advance beyond the requirements / pressures by CSR
	Anticipators	The company tries to fit in advance the CSR requirements
Conformity	Conformists	The company tries to comply with CSR requirements
Resistance	Negotiators	The company tries to relax CSR requirements as much as possible through dialogue and negotiations.
	Rejectors	The company tries to avoid compliance with CSR requirements as far as possible

Source: Adapted from Pedersen and Gwozdz (2014)

Given its social nature, and since the adoption of CSR practice is contingent on institutional pressures, we need to understand the influence of institutional pressures on CSR (Campbell, 2007; Wang *et al.*, 2016). Inspection of Table 2 reveals that several studies have shown that influence.

Table 2: Empirical studies relating CSR and Institutional Pressure

Authors	Context	Key Findings
Sotorrío and Sánchez (2008)	Europe and North America	Region or country influences CSR; significant differences in social behavior between European and US firms/ differences in institutional pressures.
Emtairah, Al-Ashaikn and Al-Badr (2009)	Saudi Arabia	CSR is influenced by local regulatory pressures
Yang and Rivers (2009)	Multinationals (diverse countries)	Subsidiaries adapt to legitimize themselves if they operate in host countries with institutional environments different from the country of origin
Muthuri and Gilbert (2010)	Kenya	CSR is strongly influenced by social, cultural, economic and political conditions (institutional pressures).
Babiak and Trendafilova (2011)	North America	CSR practices are influenced by institutional pressures in the quest for legitimacy
Bondy, Moon and Matten (2012)	UK	Macro institutional pressures are significant in getting companies to engage with CSR.
Surroca, Tribó and Zahra (2013)	Multinationals (diverse countries)	Changing socially irresponsible practices for subsidiaries (countries with institutional pressures for smaller CSR)
Kim <i>et al.</i> (2013)	South Korea	The practice of CSR occurs in response to the regulatory pressures of the national government
Momin and Parker (2013)	Bangladesh	Disclosure of CSR information is viewed negatively (local cultural) - being avoided by subsidiaries as a way of seeking legitimacy
Álvarez, Formigoni and Antunes (2014)	Brazil	CSR practices vary by region where the company is installed
Fifka and Pobizhan (2014)	Russia	CSR determined by the local institutional environment
Hah and Freeman (2014)	Multinationals (diverse countries)	Subsidiaries adopt site-specific practices to gain legitimacy
Pedersen and Gwozdz (2014)	Denmark, Norway, Sweden, Finland and Iceland	CSR occurs in response to institutional pressures
Zuo, Schwartz and Wu (2015)	China	Normative pressures and media coverage have a major impact on CSR
Ikeda, Maclennan and Borini (2015)	Brazil	Subsidiaries installed in Brazil have local CSR strategies, independent of the parent strategy
Abreu, Cunha and Barlow (2015)	UK and Brazil	Developed countries have a clear set of CSR limits and parameters, unlike developing countries
Rodríguez and Pérez (2016)	Brazil and Spain	Influence of the institutional environment for disclosure of CSR data is mediated by local Corporate Governance practices
Famiola and Adiwoso (2016)	Indonesia	Subsidiaries make changes to the CSR policies of the parent company to meet local expectations; Cognitive and normative pressures influence CSR decision making more than the regulatory aspect
Beddewela and Fairbrass (2016)	Sri Lanka	CSR practices influenced by government pressures and 'informal rules of the game'
Rathert (2016)	Eastern Europe	CSR used both to replace and complement the host country's regulatory institutions.
Marano, Tashman and Kostova (2016)	Multinationals (emerging countries)	Subsidiaries adapt to the local institutional environment
Husted, Jamali and Saffar (2016)	U.S.	Companies located in large centers tend to have greater CSR engagement
Ge and Zhao (2017)	China	Form of relationship with Government influences CSR

Kang and Fornes (2017)	United Kingdom and Japan	Mimetic and coercive isomorphism of institutional pressure and local institutional pressures influence CSR
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Source: Silva (2018)

4. Hypothesis and Model

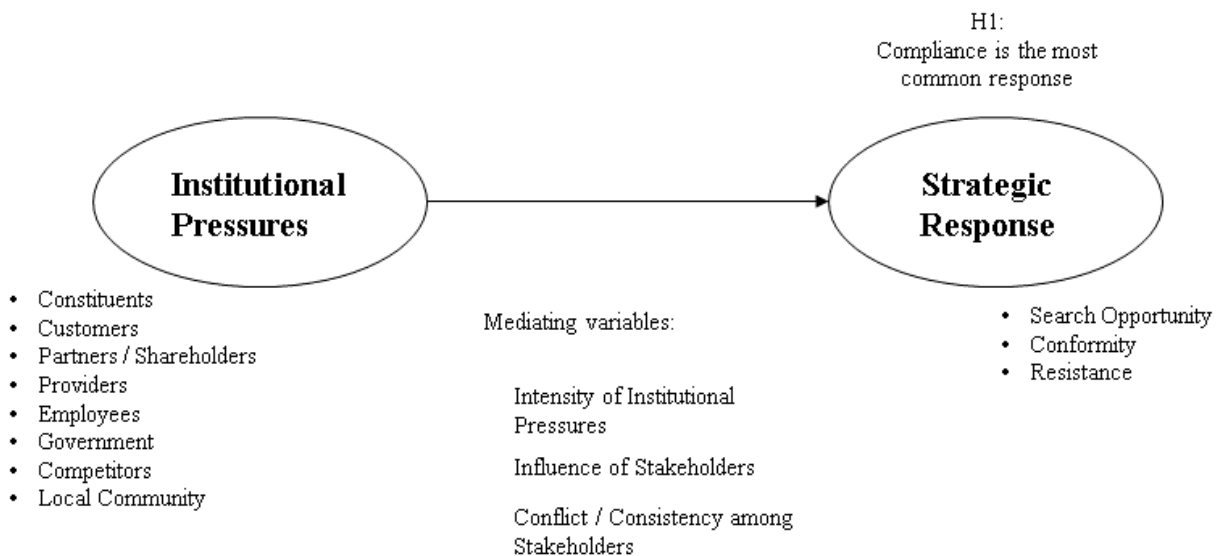
In this article, the conceptual definitions of Pedersen and Gwozdz (2014) are used, since they have already been validated by previous research in the fashion industry. This paper aims to increase our knowledge of the role of institutions in the CSR behavior. This hinges on the assumption that responsible business practices are dependent on the context and the specific environment (Rathert, 2016).

Extant research shows that companies choose to adopt CSR practices in response to institutional pressures in different countries and environments. Authors include Muthuri and Gilbert (2010), Fifka and Pobizhan (2014), Kim *et al.* (1990), Zuo, Schwartz and Wu (2015), Emtairah, Al-Ashaikn and Al-Badr (2009), Rathert (2016), Hah and Freeman (2014), Beddewela and Fairbrass (2016), Famiola and Adiwoso (2016), Sotorrió and Sánchez (2008) and Ikeda, MacLennan and Borini (2015).

In a study in Kenya, Muthuri and Gilbert (2010) conclude that CSR is strongly influenced by national institutional pressures. These predominantly normative pressures influence the focus and manners that CSR is executed. This study also shows that firms respond to the expectations of the stakeholders, with the aim of obtaining legitimacy (Muthuri & Gilbert, 2010). Along the same lines, Pedersen and Gwozdz (2014) suggest that compliance behavior is the most common strategic response. In this sense, we postulate the following hypotheses:

- H_{1a} Compliance behavior will be the most common CSR response to institutional pressures
- H_{1b} Only a minority of firms will choose opportunity and resistance behavior.

Figure 1: Strategic response model to CSR pressures



Source: Adapted from Pedersen and Gwozdz (2014)

According to Gao (2011) and Pedersen and Gwozdz (2014), the intensity of institutional pressures will stimulate the firm's adoption of CSR practices. The literature indicates that institutional pressures are dependent on the context and the manner that such pressures are reflected from the CSR practice. The studies of Fifka and Pobizhan (2014) in Russia, and Kim *et al.* (2013) in South Korea confirm that CSR is shaped by the local environment. In a similar vein, a comparative study between European and North American companies by Sotorrío and Sánchez (2008) found that there are significant differences in the social firm behavior with respect to CSR. The authors note that these differences can be explained by institutional differences – i.e., norms, values, and culture –, according to the regional context (Sotorrío and Sánchez, 2008).

Zuo, Schwartz and Wu (2015) studied CSR in China and have shown that regulatory pressures have a significant impact on CSR practices of companies in the food industry. Analogously, Famiola and Adiwoso (2016) found that in Indonesia the cognitive and normative dimensions drive the decision-making CSR process, from a regulatory standpoint. Also, a study of multinational subsidiaries in Sri Lanka by Beddewela and Fairbrass (2016) found that firms that adopt CSR practices use intangible goals (such as gaining political advantage), and seek legitimacy. Pedersen and Gwozdz (2014) report that the institutional pressures lead to increased opportunity-seeking strategic responses. Since such pressures vary according to the environment, it becomes vital to investigate the relation between the institutional pressures and the adoption of the opportunistic behavior. To achieve this objective, we put forward the following hypothesis:

- H₂ - Institutional pressures by CSR will increase the likelihood of an opportunity-seeking behavior.

5. Method

This study replicates the Pedersen and Gwozdz (2014) work in the Nordic countries. The present article studies the Fashion industry (apparel, accessories and textile manufacturing) in Brazil, comprising more than 32 thousand firms; more than 80% of those are small or medium-sized. According to ABIT (2013), Brazil has one of the most complete textile chains of the western world, which employs 1.7 million people – mostly of female gender, and mainly serving the domestic market (97.5% of the overall production).

The frame of reference of this study consists of the Brazilian fashion industry (clothing and accessory manufacturing and textile manufacturing firms). Our choice of a non-probabilistic, convenience sample derives from the selection of readily accessible respondents (Hair Jr *et al.*, 2005). Accordingly, it is understood that the findings of this study cannot be generalized to other industries or regions.

It should be noted that data was initially pulled from the Federation of Industries' Santa Catarina database; however, given the low return rate, a decision was made to expand the submission of questionnaires in a nation-wide sector event with participating companies.

With regards to the research approach, a quantitative study was carried out to measure perceptions and to assess how often and when the phenomenon takes place (Cooper & Schindler, 2016). Given its exploratory nature, our objective is to achieve a new understanding of the concept, so that subsequent research may investigate new hypotheses, as well as to address specific research questions, and aims to describe the relation between two variables – namely, the influence of institutional pressures on CSR (Cooper & Schindler, 2016; Hair Jr *et al.*, 2005).

The research is grounded on the concepts laid out by Pedersen and Gwozdz (2014) and Gao (2011). Three questions were developed to assess the intensity of the institutional pressure per

individual stakeholder, and a ten-point Likert scale was used to measure the construct – with 0 meaning that there is no pressure; 1, 2 and 3 correspond to a low intensity; 4, 5, 6 and 7 denote medium intensity; and 8, 9 and 10 correspond to a high intensity.

The scale proposed by Pedersen and Gwozdz (2014) to measure strategic responses was used, as follows: (1) Resistance (attempts to avoid compliance with institutional pressures); (2) Compliance (adaptation to institutional environmental requirements); and (3) Opportunity Search (i.e., an out-of-compliance behavior that exceeds external expectations). The three main groups are grouped, respectively, as Negotiators and Rejectors; Conformists; and Definers.

In order to assess the strategic response, the following question was posed for each stakeholder, according to the Pedersen and Gwozdz (2014) guidelines: "what is the typical response of the company to the pressures and charges for Corporate Social Responsibility actions of the groups below?". Firm managers and specialists chose responses corresponding to five categories: (1) The company attempts to advance beyond CSR requirements and pressures; (2) The company attempts to meet CSR requirements in advance, (3) The company responds to CSR requirements (4) The company attempts to relax CSR requirements as far as possible through dialogue and negotiation, and (5) the company tries to avoid compliance with CSR requirements, as much as possible.

The firm's CSR was measured as an additional variable to verify the strategic response. To measure it, we used the same guidelines from Pedersen and Gwozdz's (2014) study: respondents provided an indication of the firm's CSR efforts in five dimensions: (1) Environmentally friendly products, processes and / or services, (2) health, safety and well-being of employees; (3) health, safety and welfare of clients, (4) social and environmental conditions in the supply chain (e.g., code of conduct, social audit), and (5) philanthropy and investments in the local community.

Specifically, respondents were asked to evaluate the firm's efforts, in terms of policies, activities, documentation and communications, using an 11-point scale of 0 = no initiatives and 1 = very little effort will be used for 10 = very comprehensive efforts.

Data was collected from the questionnaire adapted from Pedersen and Gwozdz (2014). This corresponds to the situation whereby a set of questions are presented – the interviewer did not need to be present. According to Hair Jr., *et al.* (2005), the questionnaire is made of a series of questions to measure important characteristics of the phenomenon under study.

The questionnaire was pre-tested in firms where one of the authors had access, in May 2018. All questionnaires were completed, and no hurdles or difficulties were reported. After the pre-test, the questionnaire was sent to the companies, using the Industry's association email database, comprised of 1,697 firms. The document was directed to partners or managers involved in the CSR decision making process, ending in August 2018. During this period, questionnaires were also sent via Facebook, using the social network database. Due to the low response, a decision was made to apply the questionnaires in two national sector events, with the help of an undergraduate student from the International Relations course. Specifically, the survey was carried out during the Marketing event promoted by the Association of Sales and Marketing Officials of Santa Catarina, in May 2018, chosen due to the keynote speakers and prominent industry leaders that attract many firms. A second event, the Brazilian Textile Industry Fair, took place in August 2018, chosen because it is the largest fair in the Americas, with more than 500 exhibitors and 100 thousand visitors, which yielded 50 additional questionnaires, followed by a survey that produced 12 additional responses.

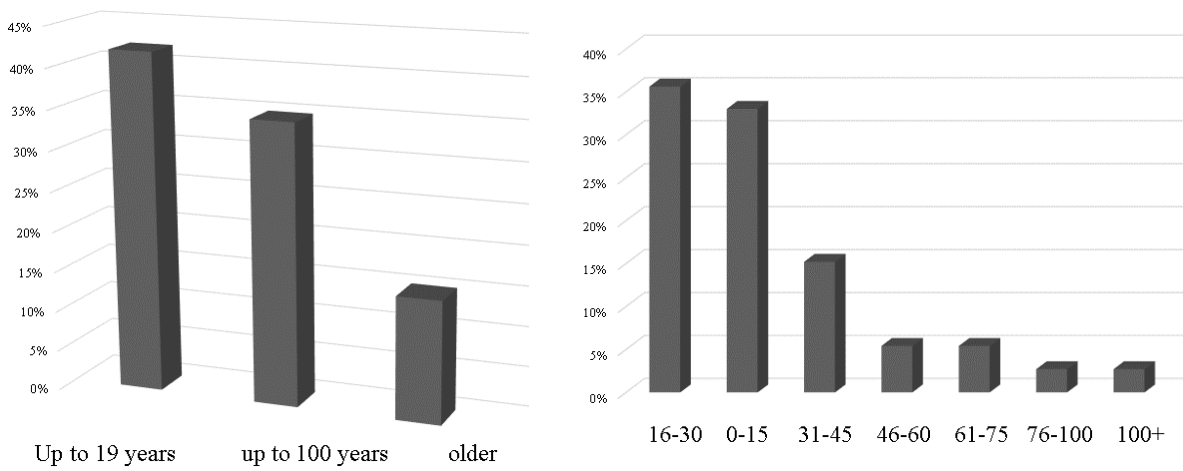
Thus, the final number of valid questionnaires is 112, of which 59 were collected in person and 53 through virtual media. Due to the choices in the on-line questionnaire development process (for instance, mandatory response, limit in the selection of only one option per question), as well

as the pre-test verification, all responses are complete and valid. In line with Pedersen and Gwozdz's work (2014), the study used the multiple regression technique, with independent variables to predict the behavior of the dependent variable (Hair Jr *et al.*, 2009, p.154).

6. Discussion of Results

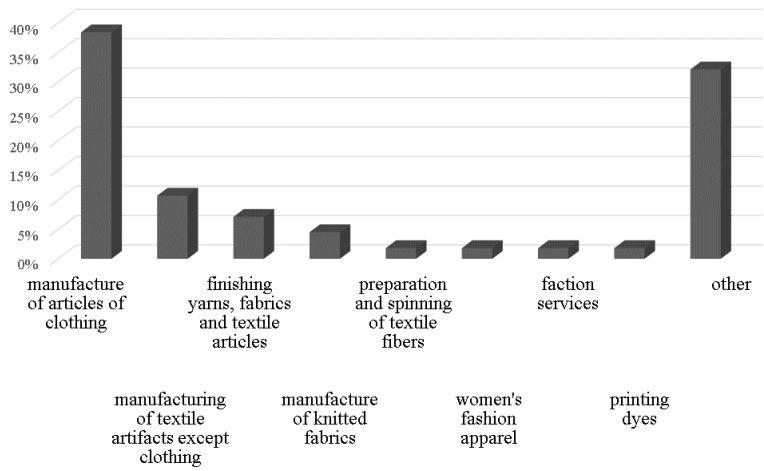
Figures 2 to 8 present the main characteristics of the companies surveyed (number of employees, time of operation, field of activity and category of products):

Figure 2 and 3: Business tenure and number of employees



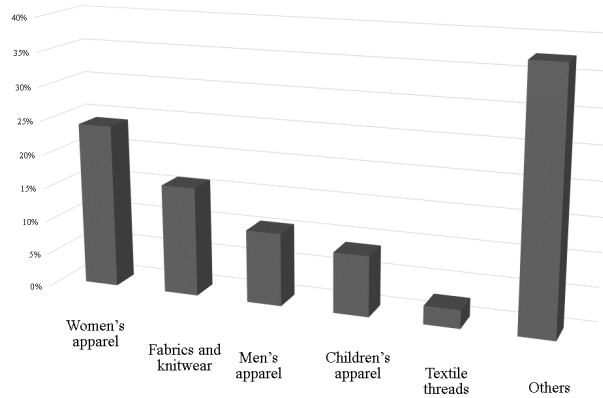
Source: Prepared by the authors (2020)

Figure 4: Type of activity



Source: Prepared by the authors (2020)

Figure 5: Product Categories

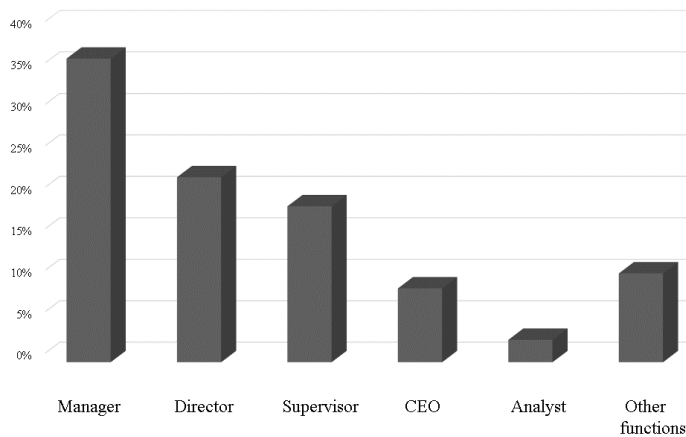


Source: Prepared by the authors (2020)

Regarding the number of employees, most of the participating companies employ less than one hundred people (76.8% of the sample total). Over the period, most companies have been in business for up to 30 years (68.6% of the total); only a fraction of the sample has been in business for more than 75 years (5.4% of the total).

Figure 6 depicts the functions performed by the respondents:

Figure 6: Role of Respondents

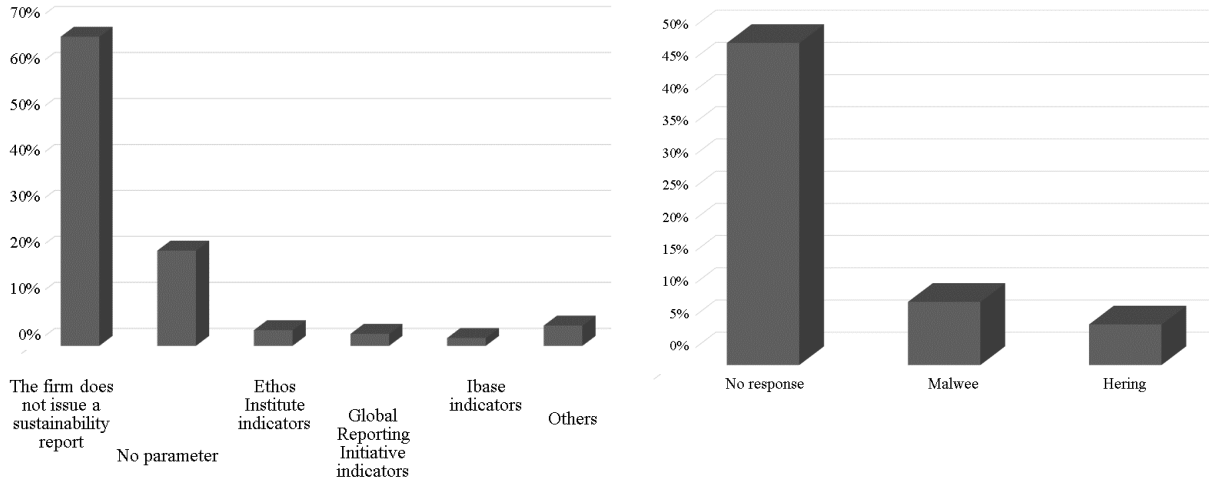


Source: Prepared by the authors (2020)

Inspection of figure 6 shows that the respondents, for the most part, are middle managers (albeit the questionnaire was directed to partners and managers). In some cases, partners and managers directed the questionnaire to different departments (such as Marketing or Human Resources).

Figures 7 and 8 depict the responses to the sustainability reports, and benchmark firms:

Figure 7, 8: Parameters used to prepare the Sustainability Report; Companies Indicated as a Reference



Source: Prepared by the authors (2020)

Inspection of figures 7 and 8 shows that only a reduced number of companies use benchmarks for sustainability reporting (12.1%). Two out of every three companies do not issue such reports; this suggests that there is a low concern within the Brazilian fashion industry. In addition, half of the firms surveyed could not name any company that symbolizes a CSR benchmark. Two major companies were named: Malwee and Hering. All other responses indicated firms from other industries. Table 3 depicts the descriptive statistics with respect to institutional pressures and Strategic Responses for each stakeholder, including the institutional pressure (presented in terms of an average score), and the frequency of the Strategic Response for each category.

Table 3: Strategic Responses and Influence of Stakeholders

Strategic Response	Total	Customers	Shareholders	Providers	Offices	Government	Community	Competitors
Definer	16.0%	16.2% (18)	23.6% (25)	8.7% (9)	19.4% (21)	14.7% (15)	9.6% (8)	19.8% (21)
Anticipator	36.0%	47.7% (53)	34.0% (36)	34.0% (35)	30.6% (33)	34.3% (35)	43.4% (36)	28.3% (30)
Conformist	32.7%	22.5% (25)	31.1% (33)	35.9% (37)	32.4% (35)	37.3% (38)	34.9% (29)	34.9% (37)
Negotiator	11.1%	9.0% (10)	9.4% (10)	16.5% (17)	12.0% (13)	7.8% (8)	10.8% (9)	12.3% (13)
Rejector	4.1%	4.5% (5)	1.9% (2)	4.9% (5)	5.6% (6)	5.9% (6)	1.2% (1)	4.7% (5)
Institutional pressure CSR	5.5 (56)	6.3 (99)	7.0 (102)	4.9 (85)	5.0 (95)	5.8 (95)	4.9 (82)	4.8 (72)

Influence of stakeholder	6.7 (73)	9.0 (111)	8.6 (106)	6.2 (103)	6.0 (108)	6.4 (102)	4.8 (83)	6.1 (106)
Frequency of strategic response (most frequently) (N=112)	Definer 15.2%	Anticipator 39.3%	Conformist 35.7%	Negotiator 8.9%	Rejecting 0.9%			

Source: Prepared by the authors (2020)

Inspection of table 3 shows that institutional CSR pressures and the stakeholder influence are greater when coming from clients, partners and shareholders. This result corroborates the findings of Pedersen and Gwozdz (2014), which posit that the greatest institutional pressure comes from partners and shareholders.

These results challenge the conventional wisdom, since companies may be mainly focused on profits. In addition, CSR seems to be driven by external pressures (Pedersen; Gwozdz, 2014), which could be an indication of the influence of the cognitive dimensions (i.e., meanings attributed to the individuals' reality). In other words, the decisions and personal perceptions of the shareholders influence the firm's CSR. This corroborates the findings of Famiola and Adiwoso (2016), who propose that the cognitive and the normative dimensions have a stronger influence on CSR decision making than the regulatory dimension.

Another interesting result (which derives from the comparison with the Pedersen and Gwozdz study) is that CSR pressures are higher in the Nordic countries than in Brazil. In the first case, there is an overall score of 6.29, whereas in Brazil it is 5.5. These results corroborate extant research that compares different institutional environments, such as Abreu; Cunha; Barlow (2015), Kang; Fornes (2016) and Sotorrío; Sánchez (2008). These studies have shown that firms in the same industry – but which operate in different institutional environments - may be subject to distinct institutional pressures.

Regarding the strategic response, the most frequent response is conformity (but only for stakeholders, employees, government and competitors; for other stakeholders, such as clients, partners, shareholders, and the community), the most common strategic response is anticipation. This finding partially corroborates hypothesis H1_a, which proposed that compliance behavior will be the most common strategic response to institutional CSR pressures; only for some stakeholders this was confirmed.

The fact that companies act in advance towards customers, partners, shareholders and the community suggests that stakeholder legitimacy is necessary. This could be due to increased institutional pressure – which would be the case for clients, partners and shareholders. Alternatively, it could be an issue of the company's image in the local context (i.e. the community, which exerts less pressure on the firm).

The Strategic Response of opportunism (Definers and Anticipators) shows higher response frequency, as well as being the most frequent in the aggregate for all stakeholders. In turn, the Strategic Response of resistance (Negotiators and Rejectors) has lower frequency than other responses. Therefore, hypothesis H1_b (a minority of companies will choose the behavior of search for opportunities and resistance) could not be confirmed. This result differs from Pedersen and Gwozdz's (2014) work, which demonstrated this effect. One possible explanation is that there may be differences in the institutional environments of Brazil and the Nordic countries (which could be

viewed as symbolic of the differences between emerging and developed countries). There is a body of evidence in the literature that suggests that there are significant CSR differences in the countries (Yang; Rivers, 2009). Abreu, Cunha, and Barlow (2015) posit that developed countries have a well-defined set of CSR parameters, whilst these parameters are a bit more imprecise in emerging countries; this would lead to a tendency for companies to develop their own CSR formulations (Abreu; Cunha; Barlow, 2015). According to Jackson and Apostolakou (2010), firms from the emerging countries can make attempts to compensate for institutional gaps or replace formal institutions. This could help explain the prevalence of anticipating responses in this research.

Table 4 presents the results of the regression of institutional pressures and CSR behavior:

Table 4: Institutional Pressures and CSR behavior

	Unstandardized Coefficient		Standardized Coefficient	Sig.
	B	Std. Error	β	
Pressure	0.054	0.029	0.175	0.066

Dependent variable: Response

Source: Prepared by the authors (2020)

Inspection of table 4 suggests that institutional pressure may be marginally accepted as a predictor of CSR behavior. Low institutional pressure leads to resistance behavior response (Negotiators and Rejectors). The lower the perception of influence, the higher the resistance behavior. Conversely, the greater the perception of stakeholder influence, the stronger will be the stimulus for search behavior.

Pedersen and Gwozdz's (2014) support these findings. Our results are also in agreement with several studies that verified the influence of the institutional CSR pressure (Emtairah; Al-Ashaikn and Al-Badr, 2009; Muthuri and Gilbert, 2010; Babiak and Trendafilova, 2011; Fifka and Pobizhan, 2014; Zuo, Schwartz and Wu, 2015, Famiola and Adiwoso, 2016, Marano, Tashman and Kostova, 2016).

7. Conclusions and Contributions of the Study

The present study examined the relationship between institutional pressures and Corporate Social Responsibility in the Brazilian fashion industry. The present results clearly demonstrate that institutional pressures produce an important effect on CSR in our context. The increased institutional pressure will lead to an increase in the Strategic Answers for opportunities, whereas a low institutional pressure stimulates Strategic Responses of resistance.

The results of the present research partially confirm hypotheses H_{1a} and H_{1b}, which state that the compliance behavior will be the most common response to institutional CSR pressures; a minority of firms will choose the pursuit of opportunity and resistance behaviors, as evidenced by the most common anticipatory Strategic Response (within the search for opportunities category).

Our findings corroborate many propositions laid out by Pedersen and Gwozdz (2014) with respect to the institutional pressures and the consistency of such pressures, considering the Strategic Responses. On the other hand, one important difference with respect to the original Nordic study, in which the most common response was conformity, is that in Brazil anticipation is the most prevalent behavior. Other differences were found with respect to the influence of the stakeholders.

Our findings reinforce the idea that CSR is a social phenomenon: it does not exist independently of the institutional context of the firm (Wang *et al.*, 2016). It also supports the notion that companies are more likely to act in a socially responsible manner, as they undergo strong institutional pressures (Campbell, 2006).

The influence of institutional pressures on CSR was corroborated by this study, in line with other extant research, including Husted and Allen (2006); Muthuri and Gilbert (2010); Fifka and Pobizhan (2014) and Zuo; Schwartz and Wu (2015). These effects have also been observed in surveys carried out in subsidiaries of multinationals, whereby the CSR strategies were adapted to the local context in order to obtain legitimacy, and were influenced by local institutional pressures (Hah and Freeman, 2012; Ikeda and MacLennan Borini, 2015; Marano, Tashman and Kostova, 2016; Yang and Rivers, 2009).

In terms of managerial implications, we note that the research provides a relevant academic contribution, as well as laying out best practices that help understand CSR. It has been shown that higher CSR pressures, and the consistency or conflict of pressures produce an influence in the firm's CSR practices. The research also brings to light the fact that there is an urgent need to analyze the institutional environment, by understanding the pressures that subject the company as well as the manner that these pressures occur. Our expectation is that such knowledge will lead to better decision-making managerial practices.

One limitation of this research is the fact that our sample does not allow the generalization of our findings. This is mainly due to the difficulty in securing the necessary sampling requirements, which gave rise to the need to expand the sample nationally. In terms of future research, we suggest that qualitative studies be conducted for an in-depth investigation of the influence of institutional CSR pressures, and to carry out studies with larger samples which would render possible the generalization of results.

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