

**The influence of subsidiary managers on multinational enterprise headquarters'
decisions regarding emerging market subsidiary corporate social responsibility
programmes to create local social advantage**

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ABSTRACT

Purpose

The purpose of this research was to determine how subsidiary managers influence multinational enterprise headquarters' decisions regarding emerging market subsidiaries' corporate social responsibility programmes to create a local social advantage. For the purpose of this study, predominately South Africa-based multinationals with subsidiaries in various African countries were chosen to represent emerging markets.

Design/methodology/approach

The research was conducted using a qualitative research design and a phenomenological research strategy. Semi-structured interviews were conducted to determine how subsidiary managers could influence their multinational headquarters' decisions regarding their CSR initiatives. The responses were thematically analysed to address the research questions and objectives.

Findings

The findings of this research indicate that it is crucial for subsidiary managers of multinational enterprises to play a proactive role in influencing their headquarters' decisions regarding emerging market corporate social programmes, while they also have to navigate global and local contexts and challenges to create a local social advantage. It is imperative that subsidiary managers take cognisance of local context and social or community priorities, legal compliance, and cultural factors affecting CSR programmes in the host country. These have to be balanced against the MNE's own CSR strategies.

Research limitations/implications

The research was conducted largely focusing on African countries as a representative emerging market sample. This limited its relevance to other markets.

Originality/value

The research is original in its context on how subsidiary managers influence multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes to create a local social advantage.

Keywords

Corporate social responsibility, emerging markets, local influence, local social advantage, multinational enterprise, subsidiary manager

PLAGIARISM DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in International Business at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Name & Surname

Signature

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List of abbreviations and acronyms

CSR	Corporate Social Responsibility
CG	Corporate Governance
CR	Corporate Reputation
CSI	Corporate Social Investment
EM	Emerging Market/s
EMNE	Emerging Market Multinational Enterprise
ESG	Environmental, Social and Governance
MNE	Multinational Enterprise
NGO	Non-Governmental Organisation
SD	Stakeholder Dialogue
ST	Stakeholder Theory

CHAPTER 1: DEFINITION OF PROBLEM AND PURPOSE

1.1 Background to the Research Problem

A multinational enterprise (MNE) is an organisation that participates in foreign direct investments and has ownership or control over value-added operations in multiple countries (Dunning & Lundan, 2008). Bıçakcıoğlu-Peynirci (2023) states that research evidence reveals that the internationalisation of emerging market multinational enterprises (EMNEs) has not yet been fully explored, and further research is needed on this topic.

It is essential that an MNE balances many stakeholder interests, which might require trade-offs between employing marginalised communities, improving environmental performance, and improving customer value. However, this might lead to lower profits and share prices, which in turn, could disadvantage shareholders, although this could also result in a transformed MNE (York, 2020). Meyer et al. (2020) emphasise the importance of the MNE subsidiary's optimal subsidiary management and their influence on the resources and decision-making processes. The extent to which the subsidiary managers can make autonomous decisions within their host country directly influences the performance of the subsidiary (Galli Geleilate et al., 2020). Performance can also rely on the level of innovation. The likelihood of subsidiary managers, as stated by Ambos et al. (2023), pursuing an innovation proposal varies, based on the circumstances and the chosen implementation mode.

Bu and Liu (2022) propose a dual agency model, where MNEs act as corporate social responsibility (CSR) agents and as institutional agents, influencing firms and facilitating global institutional influences, especially in MNEs, where increased multinational enterprise presence leads to higher CSR engagement.

Managing a global MNE is complex and this is compounded by the fact that CSR has become a complex field in its own right (Bhattacharyya & Verma, 2020). Therefore, the impact of the performance of the parent firm's CSR on the foreign subsidiaries might vary, depending on the task, and on the institutional and informational aspects of the signalling environment facing the host country's stakeholders (Jiang et al., 2020). However, because of the MNEs' high visibility, parent firms' influence over their subsidiaries, and foreign firms' liability in the host countries, parent firms' reputation risk spillover to their overseas subsidiaries might cause those subsidiaries to use CSR in their host country to reduce such spillover (Zhou & Wang, 2020).

Establishing ethical connections can help companies effectively manage their stakeholders, while they also generate value for all parties involved (Khojastehpour & Shams, 2020). The necessary identification of the key stakeholder groups that could pressurise the MNEs in emerging markets to develop CSR strategies highlights the importance of understanding the dynamics of stakeholder–company relationships (Figueira et al., 2023).

Khojastehpour and Shams (2020) report how firms manage ecological stakeholder relationships in international entrepreneurial and environmental contexts, and they emphasise the importance of ethical relationships and CSR initiatives that are socially entrepreneurial. Nayak et al. (2022) demonstrate that emerging fields of inquiry focus on the link between social advantage and financial success. You (2024) indicates that social norms greatly influence companies that are steered by leaders who are more influenced by local social norms.

1.2 The Research Problem

1.2.1 What causes the need for the current study

Jiang et al. (2020) posit that a parent company's CSR affects the performance of the foreign subsidiary, but that this depends on the task, and the institutional and informational elements in the host country stakeholders' signalling environment. The subsidiary's primary activity and localised parent firm information affect stakeholders' information demands and acquisition patterns, and thereby diminish the parent firm's CSR performance-enhancing influence (Jiang et al., 2020). However, because of the multinationals' high visibility, the parent firms' influence over their subsidiaries, and the foreign firms' liability in the host countries, the parent firms' reputation risk spillover onto their overseas subsidiaries might cause those subsidiaries to use CSR in their host country to reduce such spillover (Zhou & Wang, 2020). However, there is scant research on what local strategies the subsidiary managers employ to enhance the signalling impact of the parent firms' CSR (Jiang et al., 2020) and this presents an opportunity for further research.

1.2.2 Stakeholder identification and management

Exploring the establishment of ethical connections and putting these in place could help companies to manage their stakeholders more effectively and generate value for all parties involved (Khojastehpour & Shams, 2020). Figueira et al. (2023) identify the key stakeholder groups pressurising MNEs in emerging markets to develop CSR strategies. However, the authors also suggest that understanding the dynamics of stakeholder–company relationships in emerging markets (EMs) is important and still requires further investigation.

1.2.3 Social advantage

Khojastehpour and Shams (2020) recommend that further studies ought to analyse the entrepreneurial and social advantage postulated by the Internationalisation Theory and aroused by host country factors. This should be conducted to explore the impact of such host country factor-based advantages on planning, managing, and evaluating international entrepreneurial CSR propositions. Nayak et al. (2022) confirm that further studies are needed to explore the societal dimensions of a competitive advantage, as the balance between corporations' social outreach and their commercial goals to create local social advantage needs to be assessed.

1.3 Academic Problem

As articulated in section 2.2, this research will contribute to the body of knowledge by expanding on extant literature on subsidiary managers' influence on MNE headquarters' decisions regarding EM subsidiary CSR programmes to create local social advantage.

1.4 Practical Problem

Parent company CSR efforts affect the performance of foreign subsidiaries, depending on the task, and the institutional and informational elements in the host country stakeholders' signalling environment. The subsidiaries' primary activity and localised parent firm information affect the stakeholders' information demands and acquisition patterns, diminishing the parent firm's CSR performance-enhancing influence (Jiang et al., 2020). Therefore, the subsidiary managers should seek to identify and ethically manage their stakeholders by influencing the use of CSR in their host country to create a local social advantage.

1.5 Research Purpose

The first aim of the research is to understand how subsidiary managers influence the MNE headquarters' decisions regarding EM subsidiary CSR programmes. The second aim is to explore how the subsidiary manager applies local knowledge to create local social advantage from CSR programmes.

1.6 Conclusion

The first chapter identified the research gaps and aligned them with a research problem. The literature review conducted in Chapter 2 investigates the research gaps in detail within the current body of knowledge regarding the influence of subsidiary managers on multinational enterprise headquarters' decisions regarding the EM's corporate social responsibility programmes in the subsidiary to create a local social advantage. The research gaps identified

in the literature review will be mapped to the research questions in Chapter 3 and serve as a focal point for the research. The research methodology and design set out in Chapter 4 provide the structure for the research questions that were answered. The results of this research are presented in Chapter 5 and Chapter 6 argues these results by considering the literature review. The report is concluded in Chapter 7.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter reviews the literature related to MNEs and their subsidiaries, specifically referring to EM subsidiaries, CSR and the local social advantage. A literature review is an important step in the research process as it identifies what is known and what is not available in the researched field (Saunders et al., 2023, p. 817). The objective of this research is to identify the primary topics and themes related to the subsidiary managers’ influence on MNE headquarters’ decisions regarding the EM subsidiary CSR programmes utilised to create a local social advantage.

The following conceptual model presents the primary constructs to be considered in this chapter, their relationships with each other and with the research gaps and research questions that are developed here.

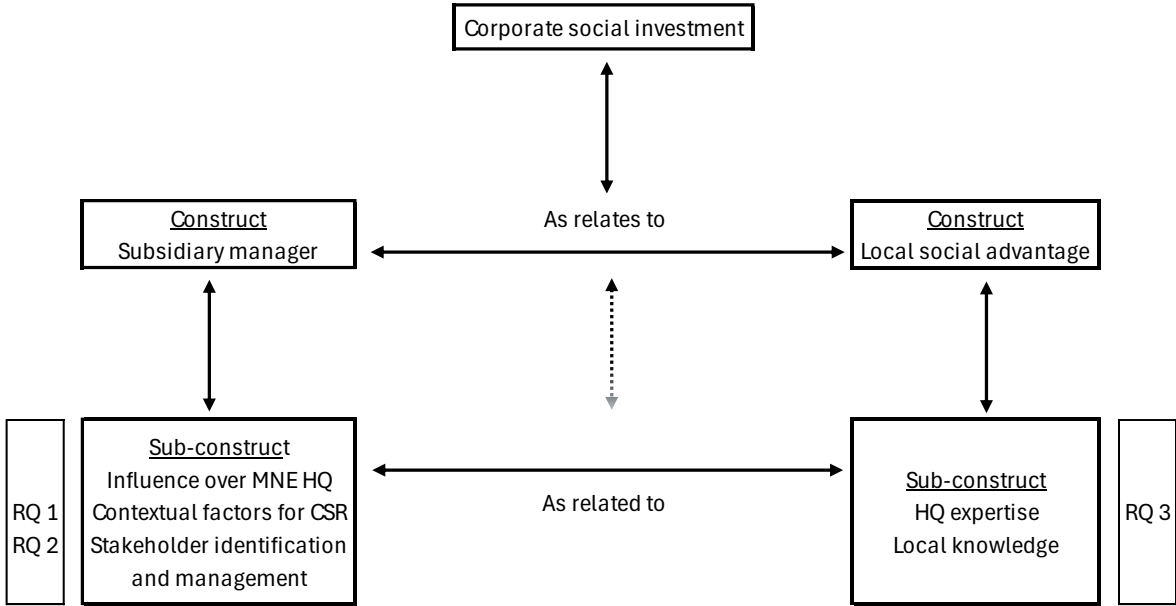


Figure 1: Conceptual model

2.2 Corporate Social Responsibility

2.2.1 Introduction

There is no consensus in the literature on a definition of CSR. Some scholars include it in the definition of doing business (Carroll, 2016) and the CSR purpose is stated to be running a firm that is not only profitable and in compliance with the laws, but ethical and good for society.

This is supported by the macro-level definition of CSR, which includes the set of different activities that business organisations deploy to achieve economic objectives and contribute to environmental and social objectives (Khaskheli et al., 2020; Tiwari et al., 2021). However, the CSR discipline is claimed to be developing further and emerging as a sophisticated discipline in its own right (Bhattacharyya & Verma, 2020).

2.2.2 CSR and corporate reputations

Much literature has been written on the nexus between CSR and corporate reputations (CR). Xu et al. (2022) point out that CSR is a strategic investment aimed at improving the standing of the firm in the eyes of its stakeholders, as well as demonstrating the firm's willingness to be part of the society and working for the greater good. On the other hand, a company's culture or their leadership's worldview, such as being liberal or conservative in approaching CSR, can also affect how effective their firm's CSR can be. For example, companies led by liberal CEOs or headquartered in liberal countries tend to achieve stronger CSR–CR relationships because of their alignment with progressive stakeholder values (Xu et al., 2022).

According to Zhou and Wang (2020), a subsidiary's CSR might serve as insurance when the parent company experiences reputation concerns. When subsidiaries of a company undertake numerous CSR activities, it has the potential to increase their social standing, an effort meant to diminish the firm's reputation risk from spreading and to remedy the adverse effects of its dissemination. It has been observed that there is a direct link between the parent company's reputation risk and the magnitude of CSR activities undertaken by its subsidiaries (Zhou & Wang, 2020).

Awa et al. (2024) and Mukwarami et al. (2020) argue that the specific location of a foreign firm's CSR is essential as it might create an ethnocentric bias, understood mainly as a form of xenophobia, which can be the biggest threat to the firm's image in the country where it is located. Local perceptions of unfair business practices fuel resentment and hostility that can lead to community tensions and a lack of CSR practices exacerbates xenophobic attitudes and behaviour among the local population (Mukwarami et al., 2020).

The dominant role of CSR in a firm's reputation can be explained or supported by practices that rely on theoretical underpinnings. These include the stakeholder theory, which suggests that people's positive attitudes and level of trust increase when their expectations have been met (Freeman, 1984). This is supported by Mukwarami et al. (2020) stating that tensions between local communities and the firms can be eased through an effective stakeholder

engagement, and by creating local employment opportunities and community donations. The use of CSR strategies in a firm allows the firm to be accepted in the local society while performing its operations. This is especially relevant in sectors that are socially or environmentally sensitive (L'Abate et al., 2023). Adequate board transparency and appropriate board attributes, such as board activity, diversity and size, make high-quality CSR disclosure possible (Vitolla et al., 2020). They also decrease the level of information asymmetry and reduce the level of stakeholder distrust toward the organisation (Baraibar-Diez et al., 2017).

2.2.3 Stakeholder dialogue in CSR

Stakeholder dialogue (SD) is critical to successfully implementing CSR (Andersen & Høvring, 2020), especially when dislocations in formal systems occur and the mechanisms that regulate the dislocation are weak or non-existent (Ferri et al., 2022). Ferri et al. (2022) studied in detail how CSR is practised in Southern Africa, a region with serious institutional deficits. Their research shows that corporate motives, that is, the need to make profits, have a say, and have resources, explain the strategies that companies adopt in dealing with stakeholders. Firms quite often treat making profits as one of the reasons for engaging in activities classifiable as CSR and seek to correlate their activities with business functions to achieve viability in the long term (Du et al., 2022). Legitimacy, in contrast, drives most firms to address social pressures and regulatory deficiencies, seeking to fulfil their role responsibly in the host society and internationally (Awuah et al., 2021). On the other hand, the availability of resources sets the width and length of CSR activities, which simultaneously determines how the firms engage with the stakeholders (Ferri et al., 2022).

Ferri et al. (2022) comment on the lack of a structured and broad-based stakeholder inclusion as the reason for why no effective stakeholder engagement tends to be noted and offer the conclusion that inclusive engagement strategies promote trust, understanding, and an effective partnership between companies and communities. This trust becomes essential, especially in cases where there are institutional voids, especially so if there is no trust in what corporations are aiming to do, and such lack of trust hampers CSR activities (Ferri et al., 2022). Awuah et al. (2021) argue that building trust can be accomplished by including the local stakeholders in the decision-making process and by focusing on specific community needs through CSR programmes. This can generate valuable results, both for the relevant companies, as well as for the affected communities.

In formulating new CSR strategies, inclusive stakeholder collaboration can mitigate the concerns of legitimacy, but it can also create avenues for co-creation and value addition (Crane

et al., 2014; Dionisio & de Vargas, 2022). Shi and Veenstra (2021) and Uduji et al. (2022) emphasise that local customs and traditional locals blended into CSR projects in sub-Saharan Africa and intense community involvement create efficient engagement of CSR initiatives. Jamali and Karam (2018) make a case for stakeholder engagement approaches being distinctive for each context, especially for developing countries, where companies experience a unique set of social, cultural, and economic situations and problems.

Awuah et al. (2021) posit that there is the contention that companies should be more active, instead of waiting to be approached and work in close relationships with the local population. Such strategies allow companies to fill in the gaps in the sociological models, they establish confidence, and create an environment of win–win engagements, which improve CSR undertakings and contribute to the well-being of the recipients of such initiatives.

2.2.4 Institutional and ethical considerations

Chouaibi and Affes (2021) argue that ethical CSR demonstrates a commitment by companies to operate with accountability, fairness and integrity. It also means that they ensure that their business practices have a positive impact on society and the environment, and by doing so emphasise voluntary action, beyond mere compliance with legal obligations. The limited regulatory environment is one of the defining characteristics of institutional voids and this increases social responsibility's complexity. In such contexts, the moral codes of Ubuntu understanding between related individuals or groups, as well as what is good for the community, can help companies manage their stakeholders more effectively (Ferri et al., 2022). Nevertheless, many times, this ethical demand is difficult to fulfil because of economic constraints.

2.2.5 CSR in emerging markets

In addressing the CSR requirements of stakeholders, enterprises in the emerging economy must adhere to compliance demands and develop adaptive strategies (Awuah et al., 2021). Compliance meets the articulated demands for CSR. On the other hand, when a specific type of CSR is thought to be the one that will best meet the needs of a potential stakeholder, then strategic adaptation will work (Zheng et al., 2015). Firms that seek to have an edge over other businesses tend to use strong corporate brands and focus on improving their performance (Rahman et al., 2019). According to Rahman et al. (2019), CSR increases the relationship between corporate brand equity and business performance.

Awuah et al. (2021) posit that in developing economies, CSR has become a vehicle for MNEs' search for legitimacy and an effective risk management through the use of cost-saving, accountability, dependence and meeting the communities' expectations. Therefore, MNEs have to be motivated by their CSR work to make the relevant decisions, create legitimacy and meet societal challenges. Mato-Santiso et al. (2021) posit that factors such as excessive NGO reliance on corporations serve as impediments to achieving effective, sustainable CSR because of the NGOs' reliance on the corporations' resources. For optimal transfer of CSR initiatives, it is essential to possess a deeper understanding of the local context and the communities involved in the initiatives (Awuah et al., 2021).

2.2.6 CSR in international business literature

Despite the increasing importance of CSR, it is still under-covered in international business. Paul and Parra (2021) report having identified only 35 articles with a CSR focus while conducting a text-mining analysis of the journal JIBS, covering the period between 2000 and 2018. They also state that other significant topics within the journal were corruption, embeddedness, sustainability of the environment, and integration of CSR. However, there appears to be scant attention devoted to non-Western perspectives, especially to countries in Asia and Africa, and also inadequate attention to fluid stakeholder perception and cultural diversity.

2.2.7 Conclusions and implications

Because speculators must lend money to buy assets, the concept of 'Just Transition' has been created as a source of interest and attention since the Paris Agreement (Girón & Ivanova, 2023). The reason for the new focus on fairness and thus, a 'Just Transition', is because planning for these firms' existence, sustainability and their renewed focus on their *raison d'être* after COVID-19, provides them with an opportunity to address climate change, environmental care, and ensure people's health and safety. These changes have been put under pressure as environmental, social, and governance (ESG) funds are experiencing the pressure from underperforming such indexes (Wigglesworth, 2024). This calls for a total overhaul in the investment strategy, based on the assessment of risk and return, and the non-pollution targets.

CSR is a complex topic and it has significant implications for firms aiming to create and maintain a positive and trustworthy corporate image, ensuring stakeholders' participation, and carrying out international business (Paul & Parra, 2021). To realise CSR's full potential, firms have to ensure that they integrate their CSR initiatives with the expectations of various stakeholders and their cultural contexts. They will also have to progress and arrange for

organised stakeholder communication in an effort to build confidence and trust and close the institutional gaps through ethical approaches, such as Ubuntu (Ferri et al., 2022). Future research work should also focus on cross-country perspectives, studies covering a longer duration, and synthesising approaches regarding the contribution of CSR to international business in order to generate new insights (Paul & Parra, 2021).

2.3 The Dynamics of Multinational Enterprises

2.3.1 Introduction

CSR, which can also include corporate social investment, has to do with the activities that organisations undertake, which are meant to benefit society, but which are not mandatory as per law (Lu et al., 2020). Because of the nature of their international diversification, MNEs encounter specific and often unique problems and challenges in implementing their corporate social investment strategies in the context of the various institutional orientations and cultures of their home and host countries (Rodrigues & Krishnamurthy, 2022). The institutional pressures of home-country and host-country settings mean that the subsidiaries have to make many controversial and difficult decisions that, in most instances, are expected to converge onto the CSR of their parent firms (Rodrigues & Krishnamurthy, 2022).

2.3.2 Multinational enterprise and emerging market subsidiaries

A multinational enterprise is defined as any organisation that is engaging in direct foreign investment and holds ownership or even control of value-adding activities in several countries (Dunning & Lundan, 2008). Such MNEs have subsidiaries in these different countries, which enables the holding MNE to compete internationally and domestically by providing certain benefits that are specific to the firm or the country in question (Buckley, 2016; Galli Geleilate et al., 2020). According to Bıçakcıoğlu-Peynirci (2023), there is evidence that suggests that the internationalisation of emerging market multinational enterprises has not been fully realised. Because a logical theoretical framework is lacking, there are divergent research approaches, and the research findings are characterised by some fragmentation.

2.3.3 Balancing power dynamics between MNE headquarters and subsidiaries

MNEs also have the ability to make alterations within their structures to actively manage the set of potential subsidiary–HQ power struggles (Geppert et al., 2016). Centrally controlled headquarters tend to desire a degree of control and coordination over the subsidiaries, but the subsidiaries initially tend to seek a certain level of independence and the ability to exert influence over the central policy (Dörrenbächer & Gammelgaard, 2016). While some authors

recommend that the units comprising the subsidiaries should adjust their marketing efforts in such a way that they dovetail with the MNEs' marketing plan (Sarabi et al., 2020), such adjustments might be detrimental to the headquarter–subsidiary relations during the time of adjustment (Ambos et al., 2020).

To balance dual legitimacy, strategic adaptation to local contexts is a key competitive advantage for MNEs, but they have to comprehend how the subsidiaries manage the various tensions between the local and global powers and the MNE HQ (Conroy et al., 2019). It is critical for resource allocation and prioritisation to satisfy and address all stakeholder demands, and cultural reconciliation that integrates the differences in cultural norms and ethical standards between the HQ and the host country as that can create significant tension (Rodrigues & Krishnamurthy, 2022).

2.3.4 Board diversity and CSR disclosure

The boards' demographics of MNEs, such as gender, educational (mis)match or tenure, are statistically significant variables that affect CSR policies in the organisation (Vitolla et al., 2020). Diversity plays a critical role in enhancing CSR disclosures, as diverse boards bring varied perspectives, skills, and experiences to the decision-making processes (Mohy-ud-Din, 2023). Kahloul et al. (2022) and Peng et al. (2021) posit that women improve both types of disclosures, environmental and social, because they tend to spend more resources on the stakeholders' needs and on innovative problem-solving. Therefore, decisions made by gender-diverse boards are valuable for multinational enterprises, as they help meet the social and environmental demands and provide a source of a competitive edge. Similarly, cultural diversity fosters a better understanding of local and global stakeholder needs, leading to more transparent and impactful CSR disclosures (Mohy-ud-Din, 2023). These disclosures align with the stakeholder theory (ST), which highlights the importance of addressing the economic, environmental, and social dimensions of business (Awa et al., 2024). Evidence from companies in developed markets underscores that diversity-driven boards are associated with improved CSR performance and enhanced sustainability practices, which contributes to organisational legitimacy and long-term value creation (Mohy-ud-Din, 2023).

2.3.5 Institutional contexts and subsidiary behaviour

Most MNEs' subsidiaries are not only faced with pressures that emerge from their home country, but also with those from the host country where they are located. Specifically, subsidiaries that are situated in developing economies might wish to bring their own initiatives for corporate social investment into those of their globally active parent corporations to manage

local expectations and access local resources, and support from local governments (Rodrigues & Krishnamurthy, 2022). The identified gaps in CSR that are evident in host countries across Southern Africa highlight the potential displacement of ethical constructs, such as Ubuntu, within stakeholder dialogues and CSR strategies (Makwara et al., 2023). Ubuntu, rooted in communal values, such as interconnectedness and mutual respect, traditionally informs ethical business practices by emphasising the collective well-being. In the context of where institutional voids or externally driven CSR models are dominant, this indigenous philosophy can become overshadowed (Ferri et al., 2022). Therefore, CSR frameworks might fail to address the socio-cultural intricacies of local communities, and this can lead to disjointed or less impactful CSR initiatives (Makwara et al., 2023). This potential disconnect suggests the need for firms to integrate Ubuntu's principles into stakeholder conversations and CSR strategies to ensure that they resonate with the local ethos and promote sustainable and ethical development (Ferri et al., 2022).

2.3.6 Control of corruption with an insight on corporate governance reporting

Multinational enterprises can very easily be influenced by the level of corruption within their operating environments. Corruption imposes additional costs, increases operational uncertainties, and necessitates legitimacy management through corporate governance (CG) disclosures (Juliao-Rossi et al., 2023). MNEs originating from developed countries, which typically benefit from robust regulatory environments and stakeholder expectations for higher transparency, tend to exhibit a stronger commitment to voluntary CG disclosures (Nwoke et al., 2023). Their enhanced adherence to CG also reflects the strategic response of developed country MNEs to mitigate the liabilities of illegitimacy imposed by stakeholders. Stakeholders expect compliance with higher corporate governance standards and transparency norms in corrupt environments (Juliao-Rossi et al., 2023). Conversely, MNEs from emerging markets often demonstrate lower levels of CG disclosures, shaped by their experience in navigating corrupt environments and fewer legitimacy pressures (Juliao-Rossi et al., 2023).

2.3.7 International subsidiaries' versus headquarters' CSR focus

Corporate social investments (CSI) of the subsidiaries are sometimes differentiated according to the external and internal focus of the CSR objectives. These two focus approaches are discussed in more detail below.

a) External corporate social responsibility

External CSR is characterised by infrastructure investment, which is community-oriented with the aim of enhancing societal goodwill toward the corporation (Rodrigues & Krishnamurthy,

2022). These activities normally seek to involve local stakeholders, such as community members, small-scale businesses and community-based organisations, as a way of promoting sustainable development and addressing social problems (Hiswåls et al., 2020; B.-X. Hsu & Chen, 2023; P.-H. Hsu et al., 2024). These efforts also include the firm developing and maintaining the appropriate interactions with the relevant decision-makers in the government to maintain the government policies' consistency of the objectives and create synergies (Wei et al., 2020). Investment in local infrastructure and development assists in making organisations more reputable and trusted by the community, while it also promotes social and economic progress (Rodrigues & Krishnamurthy, 2022).

b) Internal corporate social responsibility

Internal CSR pivots toward the treatment of employees and the morality of doing business by creating a workplace that meets basic minimum international standards on wages, diversity and inclusion, career progression and wellness, and one that creates an enabling environment (International Labour Organisation, 1999). Internal CSR establishes internal legitimacy by embedding ethics in the everyday work and decision-making, and thereby building trust with employees and other stakeholders (Yang et al., 2022). In this way, the organisations increase employees' job satisfaction, their trust and support of the organisation, staff retention and ultimately, they enhance their global image.

2.3.8 Stakeholder dialogue

Awa et al. (2024) propose a four-stage dialogue ladder to align CSR initiatives with stakeholders' needs. They emphasise the importance of collaboration and mutual benefit to enhance corporate performance and social value. Multinational enterprises are increasingly complex institutions with global operations. Challenges that arise because of operating in such diverse environments tend to be resolved through stakeholder dialogue, which encourages trust and cooperation (Ferri et al., 2022). Künkel et al. (2011) stated that SDs are good for consolidating available skills and knowledge across different sectors to devise new solutions for the common problems they are faced with. For these multinational enterprises that operate in multiple countries, these dialogues can adopt multiple cultural, social and economic viewpoints that are extremely important in the process of a sustainable change process and during the accomplishment of organisational objectives on the international scale (Künkel et al., 2011).

This highlights the strategic role of stakeholder dialogue in MNEs, which also extends to firms having to find ways of dealing with institutional voids, or when there are only limited formal

regulations in place in a country, as illustrated by Ferri et al. (2022). In Southern Africa, the ethics of Ubuntu are highlighted, where people's welfare and interests should supersede business interests; therefore, stakeholder dialogue can ensure that the two sides of business and ethics are reconciled (Makwara et al., 2023). This often leads to communities feeling heard, taken note of and valued, which creates a sense of shared responsibility that makes it possible to build a sustained relationship with the various partners (Ferri et al., 2022).

However, in the case of MNEs, the stakeholder dialogue also provides the means to counterbalance allegations of corporate hypocrisy, especially when it comes to the social responsibility of the business. Andersen and Høvring (2020) maintain that while such dialogues can be labelled 'theatres of hypocrisy', they allow for some degree of aspirational communication and reflexivity in articulating and sharing an organisation's vision, goals and values. They also deal with the problems or drawbacks that need to be acknowledged and placed within context in such a way that it allows the MNEs to remain credible and able to enhance their overall CSR responses. This aspect further highlights the importance of the consolidating role of stakeholder dialogue in changing the discourse and practices of the organisations (Andersen & Høvring, 2020).

The ultimate success of stakeholder dialogue is related to its conceptualisation and how it has been operationalised. As emphasised by Lazo (2016) on the Fukushima experience, effective dialogues are based on relationships of mutual trust, effective articulation among the dialogue participants, and a plurality of voices. For MNEs, it means employing approaches that foster engagement. Rather than only curing the symptoms of the problem for the moment, such dialogues also allow for building coping mechanisms over time (Ferri et al., 2022). They do not only resolve disagreements, but they also create the conditions for forward-looking and collaborative solutions. The value of stakeholder dialogue in MNEs is multifaceted as it stresses the importance of building trust, coping with institutional challenges, enhancing the credibility of CSR, and establishing long-term relations with many different groups of stakeholders (Awa et al., 2024; Ferri et al., 2022).

2.3.9 Conclusion

MNEs and their subsidiaries conduct business in intricate environments that require designing specific barrettes to alleviate the burden linked to institutions and stakeholders. Because of the diversity in management boards, international businesses can implement their ideas for improving the implementation of their CSR measures by taking into account the peculiarities of competing on different institutional fronts.

2.4 Subsidiary Managers

2.4.1 Introduction

MNEs possess a broad organisational structure and a decision-making model, through which they define the strategy and the role of each subsidiary within the operational context (Meyer et al., 2020). While the autonomy regarding decision-making of the subsidiaries enhances the level of functionality and innovation, there is a need for an organisational structure or way that could integrate the subsidiaries into the MNEs' overall strategy (Beugelsdijk & Jindra, 2018). Thus, subsidiary managers, who have decision-making powers, can assist in achieving the desired performance level. According to Decreton et al. (2019), subsidiary executives acquire their roles through HQ interactions, which is critical in aligning organisational objectives and making the HQ's involvement less complex.

Subsidiary managers play a crucial role in MNEs by contextualising HQ's corporate strategies with host country realities. Their influence goes beyond the desired operational management level and it adapts the corporation's strategy, culture and ethics in the business operations in that country (Awuah et al., 2021; Dahms et al., 2022). The subsidiary managers' influence and implementation of CSR requires the involvement of different stakeholders and rational decision-making in a complex institutional landscape (Awuah et al., 2021).

The subsidiary manager's leadership has a strong impact on the performance of the organisation and its strategic orientation (Cortes & Herrmann, 2021). Conroy et al. (2019) conducted an investigation to determine the impact of social and political skills with respect to headquarter relationships. They indicate that the initiative-seeking behaviour of subsidiary managers is beneficial for multinationals as they adapt to dynamic structures, develop social and political tactics, and leverage relationships to sustain influence over HQ's decisions and keep the subsidiary visible. Stendahl et al. (2021) assert that MNEs' headquarters suggest initiatives for improvements and the subsidiary managers act on them. On the other hand, Meyer et al. (2020) suggest that it is not clear how subsidiary managers are able to influence strategic decision-making with respect to the organisational transformation of the MNEs' headquarters. Nevertheless, Ambos et al. (2023) posit that the probability of subsidiary managers pursuing an innovation proposal change is based on the specific circumstances, and the selection of implementation mode tends to trigger subsidiary managers' gain frames (for positive outcomes).

2.4.2 Subsidiary managers and corporate social responsibility

It is common for subsidiary managers to be responsible for developing and implementing CSR practices that meet the economic and cultural environment of the host country. Awuah et al. (2021) argue that subsidiary managers are able to manage stakeholder expectations to legitimate the company while also supporting the community, thereby local norms and their underlying purposes, goals and values are understood and integrated by the managers regarding the parent company's CSR policies. Subsidiaries in developing markets that adopt CSR strategies that are congruent with global institutional pressures, according to Shirodkar and Shete (2021), tend to use CSR as a way to be accepted by the communities and to reduce their liability of foreignness. These strategies are typically initiated by the subsidiaries' managers, who are far more familiar with the specific expectations of the local community and institutions (Ferri et al., 2022).

2.4.3 The role of managerial diversity

The diverse make-up of the top management team's (TMT's) composition affects the performance and emphasis of subsidiary CSR programmes and activities (Dahms et al., 2022). According to Dahms et al. (2022), diverse TMTs include members from different countries, who tend to be capable of making better decisions on various local matters, including the integration of CSR in the organisation. This diversity enables managers to address complex social, environmental and economic needs. Wu et al. (2024) observe that the location of the returnee executives increases the CSR performance through innovative practices and intercultural interaction. This emphasises the need for MNEs to have diverse graduates and managers from different backgrounds and countries in the context of integrating local and global needs and finding solutions for different local challenges.

2.4.4 Navigating institutional complexity

Some managers of MNE subsidiaries work in highly institutionalised environments that differ in terms of regulations, culture, and economy. In this regard, Yang et al. (2022) report that aggressive and assertive managers of the subsidiary tend to take steps not only to observe the local customs, but they also tend to alter the dynamics of the market in their favour. The institution-based view posits that there are two forces that influence the behaviour of subsidiaries: the home institution and the host institution. Yang et al. (2022) suggest that host country institutions, including their initiatives such as the 'One Belt One Road' initiative, influence the CSR activities of foreign subsidiaries. The findings suggest that subsidiary managers are intermediaries between the institutions and the market, which means that they should be able to translate the demands of that institution into specific CSR practices.

2.4.5 Stakeholder engagement

One of the most characteristic element of managing a subsidiary is effective stakeholder engagement as the subsidiary managers are central in the firm earning trust and confidence among the communities, the regulators and other stakeholders in the region (Awuah et al., 2021). Awuah et al. (2021) posit that the active participation of subsidiary managers enables communities and the MNEs avoiding, or the subsidiary manager actively managing possible conflicts, despite having to manage competing interests. Dahms et al. (2022) contend that managers are tasked with handling different stakeholders' requirements while ensuring these are in support of the company's objectives. This involves a thorough knowledge of local political factors and a proactive attitude to open and inclusive participation.

2.4.6 Strategic integration and adaptation

Subsidiary managers are essential players in the localisation of global strategies. Tarnovskaya et al. (2022) outline two strategic types: strategies that react and strategies that plan to meet local needs. The extent to which a manager can combine these two strategies decides how they can unite local linkage and international consistency. Paul and Parra (2021) demonstrate the strategic marketing role of corporate social responsibility in integrating subsidiaries into the host country and that the parent organisation, in relation to its subsidiaries, is in a better position to win the market reputation and diminish the impact of any competitors.

2.4.7 Challenges faced by subsidiary managers

Subsidiaries often face challenges stemming from structural inefficiencies and unrealistic demands made by the communities, including excessive reliance on the subsidiary, which creates dependency pressures. Additionally, poorly adapted policies can exacerbate these problems, highlighting the need for more context-sensitive approaches to addressing community expectations (Awuah et al., 2021; Dahms et al., 2022). Dahms et al. (2022) add that subsidiary organisations that are based in countries with weak institutional structures face many challenges because of a lack of robust normative rules and regulations and the absence of control mechanisms.

2.4.8 Implications for practice

The role of the subsidiary's parent organisation is to provide intensive support to its subsidiary, increase the number of targeting resources, and introduce new policies. Managers will benefit from training programmes in cross-cultural management, in stakeholder management, and by enhancing adaptation implementation (Rodrigues & Krishnamurthy, 2022). Moreover, diversity

in the top management team tend to promote the subsidiary's ability to address difficult challenges. The global and the local aspects need to become integrated and relevant when considering the many objectives that a subsidiary has to achieve when exploiting local advantages that are economically and politically aligned with the objectives of the parent prospect (Dahms et al., 2022).

2.4.9 Conclusion

Effective subsidiary managers are part of the crucial factors who determine how well multinational enterprises perform their business operations in the international market. Their capacity to implement worldwide actions in the local contextual environment, promote CSR activities, and mobilise the stakeholders demonstrates their critical role. Global competition is expected to become increasingly complex, with subsidiary managers in pluralistic societies playing an expanded and pivotal role, which will significantly contribute to the success of multinational enterprises in navigating the global competitive dynamics (Ferri et al., 2022).

2.5 Local Social Advantage

2.5.1 Introduction

Local social advantage emerges from the synergies between businesses and their host communities. For multinational enterprises, CSR has become a crucial tool for achieving this advantage (Khojastehpour & Shams, 2020). According to França et al. (2023), firms have become motivated to engage with environmental stakeholders, while they maintain ethical and socially responsible relationships, ultimately improving their long-term business performance. CSR concerns often focus on business strategies related to ethics and the environment, especially regarding climate change and resource utilisation (Nayak et al., 2022). Nayak et al. (2022) suggest that, while the theory of competitive advantage includes various explanatory branches, some have gained significant traction in understanding social advantage and profit-making success. You (2024) observes that social norms strongly influence businesses, especially those led by local managers rather than remote ones. Furthermore, You (2024) argues that there is a negative bias against responsible social norms, as they are less likely to be praised, compared to the condemnation of antisocial behaviour, which local leaders need to guard against.

2.5.2 The conceptual perceptions of CSR and local social advantage

From a local perspective, the stakeholder theory dictates that an extensive range of stakeholders must be considered, and their problems or needs must be dealt with in a manner

that serves the best interest of society (Modreanu et al., 2024). CSR, which includes addressing social, environmental, ethical, and even philanthropic matters, is regarded as a crucial element in any company's strategy and behaviour (Carroll, 2016; Zhang & Hao, 2024). These theories help explain how the practice of CSR can result in a social advantage in a locality.

The ST posits that businesses have a responsibility to serve a broad array of stakeholders, including employees, shareholders, customers, suppliers, and the wider community. Proactive stakeholder management fosters trust and collaboration, which are critical elements in sustaining both social and economic returns. This approach is especially important in developing countries, where business decision-making often neglects stakeholders' concerns, and thereby exacerbates socio-economic disparities and undermines long-term sustainability (Mu et al., 2024). Institutional theory provides a framework for understanding how corporate norms, cultural values, and legal frameworks shape the actions of multinational enterprises in relation to their stakeholders. In this context, CSR initiatives can serve as a strategic tool for MNEs to establish credibility, mitigate risks, and foster goodwill within host communities (Zhang & de Vries, 2022). This is especially salient in regions with low levels of institutional development, where CSR initiatives aligned with societal expectations can address governance gaps and institutional deficiencies, and thereby enhance the enterprise's legitimacy and contribute to sustainable development (Zhang & de Vries, 2022).

2.5.3 CSR practices in developing economies

CSR practices in emerging countries often align with broader community development goals, as demonstrated by Zhang and de Vries (2022) in the case of multinational enterprises. Institutional theory addresses how corporate norms, cultural values and laws affect an organisation's actions toward shareholders. Modreanu et al. (2024) posit that the multinational enterprises in emerging markets employ comprehensive CSR strategies to address social needs, while simultaneously, they promote economic prosperity through job creation and infrastructure development. By embedding CSR into their operations, these enterprises enhance their competitive advantage and market power, they foster long-term benefits for local communities and contribute to sustainable growth (Modreanu et al., 2024; Tarnovskaya et al., 2022). Typical CSR programmes undertaken in developing countries focus on educational and public health programmes, and programmes aimed at environmental protection (Al-Marri & Pinnington, 2022).

2.5.4 Local concentration and societal enhancement

Modreanu et al. (2024) posit that a strategic difference emphasises the importance of the firms' size in determining the extent and influence of CSR as MNEs have comprehensive mid- and long-term local community development goals, while local small and medium-sized enterprises (SMEs) are more concentrated on direct employee-related community development goals. CSR activities increase the level of trust between businesses and the community and they forge strong social networks that, in turn, enable communities to differentiate themselves and adapt to local conditions (Zhang & de Vries, 2022). In a similar vein, Awuah et al. (2021) note that CSR outreach programmes boost communities' resilience by mitigating poverty and unemployment and foster a business-friendly environment that ensures growth and survival over time.

2.5.5 Social responsibility barriers

The implementation of CSR within and by companies often encounters significant challenges, including high financial expenditures, resource limitations, and insufficient stakeholder awareness (Modreanu et al., 2024). While SMEs frequently struggle to adopt robust CSR practices because of their limited financial, human and organisational resources (De Zoysa et al., 2021), multinational enterprises are better positioned to overcome these barriers (Modreanu et al., 2024). Leveraging their size, financial capacity, and specialised expertise, MNEs are able to integrate CSR into their operations in an effective manner (De Zoysa et al., 2021), addressing resource constraints that hinder SMEs. This disparity highlights the structural advantages of MNEs in advancing CSR initiatives. It also underscores the need for targeted support mechanisms to enable SMEs to participate meaningfully in socially responsible practices (Modreanu et al., 2024). The SMEs' lack of financial resources, together with their inability to apply a full range of programmes because of the high cost of CSR initiatives can be addressed with innovative funding mechanisms and public-private partnerships (Wu et al., 2024).

Modreanu et al. (2024) observe that SMEs lack the know-how to effectively design and deploy CSR activities; therefore, there is room for capacity-building initiatives and platforms for sharing knowledge to address this shortcoming among SMEs and thus make more businesses active participants on developing a local social advantage. The absence of clear guidelines and incentives for CSR can slow its uptake in areas with weak regulatory frameworks (Sun et al., 2021), which can be resolved by working closely with industry associations and by obtaining the policymakers' active support through regulations and other incentive mechanisms (Svystunova et al., 2024).

2.5.6 Corporate social advantage through institutional engagement

The integration of CSR practices with the institutional context where it operates is meant to improve the relevance and the credibility of the corporation. In the case of geography where MNEs invest, interaction between the communities and the MNEs also happens through reactive and proactive mechanisms to resolve the pressing demands of that specific geography or environment. For instance, this could relate to high levels of unemployment, lacking infrastructure, or local conflicts. To address these challenges and thereby prove to the community the high level of commitment by the MNE, various approaches or strategies can be utilised. For example, manipulation and change are proactive strategies that aim at instilling trust, cooperation and innovation, while compromise and conformity are reactive strategies that are aimed at reinforcing the adherence to existing norms (Svystunova et al., 2024). Proactive strategies anticipate stakeholders' expectations, so that problems related to those stakeholders do not escalate into major concerns (Tarnovskaya et al., 2022). Long-term projects allow local communities to integrate into the MNEs' operations and create sustainable local SMEs and position MNEs in a favourable light in the host countries (Zhang & de Vries, 2022). Tarnovskaya et al. (2022) posit that mere compliance with existing rules, situations and processes is necessary for business continuity, but it can hinder progress. Thus, merely meeting institutional frameworks and stakeholders' expectations is a reactive strategy, retaining the status quo.

2.5.7 International case studies of successful CSR implementation

A number of international case studies have documented the potential of CSR in terms of creating a local social advantage.

Chinese MNEs in Africa

Chinese MNEs have broadened their moral legitimacy and respect for local engagement (Zhang & de Vries, 2022) by injecting resources into the local communities' healthcare and education trusts.

Retail sector in Romania

MNEs in the Romanian retail sector have experienced a great elevation of their market influence through developing comprehensive CSR strategies and integrating stakeholders' interest (Modreanu et al., 2024).

Manufacturing sector in Tunisia

The social response activities of MNEs in Tunisia have helped to enhance their corporate social performance and goodwill in the communities (Ghezal & Khemakhem, 2021a).

2.5.8 Conclusion

CSR has an integrative role in the larger economic system because it integrates business organisations with local communities while it creates local social advantages through economic and social development, cooperation and fair business practices. Organisations can improve their relations with the local communities by using their CSR initiatives to align with the needs of stakeholders and conform to institutional frameworks. Evidence from several studies has shown that institutional alignment, forging engagement with all stakeholders, and the adoption of unique, geared strategies are important aspects in addressing the dual objectives of the business and the host country (Ghezal & Khemakhem, 2021b).

2.6 Theoretical Frameworks and Models of Corporate Social Responsibility

2.6.1 Introduction

Many theories have been formulated and advanced by academic and practice-oriented research on CSR that are explanatory and of different magnitudes. A sample of the mainstream frameworks in this field includes the inter-institutional theory of Meyer and Rowan (1977), which was developed further by Risi et al. (2023). It also includes Carroll's (1991) Pyramid of corporate social responsibility, the stakeholder theory (ST) as articulated by Parmar et al. (2010), and an integrative framework by Fatima and Elbanna (2023), which explains that CSR is multidimensional and multi-level in nature and thus, has to be controlled and assessed from various fronts. In order to understand how businesses form, view and carry out CSR, one would have to analyse each of these theories (Alam, 2022), as is the case with the wide range of CSR models developed to help direct corporate CSR (EIAly et al., 2020). From such in-depth analysis, the researcher highlighted two mainstream models: the four-part model proposed by Carroll (1991) that is depicted in the pyramid of CSR vis-a-vis the ST, to explain why business managers might be tempted to commit resources to CSR activities (Mohammed, 2020). However, it is apparent that these models should be examined alongside the criticism raised against them.

2.6.2 Carroll's Pyramid

According to Carroll (1991), the first two components of CSR are referred to as 'the pyramid of corporate social responsibility', consisting of four parts, as defined in Appendix 1. The first two components are a company's *economic* duty, which includes producing goods and services and making profits, as well as a *legal* duty to pursue the organisational goals in a legal manner. Carroll (1991, p. 41) defined the third dimension as *ethical responsibilities*, which includes expectations regarding *standards and norms of fairness and justice*. For example, customers expect certain actions and practices that are not codified in laws. The fourth dimension refers to philanthropic responsibilities that encourage good corporate citizenship and the contribution of resources to communities to improve the quality of life.

2.6.3 Stakeholder theory

Parmar et al. (2010) postulated that a business's core purpose is to maximise value for all of its stakeholders. The ST model has been used in a number of studies examining the effect of COVID-19 on businesses and communities (Ng et al., 2022), as well as a study assessing the role of stakeholders in effecting a company's sustainable practices (Onbuddha & Ogata, 2024). The stakeholder theory also explained how small-scale coffee farmers in emerging markets are being empowered through social innovation (Cortese et al., 2024). The ST has two participant groups – primary stakeholders and secondary stakeholders – that are functional in or around the firm (Onbuddha & Ogata, 2024). These are the firm's employees, its customers, suppliers, government/s, creditors, and investors (see Appendix 1). Therefore, the firm has to undertake a holistic multidisciplinary approach when it aims to meet the competing needs, demands and expectations of each group in a bid to establish and maintain a viable business (Bai & Sarkis, 2022).

2.6.4 Critical evaluation of frameworks

While developing and implementing successful CSR strategies, it is crucial to realise that these models are interconnected. Such realisation will assist business leaders, managers, and consultants when they are developing and implementing the appropriate frameworks (Fatima & Elbanna, 2023). One has to comprehend both the positive and the negative dynamics that might come into play during the implementation of social responsibility policies while analysing the criticisms levelled against either the CSR Pyramid or the stakeholder theory (Huo et al., 2021; Lu et al., 2020). Besides these criticisms, a thorough analysis enables the researchers to consider additional viewpoints and solutions that might not have been presented in the dominant discussion as both models have faced criticism from different aspects of the CSR literature (Fatima & Elbanna, 2023; Risi et al., 2023).

Carroll's four-part model seemed to have been fully analysed, including all the raised criticisms (Beale, 2021). On the other hand, McIntosh et al. (2024) cast doubts about the actual welfare that the various stakeholders are trying to achieve in the first place. It also means that merely focusing on their support enhances the contentions' scope. Cooke et al. (2023) suggest that previous models can be refreshed and strengthened, and the approaches should be integrated as these often deal with a narrow set of economic, legal and ethical environments. Some authors claim that MNEs' aim is beyond business ethics, CSR, or the ST, as their *raison d'être* is about global competitiveness (Özturan & Grinstein, 2022; Trites, 2020). The challenges and opportunities of climate change, resource scarcity, social inequality, and digital disruption require a wider strategy and they imply that the MNEs have to be adaptable and, preferably, have a futuristic structure (Mani & Goniewicz, 2023).

2.6.5 Conclusion

Courrent and Omri (2022) recognise that research evidence shows that factors of commercial sustainability play a dominating role even during the shifts toward responsible practices, with the understanding of the managerial employers' economic and financial gain influencing the adoption of CSR practices. Awa et al. (2024) argue that CSR and the ST are complementary. They urge companies to integrate stakeholder-focused and ethical practices into their normal business strategies and practices to achieve long-term sustainability for greater societal impact. Therefore, because of the importance of the stakeholders in all CSR practices, the stakeholder theory was adopted as the primary theory used in this research.

2.7 Conclusion of the Literature Review

The literature evaluation indicated that further research should focus on acquiring a more profound understanding of subsidiary managers' influence on MNE headquarters' decisions regarding EM subsidiary CSR programmes to create a local social advantage.

CHAPTER 3: RESEARCH QUESTIONS

3.1 Research Questions

The subsequent research questions aimed to uncover how subsidiary managers use local knowledge to influence the MNE headquarters' decisions regarding EM subsidiary CSR programmes to create a local social advantage. Hence, the primary question is:

3.2 Primary Research Question

How do subsidiary managers influence the multinational enterprise headquarters' decisions regarding subsidiary corporate social responsibility programmes to create a local social advantage?

3.3 Research Sub-Questions

The three research sub-questions were derived from the major research question. They were formulated with the aim to provide insight and understanding on how MNEs' subsidiary managers use their local knowledge to influence the MNE headquarters' decisions regarding subsidiary CSR programmes to create a local social advantage.

3.3.1 Research Question 1

What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?

3.3.2 Research Question 2

How can the subsidiary manager identify and manage its stakeholders to create value for all concerned?

3.3.3 Research Question 3

What influence do subsidiary managers have on resources and the decision-making process to create an appropriate CSR strategy?

Table 1 below displays each theme along with its accompanying research problem and specific and unique knowledge gap.

Table 1: Mapping of Research Questions to unique knowledge gaps

Research Question (RQ)	Unique knowledge Gap (KG)
<p>RQ 1: What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?</p>	<p>Theme: What causes the need for further research</p> <p>KG 1: Jiang et al. (2020) posit that a parent company’s CSR affects the foreign subsidiary’s performance, depending on task, institutional, and informational elements in the host country and the stakeholders’ signalling environment. The subsidiary’s primary activity and localised parent firm’s information affect the stakeholders’ information demands and acquisition patterns. This can diminish the parent firm’s CSR performance-enhancing influence (Jiang et al., 2020). However, the parent firms’ reputation risk spillover to their overseas subsidiaries might cause those subsidiaries to use CSR in the host country to reduce such spillover. The risk of such spillover is linked to the MNEs’ high visibility, the parent firms’ influence over their subsidiaries, and the foreign firms’ liability in the host countries (Zhou & Wang, 2020). There is scant research on what local strategies the subsidiary managers employ to enhance the signalling impact of the parent firm’s CSR (Jiang et al., 2020), which presented the need for this research.</p>
<p>RQ 2: How can the subsidiary manager identify and manage its stakeholders?</p>	<p>Theme: Stakeholder identification and management</p> <p>KG 2: Exploring the establishment of ethical connections could help companies effectively manage their stakeholders, and generate value for all parties involved (Khojastehpour & Shams, 2020). Figueira et al. (2023) identify the key stakeholder groups that exert pressure on MNEs in emerging markets to develop CSR strategies. However, the authors suggest that the importance of understanding the dynamics of stakeholder–company relationships still required further investigation.</p>

Research Question (RQ)	Unique knowledge Gap (KG)
<p>RQ 3: How can the subsidiary manager combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?</p>	<p>Theme: Social advantage</p> <p>KG 3: Khojastehpour and Shams (2020) recommend that future studies ought to analyse the entrepreneurial and social advantage postulated by the internationalisation theory and caused by the host country's factors to explore the impact of such host country factor-based advantages on planning, managing, and evaluating international, entrepreneurial CSR propositions. Nayak et al. (2022) confirm that further studies were needed to explore the societal dimensions of competitive advantage, as the balance between the companies' social outreach and commercial goals to create local social advantage needed to be examined.</p>

CHAPTER 4: RESEARCH METHODOLOGY AND DESIGN

4.1 Introduction

This chapter presents the research technique and design by adapting the research onion (Saunders et al., 2023, p. 177). The present study sought to understand how the subsidiary managers use their local knowledge to influence the MNE headquarters' decisions regarding the EM subsidiary's CSR programmes to create a local social advantage. In-depth, semi-structured interviews collected the research data for a qualitative, exploratory approach to the study's stated problems.

4.2 Research Design

4.2.1 Research philosophy

Research philosophy is a set of beliefs and assumptions about the creation and characteristics of knowledge, using either qualitative or quantitative research methods. The qualitative research philosophy focuses on understanding the meaning of human experiences and social phenomena. It is exploratory and interpretive in nature. It uses methods, such as interviews and observation, to collect, typically non-numerical, data and analyse the data by using thematic or content analysis (Creswell & Creswell, 2023, p. 14; Saunders et al., 2023, p. 185).

The quantitative research philosophy, on the other hand, focuses on testing theories and hypotheses by using numerical data. It is deductive and uses methods, such as surveys and statistical analysis, to collect and analyse data (Creswell & Creswell, 2023, p. 13; Saunders et al., 2023, p. 183).

Qualitative research is inherently subjective, as it is based on the researcher's interpretation of the data (Creswell & Creswell, 2023, p. 267). Thus, the ethical qualitative researcher does their best to articulate their potential biases for the benefit of the reader. By contrast, quantitative research purports to be values-neutral and, therefore, objective, with an emotional distance between the researcher and the research subject (Creswell & Creswell, 2023, p. 267).

Das (2021) argues that valuable qualitative research methods, such as case studies, ethnography, and discourse analysis, are preferred for their ability to provide nuanced insights into complex issues, such as socially and politically constructed environmental inequalities, the roles of different stakeholders in shaping conflict, and cultural, historical, and structural

dimensions of justice and inequality. Thus, the nature of the present study was best suited for qualitative research.

4.2.2 Research assumptions

The researcher employed epistemological methods as the assumptions were about knowledge. Epistemological methods question what we know, what is considered acceptable, and the relation between the researcher and the topic being researched. They are characterised by the knowledge of opinions, and subjective evidence from participants, and the researchers reducing the distance between themselves and that being researched (Saunders et al., 2023, p. 134).

4.2.3 Purpose of the design

The researcher adopted an exploratory design to clarify the understanding of the proposed research problem and provide the advantage of being flexible and adaptable to change (Saunders et al., 2023, p. 179). Barratt et al. (2011) endorsed an exploratory approach as it is best suited to asking “what”, “how” and “why” questions. Questions of this type are appropriate in an area of scholarly investigation, where theoretical uncertainty exists, and there is the need for the findings to offer additional conceptual clarity. The subsidiary managers can utilise a range of techniques, for example strategic adaptation, to elicit favourable responses from a specific stakeholder group (Zheng et al., 2015), or they can create ethical relationships to produce stakeholder value (Khojastehpour & Shams, 2020). The present research focused on the subsidiary managers’ ability to use local knowledge to influence MNE headquarters’ decisions regarding the subsidiary’s CSR programmes by immersion in the headquarters and subsidiary-level context and the exploration of individual experiences.

4.2.4 Research approach

The researcher employed interpretivism, which is inductive, as humans create meaning. The use of thematic analysis (TA) as a qualitative analytic method was expected to provide an approach that was both accessible and conceptually adaptable for assessing qualitative data (Braun & Clarke, 2006, 2021). While the application of TA was relatively simple, there were several shortcomings that the researcher had to avoid, i.e. a) the potential failure to analyse the data; b) the use of the data collection questions as ‘themes’; c) poor analysis; d) a mismatch between the data and analytical claims made about it; and e) a mismatch between the theory and analytical claims, or between the research questions and the form of TA used (Braun & Clarke, 2006).

An inductive approach is most appropriate for progressing from specific observations to broader observations and theories (Saunders et al., 2023, p. 53). Woo et al. (2017) endorse the process of induction, which involves analysing observations and identifying patterns and relationships in the acquired data variables that might be extrapolated to a wider population. The present study aimed to add to general observations and theories regarding subsidiary managers' ability to use local knowledge to influence MNE headquarters' decisions regarding the EM subsidiary's CSR programmes (Khojastehpour & Shams, 2020).

4.2.5 Research strategy

The present research employed a phenomenological research strategy, as it was the most appropriate way to examine the stated research problem from the perspective of persons and their experiences (Saunders et al., 2023, p. 829). The use of the phenomenology technique aimed to uncover the collective experiences of subsidiary managers as they face different events (Creswell et al., 2007). To understand the contextual factors influencing subsidiary managers' decisions regarding the subsidiary's CSR programmes at MNE headquarters, the study explored subjective viewpoints and real experiences of both the headquarters' executive and the subsidiary's managers.

4.2.6 Method choice

The researcher opted for a mono-method qualitative choice to explore a specific phenomenon (Saunders et al., 2023, p. 184) within the time constraint of the present study. Qualitative refers to the "data collection procedures or analysis techniques that generate or use non-numerical data" (Saunders et al., 2023, p. 182) and use interviews or narrative analysis. The researcher interviewed the executives of MNEs with headquarters, mostly, in South Africa and subsidiary managers in other emerging markets, who were responsible for CSR to develop a framework for generalisable observations and theories. One exception pertained to the headquarters based in the United States of America with their subsidiaries being based in South Africa. The research gained deeper insights into CSR executives' lived experiences and subjective perspectives.

4.2.7 Time Horizon

Several participants were studied at a specific point in time; thus, the design was cross-sectional (Bryman, 2006) because of the short period allocated to the completion of this research. Cross-sectional studies are inexpensive, easy to conduct and they are helpful for preliminary evidence in studies (Wang & Cheng, 2020).

4.3 Research Methods

4.3.1 Population

A study's population is defined by Saunders et al. (2023, p. 829) as "a complete set of cases or group members" that are the main subject of the research investigation. The context of the study focused on the managers of EM subsidiaries and the executives of MNEs' headquarters across multiple industries.

4.3.2 Sample

The sample consisted of EM subsidiary managers and executives of MNE headquarters who are responsible for setting and managing CSR strategies and spending the relevant allocations. They are integral members of the management hierarchy at the MNE headquarters and the EM subsidiary level. The study targeted senior executives responsible for CSR as the most suitable participants, as these individuals hold pivotal roles as decision-makers inside the MNE headquarters and EM subsidiary and they directly affect the CSR programmes, including the scope and mandates. The sampling criteria are articulated in more detail in section 4.2.4.

4.3.3 Unit of analysis

The individual participants identified in section 4.2.2 served as the unit of observation in the study. As such, the unit of observation was based on a bifurcated sample, evenly split between MNE headquarter executives and EM subsidiary managers. However, inferences were drawn from the resulting data at an organisational level. Therefore, the unit of analysis operated at the meso level.

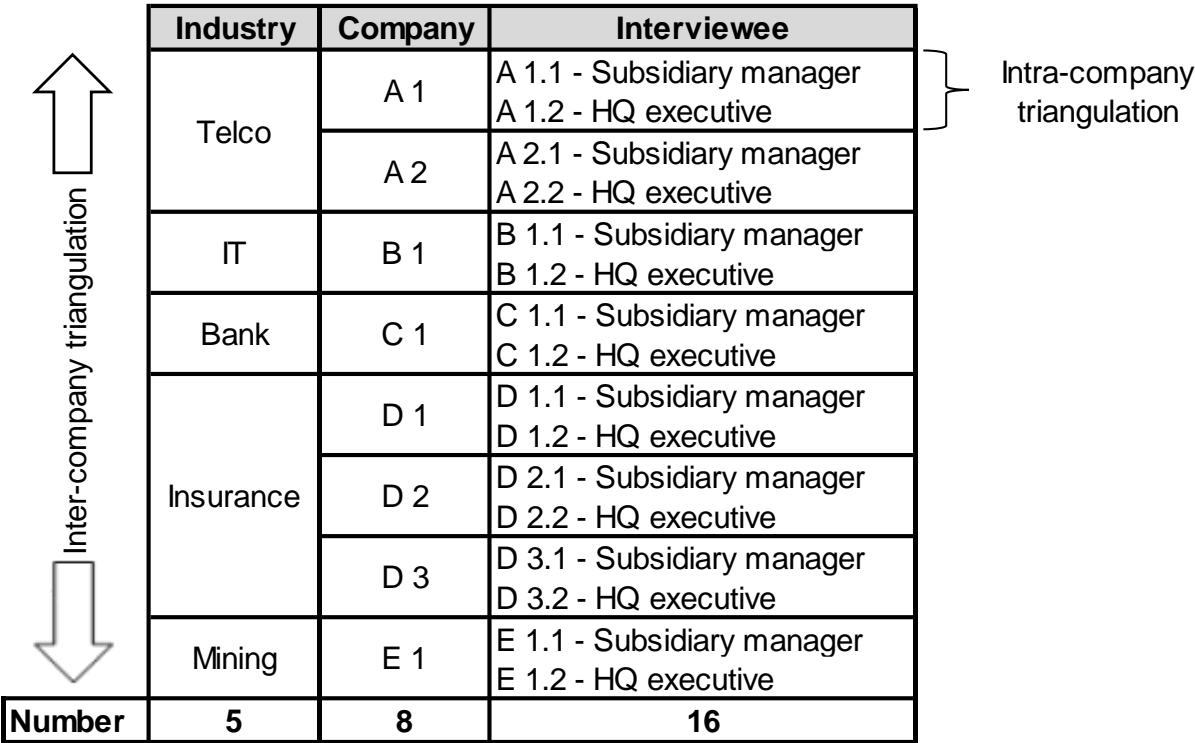
4.3.4 Sampling techniques, sample size and sample criteria

There are two sampling techniques: probability sampling and non-probability sampling. Probability sampling provides statistical explanations and estimations, while non-probability sampling offers non-statistical insights and understandings. Non-probability sampling uses informed assessments to generalise theories based on rich knowledge (Saunders et al., 2023, p. 293). The selected sampling method for the present research was non-probability heterogeneous purposive sampling across industries because of the detailed knowledge of the selected participants of the phenomena under investigation. The researcher sampled a large enough sample of qualifying participants via purposive sampling and did not have to fall back on snowball sampling, where participants would have been asked to recommend other potential participants who also met the sampling criteria. Considering the researcher's role and connections within the headquarters of a multinational enterprise operating in an emerging

market, purposive sampling was the most suitable method for selecting the qualifying EM subsidiary managers and participants with experience in MNEs. The strategy involved identifying participants through the researcher's professional network. They were actively or indirectly instigated, enabled, or engaged in activities and processes to influence MNE headquarters located in emerging markets and the decisions regarding emerging market subsidiaries' CSR programmes to create a local social advantage, thus providing intracompany triangulation. A heterogeneous set of industries provided a plausible set of intercompany triangulations. Triangulation of data from numerous participants, locations, and sectors improved the rigour of this research (Saunders et al., 2023, p. 218). Non-probability sampling approaches prioritised the suitability and reliability of the selected cases. The sample selection technique was logically related to the research's aim and focus (Saunders et al., 2023, p. 313). For this research, a sample of 16 participants was chosen because of the anticipation of data saturation that occurs when no new insights are gained from additional data (Saunders et al., 2023, p. 817). Data saturation was evidenced by recording each additional element from which the data were collected, whether any new information was provided or new themes emerged (Creswell & Creswell, p. (2023, p. 198). This determined that a sample as low as $N = 12$ would be sufficient for data saturation in a phenomenological research design. Therefore, the selected sample fell within the blanket range of $N = 12$ to 30 for most qualitative research designs and exceeded the specification Creswell & Creswell (2023) for phenomenological research.

Table 2 sets out the original framework that aimed to achieve the non-probability heterogeneous purposive sample. The actual framework achieved is set out in Table 2 and discussed in detail in Chapter 5.

Table 2: Sample Framework



Industry	Company	Interviewee
Telco	A 1	A 1.1 - Subsidiary manager A 1.2 - HQ executive
	A 2	A 2.1 - Subsidiary manager A 2.2 - HQ executive
IT	B 1	B 1.1 - Subsidiary manager B 1.2 - HQ executive
Bank	C 1	C 1.1 - Subsidiary manager C 1.2 - HQ executive
Insurance	D 1	D 1.1 - Subsidiary manager D 1.2 - HQ executive
	D 2	D 2.1 - Subsidiary manager D 2.2 - HQ executive
	D 3	D 3.1 - Subsidiary manager D 3.2 - HQ executive
Mining	E 1	E 1.1 - Subsidiary manager E 1.2 - HQ executive
Number	5	8
		16

Source: Author’s own

4.3.5 Measurement instrument

Thematic format semi-structured interviews are a method of gathering data to address a research question or topic. This method was applied by employing a predetermined list of topics and starting questions to lead the interview process (Saunders et al., 2023, p. 443). Furthermore, the semi-structured interview technique was utilised to provide a focused and controlled structure for inquiry, ensuring that participants would not stray from the intended topic of the inquiry. The interview schedule, as presented in Appendix 2, employed open-ended probing questions, prompting each participant to provide a unique narrative. Before the initiation of the official data collection process, the researcher had intended to subject the interview method and interview schedule to a pilot study with a restricted number of participants. This would have allowed the researcher to assess the instrument under actual interview conditions, check the sequencing of questions and ascertain whether participants understood the questions (Saunders et al., 2023, p. 460). Also, this would have allowed the interviewer to assess and improve the validity and reliability of the instrument’s intended measure if needed. Under the guidance of the research supervisor, the interview guide was constructed by drawing upon the themes identified in the literature.

However, the researcher was unable to garner sufficient potential participants to conduct a pilot study as the number of original participants who had indicated their willingness to participate in the research dropped off dramatically when presented with the letter of informed consent to sign, citing that organisational clearance would be required, despite assurances that organisational consent was not required as this was not a study about their organisation or industry. Because of the time constraints associated with completing this research, participants had insufficient time to obtain such organisational consent. Therefore, the targeted pilot study participants had to become the study's participants.

4.3.6 Data collection

The standard data collection methods used in qualitative research include a) in-depth interviews, b) focus groups, c) archival data, and d) participant observation (Crane et al., 2018). Within the framework of phenomenology, the data collection process was flexible, but it was carried out through in-depth interviews (Creswell et al., 2007). As discussed in section 4.2.5, a semi-structured interview process was used to gather the data. While interviews should preferably be conducted in person, there was evidence that digital interviews were more cost-effective and could also enable long-distance participation (Thunberg & Arnell, 2022). For this study, Microsoft Teams recordings were used during the data collection process.

The participants were approached with the researcher presenting them with a brief introduction about the research topic. Before conducting the interviews, the participants were contacted by email and/or telephonically to arrange a time for the interview and address any potential concerns. Each participant was sent, via email, an Informed Consent Form.

All interviews were recorded using a proprietary tool, referred to in section 4.2.7, and all transcriptions were performed by a professional transcriber. The transcriptions were completed as soon as possible after the interviews to allow for a timely review and checking of errors or omissions (Saunders et al., 2023, p. 658). The electronic data was then password protected and stored on a cloud server, OneDrive, and on a storage device in a secure location, where it will be stored for 10 years. The audio recordings, the transcripts, and the dissertation have been stored without any participant identifiers.

4.3.7 Data Analysis

The interview data was analysed using thematic analysis. Thematic analysis enabled the researcher to identify patterns and themes in the data, which made it ideal for the chosen research design (Braun & Clarke, 2006). This method defined codes based on the study

questions' core elements and linked them to themes about the subsidiary managers' ability to use local knowledge to influence MNE headquarters' decisions regarding the subsidiary's CSR programmes to create a local social advantage. Thematic analysis, as an inductive technique, was used by the researcher to generate first-order codes. These codes were progressively aggregated via a systematic process to obtain sub-themes (code families) and, finally themes (Braun & Clarke, 2006). Atlas.ti, a CAQDAS for textual data preparation and analysis, supported and cross-validated a manual process of the thematic aggregation (Saunders et al., 2023, p. 657).

Braun and Clarke (2006) outlined the phased approach to thematic analysis as shown in Table 3, but they emphasised that it was not a linear process, and required a recursive or reiterative approach as data is analysed and re-analysed as new themes emerge.

Table 3: The Phases of Thematic Analysis

	Phase	Process description
1	Familiarising oneself with the data	Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas
2	Generating initial codes	Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code
3	Searching for themes	Collating codes into potential themes, gathering all data relevant to each potential theme
4	Reviewing themes	Checking, if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic 'map' of the analysis
5	Defining and naming themes	Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme
6	Producing the report	The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question/s and literature, producing a scholarly report of the analysis

Source: Braun and Clarke (2006)

4.3.8 Data quality

Qualitative research relies on high-quality data for credibility, validity, and reliability. Poor data quality can compromise the research integrity, leading to inaccurate or misleading results. Thus, this necessitated rigorous data collection, analysis, and interpretation methods (Saunders et al., 2023).

Validity is the extent to which one's measurement instruments actually measure what they set out to measure (Anastasi & Urbina, 1997). The researcher employed multiple procedures/strategies to ensure the validity of the qualitative study's findings (Creswell & Creswell, 2023). Creswell and Creswell (2023, p. 213) discuss eight primary strategies that can be implemented to enhance a study's findings. However, the use of triangulation between different data sources, member checking to validate the accuracy of the findings and rich, thick descriptions provided more detail and multiple perspectives about the theme/s. The clarification of the bias, mentioned later in this section, that the researcher brought to the study, was appropriate to this study. The researcher was unable to conduct member checking because of the unavailability, post interview, of the participants.

Appendix 3 demonstrates the link between the theory base, theoretical gaps, the research questions and the interview questions.

Data analysis must be accurate and reproducible through the chosen collecting technique to provide reliability (Saunders et al., 2023, p. 452). All interviews were recorded, transcribed, documented, and processed using a standardised method to assure reliability. Gibbs (2007) suggested some logical qualitative reliability procedures, such as the checking of transcripts for obvious errors made during transcription, and to ensure that there was no change to the definition or shift of the codes during the coding process.

Long-term fieldwork and 'unthinking' familiarity can cause variations in understanding similar situations. Data collection and analysis are iterative, which meant that the researcher had to repeat previous observations and analyses to preserve the consistency of interpretation (Saunders et al., 2023, p. 407). Interviewer bias arises when one perceives events based on one's own biases and not giving oneself enough time to understand the scenario objectively. In that instance, one might not realise that one was causing observer bias (Saunders et al., 2023, p. 407). The interviewer effect—the researcher's influence on those observed—might

lead to incorrect and invalid results. Informed participants tend to perform harder or act more ethically when monitored (Saunders et al., 2023, p. 408).

Because of being fully aware of the potential danger of interviewer bias, the researcher was mindful of not adding any prompts or opinions to the participants' statements. The researcher also made an effort to avoid participants' bias, such as social desirability bias, where participants wish to present themselves in the best possible light (Kühne, 2018; Saunders et al., 2023, p. 450), which can undermine the validity and trustworthiness of their findings. The researcher mitigated any potential participant bias by establishing a good rapport with the participants to improve the data quality and reduce the distance between the researcher and the participants (Park, 2024), and employing triangulation, as indicated earlier in this section.

4.4 Ethical Considerations

The principles of ethical research included factors such as avoiding harm to participants, either physically or emotionally, ensuring voluntary informed consent, respecting the participants' privacy, preventing deception (Saunders et al., 2023), and maintaining the confidentiality of all data and the information collected from the participants (Saunders et al., 2023). These requirements were articulated in the *Letter of Individual Informed Consent*, which was provided to the participants as a separate attachment. This letter was formulated as a pro-forma document for the scrutiny and approval of the Ethical Clearance Committee. Data security and handling were complied with in the manner set out in section 4.2.6.

4.5 Study Limitations

The limitations of this study and strategies implemented to overcome these restrictions are set out in this section. The first limitation of this study was using a cross-sectional time horizon because of the time constraints on conducting the research. The second limitation was the perception that the MNE headquarters' CSR expertise trumped that of the subsidiary managers to create a local social advantage. The third limitation was the decision to include only MNEs operating in Africa as a representative sample of emerging markets. To mitigate these limitations, the researcher adopted a heterogeneous sampling method. The fourth limitation was participants' inclination toward boosting MNE CSR contributions to avert stakeholder backlash. To mitigate this limitation, the participants were assured of data anonymisation fidelity and the fact that none of their personal details or those of their company would be revealed.

CHAPTER 5: FINDINGS

5.1 Introduction

The following section presents the findings from the analysis of the data collected during the research as described in the methodology section (see Chapter 4).

5.1.1 Description of the participants

The following section describes the participants, and the context of the research is provided. The participants consisted of EM subsidiary managers or senior managers, and executives of MNE headquarters who are responsible for setting and managing CSR strategies and spending the relevant allocations. They are integral members of the management hierarchy at the MNE headquarters and at the EM subsidiary level. The study targeted senior executives responsible for CSR as the most suitable participants, as these individuals hold pivotal roles as decision-makers inside the MNE headquarters and EM subsidiary and they directly affect the CSR programmes, including the scope and mandates. The sampling criteria were articulated in Chapter 4.

Table 4: Actual Sample Exposure Details

Industry	Company	Interviewee	Interview Number
Financial services	A_FS	A1FS - HQ executive	01
		A2FS - Subsidiary manager	03
	B_FS	B1FS - HQ executive	02
		B2FS - Subsidiary manager	04
	C_FS	C1FS - HQ executive	12
		C2FS - Subsidiary manager	13
Professional services	D_PS	D1PS - HQ executive	07
		D2PS - Subsidiary consultant	06
	E_PS	E1PS - HQ executive	09
		E2PS - Subsidiary executive	05
Telecommunications	F_TC	F1TC - HQ executive	11
		F2TC - Subsidiary executive	10
Mining and Resources	G_MR	G1MR - HQ executive	08
		G2MR - Subsidiary executive	14
Number	5	7	14

5.1.2 Data saturation test

The results of a data saturation test on the unique codes are presented here. Figure 2 demonstrates that coding saturation was primarily achieved by interview 7, with subsequent interviews generating minimal additional codes.

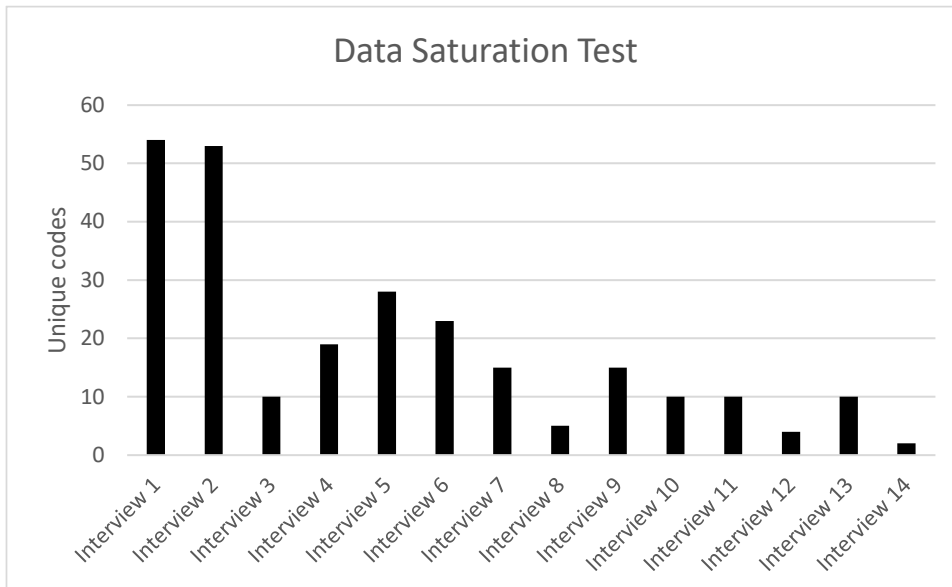


Figure 2: Data saturation test on unique codes

5.1.3 Presentation of results

This chapter presents the analysis and the results of the qualitative data collected through in-depth interviews and open-ended questionnaires. The analysis addresses the research gap identified in Chapter 2. However, the ultimate purpose of this study was to understand the contextual factors causing the subsidiary managers of MNEs to engage in CSR activities and how the identified stakeholder subsidiary managers combine the MNEs' corporate CSR expertise with their local knowledge to create a local social advantage.

This section presents the systematic procedure for analysing the gathered data. Subsequently, it presents the key themes extracted from the study.

Step 1: A total of 14 in-depth interviews and open-ended survey questions were gathered from individual EM subsidiary managers and executives of MNE headquarters who are responsible for setting and managing CSR strategies and spending the relevant allocations.

Step 2: The qualitative data gathered was imported into Atlas.ti, a qualitative analysis software. This process involved categorising similar and related quotations into codes, requiring line-by-line coding of responses to capture the key information.

Step 3: The codebook and transcript were analysed to identify key themes relevant to the study’s objectives. A thematic analysis was conducted using the Atlas.ti software, adopting the categorisation and coding of transcriptions to develop suitable themes addressing the research questions.

Step 4: Thematic analysis provided insights into the research questions, structured around three themes and/or sub-themes.

5.1.4 Summary of counts

A table of code counts in total and split by research question (RQ) is presented in the following table. This presents the total first-line codes generated by the Atlas.ti coding functionality; the number of codes by research question; as well as the number of sub-themes and themes by research question are presented below.

Table 5: Code counts by research question (RQ)

	Total	R1	R2	R3
Number of codes by RQ	258	90	101	67
Sub-themes by RQ	41	15	20	6
Themes by RQ	12	3	7	2

The following table (Table 6) presents a breakdown of the sub-theme counts according to each theme, which in turn, are classified according to the research questions. This presents a further level of detail on sub-theme breakdowns from the higher-level figures presented in the previous table.

Table 6: Breakdown of categories by sub-theme

	Sub-theme count
Research Question 1	
Theme 1.1	4
Theme 1.2	6
Theme 1.3	5
Research Question 2	
Theme 2.1	1
Theme 2.2	2
Theme 2.3	3
Theme 2.4	3
Theme 2.5	2
Theme 2.6	4
Theme 2.7	5
Research Question 3	
Theme 3.1	3
Theme 3.2	3

The following table (Table 7) arranges sub-themes according to the themes that are arranged by research question. A three-level hierarchical numbering is included for ease of reference, while a code count is included for each research question, theme and sub-theme.

Table 7: Sub-themes arranged by theme with code counts

Description	Code Count
RESEARCH QUESTION 1: The Contextual Drivers of CSR Engagement Activities	
Theme 1.1: Organisational Environment and Global CSR Strategy	
Sub-theme 1: Contextual factors	19
Sub-theme 2: Social factors	3
Sub-theme 3: Corporate spending	7
Sub-theme 4: Regulatory requirement	5
Theme 1.2: Reputational Risk and Its Influence on CSR Activities	
Sub-theme 1: Reputational risk in decision-making	14
Sub-theme 2: Local context and challenges	4
Sub-theme 3: Policy customisation and local adaptation	2
Sub-theme 4: Influence of ESG/CSR on reputational risk	2
Sub-theme 5: CSR and stakeholder engagement	5
Sub-theme 6: Risk mitigation, management processes and escalation	8
Theme 1.3: Directional Guidance from Headquarters	
Sub-theme 1: Centralised guidance and influence	7
Sub-theme 2: Adaptation to local contexts	4
Sub-theme 3: Resource allocation and risk management	3
Sub-theme 4: Ethical and performance standards	3
Sub-theme 5: Social sensitivity and compliance	1
RESEARCH QUESTION 2: Stakeholder Identification and Management	
Theme 2.1: Identification and Impact of Stakeholder	
	13
Theme 2.2: Role of Stakeholders	
	8
Sub-theme 1: Community engagement	6
Sub-theme 2: Regulator and compliance	4
Theme 2.3: Influence of Stakeholders	
Sub-theme 1: Customers and communities	7
Sub-theme 2: Employees and internal staff	2
Sub-theme 3: Regulators and governance bodies	2
Theme 2.4: Practical Implementation of Stakeholder Influence	
	5
Sub-theme 1: Educational and CSR stakeholders	2
Sub-theme 2: NGOs, donors, and advocacy groups	2
Sub-theme 3: Industry and professional bodies	4

Theme 2.5: Challenges Faced with the Stakeholders	
Sub-theme 1: Global vs. local stakeholder expectations	4
Sub-theme 2: International perceptions and subsidiary dynamics	3
Theme 2.6: Resource Constraints and Operational Challenges	
Sub-theme 1: Capacity and financial limitations	5
Sub-theme 2: Balancing local development and resource use	17
Sub-theme 3: Subsidiary-head office collaboration and influence	3
Sub-theme 4: Global pressure and local implementation	3
Theme 2.7: Recommendations for Managing Stakeholder Pressures	
Sub-theme 1: Advocacy	2
Sub-theme 2: Environment	3
Sub-theme 3: Leadership involvement	2
Sub-theme 4: Prioritisation	1
Sub-theme 5: Regulatory push	3
RESEARCH QUESTION 3:	
The creation of a Local Social Advantage through the Integration of MNEs' Corporate CSR Expertise and Local Knowledge	
Theme 3.1: Integrating Corporate CSR Expertise with Local Knowledge	15
Sub-theme 1: Local contextual adaptation	3
Sub-theme 2: Collaborative integration	5
Sub-theme 3: Leveraging expertise for CSR	4
Theme 3.2: Leveraging Integration for Local Social Advantage	21
Sub-theme 1: Strategic CSR integration	4
Sub-theme 2: Localised impact and cultural adaptation	3
Sub-theme 3: CSR for organisational differentiation	3
Other	
Government and policymakers	1
Investment	2
Organisational background	3
Recommendations	2
Suppliers and Intermediary	1
Total count	258

5.1.5 Conventions applied

Some important conventions have been applied to make adjustments to participant quotations and responses in this chapter. This was, however, done by assigning a unique ID to the

participants to keep the responses, names of individuals and organisations anonymous. Similar editorial adjustments have been made to the analytic commentary where necessary. Additionally, edits were made to remove repetitive statements, fillers and unnecessary phrases from the transcripts.

5.2 RESULTS: RESEARCH QUESTION 1

Research Question 1: What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?

In order to provide answers to Research Question 1 on what contextual factors cause the subsidiary managers of MNEs to engage in CSR activities, a broad theme was identified to answer the question posed, which is the Contextual Drivers of CSR Engagement Activities. Three major themes emanate from this theme. First, Organisational Environment and Global CSR Strategy, Reputational Risk and its Influence on CSR Activities, and Directional Guidance from Headquarters. These three themes are associated with sub-themes, which are considered within each of the relevant broad themes presented next as providing a structured narrative to aid in addressing Research Question 1.

THEME 1: The Contextual Drivers of CSR Engagement Activities

Three sub-themes were identified as relevant in addressing this theme with respect to answering the research question about contextual factors causing subsidiary managers to engage in CSR activities.

5.2.1 Theme 1.1: Organisational environment and global CSR strategy

Sub-theme 1: Contextual factors

The participants emphasise how the organisational environment and global CSR strategy of MNE subsidiaries influence their engagement in CSR activities. Subsidiary managers have strategies to navigate the activities between global directives and local realities. As illustrated by 02 B1FS, the subsidiary operates under the influence of a centralised global strategy, implementing group-led programmes, such as the “Partnership for Risk and Resilience,” but also adapting through materiality assessments to address Namibia-specific needs, such as disaster management and financial education. Also, Participant 09 E1PS highlights that materiality assessments provide a structured framework for integrating global CSR goals with local priorities. The global CSR strategy provides guidelines, but flexibility is key, allowing subsidiaries to tailor their initiatives to local contexts, while also aligning with the global corporate mission.

We have done a materiality assessment to identify, where we have the most impact. And where we could have the most impact, and through that

materiality assessment, we've really strived to take a kind of a full 360° view, and that view and input into that kind of assessment. We've tried to get stakeholders kind of across the globe from global to local ... is how we think about it. We kind of think global to ... then on the ground and everywhere in between and input from all facets—kind of at the horizontal as well—different functions, different groups, different kind of bodies. I think the first step in making sure that local conditions are considered has been really doing that materiality assessment with the right input from the local voice essentially.

9:1 ¶ 21 in 09 E1PS interview

From a local entity point of view, the big drivers would be, if there is any legislation that requires corporate social responsibility and in a defined manner. That is the route that we're going to take. But the approach is we have a corporate social responsibility policy at a group level. And we give guidelines in terms of which areas we support. For example, we support education and we support empowering women. Anything that has to do with that, we support. That is driven from the hub. However, when it gets to the countries, the agendas for each country differ. And what we say is that what takes priority are the agendas for that particular country. So, for argument's sake, in Morocco, as an example, when there is a big drive in educating girls and getting them in schools, so when it ... when ... even though we are focusing on education, when it comes to a local level, there would be that bias to girls, because we have to abide with the agendas of that particular country. 12:1 ¶ 9– 11 in 12 C1FS interview

They have very limited understanding of the countries within which they operate. There are fundamental reasons why, and that's primarily ... it's because there are so few people from those various 31 countries that they actually have in their headquarters, It is predominantly from South Africa. And that's not criticism. It's a fact. And another fact is what has tended to happen across many of the multinationals and all of the multinationals I've worked in, and that's three: my company, a printing and photocopier group and a photographic group, is that the domicile country tends to look at the international division as a poor relative. 13:1 ¶ 13 in 13 C2FS interview

Because typically, they've been highly successful in their domicile country and they are branching out or expanding, if you like, into non-domicile country territories. Now, who do they put there? Well, they don't have specialists, so they typically ... that's to say, the multinationals—go to the highly experienced people in the home country and transfer them to international. Which is exactly the wrong approach, because these guys only have experience in the home countries, and they're absolutely imbued—embedded—with the home-country philosophy and socialised way of behaviour. 13:2 ¶ 15 in 13 C2FS interview

So, if you look at my company, they don't have a clue—nor would you expect them to— about the social, or indeed ESG scenario, within their 31 countries. They are completely reliant on either their instincts or, well, "It works here in South Africa or Namibia or Botswana, therefore, it must work outside." And you get what I would describe as the—I don't like the term, but will have to do—the group's think of, we don't want one-size-fits-all, but we're going to have it anyway. And that's what we end up having. 13:3 ¶ 16 in 13 C2FS interview

Sub-theme 2: Social factors

The analysis depicts the social factors that drive subsidiary managers of multinational enterprises to engage in CSR activities. Some of the participants collectively emphasise the importance of aligning CSR initiatives with local needs, regulatory frameworks, and socio-economic conditions. As stated by 04 B2FS, the emphasis is addressing skills shortages and uplifting unskilled individuals in Namibia. By partnering with local organisations, such as a large local bank, the subsidiary conducts programmes, such as vocational training and internship initiatives, that meet specific local workforce needs. However, this reflects the role of socio-economic factors and localised partnerships in advancing CSR activities toward achieving great community benefits, thereby fostering goodwill and aligning with the broader goals of upskilling and social integration.

If I break down the ESG met and from a social perspective, definitely and what we do from a social perspective, we usually partner with our Namibian partners, being a local group of investors or large local bank, and on each of them, I can actually share an example. For example, on the group, we've got this whole internship programme between short-term and life, where we

actually upskill, because there's a massive shortage of skills within the Namibian market—specifically within the insurance industry. Between the two of us, we've got a drive in terms of internship programmes. Then, if I can take an example that we've got with a large local bank ... is a programme that we run men-and-women-on-the-side-of-the-road and this is where we've got people that are not skilled. We take them from the road, we put them in a type of a vocational centre and we skill them, so that we put a skilled person back into society. 4:5 ¶ 18 in 04 B2FS interview

Participant 11 F1TC and 14 G2MR highlights that regulatory and social licence imperatives are factors influencing CSR, where emphasis is laid on the need for localisation and alignment with government's development agendas. Subsidiary managers are urged to understand their operating context and its socio-economic, political, and regulatory dynamics. For instance, in mining or other industries, the focus might be on addressing the impacts on host communities, such as livelihood challenges, or security needs. As highlighted in 14 G2MR, CSR strategies must vary by location, adapting to the distinct challenges faced in regions such as Africa compared to developed nations such as Australia. This local context-driven approach ensures that CSR initiatives are meaningful, culturally relevant, and capable of mitigating any adverse impacts caused by the subsidiary's operations. Together, these perspectives underline how MNE subsidiaries tailor their CSR activities to address local socio-economic conditions and maintain their social licence to operate.

So, the social licence factors. So, the first one is a regulatory licence, the second one is a social licence. And I think I can break it down. So, your impact. What impact are you having on your communities? If you operate in a jurisdiction, or in an area, where there are no communities, then your support for, I mean your corporate social responsibility interventions, will tend to focus on a larger list at the national level or regional level. But where you have immediate communities, then you want to ensure that you centre your corporate social responsibility activities on them and so these also kind of inform policy direction as to how we implement our corporate social responsibilities at the headquarter's level. For instance, you would find in a mining discipline, we often use a host community. So, host communities are communities hosting you, so these also inform your corporate social responsibility. And then, as I've said, the impact you are making on the people, you're the negative impact. So, if you are impacting on their

livelihood, then obviously, in addition to you mitigating the impact, it is necessary therefore that your corporate social responsibility will also have to somehow be addressing livelihood challenges, because you are impacting livelihoods. 14:2 ¶ 17 in 14 G2MR interview

What do you call it—the security challenges as well. So obviously, the need for the area and this is highly local context-driven, because they need, if you look at what we focus on in Africa, for instance, in our corporate social responsibility ... might be different from what Brazil ... might be Brazil is not a good example, but let's say Australia—it might be different from what Australia would also focus on in the corporate social responsibility, because of the needs in the ... 14:5 ¶ 23 in 14 G2MR interview

Sub-theme 3: Corporate spending

This section presents the interplay of contextual factors and organisational strategies that influence subsidiary managers of multinational enterprises to engage in CSR activities. The organisational environment plays an important role in shaping CSR through financial guidelines, legislative requirements, and local partnerships. As illustrated by the 01 A1FS interview, “*CSR spending is heavily influenced by frameworks like the Financial Charter and BEE Act in South Africa, which mandate specific allocations to socio-economic development, especially toward black South African beneficiaries*”. Additionally, Participant 07 D1PS states that “*a dedicated CSR fund with strict allocation criteria, reflects an internal commitment to maximise social impact while adhering to financial constraints and tax benefits*”. These frameworks ensure that CSR aligns with both organisational strategies and local legal and social expectations.

Because I've got a view on it that's specifically around CSI and then ... maybe a bit of a broader view on—it's not CSI spend per se, but it is corporate spending. Or like capital allocation that is supportive of social and economic, and local development. 1:1 ¶ 14 in 01 A1FS interview

It doesn't influence it at all, because, in our case, we are pretty much guided by what we need to do in terms of the Financial Charter and, Financial Sector Charter. So the BEE Act, I mean that that's probably no surprise to you, directs a lot of what we need to do and around socio-economic development, in particular, that pillar that 1% of net profit after tax that companies are

meant to know. There are also specific requirements, like your black beneficiaries are only recognised, if they are South African citizens, so the spend has to be directed in-country to NGOs, you know, noteworthy programmes that meet your specific strategy requirements. 1:2 ¶ 16 in 01 A1FS interview

So internally, there is a dedicated CSR fund set aside for allocation to deserving organisations. Generally speaking, we steer away from using our CSR fund to support an individual, unless in the most extraordinary circumstances. Alternatively, some other form of support that falls under the umbrella of CSR. 7:3 ¶ 30 in 07 D1PS interview

Additionally, the global CSR strategy is adapted to address local contexts through collaborative decision-making and targeted initiatives. In the 10 F2TC interview, a two-way process is described between the global parent company and subsidiaries that ensures that CSR funding aligns with local political, social, and environmental priorities.

For example, my company invests 60-70% of its CSR budget in education through government-led initiatives such as E-school, reflecting a tailored approach to address pressing societal challenges such as access to education. The remaining budget is allocated to safety, security, and healthcare, targeting critical local issues, such as gender-based violence through partnerships with local government departments and NGOs. 10 F2TC interview

These examples highlight how MNE subsidiaries balance global directives with local needs, and ensure that CSR efforts are both impactful and contextually relevant.

When you have the dynamics between a global or parent company that is sitting at a multinational level, trying to influence social impact programmes, environmental impact programmes at a local market or subsidiary company level ... there has to be a two-way process in the development of the policy and the decision-making with regard to whether it is identifying what are the social needs that the company would be responding to. There's definitely value in a two-way process. And at a subsidiary level, there is a deeper understanding of what we call the political, social, environmental, technical

and legal requirements within the operating market. And that would absolutely influence where your CSI funding is channelled toward. So, I'll give you an example of how this is done at my company. And I'll use the foundation, my company foundation, where you know for CSI funding is sort of ring-fenced toward on an annual basis. 10:1 ¶ 38 in 10 F2TC interview

My company foundation receives an annual budget to invest in corporate social investment programmes in conjunction with national governments within a specific country. So, for example, my company invests significantly ... about 60% of our CSI Fund—60 to 70% of the funds are targeted toward education programmes, and these are education programmes that are led by government and my company being the technology provider, would provide technological support for these programmes and an example of that is E-school. These are where CSI funds are normally channelled toward, and many of these programmes are done in conjunction with government and NGOs working in the space. 10:2 ¶ 38 in 10 F2TC interview

So, the remaining 30%, those would also be done in conjunction with government departments. So the 60% would be education. I think the remaining ... there's 20% that goes toward safety and security. So, the whole issue around gender-based violence and tackling the scourge of gender-based violence in the country. There's a partnership that my company has with the Department of Social Development that looks at providing safe houses. 10:3 ¶ 40 in 10 F2TC interview

Sub-theme 4: Regulatory requirement

The results reveal that regulatory requirements significantly influence the CSR engagement of subsidiary managers of MNEs, shaping strategies to balance compliance, organisational values, and stakeholder needs. Some of the responses, for example the 04 B2FS interview, states that CSR initiatives “are not strictly mandated, but are influenced by contextual challenges, such as skill shortages and high unemployment, which drive subsidiaries to prioritise education and risk management”. Although, participant 06 D2PS highlights that the presence of strong encouragement or institutional norms, such as pro bono departments in law firms, integrates CSR into organisational operations.

We've got no regulatory requirements in terms of spending on CSR within that avenue. Our CSI strategy was also focusing actually on two things: education and risk management. And risk management, because we're playing the risk management game with education. And I mean, perhaps the education thing is also because we experience a shortage of skills and a high unemployment rate within the country. 4:6 ¶ 24 in 04 B2FS interview

So, it's sort of mandatory or strongly encouraged to do something; hence, we have a department in the law firm for pro bono, which handles the CSR activities. 6:12 ¶ 31 in 06 D2PS interview

So, all of that is to say that in addition to legislative guidance, our firm's internal policies and the values that our firm has adopted, encourage us to be corporate socially responsible citizens. 7:5 ¶ 32 in 07 D1PS interview

Additionally, while many MNEs employ a hybrid approach programme for CSR initiatives, as described in the 08 G1MR interview, by blending regulatory compliance with broader stakeholder engagement to address local needs, while adhering to legislative frameworks. For instance, companies align their CSR activities with international standards, such as the Global Reporting Index (14 G2MR interview), and ensure that their initiatives meet global reporting obligations, while enabling deliberate implementation at the subsidiary level. The 07 D1PS interview reveals that the role of internal values and policies in encouraging CSR beyond regulatory obligations, demonstrates how organisational environments embed CSR as a core principle, rather than as a mere compliance activity. Thus, regulatory requirements, combined with internal values and international standards, create a structured, yet flexible framework for CSR engagement at the subsidiary level.

So, what we normally do, we use—we can call it a hybrid programme, where we basically say “you got what the regulators want you to implement on the ground”. But then we also say over and above that, “this is a hit list of other aspects that you want to consider in the development of your corporate social responsibility plans”. So yeah, I can call it a hybrid, but we also try to make sure that it's compliant. It's in compliance with the requirements of the in-country legislative framework and expectation from regulators, and then, I think, for us the approach is more just going beyond compliance to make sure that at least we don't only just focus on compliance, we also focus on

the stakeholders' needs, based on the analysis that we have at the group.

8:2 ¶ 10 in 08 G1MR interview

So, for instance, in my company, we sign on to the Global Reporting Index and obviously, what has been outlined as thematic areas that have to be reported on. Because of the reporting requirements, you would have to be deliberate and ensure that the corporate social responsibility at a subsidiary level is actually implemented in a way that helps us to be able to provide a response to the reporting requirement. So, that might not be a subsidiary context—I mean. what do you call it—context driven, but that is international.

I mean report-driven. 14:3 ¶ 17 in 14 G2MR interview

5.2.2 Theme 1.2: Reputational Risk and its Influence on CSR Activities

Sub-theme 1: Reputational risk in decision-making

Reputational risk plays a crucial role in shaping CSR activities and decision-making processes within MNEs. As stated by the 01 A1FS interview, group-level policies, such as the decarbonisation investment strategy are designed to uphold responsible environmental and societal practices, reflecting the organisation's commitment to sustainability and its public image. These policies, such as avoiding new coal investments, are implemented across subsidiaries, regardless of their specific contexts, as seen in Namibia, to ensure alignment with the group's overarching commitment to transitioning to a lower-carbon economy. However, challenges arise when balancing the uniform application of these policies with local business needs, as discussed in 01:4 ¶ 21, where subsidiaries might need to negotiate adaptations to address regional development priorities, while safeguarding the group's reputation. The emphasis on reputation is further reinforced in 01:5 ¶ 23, where decision-making is driven by the organisation's status as a listed entity, underscoring the need for consistent adherence to global ESG principles to maintain stakeholder trust and corporate credibility.

But if you're talking about maybe broader sustainability or ESG-linked policy, for example, our responsible investment policy and tied to that, our group decarbonisation investment strategy ... OK, our group's decarbonisation investment strategy is meant to direct our corporate responsible action or behaviour in terms of the environment and also in terms of the society that is affected by it. And according to that investment policy, it says that we will not invest in any new coal. OK, that's a decision that the group has taken. Now, it hasn't ... it's a group policy, so it's applicable to the group. Any

subsidiary ... it doesn't matter where you are, but ... it doesn't, for example ... and that's some thinking ... It doesn't, for example, specify oil and gas per se, so maybe that's a bit of thinking that needs to happen, but the intention is clearly overarching ... sort of a lower-carbon economy transition. That's what the group in its investments wants to support. Now, you have Namibia So, what you know... **1:3 ¶ 19 in 01 A1FS interview**

So, for example, that policy should be implemented in the Namibia asset manager context as well. I'm not sure about the size of the business there, but you know, clearly there could be a little ... some discussion required because, for Namibia for the business there, it is key that they, in some way, find a way to participate in that development. Therefore, the benefit of the business ... so yeah. **1:4 ¶ 21 in 01 A1FS interview**

Yes, there's definitely that. That's core to the investment decision-making process. It's core to our group's stance and policy. But I can almost guarantee you that there wasn't a consideration or a discussion around the table that said, let's see if this would be applicable for Namibia or for Mozambique, or you know, or for Botswana, or whatever. It was pretty much "this is the decision that we, as a listed entity, a big insurer, need to have ... we need to have. **1:5 ¶ 23 in 01 A1FS interview**

Sub-theme 2: Local context and challenges

Reputational risk significantly influences CSR activities, as MNEs must navigate the expectations of both visible and invisible stakeholders. As stated by Participant 13 C2FS, cultural and operational differences at the local level can create tensions, with subsidiaries balancing the group's overarching aversion to reputational harm, such as avoiding court cases against local practices, such as aggressively pursuing legal action to deter fraud. Similarly, as stated by 14:6 ¶ 29, reputational gains are rooted in subsidiary-level actions, where positive relationships with host communities foster trust and social capital, which are essential for maintaining a "social licence to operate". This trust directly affects the group's broader reputation, benefiting stakeholders, such as investors, who, as mentioned in 14:7 ¶ 31, rely on these gains to maintain confidence in the organisation's sustainability and ethical commitment.

The two things are possibly different. Or maybe I am misunderstanding the question. The Group is absolutely paranoid about reputational and brand

risk, and rightly so. But there are differences in culture ... again, which are fascinating, and these are more academic. A good example of reputational risk would be the group hates to go to court. But any labour case goes straight to court, they will go to court and the reason is they want to send a message to anybody else who wants to steal, defraud, embezzle ... 13:5 ¶ 32 in 13 C2FS interview

So, whereas the site will actually be concerned, our social licence—what do you call it—focus would be on your relationship at the level of trust you have in your host communities. At the headquarters, you're looking at—what do you call it—stakeholders that might not ... sometimes even be visible. And the way they access you is by your reputation, so and definitely, site level, subsidiary level, are the ones that contribute. So, the foundation of your reputational gain is actually at the subsidiary—what do you call a subsidiary—exactly. Because they and you ... the immediate social lines and the social capital you need and around the level of acceptance that you need, a trust that the community will exist with you for you to peacefully mine your operation beyond that ... 14:6 ¶ 29 in 14 G2MR interview

It gives you the reputation gain, so that your investors stay cool. That's who you don't deal with on a day-to-day basis ... will then actually tap into that game. But nowadays, it's even moving beyond your invisible stakeholders ... 14:7 ¶ 31 in 14 G2MR interview

Sub-theme 3: Policy customisation and local adaptation

As identified from the participants, policy customisation allows subsidiaries to balance global reputational standards with local contextual needs, mitigating reputational risks effectively. Participant 02 B1FS states that Namibia adapts South Africa's frameworks, overlaying local requirements to ensure relevance. Similarly, 09 E1PS highlights that while global baseline standards address reputational concerns, subsidiaries retain the flexibility to tailor these policies locally, without compromising minimum global expectations.

So, even so, if there are some particular aspects in Namibia and it sounds more like it's a federated model in essence, although from what I understand, Namibia learns from South Africa, it just applies what it needs to and then overlays that with what is required locally. 2:2 ¶ 7 in 02 B1FS interview

Like, there's a global level of kind of minimum baseline standards and policies set in place, which would consider that reputational risk that ... then the member firms again can take it, and customise it, and make it locally applicable. But without dipping below that minimum standard. 9:4 ¶ 28 in 09

E1PS interview

Sub-theme 4: Influence of ESG/CSR on reputational risk

ESG and CSR initiatives significantly influence reputational risk management by demonstrating a commitment to sustainability and ethical practices. As highlighted in the A2FS interview, a focus on green loans and environmentally sustainable infrastructure, such as solar-powered buildings, reflects proactive measures to align with the ESG principles. Similarly, the 13 C2FS interview states the importance of protecting the brand's reputation through transparent ESG/CSR actions, emphasising strategic responses to public and social media scrutiny.

So, it's developing, hey, because I think the whole idea of ESG is developing but if I reflect on my past life, which I was ... like two years ago, I worked for a large bank, which ... which has progressed quite significantly around, you know ... even having green loans, if I could put it that way, a loan that is green. And it's incentivising it and all those conversations. Also, be intentional about our building being a green building; we'll have green. We have solar power and we'll have that whole thing of what's managing power and energy ... and not ... and not being wasteful in all those things. 3:4 ¶ 19 in 03 A2FS interview

The large bank might have a completely different approach in South Africa, but here ... that's the position. So, I'm in a constant battle with the brand people about how we must protect our brands through board action, not by hiding and getting absolutely fussed about social media reports, so on and so forth. Now, with ESG/CSR ... and I know ... the things are absolutely different. 13:6 ¶ 34 in 13 C2FS interview

Sub-theme 5: CSR and stakeholder engagement

CSR activities and stakeholder engagement are critical for managing reputational risks by ensuring an alignment between local and global strategies, while also addressing specific

community needs. For instance, in the 2:3 ¶ 10 in 02 B1FS interview, Namibia's autonomy in the CSR programme selection reflects a localised approach to stakeholder engagement, while maintaining the governance standards imposed by the head office. Similarly, the 5:9 ¶ 32 in 05 E2PS interview demonstrates how global carbon offset strategies emphasise credible local engagement to mitigate reputational risks and foster sustainable financial flows, showcasing the balance between global oversight and local adaptation.

So, definitely we would ... from that material ... the assessment, we would consider those reputational risks from a Namibian perspective. But as I say, we generally do not have much say or influence on what CSR programme Namibia pursues. They can do that in their own volition. I think there are some areas in general, from a business perspective, where these, what I call tight principles that you—which is, I think from even your historical perspective—is around governance, around how you manage and report finances. There's no room to move away from that. But, from a CSR or CSI perspective, Namibia will come with programmes without necessarily having been influenced from the head office. 2:3 ¶ 10 in 02 B1FS interview

So, we still remain close to the group from a strategy perspective and being aligned. I mean, I've got a quarterly check-in with the group's and CSI team just to report and to make sure specifically from a brand perspective that we are quite aligned in terms of ... So, the reputational risk is definitely something that we are currently... 4:7 ¶ 32 in 04 B2FS interview

We have a global offset strategy, so we have a strategy to procure carbon offsets. And we're very focused on having credible robust carbon offsets. And, obviously, ensuring that we also ... through our own practices, stipulate the market for carbon offsets, because we do think that there needs to be financial flows that way. And that's one area, where I think global's very keen to ensure local engagement, to manage some of those reputational risks. 5:9 ¶ 32 in 05 E2PS interview

Sub-theme 6: Risk mitigation, management processes and escalation, and mitigation strategies

Reputational risk mitigation within CSR activities involves implementing structured governance processes and escalation mechanisms to handle potential conflicts between local and global

policies. For example, in the 10 F2TC interview, engagement with government offices is tightly managed through robust governance structures, highlighting the importance of formalised interaction protocols to mitigate reputational risks. Similarly, the 01 A1FS interview emphasises the need for clear risk management and escalation processes to address policy conflicts, and to ensure the alignment between subsidiary actions and group-level policies to avoid reputational damage during critical events, such as AGMs.

Reputational risk is something that we have to—it's really governed very tightly —especially when dealing with government offices, there are very strict mandates around who engages with government on these programmes, how the rules for engagement work, how we engage, the frequency and ... then there's obviously a very robust governance structure that goes with this. These meetings are quite formal, and are managed by an appropriate level of people within the company, and this is predominantly at a senior management level. 10:4 ¶ 45 in 10 F2TC interview

This would actually be a good test for the group policy to see what is the protocol that we are going to follow. You do have a—I'm not a risk manager—but you have certain risk management processes, so the right thing would be that the risk manager for Namibia says, "Oh, we are identifying a risk in terms of policy conflict between in-country and group and it will have this kind of reputational impact for the group if subsidiary pursues this." No, and it probably will, if they are really going forward to pursue it, I think. But I do think the gap ... is that we haven't firmly established at that. Policies at group level are policies at group level for everyone in the group. 1:9 ¶ 27 in 01 A1FS interview

However, tensions arise when global ESG mandates do not align with local market realities, as illustrated in the 10 F2TC interview, where the push for renewable energy by global investors conflicts with Africa's reliance on coal-based electricity. This disconnect necessitates socialisation and dialogue to reconcile global expectations with local challenges. Additionally, 10 F2TC interview identifies capacity-building as an opportunity for companies to address these gaps, enabling them to advance sustainable development goals, while managing reputational risks effectively. Such proactive strategies ensure CSR efforts are both impactful and context-sensitive.

It's often you do find that there is pressure to respond to global investors in the ESG space ... this push for renewable energy, and yet, in the African context, we know very well that our infrastructure, especially in the renewable space, is not that advanced and we are completely reliant on electricity from coal-fired power. So that in itself is an example of the tension that exists between that pressure from global investors who are not always familiar with local market challenges. It is not realistic for that market and it is because of a range of factors that need to be taken into consideration. And this ranges from, you know, technological factors, political factors, regulatory challenges, social challenges, political challenges. So, there again coming back to that, that PESTLE kind of view that we have to look at whenever we look at imposing or, well, I'll use the word imposing programmes on to markets that are not always in a state of readiness to implement them. And then that also presents an opportunity as well. 10:7 ¶ 58 in 10 F2TC interview

But there is that opportunity to look at capacity-building, what needs to be done to develop the skills and knowledge, because ultimately, we are very familiar with what the global challenges are in terms of climate change, in terms of inclusive and sustainable growth. And this is where corporates are now being asked to play a bigger role in working toward the sustainable development goals. And a future that is a bit more, well, a lot more prosperous for everybody than it is today. 10:8 ¶ 60 in 10 F2TC interview

Which, in a large professional services firm that is a much bigger organisation, this maybe you know ... it's a bit more diluted. So, there was a big debate, where I was previously around, for example, and we used to do environmental impact assessments, more kind of basic, I would say environmental services. And there was a big debate around not supporting, for example, deep-sea mining, anything to do with unconventional oil and gas. 5:7 ¶ 27 in 05 E2PS interview

But then there's the aspect of looking at reputation from the fact that CSR is also encouraged because of the positive reputation it brings in, so that those two ways of reputation that come in when it comes to CSR, you might find someone who is like a political, a political... 6:10 ¶ 25 in 06 D2PS interview

5.2.3 Theme 1.3: Directional Guidance from Headquarters

Sub-theme 1: Centralised guidance and influence

Directional guidance from headquarters plays a significant role in shaping CSR engagement activities by providing centralised policies, standards, and reporting frameworks that subsidiaries adapt to local contexts. For instance, in the 05 E2PS interview, it is highlighted that sustainability strategies in a large professional services firm are primarily driven by headquarters in a top-down manner, with minimal local engagement or feedback integration. This centralised approach ensures consistency in the organisation's global sustainability efforts, although this approach might not always account for or even consider localised needs or nuances.

But really, only the Anglophone bits and then even Lusophone and Francophone gets served out, you know, slightly differently in North Africa ... fits in with our Middle East region. So, within Africa and then specifically South Africa, we have a link back up through the regions and then obviously our leadership sits on global executives and things ... I think back into a sustainability climate change service line in terms of EMIR. So, I think if I mentioned to you ... I very much coordinate the work that we do for clients. And most of us in the region that are focused on sustainability have got that sort of external focus and there's not an appointed sustainability manager per se within the Africa region to drive our own internal piece. 5:2 ¶ 9 in 05 E2PS interview

Similarly, interviews 14 G2MR 14:8 ¶ 37 and 14:9 ¶ 39 emphasise the importance of standardised socio-economic development management standards and reporting requirements, to which the subsidiaries align their community investment (CI) strategies. These frameworks prioritise contributions to areas such as education, health, and infrastructure, reflecting the overarching goals set by the headquarters. However, 14:10 ¶ 41 cautions against potential risks during the implementation of CSR at the local level, such as political interference, and underscores the value of structured governance and procedural guidelines to mitigate such risks. These measures, including specific processes for selecting and approving CI projects, help to ensure that CSR activities are aligned with the broader corporate goals, while they also maintain accountability and mitigate reputational risks.

I think our guidance, as I said, stems from our socio-economic development management standard, which is applicable across the group for all our mines and projects. 8:4 ¶ 15 in 08 G1MR interview

So, the starting point is the reporting requirement. We don't have difficulty in being able to put together data and information for reporting requirements. So, your framework ... so, the reporting actually starts from the subsidiary and the subsidiary level. A typical example for DRI for community investment is clearly defined. I mean, your contribution to education, your contribution to health, your contribution to water, sanitation, your contribution to infrastructure ... And so you adapt your subsidiary-level interventions to these reporting requirements. And obviously, that is not an immediate need for the subsidiary level, it is a need at the headquarter's level, because then that feeds into a bigger reporting framework. 14:8 ¶ 37 in 14 G2MR interview

Because of that you have to adapt your CI strategy, so that also doesn't become difficult for you. And report ... you adapt your CI strategy like that. So, that is one way for the report or comment to influence. Somehow, we adapt ... it might not necessarily define or dictate specifically what you have to do, but at least it provides a broad guideline to help. And if there are no guidelines as to how this person has to conduct himself in deciding and implementing on CI initiatives, then you are likely to have someone who will actually direct your CI interest to his political interests. 14:9 ¶ 39 in 14 G2MR interview

So, as a way of conducting and ensuring that we need to get risk associated with implementing CI initiatives. We also have guidelines. In my company we have what we call the community investment and procedure. For instance, how do we come by a community investment project? Which people are involved? Who have to sign off? These are somehow structures in place and processes in place to strengthen the governance and to ensure that we mitigate any..."14:10 ¶ 41 in 14 G2MR interview

Sub-theme 2: Adaptation to local contexts

Although participants identify that headquarters provide broad guidelines for CSR activities, adaptation to local contexts is necessary to ensure relevance and effectiveness. For example, in the 06 D2PS interview, the participant notes that in Kenya, where there is no legal obligation for law firms to engage in CSR, local practices, such as offering pro bono work, are more common, while South Africa's laws require CSR activities for companies, highlighting the need for flexibility in response to the varying legal and cultural contexts. Similarly, the 06 D2PS interviews 7:9 ¶ 48 and 14:9 ¶ 39 emphasise that local realities, such as limited funds in Kenya and potential risks in the ESG space, necessitate a tailored approach, where headquarters' policies serve as guidelines, but the local teams are empowered to adapt the strategies to their specific contexts, needs and challenges.

In Kenya, however, because Kenya has different laws from South Africa, we do not have specific laws making it mandatory to carry out pro bono or CSR activities as a law firm. While I think in South Africa it's different, because law firms are set up as corporates and as companies, and I think companies have some responsibility, though I don't really know the law so much. But I do notice that the South African office ... it seems that under law, there's some requirement. In Kenya, where law firms are set up as partnerships, there's no such requirement. It's more of 'recommended' for lawyers, as part of the law guidelines of the Law Society, to take some time to do ... we normally call it pro bono. You'd hardly hear the lawyer say CSR/CSI. 6:8 ¶ 19 in 06 D2PS interview

And that's especially so, because there's a recognition that the funds are limited, even if the funds were tripled, they wouldn't be enough. And so we want the use of those funds and any other initiatives that fall within the objectives to be as meaningful as possible. And so to do that, you want to avoid a one-size-fits-all approach. The Kenyan grassroots reality is quite different to the South African context. And so, we leave it to them to find out, to figure out what support would be most meaningful, most beneficial, and would go the furthest distance. 7:9 ¶ 48 in 07 D1PS interview

Because of that, you have to adapt your CI strategy, so that also doesn't become difficult for you. And report ... you adapt your CI strategy like that. So, that is one way for the report or comment to influence. Somehow, we

adapt ... it might not necessarily define or dictate specifically what you have to do, but at least it provides a broad guideline to help. And if there are no guidelines as to how this person has to conduct himself in deciding and implementing on CI initiatives, then you are likely to have someone who will actually direct your CI interest to his political interests. 14:9 ¶ 39 in 14 G2MR interview

Sub-theme 3: Resource allocation and risk management

Clear directional guidance on resource allocation for CSR activities through top-down budget guidelines are given from the headquarters, which influence local spending decisions. As noted by 14:11 ¶ 47, the CI budget is determined by group-level directives, such as a percentage of the bottom line, and while the specific allocation is left to local discretion, it must align with these broader parameters to ensure consistency across the organisation. Additionally, 14:12 ¶ 49 states that regardless of the local needs, there are strict limitations set at the group level on the percentage of personnel costs that can be allocated to CSR, reinforcing the centralised control over financial resources for CSR initiatives.

But the budget has to go through—what do you call it? Group-level approval and not too detailed what to use, but at least they're supposed to set some guidelines in terms of budget, so a budget could be, for instance, you said that ... You are not ... your CI spend should not be ... should be, let's say X percent of your of your bottom line, and remember the directives and guidelines come in to inform you how you develop even your personnel budget. And if your CI budget is a factor of that personnel budget and there are parameters that inform the budget for personnel. But this was determined ... or top-down, then indirectly, your CI budget is also influenced by that directive. So there are budget guidelines. 14:11 ¶ 47 in 14 G2MR interview

So, I mean, no matter what the needs are, there is no point, where at group level, it can be agreed that you would have to spend about 60% of your personnel cost ... goes into CI, no matter what their needs are. And how the needs are felt—this cannot happen—and that is a corporate directive. Another thing to mention in relation to this problem ... 14:12 ¶ 49 in 14 G2MR interview

Sub-theme 4: Ethical and performance standards

Ensuring that CSR activities align with ethical standards and performance evaluations through clear guidelines and performance metrics is one of headquarter's responsibilities. As seen in the 06 D2PS interview, lawyers are encouraged to contribute to pro bono work, with time spent being a factor in the annual performance evaluations, while the 09 E1PS interview highlights the implementation of a structured framework to measure and evaluate social impact activities, ensuring that ethical standards and performance goals are integrated into the CSR efforts, without being overly prescriptive on specific actions.

But in the sense that we do have wider firm guidelines and policies on pro bono and CSR, we do have wider guidance and largely pro bono in terms of the sort of hours a lawyer should put in for pro bono—or is encouraged to put in—and it's actually one of the performance metrics at the end of the year. You could use the time you spend for pro bono to add and to show what you've been working on and it's favourable to have put in time for that. So, they're the sort of guidelines and those kind of questions are asked of individual lawyers. 6:7 ¶ 17 in 06 D2PS interview

And we had a kind of policy, whereby there was a little bit more scrutiny around the kind of risk management aspects and things. So, I think that was ... that came through a lot more. I don't necessarily think that it does as much here, though obviously, there are some clients and we have risk management processes, where we will consider carefully the way our work will be used. 5:8 ¶ 29 – 30 in 05 E2PS interview

It's framework and enablement, so a couple of years ago, we were ... a large professional services firm, on our social impact programme was—and even for our environmental activities also—we were doing tons of great things, but there was no common thread that was kind of tying them all together and therefore, we couldn't measure any of the things that we were doing. So, a big part of what we have done over the last five years is really to put structure to the activities, so that we can talk about them collectively, we can measure them collectively. And then add tools and processes in order to do those things. And so, it's really that, I would say, framework structure without being prescriptive on the what. 9:5 ¶ 33 in 09 E1PS interview

Sub-theme 5: Social sensitivity and compliance

Headquarters' CSR guidelines need to balance corporate directives with local socio-cultural sensitivities, as highlighted by 11:8 ¶ 51, where CSR activities are influenced by societal norms, even when legal requirements do not exist. This suggests that while corporate policies provide a framework, local cultural factors must be carefully considered when implementing CSR activities to avoid conflicts with the community's values.

But where we say when there's no legal requirement, but perhaps it's a socio—a social led feeling ... So, let's ... let me use a practical example and sorry, it is just an easy one to understand. For example, in many of our operations, there is no legal prohibition to being a person of a homosexual background, but societally, it is not necessarily broadly accepted. 11:8 ¶ 51 in 11 F1TC interview

Conclusion for Research Question 1 Results

A distinct theme (the Contextual Drivers of CSR Engagement Activities) with three broad themes are identified to answer Research Question 1. The first theme, 'Organisational environment and global CSR strategy', considers the key contextual factors, social factors, corporate spending and regulatory requirements. The second theme, 'Reputational risk and its influence on CSR activities' focuses on risk in decision-making regarding local context challenges, local adaptation and ultimately risk mitigation processes and escalation. The third theme, 'Directional guidance from headquarters' includes centralised guidance and influence, adaptation to local context, resource allocation, social sensitivity and compliance. These three themes, in turn, are associated with 15 sub-themes that add a further level of richness or nuance in addressing Research Question 1.

5.3 Results: Research Question 2

Research Question 2: How can the subsidiary manager identify and manage its stakeholders?

Theme 2: Stakeholder Identification and Management

Seven themes were developed to answer Research Question 2 about how the subsidiary manager can identify and manage its stakeholders.

5.3.1 Theme 2.1: Identification and impact of stakeholders

Subsidiary managers identify and manage stakeholders through stakeholder mapping and analysis to align their business strategies with the community's needs and expectations. Key stakeholders include employees, who often drive CSR initiatives through personal suggestions (03 A2FS; 06 D2PS), communities that gain collective power when mobilised (14 G2MR), governments that ensure compliance and project alignment (12 C1FS), and NGOs that facilitate project implementation (12 C1FS). Managers also recognise the nuanced nature of “community” across regions, adapting their approaches to the local contexts and power structures (01 A1FS; 14 G2MR).

So interestingly, we also just came up with a stakeholder mapping. I think something that, I think, we even had to take to the board to say, you know, do we understand our stakeholders broadly, not even in the context of CSR, but just broadly around how ... do we, therefore, have a policy; how do we, therefore, manage it, and how do you track and how do you cycle back to the board? If I think about what we've come up with, we obviously have regulators, so we can also just demonstrate what we are doing for our communities. We also have the community itself to say, you know, what are we doing for our communities to uplift them? So, we most of the time lead with financial literacy. 3:5 ¶ 21 in 03 A2FS interview

I think I would say the biggest stakeholder is the staff. If I think about it quite seriously, it's actually the staff, the wider is not really a top-down, like the management. It seems to be more driven, more by the staff who suggest. And we suggest, based on their social lives, out of work, and then we say, like my church group went here and ... 6:15 ¶ 46 in 06 D2PS interview

They, as individuals, might not be powerful, but then when they are mobilised, as grassroots—what do you call it—advocacy groups, then as a civil society, then they have a lot of power. So, the communities by themselves naturally ... probably would have only influence, but they will not be powerful. But when they are mobilised as an advocacy group, then they become even more powerful, or they become the source of power. 14:17 ¶
83 in 14 G2MR interview

... who have authority, influence and then ... and therefore, instantly have influence because their community ... they are custodians of the community, they are custodians of the land on which you operate. And so they have a strong ... but it also varies from area to area within geographical areas that will create ... Again you have the communities themselves who are the beneficiaries. So, their needs are the ones that influence what you do. 14:16 ¶
81 in 14 G2MR interview

Theme 2.2: Role of Stakeholders

Sub-theme 1: Community engagement

Community engagement in CSR involves fostering partnerships with various stakeholders and tailoring approaches to the local contexts. Many companies utilise foundations or trusts as vehicles for community engagement, often working through NGOs as intermediaries to address diverse needs (01 A1FS). Engagement strategies vary by region, reflecting the nuanced nature of communities across geographies, such as Botswana, Namibia, and Mozambique (01 A1FS). Collaboration with intermediaries, suppliers, and community leaders is emphasised, as seen in efforts such as creating wheelchair-accessible pathways or supporting schools with equipment (04 B2FS). Capacity-building workshops help local trustees identify and implement projects effectively (12 C1FS), while host communities are engaged through initiatives, such as cooperatives for alternative livelihoods, guided by stakeholder analysis to align projects with the local dynamics (08 G1MR).

“Look, from a ... I would say from a broad corporate (applicable to most) perspective, ... um it ... if you if you ask the guys doing the integrated report, they will say investors; if you ask us doing the sustainability reporting, which starts with the community, but essentially the old cover the ... both cover the community and that those tackled engagements mostly happen through the

foundation. That's the vehicle that we have for community engagement through NGOs, which you can say is probably the kind of a proxy for community engagement. And then other stakeholders would be your investor community. Yes, your intermediaries, your employees and you're including ... very important in our world, our temporary employees and contractors, intermediaries as part of your suppliers. But I think probably ranking higher than it would have been a couple of years ago. 1:11 ¶ 31 in 01 A1FS interview

So, those two things in-country, but you've said that it also ... there's ... community becomes a very nuanced landscape, because community in Botswana is different to what community might mean in, in Namibia or in Mozambique. It also depends on the kind of business. 1:13 ¶ 31 in 01 A1FS interview

Our intermediaries and our suppliers. And let me share now, for an example, what we've done now for the third quarter. We've really, within each department within the business, there was a specific drive in terms of CSI. Each department was given a budget and with that budget, you should have tried to do something. And there's one department, for example, our commercial lines department—they took a joint venture with one of the large brokers and they went specifically to a disabled school. And they made sure that the pathways, where the wheelchairs—there wasn't previously pathways—so they created pathways for wheelchairs to operate. So, those types of examples are there, meaning that we definitely cooperate with suppliers. Other examples that I can share with you; schools they didn't have geysers, for example. We bought the geyser, and our geyser suppliers provided the work free of charge—so we continuously tried to look at those opportunities from a partnership perspective. 4:8 ¶ 34 in 04 B2FS interview

So, we usually have got capacity-building workshops. So, how it's implemented at the local level, there would be a trust or a foundation with trustees, and we facilitate that. Those trustees come to South Africa and they can see some of the work that the foundation does here, but also when they're in-country, just providing training on how they can identify projects. And how they go about to make sure that those projects are executed, so it's

moved on the administrative side and the knowledge and training aspect that we help them with. 12:8 ¶ 29 in 12 C1FS interview

Sub-theme 2: Regulator and compliance

Regulators play a crucial role in ensuring compliance and influencing CSR strategies. Subsidiaries must navigate ESG expectations set by the regulators, focusing on transparency and adherence to local laws to avoid reputational risks and legal violations (01 A1FS). In highly regulated industries, such as mining in Tanzania, regulators might be deeply involved in developing and implementing CSR plans, which can sometimes hinder efficiency (08 G1MR). Stakeholder prioritisation begins with legal requirements and regulatory frameworks, tailored to specific business lines, ensuring compliance, while balancing influence and engagement needs (11 F1TC).

You know, if you look at things through an ESG lens, our regulators, because regulators are becoming more vocal on the expectations of how organisations manage ESG risk and how they report on them and how transparent they are with them. And I think in-country for subsidiaries, that's probably more important from a headquarter's perspective, because the two things I would say, community and regulators, because from a headquarter's perspective, you don't want to be outside of the borders of South Africa doing something that is not right or regarded as not compliant or not legal, whatever. So that, I think, is key and then something that carries with it reputational damage in terms of human rights, broad based social impacts and, you know, possible transgressions on the side of your business or its employees. 1:12 ¶ 31 in 01 A1FS interview

We operate in about the 10 biggest countries. So, the stakeholder and mix is quite interesting, especially in the implementation of the CSR plan. You'll find that in one area, the key stakeholder, especially where it is highly regulated ... a practical example is in Tanzania—the mining industry is highly regulated when it comes to CSR—so, they actually want to be part of the development, a process of those CSR plans on an annual basis. They also want to be part of the implementation process. So you find an NGO that is actually well experienced in that area, they actually make life very easy to implement a programme with you. So, in another setting as well ... 8:5 ¶ 20 in 08 G1MR interview

I think in terms of our stakeholder universe, we do need to look at the full spectrum and I guess we do look at stakeholders both in terms of who can exert influence versus ... and it's the traditional stakeholder grid, where you start to look ... to say who's got a lot of influence, and then rating them in terms of who do you keep informed, but who do you actually actively engage with? So, it's ... and then, when we look at the stakeholders, obviously the first place you do start is the legal requirements in terms of a licence to operate. So, what that would mean is in terms of any local laws around being a registered legal entity and then also looking at the regulators, who perhaps govern different business lines that we work. So, whether it be our GSM business, which is the mobile business, or if it's Fintech, which is the mobile money business, we then obviously do have your key ... but obvious stakeholders. 11:9 ¶ 57 in 11 F1TC interview

5.3.2 Theme 2.3: Influence of stakeholders

Sub-theme 1: Customers and communities

Customers and communities are key stakeholders with significant influence on the CSR priorities. Customers drive the focus on financial education and upliftment efforts, and they link community empowerment with long-term business growth by creating future clients and addressing skill shortages (02 B1FS, 04 B2FS). Communities, however, are heterogeneous, comprising diverse actors, such as political leaders and custodians of land, each wielding varying levels of power and influence over CSR initiatives. For example, political actors might challenge or shape CSR plans to align them with their own interests, highlighting the complexity of managing community dynamics (14 G2MR: ¶73, ¶79, ¶81).

Definitely, to be ... it, it would be the customers, the customers, and the community at large that will be the most important stakeholders, and obviously, a ... of the regulators ... becomes lot more important, especially when it comes to financial education. So, those will be what I've mentioned. The main important stakeholders for consideration. 2:6 ¶ 18 in 02 B1FS interview

Your property holder metrics you would ... Your communities—so the communities are still even heterogeneous. It's not just a community within the community. You have a diverse group of stakeholders. They have power.

They have influence—they have power and they have influence. We have a case in ... in Tanzania, for instance, where a political actor strongly advocated for our CSR plan not to be accepted by government, because of an interest that he wanted to bring into our CI programme, which we had refused. 14:14 ¶ 73 in 14 G2MR interview

So, I was talking about the community, which is in itself a trade union. There are different actors with different levels of influence and power. I spoke about that traditionally ... this will have power ... 14:15 ¶ 79 in 14 G2MR interview

... who have authority, influence and then, and therefore, instantly ... have influence, because their commitment, they are custodians of the community, they are custodians of the land on which you operate. And so they have a strong ... but it also varies from area to area within a geographical area that will create ... again, you have the communities themselves, who are the beneficiaries. So their needs are the ones that influence what you do. 14:16 ¶ 81 in 14 G2MR interview

Sub-theme 2: Employees and internal staff

Employees and internal staff play a critical role in shaping CSR initiatives by aligning efforts with their own values and passions. Staff-driven suggestions, often influenced by their social lives and community involvement, highlight grassroots' engagement rather than that they reflect a top-down approach (06 D2PS: ¶46). Broader stakeholder engagement also integrates employees' perspectives alongside the insights from industry groups, academics, and NGOs, enabling the formation of a framework that reflects local nuances, while it also addresses global priorities through impactful partnerships (09 E1PS: ¶39-41).

I think I would say the biggest stakeholder is the staff. If I think about it quite seriously, it's actually the staff, the wider ... is not really a top-down ... like the management. It seems to be more driven, more by the staff who suggest. And we suggest, based on their social lives, out of work, and then we say, like my church group went here and ... 6:15 ¶ 46 in 06 D2PS interview

And those stakeholders have helped to set that framework and then, on the ground, what we fully expect is, and what we know is happening, is also that our member firms, our local offices are within those frameworks. They're

looking at what is, you know, where can we deliver? Like what partners do, we need to kind of deliver this impact, you know, where, you know what, where is something. Are there nuances that our people really want to support kind of on the ground versus kind of broad topics and categories? And so, I do think that stakeholder engagement has been critical to our process. 9:6

¶ 39 – 41 in 09 E1PS interview

Sub-theme 3: Regulators and governance bodies

Regulators and governance bodies significantly influence organisational priorities and operations. Regulators are crucial, especially in areas, such as financial education, to ensure companies' compliance with ethical and professional standards, and to drive broader transformation agendas, such as sustainability and industry requirements (02 B1FS: ¶18; 05 E2PS: ¶54-55). Regulatory bodies, such as those in the mining sector, wield both power and influence. They shape compliance and industry practices, while other government agencies might have less power but still exert notable influence (14 G2MR: ¶87). These stakeholders enforce transparency and accountability, and guide localised and global strategies.

Definitely, to be ... it, it would be the customers, the customers, and the community at large that will be the most important stakeholders, and obviously ... the regulators become lot more important, especially when it comes to financial education. So, those will be what I've mentioned. The main important stakeholders for consideration. 2:6 ¶ 18 in 02 B1FS interview

So, increasingly, you know, we get requests from clients saying, well, "What's your net-zero commitment or policy?" and it's part of the procurement processes, in addition to obviously everything that we had on BEE. So, clients generally, you have a big group of regulators and regulatory stakeholders, so for us, that would be things like the Independent Regulatory Board for Auditors (IRBA). And that's where you see probably the localisation of the group's foundation programme as well, because typically, you know, we would have ... our staff probably needed ... potentially identify areas, where we want to focus on and so that would be the sort of local contextualisation. 5:12 ¶ 54 – 55 in 05 E2PS interview

Partners and donors. I've spoken about our contractors. So, in terms of power ... our contractors obviously don't have any influence and they don't have any power, but they have business. They might sit midway, but the regulators won't just regulate the industry. They have influence and they have power as well. 14:18 ¶ 87 in 14 G2MR interview

5.3.3 Theme 2.4: Practical implementation of stakeholders' influence

Sub-theme 1: Educational and CSR stakeholders

In the context of CSR strategies, educational and CSR stakeholders play a critical role in shaping and implementing initiatives. University students and their leadership actively engage with organisations, identifying firms with the resources to support their academic or community needs, often through structured proposals or pitches (06 D2PS: ¶56). This demonstrates a collaborative approach, where stakeholders initiate CSR opportunities. Additionally, organisations contribute to CSR through financial donations and non-financial means, such as pro bono services, aligning with their social responsibility goals, while strengthening their reputation as responsible corporate citizens (07 D1PS: ¶54). This dual approach integrates their direct financial support with skills-based contributions, which enhance the CSR impact.

The education CSR space ... the university students, the student leadership, they sort of look out for the law firms they think could have either the technical resources or financial resources—and then they ask you this sort of pitch.

6:16 ¶ 56 in 06 D2PS interview

And so, we found that in both markets ... both a more formidable presence as a responsible corporate citizen in the straightforward financial contribution sense. But in addition, having dedicated units that provide pro bono services, which could also be considered as a contribution to our social responsibility objectives, yeah. 7:11 ¶ 54 in 07 D1PS interview

Sub-theme 2: NGOs, donors, and advocacy groups

NGOs, donors, and advocacy groups are pivotal in CSR strategy implementation through partnerships and grassroots mobilisation. In corporate practices, reputable NGOs and UN bodies are often engaged as partners in CSR initiatives. However, this engagement involves rigorous vetting processes that assess organisational ownership, potential reputational risks, and media exposure before these parties enter in any agreements (10 F2TC: ¶54). This

ensures their alignment with the corporate values and it mitigates risks. Advocacy groups and grassroots movements demonstrate how collective mobilisation can amplify community influence. Individually, stakeholders might lack power, but as organised civil societies, they gain significant influence, and they become drivers of change and sources of power within the CSR frameworks (14 G2MR: ¶83). This highlights the transformative potential of collective action in CSR practices.

These would normally be your well-established and reputable NGOs. The United Nations bodies and departments are a few of them. It goes through a rigorous due diligence process, where things like the ownership is evaluated. We look for any sensitivities or any reputational issues that ... that might have come out in the media. So, all of that goes through a due diligence process before we enter into agreements with these organisations. 10:6 ¶ 54 in 10 F2TC interview

They as individuals might not be powerful, but then when they are mobilised, as grassroots—what do you call it—advocacy groups, then as a civil society, then they have a lot of power. So, the communities by themselves naturally ... probably would have only influence, but they will not be powerful. But when they are mobilised as an advocacy group, then they become even more powerful, or they become the source of power. 14:17 ¶83 in 14 G2MR interview

Sub-theme 3: Industry and professional bodies

Industry and professional bodies significantly shape the practical implementation of CSR strategies by offering guidance, aligning corporate practices with professional standards, and driving local contextualisation. In CSR strategies, professional bodies, such as the IRBA (Independent Regulatory Board for Auditors) and industry associations, such as BUSA, are critical stakeholders. They influence corporate transparency, ethical alignment, and independence requirements. These factors are reflected in transparency reports, which outline commitments to transformation, environmental issues, and client expectations, such as net-zero policies (05 E2PS: ¶54–55). Industry standards also influence localised CSR programmes, such as the group's foundation programme, where staff contribute to identifying focus areas, and ensure the alignment with the community's needs. Additionally, in global CSR efforts, industry bodies provide vital insights into local contexts. Stakeholders help identify potential pitfalls and recommend suitable approaches to ensure the success of programmes

tailored to country-specific challenges (12 C1FS: ¶21). This emphasises their role in enabling informed and adaptive CSR practices.

I would say that the stakeholders are the same kind of big groupings; globally and locally, so you'll have obviously your customers and your clients and their expectations and what they're looking for. So increasingly, you know we get requests from clients saying, well, "What's your net-zero commitment or policy?" and it's part of the procurement processes in addition to obviously, everything that we had on BEE. So, clients generally ... they're a big group of regulators and regulatory stakeholders, so for us that would be things like IRBA. Obviously, you know ... some of the industry associations will be big important stakeholders, BUSA, that we will engage with. And then our employees, I would say, is probably the third biggest sort of stakeholder grouping that really influences what we do. And obviously, that then drives maybe a bit more of a localisation piece. And that's where you see probably the localisation of the group's foundation programme as well, because typically, you know, we would have ... our staff probably needed ... potentially identify areas, where we want to focus on and so that would be the sort of local contextualisation. 5:12 ¶ 54 – 55 in 05 E2PS interview

So, they bring about a lot of learnings. As I say, each country is unique and some countries have gone through the learning curve, so we might come in and say, we want to do a particular project. The stakeholders play a critical role in advising us what will work, and which ... the potential pitfalls that we should pay attention to. So, they play a significant role in advising or directing how the implementation of the programmes should go about. 12:5 ¶ 21 in 12 C1FS interview

Media and civil society

I think it's very important to look at that grid in terms of the four-grid model around stakeholder management, because a stakeholder might not necessarily have a lot of influence on a specific activity, but it does mean we still actively keep them informed and engage with them, and this would be a broad range of stakeholders from media too. 11:12 ¶ 63 in 11 F1TC interview

They as individuals might not be powerful, but then, when they are mobilised, as grassroots—what do you call it—advocacy groups, then as a civil society, then they have a lot of power. So, the communities by themselves naturally probably would have only influence, but they will not be powerful. But when they are mobilised. as an advocacy group, then they become even more powerful, or they become the source of power. 14:17 ¶ 83 in 14 G2MR interview

5.3.4 Theme 2.5: Challenges faced with the stakeholders

Sub-theme 1: Global vs. local stakeholder expectations

Subsidiaries face significant challenges in balancing global and local stakeholder pressures during their CSR implementation. Global priorities, such as decarbonisation or data security standards, often clash with local realities, where immediate issues, such as poverty or education, dominate (12 C1FS: ¶23). While global stakeholders, including regulators and clients, demand alignment with international standards (for example, UK/EU regulations or net-zero goals), local markets might lack the urgency, infrastructure, or understanding to support these initiatives (09 E1PS: ¶53; 11 F1TC: ¶67). Additionally, global policies, such as IFC's "land-for-land" requirement, can prove unfeasible in specific local contexts, forcing subsidiaries to adapt or negotiate compromises (14 G2MR: ¶97). This tension necessitates careful prioritisation and bi-directional communication to address both global trends and pressing local needs.

Some of the things that we are grappling with is the right balance to strike in terms of revenue targets, growth goals, kind of market pressures, while also looking at making sure that we can balance that against our CR goals and sustainability goals. So, balancing those conversations and making sure there's visibility, kind of both ways has really helped. 9:9 ¶ 53 in 09 E1PS interview

So, there is a responsibility for us, in terms of our social obligation to our customers and to our employees, that we keep their information safe. We are ... because of our subsidiary status for my group, subject to UK and EU regulations. However, not all of our markets are at that level. Our local regulators are not necessarily at that level either. And I think it can be challenging to implement a certain standard when the local stakeholders

don't necessarily want or understand that standard, and then second of all, we are seen as being burdensome, if I have to use a simple word and if I give you a very practical example. 11:14 ¶ 67 in 11 F1TC interview

We've got this global warming at an international level, which is a big, big agenda and we totally buy into that and support it. But if you start, also you have to pay attention to the trends globally. But if you do that, then we're going to be all over. 12:6 ¶ 23 in 12 C1FS interview

So, there are exactly ... in addition to that, there are a few cases, where global requirements have not so much been ... very much aligned with the local subsidiary-level requirements. For instance, years back, there used to be what IFC called a land-for-land. So, you take land and you give land back. And in other jurisdictions, I mean, typically in Ghana, that is difficult because ... 14:20 ¶ 97 in 14 G2MR interview

Sub-theme 2: International perceptions and subsidiary dynamics

Subsidiaries face challenges balancing international perceptions and local dynamics in their implementation of CSR. In some emerging markets, tensions between local subsidiaries and head offices can create hostility, with subsidiaries resisting directives they view as misaligned or top-down (13 C2FS: ¶58). This varies by region and some countries respect head office guidance, while others, such as Nigeria or Kenya, exhibit resistance or “warfare” (13 C2FS: ¶60). Additionally, international stakeholders, including the global community, often react primarily to reputational issues, and they place pressure on subsidiaries only when crises arise, which can further complicate proactive CSR strategies (14 G2MR: ¶91). These dynamics require subsidiaries to balance respect for global directives with local realities and perceptions.

It's ... each emerging market will be different. There are certain emerging markets that hate, on principle, their head office countries. I mean hate. If that means ... Perhaps it's unfair to always pick on Nigeria, but it's very easy. If you look at the local company versus the group, it's absolute warfare. 13:11 ¶ 58 in 13 C2FS interview

Not quite so bad here, but it would be seriously bad in, say, Kenya. Getting worse in Ghana. Not at all constructive in some of the countries, like Morocco and Tunisia, etcetera, etcetera. Here, it's ambivalent. There is an awful lot of

respect that is ... Therefore, if a head office says to its subsidiary: "This is how you ought to be looking at CSR ESG, etcetera, etcetera", then they will take that very, very seriously. And Uganda is no exception, and my company is no exception. Oh, if it makes any reasonable sense in terms of prioritisation, my company will go exactly the way that the head office direction is. If it makes no sense, I will tell them so. 13:12 ¶ 60 in 13 C2FS interview

It normally gets quiet, if you are not caught up in any challenge, and I presume that what people are waiting to see is, if you have a reputational dent. So, the international community, I mean the global stakeholder, will actually be concerned and I think it's something that is characteristic of society. I mean, we always get alarmed and we always want to act when there's a problem. So, if there's a dent in our reputation, normally you have pressure, you know ...14:19 ¶ 91 in 14 G2MR interview

5.3.5 Theme 2.6: Resource constraints and operational challenges

Sub-theme 1: Capacity and financial limitations

Subsidiaries encounter resource constraints and operational challenges when balancing CSR pressures. Financial limitations arise when stakeholders, such as schools or universities, present budgets exceeding the subsidiary's capacity (06 D2PS: ¶60). Similarly, technical constraints, including insufficient in-house expertise or staff, can hinder the company from fulfilling CSR demands alongside their client obligations (06 D2PS: ¶62). Furthermore, mismatched priorities emerge; while global stakeholders push for broader agendas, such as climate change, and local communities often prioritise their own immediate survival needs, creating a misalignment in expectations and focus (08 G1MR: ¶30). These challenges complicate balancing stakeholders' demands and achieving sustainable CSR outcomes.

I think the challenges could be the financial expectations sometimes that the CSR stakeholders might have, especially when it's the schools and universities pitching, because they normally have a budget they're asking you to sort of meet. 6:17 ¶ 60 in 06 D2PS interview

... sometimes also lack of technical—we might have the knowledge to do the work that is being asked of us, but we do not have enough capacity in-house to do that plus client work. 6:18 ¶ 62 in 06 D2PS interview

So, I think those two are the main ones, and also just expectations, sometimes, we have people writing. And I think I mentioned like a political prisoner type of or immigrant who's facing ... 6:19 ¶ 66 in 06 D2PS interview

It's quite interesting because with mining, it normally happens in ... so it's not the rural areas. So, the majority of our stakeholders, they follow those kind of discussions and those priorities from external stakeholders. But I think what you realise is that where we operate most of the time, our stakeholders on the ground at the host country level, local community level, they are actually more interested in survival. And that, on its own, basically tilts the debate, because they'll even tell you we understand that you need to implement the climate change ... 8:7 ¶ 30 in 08 G1MR interview

Sub-theme 2: Balancing local development and resource use

Balancing local development needs and resource use, while also addressing CSR objectives is one of the challenges faced by the subsidiaries. As stated by one of the participants, in Tanzania, a gold mining subsidiary is tasked with maintaining a national forest, while they are also managing small-scale mining activities, where local miners, in an effort to survive, cut trees for underground support (08 G1MR: ¶32-37). This creates a conflict between environmental sustainability goals, such as combating climate change, and the immediate survival needs of local miners, who rely on the forest for resources. While the company follows government mandates on sustainable practices, there is tension between promoting environmental responsibility and supporting local livelihoods, especially when addressing informal or illegal mining operations (08 G1MR: ¶41). This reflects a complex balancing act between adhering to global sustainability standards and responding to the urgent needs of local communities.

We need to stop certain fuels and stuff like that, but at this point, I think a practical example for us with climate change is in Tanzania, where we operate. It's a forest, the national forest. 8:8 ¶ 32 in 08 G1MR interview

So, we are ... actually, government gave us the permit to operate there, but they also gave us the responsibility to maintain the forest, so, but with ASM, the small-scale mining activities, the gold price, where it is now, is very high. So, it's attractive to all the small-scale miners to actually get something through their mining activities. 8:9 ¶ 34 in 08 G1MR interview

So, what they do is cut a lot of trees from the forest, because they need to use it as support underground and stuff like that. So, you find that now you go to those people and say; guys, can you please consider the environment, climate change. Like we understand, but at the end of the day, we will also want to survive. And for us—I know your question was around the coal mine—for us in the gold mining sector, the just transition issues are maybe easily managed for us because ... I mean, it's more related to what type of energy we use. 8:10 ¶ 36 – 37 in 08 G1MR interview

They want us to assist in the formalisation, as well as ensuring that we provide them with access to the market, which is a big ... it's more or less like Just Transition, because we basically say, how do we engage with people who are operating illegally? They affect our activities, so that that's a conundrum we're sitting with as a gold industry. So, we are supporting government with funding sorts of research and stuff like that in that space. So, I think that's what I probably would say. If you look at Just Transition, it will be the same. If we had the same ... similar situation as the coal mining sector. 8:12 ¶ 41 in 08 G1MR interview

Sub-theme 3: Subsidiary-head office collaboration and influence

Subsidiaries often navigate tensions between local operational realities and head office expectations when implementing CSR initiatives. For instance, in the context of small-scale mining in Tanzania, subsidiaries are tasked with balancing environmental stewardship, such as maintaining forests, with supporting local economic activities driven by high gold prices (08 G1MR: ¶34). Additionally, a subsidiary might be expected to report on CSR impacts, which can sometimes be challenging when local challenges, such as government failures in service delivery, are placed on the company's shoulders rather than the state (07 D1PS: ¶67). Moreover, subsidiaries must also manage land use problems, where displacing communities to implement CSR projects can create ongoing conflicts, for example when resettling individuals for mining operations (14 G2MR: ¶99). These examples highlight how subsidiaries

must balance local context with global CSR goals, navigating both local needs and head office directives, sometimes under challenging resource constraints and ethical dilemmas.

... not as it relates to the two offices working together. My cheeky comment about government was that it's a failed service delivery, placing—certainly not exclusively on us—but calling upon us to fill gaps that ultimately should be filled by government itself or government-funded institutions. 7:13 ¶ 67 in 07 D1PS interview

So, we are actually ... government gave us the permit to operate there, but they also gave us the responsibility to maintain the forest ... so, but with ASM, the small-scale mining activities, the gold price, where it is now, is very high. So it's attractive to all the small-scale miners to actually get something through their mining activities. 8:9 ¶ 34 in 08 G1MR interview

You don't own land, so if I displace someone and I need to provide him ... that and then the equation is unending, because I need to go and take land from someone else and give to someone and whoever I'm taking the land from .. I'm also taking the land from. 14:21 ¶ 99 in 14 G2MR interview

Sub-theme 4: Global pressure and local implementation

The participants highlight the challenges subsidiaries face in balancing global pressures with local implementation when it comes to CSR initiatives. Global initiatives, such as the Kariba Dam reforestation project, which involved major global companies, such as Google and Microsoft, posed a dilemma for subsidiaries about the real benefits on the ground, leading to internal debates and consultations with the local Zimbabwe team to assess its local relevance (05 E2PS: ¶34). Similarly, the global requirements for sustainability, such as land-for-land policies, promoted by organisations such as the IFC, sometimes clash with local conditions, as in Ghana, where such policies might not be feasible or culturally appropriate (14 G2MR: ¶97). These examples illustrate the need for subsidiaries to reconcile the often idealistic global CSR objectives with the complex and varied realities they face in local markets, where the practical implementation of these global standards might not always align with the local needs or capacities (08 G1MR: ¶39).

So, I think it's widely known, but for example, the Kariba Dam offsets. I don't know if you followed it in Zimbabwe, which was a kind of reforestation project,

and one of the biggest ones globally and you know Google and Microsoft and a lot of entities had credits there. We also had credits and so, we had a big internal piece to say, well, we understand the challenges, but we want to understand, if we still remain involved, because we, you know, what's the benefit on the ground? So, there was a lot of engagement with the Zimbabwean team as well in terms of bringing that in. So, I think that's one area, where there is a balancing act, if I can put it that way. 5:10 ¶ 34 in 05 E2PS interview

Transport—those are manageable things—we are able to manage them, but what's happening in terms of the external stakeholders' expectations around that is now small-scale mining. 8:11 ¶ 39 in 08 G1MR interview

So, there are exactly ... in addition to that, there are a few cases, where global requirements have not so much been very much aligned with the local subsidiary-level requirements. For instance, years back, there used to be what IFC called a land-for-land. So you take land and you give land back. And in other jurisdictions, I mean, typically in Ghana that is difficult because ... 14:20 ¶ 97 in 14 G2MR interview

5.3.6 Theme 2.7: Recommendations for managing stakeholder pressures

Sub-theme 1: Advocacy

The participants provided insights into how companies can manage stakeholder pressures through advocacy and collaboration. In the first quotation (01 A1FS: ¶35), the participant highlights the importance of community-level engagement, especially through industry collaboration, as a key strategy. This could involve partnering with organisations, such as UNICEF, or engaging with local advocates to address social problems. Advocacy at this level is often driven by employees' volunteerism and is portrayed through their actions in communities, creating a more authentic CSR approach. The second quotation (07 D1PS: ¶79) emphasises a public interest approach in response to broader societal problems, such as failures by the state, corruption, and economic struggles. The companies tend to recognise that it is part of a larger network of contributors to societal improvement, and therefore, it works to extend its impact as far as possible by balancing financial contributions with pro bono services. This strategy demonstrates a recognition of the company's role in collective efforts while maintaining a focus on maximising the reach and impact of its CSR initiatives. Both

quotations underline the need for collaboration, a clear sense of purpose, and leveraging employee-driven advocacy in managing stakeholder pressures effectively.

So, on a community level, yes, or something that's possibly a little bit more sporadic. And then also on an advocacy level, collaborating with peers in the industry, you know, on that UNICEF Forum, I forgot the name of the lady, I think it's Boitumelo on the side of Ghana, for example, what you get there and how they engage with social issues is mostly ... seems to be from what they are portraying through their employees and their kind of volunteer or voluntary engagement in the community. 1:15 ¶ 35 in 01 A1FS interview

It's also what informs our public interest approach. There's a recognition that if we're going to respond to state failure and corruption and political sway and economic struggle ... We are not the only contributors to that fight, but we also—in making our own contribution—need to stretch it as far as possible, and so, therefore, our approach both to our financial contributions and to our pro bono services ... 7:14 ¶ 79 in 07 D1PS interview

Sub-theme 2: Environment

The findings also provide insights into how companies manage stakeholder pressures related to environmental and social responsibilities. The first interview (01 A1FS: ¶39) emphasises the pressure on UK-based firms to ensure compliance with environmental regulations, especially in addressing topics such as greenwashing and monitoring ESG performance. The focus is primarily on legal compliance, with less attention given to broader community or social engagement. In contrast, the second interview (07 D1PS: ¶60) highlights the proactive approach of a South African firm's pro bono unit, which strives to maximise its impact, despite its limited resources. By offering legal services to address public interest topics, the firm creates far-reaching social benefits. However, the firm also faces limitations in its ability to take on certain cases because of conflicts of interest with large corporate clients (07 D1PS: ¶85). These examples show that balancing stakeholder pressures requires a blend of regulatory compliance, strategic focus on public good, and navigating conflicts that arise from corporate ties.

... the UK ... I'm not, you know, I'm not really aware. I think for them, the pressure is more on their environmental performance and that's why they have ... and especially their compliance with certain regulatory frameworks

that are supposed to curb greenwashing and monitor ESG performance. So for them, it's probably more on the ... are we doing the right thing in terms of the law compliance side? But like real community or social engagement? I don't know beyond that, because I think that is the big agenda, that you know that everybody sort of organises around ... in Europe in the UK it is the climate, the environment, you know, the impact on society. 1:17 ¶ 39 in 01 A1FS interview

My colleague and I are both first and foremost pro bono practitioners, and by virtue of that role, we've also been given the task of divvying up the funds, as I've explained. Our South African dedicated pro bono unit is established, and has been established by the firm in 2011. But our firm also, thankfully—and I'm very grateful to be in an environment, where this is the case—encourages other fee-earning practitioners to take on pro bono matters, and there's recognition that, while I am a constitutional administrative lawyer and so is the rest of our pro bono team, there are several opportunities for employment lawyers, commercial lawyers, dispute resolution lawyers to use their expertise to provide pro bono services. And so, their hours on a monthly basis are also taken into account and that is a reporting process to our management. At the end of each year, we then take all of that information, produce some kind of notional monetary value to the time spent on our pro bono hours, highlight some of the impact matters we've been able to carry over the line. 7:12 ¶ 60 in 07 D1PS interview

But what I will say is that the difficulty of doing what we do in our broader environment is that there are many fights that we simply can't take on by virtue of a conflict. In fact, there have been occasions, where a client, the odd occasion, a client has ... or someone has come off the street and said; I don't understand why I got this garnishee order. Why is the money being deducted out of my account? Can the bank do that, or so and so foreclosed on my home, or my car? And so, given what these big corporates do is strategically brief all of the big firms, so that we are conflicted out of ever acting against them. 7:15 ¶ 85 in 07 D1PS interview

Sub-theme 3 Leadership involvement

The importance of leadership involvement in addressing stakeholder pressures, especially in managing environmental and social responsibility initiatives, is emphasised by some of this study's participants. In the first interview (01 A1FS: ¶35), leadership involvement is framed in terms of local actions aligned with global organisations, such as UNICEF, and how the involvement of leadership in initiatives such as education contributes to CSR efforts. In the second interview (04 B2FS: ¶48), leadership is shown to play a direct role in community engagement, especially in education, by sponsoring students with potential from less privileged schools, demonstrating a long-term commitment to social impact. These examples suggest that effective leadership is critical in balancing stakeholder expectations by ensuring active participation and alignment with both local and global CSR goals.

I suppose, again it depends on where you are and what the size of your (no, I don't want to say size of your pocket is—but rather what the size of your muscle is) to deal with the kind of social pressure because ... and the mechanisms that you have available. From Botswana, I get a view of their involvement with UNICEF. So, really going, you know, like global recognised organisation ... being very vocal, they see also leadership involvement level kind of stuff and also a recognition of critical issues that are important, like education and how they get involved in that. 1:14 ¶ 35 in 01 A1FS interview

So, we start with ... we get involved at school level. For example, the best Grade 9 or Grade 10, giving sponsorships already ... book sponsors at that stage, because we also ... our vision is to identify the client. What client? The scholar with the most potential and journey with him actually from a high school level. Eventually, then, that's the journey that we ... and we are also focused on less privileged schools. 4:11 ¶ 48 in 04 B2FS interview

Sub-theme 4: Prioritisation

Participant 06 D2PS: ¶72 explains that prioritisation within the organisation is based on the availability of time and expertise, with senior lawyers or partners taking responsibility for both pro bono and paid work, ensuring that all tasks align with the firm's values and reputational goals. Time is seen as the most critical factor in deciding which projects to prioritise, highlighting the importance of balancing capacity with strategic objectives.

So, we prioritise, based on whether the lawyers with the capacity and the expertise have time to do the work. So, even a senior lawyer partner has to be the one in charge, even if it's pro bono, we give it the same attention as paid-for work. So because of that, at all times, there must be a senior partner, or a partner with the expertise, to do it. So, if they do not have the time, we cannot. So we use time to prioritise. Do you have the time? Finances, not so much, because what is normally asked of us is not so outlandish. In most cases, it's something we can do as a firm. It's more about time, time is more of the pressing ... of the challenge and it's more than what we use to prioritise time. And then, to the thing you mentioned—the question you asked about—is it reputationally aligned with our values? 6:20 ¶ 72 in 06 D2PS interview

Sub-theme 5: Regulatory push

The study findings further highlight that managing regulatory pressures requires a strategic approach, where subsidiaries must balance local regulatory demands with their business objectives. For instance, in Namibia, a regulatory push on localisation requires a business strategy to integrate government requirements, without derailing the business goals (01 A1FS: ¶37). Similarly, local regulators' ambitions must be understood and aligned with the company's supply chain requirements to ensure both compliance and supplier support (11 F1TC: ¶69). Additionally, subsidiaries must actively engage in policy discussions with governments, and contribute input on key topics and problems areas, such as environmental impact, reflecting a proactive approach to regulatory compliance and stakeholder engagement (12 C1FS: ¶25).

So, they have a ... they have a volunteer initiative in Ghana on ... the same people always come down to the Lesedi, I think, in Namibia, because they've got the pressure of localisation. It is slightly more nuanced, it's more definite that ... you know, they need to have almost like a business approach strategy, a policy of "How are we going to make this government requirement real for the business so that it, you know, doesn't derail like any kind of business plans, objectives that we've had?" So I think for them, that's kind of a regulatory push. So, it's maybe slightly different, so it depends, I think, what the pressure is and what you have available to respond to it. 1:16 ¶ 37 in 01 A1FS interview

As the group and as the local market, they're very active, engaging with stakeholders and specifically using the data one with local regulators. In

terms of engaging, building a common understanding, spending time understanding what the local regulators' ambitions are, because it's not to say that the local regulators do not have their own ambitions and their own strategy of moving forward, but how that plays out across the value chain. So, a very practical example would be in terms of our supply chain. We do get feedback from local suppliers saying that the requirements are very onerous. They don't need to meet the same requirements with other customers that they work with, so it is quite a balancing act to try and solve for that, enable our—and I'll use the suppliers as an example—enable our suppliers to be able to meet our requirements, and that does mean we need to support the local stakeholders in this example, the supply chain. 11:15 ¶ 69 in 11 F1TC interview

Well, it's an engagement process. So, typically you'd have like the UN, etcetera, etcetera, that focuses on these and then they are rolled out to the governments. So, there would be a government policy and as I said, government is a key stakeholder, so, our subsidiaries would be involved in the discussion paper with government in terms of that particular focus, whether it's a drought focus, or reducing plastic, etcetera, they would be involved and giving an input and with what sort of policies government should put in place. 12:7 ¶ 25 in 12 C1FS interview

Conclusion for Research Question 2 Results

A distinct theme of *stakeholder identification and management*, with seven broad themes was identified to provide answers to Research Question 2. The first theme, “identification and impact of stakeholders”, focuses on recognising stakeholders and their influence. The second theme, “role of stakeholders”, highlights the importance of engaging communities and ensuring regulatory compliance. The third theme, “influence of stakeholders”, explores the roles of customers, employees, and governance bodies in shaping the CSR efforts. The fourth theme, “practical implementation of stakeholder influence”, addresses partnerships with educational institutions, NGOs, advocacy groups, and civil society. The fifth theme, “challenges faced with stakeholders”, delves into managing global vs. local expectations and navigating subsidiary dynamics. The sixth theme, “resource constraints and operational challenges”, examines financial and capacity limitations, balancing local needs, and aligning global strategies with local execution. The seventh theme, “recommendations for managing stakeholder pressures”, proposes a number of strategies, such as advocacy, leadership involvement, prioritisation, and

regulatory alignment. These seven themes are linked to 23 sub-themes, adding depth and nuance in addressing Research Question 2.



Figure 4: Word cloud for Research Question 2
Source: Interview Output, 2024

5.4 Results: Research Question 3

Research Question 3: How can the subsidiary manager combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?

Theme 3: The Creation of a Local Social Advantage through the Integration of MNEs' Corporate CSR Expertise and Local Knowledge

To answer the research question, a broad theme was generated, with two themes focusing on the integration of CSR experts and how CSR has been leveraged to a local advantage.

5.4.1 Theme 3.1: Integrating corporate CSR expertise with local knowledge

Sub-theme 1: Local contextual adaptation

The participants emphasise the importance of integrating corporate CSR expertise with local knowledge by adapting initiatives to each region's specific needs and contexts. In Namibia, CSR efforts are closely tied to business operations, such as public health partnerships and financial inclusion projects (01 A1FS: ¶50). Similarly, Lesotho's CSR focuses on employees' wellness, addressing localised challenges that are specific to the region (01 A1FS: ¶41). In Botswana, CSR strategies are being refined to align with the local educational and financial literacy needs, reflecting differences in their strategic approaches compared to other countries, such as South Africa and Namibia (03 A2FS: ¶29). These examples highlight the necessity of tailoring CSR approaches to the local contexts for meaningful impact.

I think probably in the ... in the Namibia case, if there's a little bit more ... they might be ... but speculative. It might be a little bit more of that to say we are a good presence, a corporate presence to have in-country. Look at the ... at the public health hospital initiatives, partnerships of projects that we have undertaken. I don't think they do a lot of that. I think they are trying to make their corporate responsibility come to life more through the business of being in Namibia through the kind of products and services that they have. And again, there's also ... there's also discussion about how successful some of those things are on the financial inclusion front. 1:18 ¶ 50 in 01 A1FS interview

I'm not the sociologist, so I'm not the person to really give insight into that. But from the Lesotho business ... human capital outreach, and engagement,

there's been a lot of effort to ... around employee wellness first, and bringing light to this issue, because it is not a company issue in Lesotho, it's a Lesotho issue. 1:19 ¶ 41 in 01 A1FS interview

I know that the group one, for instance, there's very specific things for women, as an example. There's some ... There's a lot, actually. And then we are finding that you can't just do niche. You find that you come to Botswana and the nuances are different. Right. So right now, we're just trying to find our feet around. Do we think education is an example? You know, adopt primary schools and get in there. Do the financial literacy at that level and grow it and stay with it and grow it. So, we're still really toying also with ... you know ... the idea of what is the strategy for Botswana, because it's nuanced. It's not the same as South African setups, not the same as Namibia. Our needs are different. 3:8 ¶ 29 in 03 A2FS interview

Sub-theme 2: Collaborative integration

The participants mention the significance of collaborative integration between corporate CSR strategies and local knowledge. They reveal that effective CSR requires engaging local communities to ensure that the initiatives are contextually relevant, as demonstrated by consulting local stakeholders for meaningful contributions (07 D1PS: ¶89). Global frameworks set minimum standards, while local teams implement and provide feedback through active two-way conversations to refine the strategies (09 E1PS: ¶62). Tensions can arise between corporate-driven objectives and locally identified priorities, which requires harmonisation, such as aligning global HIV-focused budgets with urgent local challenges, such as under-age pregnancies (13 C2FS: ¶67-68). This collaboration fosters impactful, context-sensitive CSR implementation.

With local experience, that's a ... that's such a lovely question. Again, falling under our objective to provide meaningful support and to stretch the money and the initiatives as far as possible, we make sure to—once we've identified an entity that we might want to support, and having framed our own high-level ideas and what that support might look like—we've been engaged in, first to say, hey, is this helpful in your context? Do we have enough information from an outsider's perspective to actually make a meaningful contribution? So our CSR practical implementation is a direct consequence

of engagement with local communities, because that's the only way you can ... you can do anything meaningful. 7:16 ¶ 89 in 07 D1PS interview

The way that we are structured is that we typically ... and this kind of applies beyond just corporate responsibility and sustainability ... but we have kind of global teams or centralised teams that are working on setting strategies, developing the frameworks, and making sure there's a very active two-way conversation around what they're hearing, what's working, what's not working, what they see, where we need to go further, where we don't need to go further. 9:10 ¶ 62 in 09 E1PS interview

Well again, I'm pretty sure most international ... multinational internationals are like this. There will be a budget, which will call corporate ... corporate and I mean corporate, corporate. The corporate office will set a budget for countries outside of the head office and perhaps, this will go to Indonesia. This will go to Africa. This will go to America, whatever. Now that will be corporate-driven. Therefore, the direction would be "This must be orphan children with HIV", as an example. We, locally, in our budget, might have a completely different direction, because we've done that for 12 years and HIV isn't the issue. It was. ARVs have really helped so much. The bigger issue at this moment might be under-age pregnancies, because of COVID etcetera, etcetera, which is a real-time issue we have here. The number of young girls under 16, who now have two-year-old babies is quite astonishing here, and that is a big social problem. But nobody in the corporate world understands that. So, we will have two, not competing, but two completely different approaches. One will be locally driven, locally budgeted, locally funded, and one will be corporate driven, corporate funded. And we have to synthesise those two into something that could be cohesive. 13:13 ¶ 67 – 68 in 13 C2FS interview

Sub-theme 3: Leveraging expertise for CSR

The results emphasise leveraging corporate expertise, while incorporating local insights for effective CSR initiatives. Global strategies and best practices, such as those provided by South Africa's head office, are customised to local contexts for relevance and impact (06 D2PS: ¶78). Local teams play critical roles in validation, due diligence, and grassroots engagement, ensuring trust and cultural alignment (05 E2PS: ¶63, 10 F2TC: ¶62). A two-way process

integrates local innovations with global guidance, often requiring seed funding to pilot context-specific solutions (10 F2TC: ¶62). Additionally, community involvement during programme development ensures challenges are addressed early, facilitating smoother implementation (11 F1TC: ¶85).

So, you know, generally, for example, even with brick walls, we might have international projects that are initially driven from somewhere else. But as soon as there's a kind of local—much more local need—or something that's tied to, let's say, Africa, then there would be a straight kind of process to say: how can your team support or how can your teams be involved? I know in the carbon space, we've done a lot of work through the group's foundation programme. We're also, you know, integrating local teams as part of our validation of due diligence projects to ensure that we've got the right kind of guardrails around or kind of investments into carbon offsets and things. So that would be probably ... the key piece is that as soon as there's something that has a link into the region, we try and just make sure that we've got sort of local people identified that can bring in that sort of lens, if that makes sense. 5:13 ¶ 63 in 05 E2PS interview

I think how South Africa—the guidance from South Africa—has helped us and how we leverage it with our own internal expertise, is one the South Africa—call it head office—gives us guidelines, which we would not have. And they have sort of adopted a global approach, so that then we customise it locally. 6:21 ¶ 78 in 06 D2PS interview

Sometimes, you find that the subsidiary companies in the local market companies are doing fabulous work in the CSI space. They are able to ... through their partnerships and the relationships they have with grassroots organisations that they are familiar with ... they're able to go a lot further with those types, simply because it's an issue of trust. And you know the relationships are held from a place of familiarity, if I can put it that way. But here again, it's context and situation specific. And I'll defer back to the renewable space. So, there's technology that we lean on. We lean on the group, a group and parent companies to give us guidance on what is best practice, what are technologies that we can deploy that will help us move away from fossil fuels. What are the alternative energy sources that we

should be looking at? So, from an R&D sort of best practice sharing role, this is where you get the guidance from the group, but there again, it is sometimes a two-way process because there is innovation and really good work that is being done at a local market level as well that maybe might require seed funding to get little pilots off the ground. And that is where the support is needed in subsidiary companies. 10:9 ¶ 62 in 10 F2TC interview

So, I'll give you an example. As we're building out our human rights programme, we are doing certain activities. And very practically, we're doing our controls around the human rights programme, we're going through a community socialisation process, where we actually share it in draft format, making sure that every OpCo is able to engage with ... present any challenges upfront, so that it's not now, when we are implementing and we're measuring performance. 11:19 ¶ 85 in 11 F1TC interview

5.4.2 Theme 3.2: Leveraging integration for a local social advantage

Sub-theme 1: Strategic CSR integration

The results reveal the means needed for integrating corporate CSR expertise to create a local social advantages through strategic alignment and collaboration. Global CSR policies guide local offices, ensuring compliance with both corporate and local expectations, while they also have to align with the broader stakeholder priorities (02 B1FS: ¶35). Cross-border collaboration, such as leveraging expertise from South Africa for regional projects, strengthens the CSR initiatives and demonstrates global-local synergies (06 D2PS: ¶86). Furthermore, forums and knowledge-sharing enable markets to adopt effective practices from other markets and regions, fostering mutual growth and addressing local challenges with global insights (09 E1PS: ¶64).

You don't have an expectation that they comply with a group policy in that regard, obviously without transgressing local rules or all laws—there will be that expectation. Sometimes, it's quite important. I know this is not the key thing. It is important also to call to consider the context of Namibia in the bigger scheme of the company within the group. The size of it and the broader stakeholder and investor expectations, which are by their very nature global in nature, so we would expect that the Namibian ... that colleagues would align with the global ... 2:9 ¶ 35 in 02 B1FS interview

We do use CSR for that. And actually, when we're looking for CSR kind of work, we tend to have a bias to that kind of work that would have a cross-border approach, where we can call on the South African office to also lend a hand. So, for example, if it's work, where a client wants to ask us to support them on environmental rights defenders in Kenya. And we're then able to showcase those cross-border abilities. 6:24 ¶ 86 in 06 D2PS interview

And I would say, we sometimes use those forums for learning opportunities. We do a lot of knowledge-sharing back and forth, something that might be working in one market might, you know, might help another market who's maybe less evolved or less mature. And so yeah, there's a lot of just knowledge-sharing that I would say goes back and forth. 9:11 ¶ 64 in 09 E1PS interview

Sub-theme 2: Localised impact and cultural adaptation

The participants emphasise how corporate CSR expertise is adapted for localised impact and cultural relevance. South African CSR guidelines were customised to fit Kenya's context, ensuring meaningful application (06 D2PS: ¶84). Strategies consider regional differences, such as tailoring communication channels for Kenya's advanced digital landscape versus Uganda's less mature media environment (13 C2FS: ¶72). In the Democratic Republic of the Congo, CSR initiatives, such as skills training and bursary programmes, were structured to address the vast scale of the schooling system, maximising local reach and impact (11 F1TC: ¶124).

It's known and it's done, but in law firms. It wasn't celebrated or acknowledged in the way that the South African guidelines do. So, we've now used that and customised it to the Kenya experience. 6:23 ¶ 84 in 06 D2PS interview

Again, this will be country specific. In countries that ... that you would think are very similar, like Kenya and Uganda, Kenya is 15 years in advance in terms of digitalisation, in terms of sophistication of social media and indeed the formal press. So, when you're dealing with an amplification (that's probably the better word) of what you're doing, you need to tailor your releases and your information flow to that particular community—that series

of channels. It's no good giving a written press release to a social media electronic media house. 13:14 ¶ 72 in 13 C2FS interview

We've got skills training and we've got a bursary programme that is ... all linked into a one kind of value chain, so that local ... and the reason why it is structured that way is because of the pure size of the DRC. The fact that the schooling system is just massive, you know, in terms of reach. So, the approach was shaped by how we can actually create greater reach and impact. 11:20 ¶ 124 in 11 F1TC interview

Sub-theme 3: CSR for organisational differentiation

The results reveal that CSR initiatives serve as a tool for organisational differentiation. As stated by one of the participants, in saturated markets, addressing “softer issues” through CSR can help firms win client pitches by standing out from other organisations (07 D1PS: ¶95). Internally, CSR aligns with employees’ expectations, influencing talent attraction and retention, as employees prioritise employers committed to social and environmental impact (09 E1PS: ¶70). Externally, CSR enhances reputational trust and market differentiation, factors that are measured through surveys to gauge customer perception and competitiveness (10 F2TC: ¶65).

Because the legal market is so saturated—and you really can just go outside and find five other law firms—we really are finding that some of these softer issues can sometimes be what wins the pitch in ... in a large professional services’ favour. 7:18 ¶ 95 in 07 D1PS interview

But another huge driver for us has been our people, like we're a people business. And our people expect that we, as an employer, will be upholding ourselves to a certain standard. And we have. We carry responsibilities with us, whether that's local and whether that's driving social impact, whether that's environmental or whatever it might be. One of the big advantages that we're seeing of these programmes in the focus on the programmes is with talent—and talent really making choices for employers who are vocal in these areas. 9:13 ¶ 70 in 09 E1PS interview

... social advantage, it really comes back to that issue of “Are we recognised as a reputable company? Are we recognised as a company that our

Conclusion

In addressing the primary research question of this study, on the influence of subsidiary managers on multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes to create local social advantage, it is evident that contemporary corporate social responsibility research, the integration of multinational enterprises into local contexts highlights the complexity of balancing global strategies with local adaptation. Drawing from contextual drivers of CSR engagement, reputational risk, and stakeholder management frameworks, it is evident that CSR success depends on strategic alignment between corporate expertise and local knowledge. For instance, MNEs must integrate their global CSR strategies with cultural and societal nuances, and they have to ensure that they foster trust and enhance their community impact. This integration mitigates risks and provides a competitive advantage by aligning corporate goals with the socio-economic needs of their operating regions, showcasing CSR as a tool for both social benefit and organisational differentiation.

In conclusion, the following table (Table 8) summarises each of the themes discussed in this chapter, and then selects from among the sub-themes with the most frequent associated codes.

The decision was made to limit the number of sub-themes to the top two per theme, other than Theme 2, which yielded a higher number of sub-themes for discussion in Chapter 6, rather than addressing all sub-themes presented in Chapter 5, for three reasons. Initially, it would be physically unfeasible to adequately address all the sub-themes in Chapter 5 within the spatial constraints of Chapter 6 without a cursory treatment of the sub-thematic content. Second, this decision was taken to facilitate substantive discourse on chosen sub-themes and foster the emergence of greater nuance in the ensuing exposition. Third, the researcher decided to examine the sub-themes chosen, based on the quantity of related codes, which was anticipated to yield a more profound and significant discourse.

Table 8: Sub-themes (discussed in full in Chapter 6)

Description	Code Count
Research Question 1: The Contextual Drivers of CSR Engagement Activities	
Theme 1.1: Organisational environment and global CSR strategy	
Sub-theme 1: Contextual factors	19
Sub-theme 2: Social factors	3
Sub-theme 3: Corporate spending	7
Sub-theme 4: Regulatory requirement	5
Theme 1.2: Reputational risk and its influence on CSR activities	
Sub-theme 1: Reputational risk in decision-making	14
Sub-theme 2: Local context and challenges	4
Sub-theme 3: Policy customisation and local adaptation	2
Sub-theme 4: Influence of ESG/CSR on reputational risk	2
Sub-theme 5: CSR and stakeholder engagement	5
Sub-theme 6: Risk mitigation, management processes and escalation	8
RESEARCH QUESTION 2: Stakeholder Identification and Management	
Theme 2.1: Identification and impact of stakeholders	
	13
Theme 2.2: Role of stakeholders	
	8
Sub-theme 1: Community engagement	6
Sub-theme 2: Regulator and compliance	4
Theme 2.6: Resource constraints and operational challenges	
Sub-theme 1: Capacity and financial limitations	5
Sub-theme 2: Balancing local development and resource use	17
Sub-theme 3: Subsidiary-head office collaboration and influence	3
Sub-theme 4: Global pressure and local implementation	3

Description	Code Count
Research Question 3: The creation of a local social advantage through the integration of MNEs' corporate CSR expertise and local knowledge	
Theme 3.1: Integrating corporate CSR expertise with local knowledge	15
Sub-theme 1: Local contextual adaptation	3
Sub-theme 2: Collaborative integration	5
Sub-theme 3: Leveraging expertise for CSR	4
Theme 3.2: Leveraging integration for a local social advantage	21
Sub-theme 1: Strategic CSR INTEGRATION	4
Sub-theme 2: Localised impact and cultural adaptation	3
Sub-theme 3: CSR for organisational differentiation	3
Total count	258

CHAPTER 6: DISCUSSION OF FINDINGS

6.1 Introduction

This chapter aims to align the thematic content organised by the research question in Chapter 5 with the thematic content presented in critically reviewing the literature in Chapter 2. The content is again arranged by research question. By comparing results from Chapter 5 with a theory and Chapter 2, an attempt is made to ascertain whether the theory has been confirmed, refuted, or extended.

6.1.1 Rationale for theme selection

The rationale for the selection of certain of the sub-themes presented under the results in the previous chapter is discussed here. Each of the themes applying to the three research questions, as presented in Chapter 5, will be discussed. For each of these themes, two sub-themes will be discussed, other than for Theme 2, because it yielded a higher number of sub-themes, with these themes selected from the most frequently associated codes.

6.2 Results: Research Question 1

Research Question 1: What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?

This section discusses the relationship between the theory presented in Chapter 2 and the results presented in Chapter 5 of this study. The aim is to identify the connection between theory and results as they pertain to the research question about what contextual factors cause the subsidiary managers of MNEs to engage in CSR activities.

Theme 1: The contextual drivers of CSR engagement activities

Four sub-themes were identified as being relevant to addressing this theme and answering the research question about the contextual factors causing subsidiary managers to engage in CSR activities.

6.2.1 Theme 1.1: Organisational environment and global CSR strategy

6.2.1.1 Evidence from the findings

The findings presented in Chapter 5 revealed that the organisational environment significantly influences the engagement of multinational enterprise (MNE) subsidiaries in CSR activities.

Subsidiaries operate under a dual influence. They have to adhere to the centralised global CSR strategies, while they are also addressing local priorities through adaptable frameworks. Programmes such as *Partnership for Risk and Resilience* show global directives, but local materiality assessments ensure that initiatives, such as disaster management and financial education, are responsive to Namibia's unique socio-economic conditions. Similarly, regulatory factors, such as the Financial Charter and the BEE Act in South Africa mandate financial allocations for socio-economic development, ensuring an alignment between organisational goals and societal needs. However, initiatives addressing skills shortages through vocational training and partnerships with local organisations are more likely to reflect a commitment to socio-economic upliftment. Hence, corporate spending, influenced by dedicated CSR funds and frameworks, underscores the importance of financial guidelines and local legislative requirements, as evidenced by this study.

6.2.1.2 Evidence from literature

This study's findings aligned with Carroll's Pyramid and Stakeholder Theory (1991), which provides contexts into the rudiments of economic, legal, and ethical dimensions in shaping CSR. Carroll (1991) emphasised businesses' foundational economic and legal responsibilities, as observed in the role of financial frameworks, such as the BEE Act in South Africa. Ethical and discretionary responsibilities, such as addressing skills shortages and supporting vocational training, align with Carroll's (1991) higher-level CSR dimensions, reinforcing expectations for businesses to contribute to societal well-being. Additionally, findings from this study, which emphasised the need for partnerships with local organisations and alignment with regulatory requirements, support the stakeholder theory on its holistic approach to CSR. The stakeholder theory, articulated by Parmar et al. (2010), highlights the importance of balancing the needs of primary stakeholders, such as the employees and customers, and secondary stakeholders, such as the communities and governments. Studies by Yang et al. (2022) also underscore the need for contextual adaptability in CSR strategies, as seen in subsidiaries' use of materiality assessments to bridge global and local priorities.

6.2.1.3 Comparative analysis of findings vs. literature

This study's findings were consistent with the existing literature. The findings, presenting evidence of MNE subsidiaries' adaptability to local contexts, support the multidimensional nature of CSR emphasised by Fatima and Elbanna (2023). While Carroll's Pyramid focuses on structured responsibilities, it does not fully capture the dynamic interplay between global

directives and local adaptations, which is evident in this study's findings. This suggests a need to extend Carroll's framework to include contextual flexibility as a core dimension.

The stakeholder theory complements this study's findings by providing a rationale for balancing the diverse stakeholders' needs. However, criticisms of the theory, such as raised against its narrow focus on immediate welfare (Beale, 2021), resonate with challenges observed in subsidiaries striving to address long-term socio-economic challenges, while also adhering to global strategies. Thus, it is necessary to integrate broader considerations, such as climate change and social inequality, as suggested by Özturan and Grinstein (2022).

6.2.1.4 Conclusion

The discussion focused on the critical role of the organisational environment in shaping CSR strategies for MNE subsidiaries. The findings demonstrated that while global CSR strategies provide a foundational framework, local adaptation through materiality assessments, partnerships, and regulatory alignment is essential for a meaningful impact. These insights aligned with Carroll's Pyramid and the stakeholder theory, emphasising the connection of CSR's economic, legal, ethical, and stakeholder dimensions. Future approaches should integrate dynamic, context-sensitive frameworks that address global challenges, such as climate change and resource scarcity, to enhance the efficacy of CSR programmes. This aligned with the call for a broader, futuristic perspective proposed by Mani and Goniewicz (2023), when one aims to ensure that the CSR strategies remain relevant in an evolving global landscape.

6.2.2 Theme 1.2: Reputational risk and its influence on CSR activities

6.2.2.1 Evidence of from findings

It was evident from the findings that reputational risk significantly influences the CSR strategies of multinational enterprises (MNEs). The decarbonisation investment strategy reflects a strong commitment to managing reputational risk by aligning global policies with sustainability goals. Several approaches, such as avoiding further investments in coal, demonstrate the specific organisation's intent to uphold its reputation as a responsible and environmentally conscious entity. However, uniform policy application across subsidiaries in Namibia tends to pose challenges when local developmental priorities conflict with global standards. This tension requires subsidiaries to negotiate policy adaptations to address regional needs, but to do so without compromising the broader reputational objectives of the parent organisation.

Participants also emphasised the role of stakeholder engagement in mitigating reputational risks. ESG-focused initiatives, such as green loans and solar-powered buildings, were believed to respond strategically to public scrutiny and stakeholder expectations. These initiatives reinforce the organisations' commitment to sustainability, ensuring that their reputation remains intact amidst growing global pressure for corporate accountability.

6.2.2.2 Evidence from literature

Yang et al. (2022) argue that maintaining a positive corporate image is essential for sustaining stakeholder trust, especially in competitive industries, where public perception significantly affects organisational success. The importance of building trust and social capital within host communities cannot be over-emphasised. This aligned with the findings that positive community relationships are instrumental in safeguarding the broader reputation of MNEs. Modreanu et al. (2024) emphasise that shared value, wherein CSR initiatives benefit society and the organisation, will assist the organisation to reinforce its corporate credibility, while it is also addressing stakeholders' needs.

6.2.2.3 Comparative analysis of findings vs. literature

The findings aligned closely with existing literature on the critical role of reputational risk in shaping CSR strategies. The findings and literature emphasised the importance of stakeholder engagement and localised adaptations in mitigating reputational vulnerabilities. While the literature emphasised frameworks, such as the stakeholder theory, and service level objectives to explain these dynamics, the present study's findings provided practical application examples, such as Namibia's locally adapted CSR programmes and green infrastructure investments. However, the findings also revealed unique challenges, such as the tension between global ESG policies and local developmental priorities. Such challenges are less emphasised in theoretical discussions. For example, while Yang et al. (2022) highlight the importance of global reputational considerations, the findings suggest that subsidiaries must navigate complex local realities, such as regulatory frameworks and socio-economic needs, to implement these policies effectively. This demonstrates the need for a nuanced approach that balances global consistency with local flexibility.

6.2.2.4 Conclusion

Reputational risk emerged as a significant driver of CSR strategies within MNEs, influencing decision-making processes and stakeholder engagement practices. By aligning global policies

with sustainability goals and fostering positive community relationships, subsidiaries can mitigate reputational vulnerabilities and ensure that they create and maintain stakeholders' trust. However, the findings underscored the importance of balancing global directives with local contextual needs to address unique regional challenges in an effective manner. This balance is essential for maintaining corporate credibility and enhancing the long-term sustainability of CSR initiatives.

Conclusion for Research Question 1 Results

The contextual factors driving subsidiary managers of MNEs to engage in CSR activities emerged from the dynamic interplay of organisational directives, local socio-economic realities, and reputational imperatives. The organisational environment and global CSR strategy provided a structured, yet flexible framework, enabling subsidiaries to align with overarching corporate goals, while they were also addressing localised needs through materiality assessments and partnerships. Simultaneously, reputational risk is a critical motivator, where subsidiaries must balance global standards with local adaptations to maintain stakeholders' trust and corporate credibility. These factors, shaped by regulatory requirements, resource allocation guidelines, and cultural sensitivities, highlight the dual pressure of adhering to global strategies and addressing local socio-economic challenges, such as skills shortages and unemployment. The findings depicted that subsidiary managers engaged in CSR activities to comply with corporate and legal mandates, foster community trust, ensure operational legitimacy, and mitigate reputational risks, and this emphasised the nuanced role of contextual factors in shaping CSR strategies.

6.3 Results: Research Question 2

Research Question 2: How can the subsidiary manager identify and manage its stakeholders?

Theme 2: Stakeholder Identification and Management

Seven themes were developed to answer Research Question 2 about how the subsidiary manager can identify and manage its stakeholders.

6.3.1 Theme 2.1: Identification and impact of stakeholders

6.3.1.1 Evidence from the findings

Subsidiary managers of MNEs tended to engage in systematic stakeholder mapping and analysis to align their CSR activities with the communities' needs, the regulatory requirements, and the broader organisational objectives. Key stakeholders included employees, communities, governments, NGOs, and regulators, with each of these stakeholders playing distinct roles in the CSR environment. It was identified that employees contribute to CSR initiatives by offering suggestions that can help to shape projects and activities, while communities influence the companies' CSR activities through collective mobilisation, which intermediaries such as NGOs support. The respective governments, which serve as regulatory agents, ensure that the CSR activities are in alignment with the local policies and the compliance frameworks, while the NGOs facilitate project implementation and enhance community engagement. Similarly, community engagement strategies reflect the nuanced nature of local contexts, such as Southern Africa, where tailored approaches address region-specific needs, such as accessible infrastructure and education support. In countries such as Tanzania, the mining industries demonstrate the significant role of regulators in shaping CSR, albeit at the expense of operational efficiency.

6.3.1.2 Evidence from literature

Based on the analysed data from this study, the findings aligned with the stakeholder theory, which emphasised the importance of identifying, engaging, and prioritising stakeholders based on their influence and stakes in the CSR activities. Ferri et al. (2022) highlight the necessity of stakeholder mapping for subsidiaries to be able to balance the needs of diverse groups, ensuring ethical and effective decision-making. Awuah et al. (2021) state the important role of NGOs in bridging the gaps between corporations and communities, as they act as intermediaries to foster trust and co-create value. A previous study by Wei et al. (2020) also

emphasises governments' evolving role as regulators and collaborators in CSR, especially in contexts, where legal frameworks mandate corporate contributions to socio-economic development. However, Uduji et al. (2022) point out that community engagement is critical for building trust and legitimacy, with locally tailored initiatives used to enhance the positive corporate–community relationships.

6.3.1.3 Comparative analysis of findings vs. literature

This study's findings were consistent with the existing literature that emphasised the critical role of stakeholders in shaping CSR strategies. Both the results of this study and the literature depicted the importance of balancing organisational objectives with stakeholders' needs through structured mapping and prioritisation. However, the present findings expanded on the practical nuances of community engagement by illustrating regional variations and the role of intermediaries, such as NGOs and community leaders, which were not explicitly explained in the traditional stakeholder theory. For instance, while the literature broadly acknowledged the importance of stakeholder collaboration, the findings provided granular insights into how specific practices, such as capacity-building workshops for trustees or cooperatives for alternative livelihoods, aligned initiatives with local socio-economic dynamics. On the other hand, while regulatory roles were discussed in literature, the present findings highlighted the existing tension between regulatory involvement and operational efficiency in industries such as mining, offering a nuanced perspective on the balance between compliance and flexibility.

6.3.1.4 Conclusion

The findings largely confirmed the stakeholder theory and related literature by explaining the critical role of stakeholders' engagement in CSR activities. The theoretical framework was extended by illustrating the nuanced strategies used by subsidiary managers to navigate the regional complexities and regulatory landscapes, as well as the importance of flexibility and localised approaches in community engagement. While the literature emphasised stakeholder mapping and prioritisation, the present findings provided practical insights into operationalising these processes within diverse cultural, economic, and regulatory contexts. This alignment reinforced the importance of the stakeholder theory as a guiding framework for CSR practices. It also contributed novel perspectives on the interplay between global strategies and local adaptations in MNE subsidiaries.

6.3.2 Theme 2.2: Role of stakeholders

6.3.2.1 Evidence from findings

The findings revealed that managing stakeholder pressures requires a multidimensional approach that involves advocacy, environmental responsibility, leadership involvement, prioritisation, and regulatory compliance. Advocacy strategies are central, with companies leveraging employee-driven volunteerism and industry collaboration to address community-level topics and challenges. Public interest approaches balance financial contributions with pro bono services to maximise societal impact, especially so in regions dealing with failure by the relevant government to deliver services and deal decisively with corruption. Environmental pressures are, however, managed through strict compliance with ESG regulations, emphasising greenwashing prevention and ESG monitoring, especially in UK-based firms. Hence, leadership involvement emerged as being critical. Leaders directly engage in community initiatives, such as sponsoring underprivileged students, to foster a long-term social impact. Initiative prioritisation is based on time and expertise, where relevant, with senior leaders ensuring the alignment of CSR projects with organisational values.

6.3.2.2 Evidence from literature

The findings aligned with the stakeholder theory, which emphasised balancing stakeholders' diverse and often conflicting demands through strategic engagement (Freeman, 1984; Tarnovskaya et al., 2022). Advocacy aligned with literature by highlighting the role of collaborative partnerships and employees' involvement in driving authentic and impactful CSR activities (Jamali & Karam, 2018). The role of leadership is consistent with the transformational leadership theory, which underscores the importance of leaders inspiring, guiding, and directly participating in social responsibility initiatives (Cortes & Herrmann, 2021). The findings on environmental pressures and the focus on ESG compliance were supported by studies highlighting the growing importance of legal and ethical responsibilities in CSR, especially to combat greenwashing and align with the company's sustainability goals (Zhang & de Vries, 2022). Regulatory pressures also echoed the findings of Awuah et al. (2021), who argue that CSR in developing regions often revolves around legal compliance and government-driven localisation strategies, making regulatory engagement a crucial component of the CSR efforts.

6.3.2.3 Comparative analysis of findings vs. literature

The present findings and literature were aligned on several key aspects of managing stakeholder pressures. Both emphasised the importance of advocacy and collaboration in addressing societal issues, with employees' engagement emerging as a critical driver for

authentic CSR initiatives. However, the present findings provided more insight into the regional nuances of stakeholder management, such as the emphasis on localisation in Namibia, Kenya and Botswana, and balancing pro bono services with financial contributions in South Africa. Additionally, leadership involvement was consistently highlighted across the present findings and literature as a vital element in managing stakeholder pressures. However, the present findings further illustrated specific actions leaders take, such as sponsoring education and directly engaging the communities and leadership in local projects. There was also alignment in ESG compliance, but the findings highlighted the tension between compliance and broader social engagement, especially in the UK, which had not been explained in detail in the extant literature. Finally, regulatory pressures were emphasised in both, the literature and the present findings, with the present findings providing more granular insights into how companies engage with regulators to align supply chain strategies and business goals.

6.3.2.4 Conclusion

The present findings essentially affirmed existing theories and literature on managing stakeholder pressures. The stakeholder theory and transformational leadership principles were validated, especially in advocacy, collaboration, and leadership involvement in CSR initiatives. The present findings extended the theoretical framework by offering practical insights into how companies balance diverse pressures through strategies such as prioritisation, ESG compliance, and regulatory engagement. Regional nuances, such as localisation strategies in Namibia (and other African countries) and the use of pro bono services in South Africa, highlighted the importance of contextualising stakeholder management strategies. Overall, the results reinforced the centrality of stakeholder engagement in CSR, while they also contributed novel perspectives on the operationalisation of advocacy, leadership involvement, and regulatory compliance across different regions.

6.3.3 Theme 2.6: Resource constraints and operational challenges

6.3.3.1 Evidence from findings

The present findings illustrated several resource and operational challenges subsidiaries face in implementing CSR. Financial and capacity limitations were prominent, as local stakeholders often demanded resources that exceeded the subsidiary's budgetary constraints. Technical expertise and staffing shortages further complicated CSR execution, while subsidiaries tried to balance clients and stakeholders' demands. Furthermore, global CSR agendas, such as combating climate change, frequently conflict with local priorities among the communities that focus on immediate their survival needs, such as small-scale mining and subsistence

livelihoods. In Tanzania, a mining subsidiary struggled to balance environmental mandates, such as maintaining national forests, with the livelihood needs of local miners who rely on these forests for their survival by cutting down wood for the mines. Subsidiary-head office collaboration added another layer of complexity, as subsidiaries must balance local realities with head office expectations. For instance, reporting CSR impacts is challenging when local governance problems, such as inadequate public service delivery, shift the community's demands onto the subsidiaries. The resulting tensions are further exemplified in global CSR projects, such as reforestation initiatives, which might lack local benefits and create operational dilemmas for subsidiaries.

6.3.3.2 Evidence from literature

Resource constraints and operational challenges in CSR implementation were widely discussed in the literature. According to Fatima and Elbanna (2023), CSR is inherently multi-dimensional, and its successful implementation often depends on balancing competing priorities. Bai and Sarkis (2022) highlight that resource scarcity can hinder sustainable development, especially when local realities differ from global standards. Özturan and Grinstein (2022) argue that global CSR frameworks often neglect local contextual nuances, and thereby they create a misalignment between corporate expectations and regional needs. This challenge is echoed by Mani and Goniewicz (2023), who emphasise the need for adaptable and context-sensitive CSR approaches to address the complexities of local socio-economic and environmental conditions. Alam (2022) supports the challenges of subsidiary-head office collaboration in CSR, noting that global CSR directives often lack the necessary flexibility for local adaptation. This creates tensions, as subsidiaries must navigate the dual demands of adhering to global corporate standards while addressing localised operational realities.

6.3.3.3 Comparative analysis of findings vs. literature

The present findings aligned with the literature, emphasising the challenges of balancing global CSR frameworks with local implementation. Subsidiaries' financial and technical limitations, as observed in Tanzania and Ghana, resonated with Bai and Sarkis' (2022) argument on resource scarcity. However, the present findings expanded on this argument by highlighting the conflicts between global environmental mandates, such as reforestation, and local communities' survival needs, and local industry needs, such as in mining. Reports on challenges and land-use conflicts in Tanzania and Ghana provided further evidence of the practical difficulties subsidiaries face, corroborating Alam's (2022) insights on the rigidity of global CSR frameworks. However, the findings diverged from the literature that assumes a one-size-fits-

all approach to CSR (Cooke et al., 2023), illustrating how subsidiaries' operational challenges demanded more nuanced strategies that integrate global and local perspectives.

6.3.3.4 Conclusion

The present results confirmed and extended the existing theories on resource constraints and operational challenges in CSR implementation. While literature, such as the studies conducted by Bai and Sarkis (2022) and Fatima and Elbanna (2023), acknowledges CSR's multi-dimensional and context-specific nature, the present study's findings provided detailed evidence of how these challenges manifest in real-world subsidiary operations. The tension between global CSR objectives and local realities underscored the need for more adaptable and flexible frameworks, as Mani and Goniewicz (2023) advocate. The present study's findings also revealed gaps in the existing frameworks, especially in addressing the dual pressures of head office expectations and local operational realities. This highlighted the importance of integrating local insights and practical considerations into global CSR strategies to achieve meaningful and sustainable outcomes. Therefore, while the results aligned with and extended the existing theories, they also pointed to the need for further refinement and contextualisation of global CSR models.

Conclusion for Research Question 2 Results

Overall, it was evident that subsidiary managers can effectively identify and manage stakeholders by employing a multifaceted approach that is tailored to local contexts, while it also aligned with global standards. Advocacy and collaboration emerged as critical strategies, enabling subsidiaries to engage community stakeholders authentically through partnerships, employee volunteering, and industry-level initiatives. Environmental pressures were managed through the adherence to ESG standards, emphasising compliance with regulations, while also addressing broader societal concerns. Leadership involvement is pivotal, with leaders driving CSR initiatives by aligning local actions with global goals and fostering long-term community engagement through direct interventions. Prioritisation based on time (where applicable), expertise, and strategic objectives ensured that stakeholders' needs were addressed within the boundaries of the organisational capacity. At the same time, regulatory engagement helped navigate local compliance requirements and balance these with business goals. Collectively, these strategies underscored the importance of stakeholder mapping, proactive engagement, and adaptability in managing stakeholders' diverse and often competing demands, thus aligning with theoretical insights from the stakeholder theory and leadership frameworks. These approaches provided a comprehensive pathway for subsidiary managers to identify and

manage stakeholders effectively while balancing organisational objectives and local sensitivities.

6.4 Results: Research Question 3

Research Question 3: How can the subsidiary manager combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?

Theme 3: The Creation of a Local Social Advantage through the Integration of MNEs' Corporate CSR Expertise and Local Knowledge

To answer the research question, a broad theme was generated, with two themes focusing on the integration of CSR experts and how this was leveraged to a local advantage.

6.4.1 Theme 3.1: Integrating corporate csr expertise with local knowledge

6.4.1.1 Evidence from findings

Blending corporate CSR expertise with local knowledge to achieve effective and context-sensitive initiatives was evident from the results of the present study. Participants stated how Namibia focuses its CSR on public health partnerships and financial inclusion projects, tailored to the country's socio-economic needs. Similarly, Lesotho's CSR efforts prioritise employee wellness programmes designed to address specific challenges within the region. For instance, in Botswana, CSR strategies emphasise local educational and financial literacy needs, differing from the priorities noted in neighbouring countries, for example South Africa and Namibia.

It is imperative to embrace collaborative integration, where local stakeholders are engaged for their input, ensuring alignment with the community's needs. Global frameworks provide overarching guidance, but they have to be refined through active feedback loops with local teams. Moreover, leveraging global expertise, while incorporating local insights, enhances the initiatives' trust and cultural relevance, as demonstrated in grassroots engagement efforts.

6.4.1.2 Evidence from literature

Integrating global CSR strategies with local knowledge aligned with theoretical perspectives on corporate social responsibility, especially the stakeholder theory and the institutional theory of CSR. The stakeholder theory highlighted the importance of effectively engaging local communities to understand and address their unique needs (Freeman, 1984). Meanwhile, the institutional theory emphasises adapting CSR practices to local cultural, social, and economic environments to ensure legitimacy and acceptance (Awuah et al., 2021). Literature also suggested that two-way communication between corporate headquarters and subsidiaries was

essential for harmonising global objectives with local realities, ensuring that CSR initiatives were effective and culturally appropriate (Du et al., 2022).

6.4.1.3 Comparative analysis of findings vs. literature

By comparing the findings of the present study with the literature, a pertinent aspect of correlation was recognising the need for contextual adaptation. Namibia, Lesotho, and Botswana demonstrated diverse approaches to CSR that reflected their unique socio-economic contexts, echoing the importance of local customisation. This is also highlighted by Mu et al. (2024). However, tensions between corporate-driven objectives and local priorities, as observed in the present study, presented a challenge that was not explicitly discussed in all literature. This states a potential gap. For example, as identified in the study, aligning global budgets for HIV initiatives with local concerns, such as underage pregnancies, illustrated the dynamic interplay between global and local priorities. This contrasted with the concept where CSR is driven more uniformly, and it identified the unique challenges faced by subsidiaries operating in culturally and economically diverse regions.

6.4.1.4 Conclusion

The results extended the existing theories by providing the empirical evidence on how subsidiaries effectively balance global CSR strategies with local knowledge through contextual adaptation, collaboration, and leveraging corporate expertise. While the literature emphasised the importance of customisation and stakeholder engagement, the present findings highlighted the complex interactions between corporate headquarters and local teams. These interactions require dynamic, iterative communication and feedback to ensure the CSR initiatives are impactful and culturally relevant. The study confirmed the relevance of the stakeholder and institutional theories, but it also revealed opportunities for future research into harmonising global and local CSR priorities, especially in regions with competing socio-economic challenges.

6.4.2 Theme 3.2: Leveraging integration for local social advantage

6.4.2.1 Evidence from findings

The findings revealed that leveraging corporate CSR expertise with local knowledge creates substantial social advantages at the local level. Strategic CSR integration aligns corporate and local stakeholder priorities, as seen in cross-border collaborations such as South Africa's support for regional projects. Forums and knowledge-sharing among subsidiaries promote the adoption of effective practices, allowing markets to address local challenges through global

insights. Furthermore, localised impact and cultural adaptation play a critical role. For example, South African CSR policies were customised for Kenya's unique context, while Uganda and Kenya's differing communication needs were addressed through tailored strategies. CSR also enables organisational differentiation by improving market competitiveness and employee satisfaction, with participants also noting its important role in client acquisition and talent retention.

6.4.2.2 Evidence from literature

The present findings were supported by literature highlighting the strategic role of CSR in addressing global and local social priorities. Mukwarami et al. (2020) argue that strategic CSR integration creates shared value by aligning social progress with business success. Institutional CSR literature also emphasises localised impact and cultural adaptation, and highlights the importance of adapting global CSR frameworks to regional contexts to enhance legitimacy and impact (Chouaibi & Affes, 2021). Additionally, CSR aligns with branding and competitive advantage theories as a tool for organisational differentiation, where companies leverage their CSR efforts to enhance their market reputation and attract stakeholders, including their own employees and customers (Tarnovskaya et al., 2022).

6.4.2.3 Comparative analysis of findings vs. literature

The present study's findings aligned with existing literature, but they provided new insights into how regional integration processes vary. While Mukwarami et al. (2020) emphasise the need for companies to create shared value through CSR, the present findings added depth by demonstrating how cross-border collaborations and knowledge-sharing forums helped local offices adopt best practices. For instance, the South African expertise has been effectively transferred to regional markets, showcasing the operationalisation of shared value creation. However, the findings highlighted unique challenges that were not always addressed in the literature, such as tailoring communication strategies for diverse media landscapes. Additionally, the role of CSR in organisational differentiation through employee satisfaction and client acquisition was less emphasised in traditional CSR theories, indicating the evolving importance of CSR in competitive business environments.

6.4.2.4 Conclusion

The results confirmed and extended existing theories on CSR integration and its role in creating local social advantages. While the literature established CSR's strategic and localised benefits, the present findings provided practical insights into how global-local synergies are operationalised. The emphasis on forums, cross-border collaboration, and cultural adaptation

underscored the dynamic interplay between corporate expertise and local realities. Furthermore, the present study reinforced the role of CSR in organisational differentiation, highlighting its dual value in addressing societal challenges and achieving business competitiveness. These results validated the theoretical frameworks regarding shared value creation, while they contributed additional context-specific strategies to the CSR discourse.

Conclusion for Research Question 3 Results

Integrating multinational enterprises (MNEs), corporate CSR expertise with local knowledge emerged as a critical strategy for subsidiary managers to create meaningful local social advantages. Evidence from the discussions revealed that strategic alignment, collaborative integration, and cultural adaptation are vital processes. Subsidiary managers achieved this by tailoring global CSR frameworks to local contexts, addressing region-specific challenges, such as public health, education, and financial inclusion, as seen in Namibia, Kenya, and the DRC. Cross-border collaborations and forums facilitated knowledge-sharing, enabling subsidiaries to adopt and refine best practices from other regions while maintaining cultural and contextual relevance. Furthermore, CSR initiatives served as tools for organisational differentiation, enhancing market competitiveness, employee satisfaction, and stakeholder trust. These findings confirmed and extended theories such as Mukwarami et al.'s (2020) shared value creation by demonstrating the operations of global–local synergies and the importance of adapting strategies to diverse local realities. Subsidiary managers can effectively combine corporate expertise and local insights through strategic collaboration, fostering mutual growth, maximising localised impact, and addressing societal challenges with global vision and local sensitivity.

Conclusion of discussion

The following table (Table 9) summarises the confirmation, extension or refuting of theory by research question, theme, and sub-theme in this chapter. This leads to the discussion of theoretical contributions in the subsequent chapter that concludes this report. The table indicates that some themes exhibit a more substantial theoretical contribution than others, as evidenced by multiple entries for specific sub-themes. In contrast, others contain only a single entry related to the sub-thematic discourse.

Table 9: Summary of the confirmation, extension or refuting of theory by research question, theme, and sub-theme

	Research Question (RQ)	Theme (T)	Findings	Results against theory
1	The contextual drivers of CSR engagement activities			
		Theme 1.1: Organisational environment and global CSR strategy	Global CSR strategies provide a foundational framework; however, local adaptation through materiality assessments, partnerships, and regulatory alignment is essential for meaningful impact.	Confirmed
		Theme 1.2: Reputational risk and its influence on CSR activities	Reputational risk significantly influences the CSR strategies of MNEs. Balancing global directives with local contextual needs is required to address unique regional challenges.	Confirmed Extended
2	Stakeholder identification and management			
		Theme 2.1: Identification and impact of stakeholders	Stakeholder engagement plays a critical role in CSR activities. Nuanced strategies are used by subsidiary managers to navigate regional complexities and regulatory landscapes, as well as the importance of flexibility and localised approaches in community engagements.	Confirmed Extended

		Theme 2.2: Role of stakeholders	<p>Advocacy and collaboration in addressing societal issues, with employee engagement are a critical driver for authentic CSR initiatives.</p> <p>Tension between compliance and broader social engagement is not explained in detail in the existing literature.</p>	<p>Confirmed</p> <p>Extended</p>
		Theme 2.6: Resource constraints and operational challenges	<p>CSR is multi-dimensional and context-specific in nature.</p> <p>The manner in which CSR challenges manifest in real-world subsidiary operations.</p>	<p>Confirmed</p> <p>Extended</p>
3	The creation of a local social advantage through the integration of MNEs' corporate CSR expertise and local knowledge			
		Theme 3.1: Integrating corporate CSR expertise with local knowledge	<p>The manner in which subsidiaries effectively balance global CSR strategies with local knowledge through contextual adaptation, collaboration, and leveraging corporate expertise.</p> <p>Complex interactions between corporate headquarters and local teams.</p>	<p>Extended</p> <p>Extended</p>
		Theme 3.2: Leveraging integration for a local social advantage	<p>CSR integration and its role in creating local social advantages.</p> <p>Practical insights into how global-local synergies are operationalised</p>	<p>Confirmed</p> <p>Extended</p>

Conclusion

This chapter examined specific sub-thematic content derived from the preceding chapter, Chapter 5. The content was chosen based on several related codes, as this was anticipated to yield a more profound and significant study. It also facilitated a pragmatic approach to the presentation of material in the results and its meaningful comparison to the theory from chapter 2. This chapter concludes the report and summarises the theoretical contributions derived from it.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

The principal conclusions will be presented in this chapter, and the significance of the results will be discussed, along with the practical contributions to management and other stakeholders. The limitations and future research avenues will also be discussed before concluding the research.

7.2 Principal Theoretical Conclusions

7.2.1 Area of study and importance

This research examined the influence of subsidiary managers on multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes whose purpose it was to create a local social advantage. There was a gap in the academic literature in the field of the internationalisation of emerging market MNEs and local social advantage.

7.2.2 Research context and importance

The context for this research was that it needed to be established how a multinational enterprise's manager of an emerging market subsidiary could influence the decisions regarding corporate social responsibility programmes in the host country. Such programmes were meant to create a local social advantage by combining the MNEs' corporate expertise with local knowledge, thereby building trust and acceptance within the communities in which the subsidiaries operate to sustain their commercial activities.

7.2.3 State of knowledge

The role of subsidiary managers in corporate social responsibility programmes had been thoroughly researched in international business academic disciplines in the context of developed economies and multinational enterprises' role in those societies. The field of sustainability spawned entirely new fields of research. It also led to the establishment of niche enterprises and regulatory departments that seek to enhance the transparency and accountability of multinational enterprises as they play an increasingly prominent global role in society.

There has been a significant increase in the international focus on MNEs' operations in their host countries, which could be attributed to the deaths of garment workers in Bangladeshi

sweatshops and villages being engulfed in mine-tailing dams bursting in South America. Yet, research on the internationalisation of emerging market multinational enterprises is still nascent and requires further study (Bıçakcıoğlu-Peynirci, 2023). Emerging fields of inquiry tend to focus on social advantage and financial success (Nayak et al., 2022) of the multinationals. The MNEs' subsidiary managers are well positioned to play a critical role in influencing the subsidiary's performance with decision-making authority (Beugelsdijk & Jindra, 2018) to create a local social advantage.

7.2.4 Research questions

The study's primary research question aimed to assess how the subsidiary managers influence multinational enterprise headquarters' decisions regarding emerging market subsidiaries' corporate social responsibility programmes to create a local social advantage. This was simplified into three sub-research questions. These focused on identifying which contextual factors cause the necessity for subsidiary managers of MNEs to engage in CSR activities, how they identify and manage stakeholders, and how they combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage.

7.2.5 Methodology

The research questions were addressed by deploying a qualitative methodology. The questions aimed to identify how subsidiary managers were influencing multinational enterprise headquarters' decisions regarding the emerging market subsidiary's corporate social responsibility programmes to create a local social advantage. Utilising the qualitative methodology enabled the researcher to explore the MNEs' headquarter executives and subsidiary managers' views. This was achieved by applying a phenomenological strategy to understand their personal experiences of how subsidiary managers can influence multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes to create a local social advantage. An interpretivist philosophy with an inductive approach to theory development was employed, using a cross-sectional time horizon to collect the data with the use of semi-structured interviews that were thematically analysed.

7.2.6 Findings and interpretation

The study confirmed that MNEs' subsidiary managers hold significant influence over the MNE HQ's decisions, as also posited by Beugelsdijk and Jindra (2018), regarding CSR programmes, but this study extended the literature within the field of emerging market subsidiaries. Many of the multinationals and their headquarters have developed robust frameworks and guidelines

that are consummate with global best practices. However, it emerged that they seem to be flexible enough for subsidiary managers to be able to craft CSR activities that are appropriate to their host countries and the communities in which they operate.

It was evident throughout the data collection process that subsidiary managers actively pursued innovation and proposed change based on their subsidiary's specific circumstances. They also tended to select an implementation mode that triggered the subsidiary managers' gain frames (for positive outcomes), as posited by Ambos et al. (2023), by combining the MNEs' corporate expertise with the subsidiary managers' local knowledge and experience to create a local social advantage. The data collected highlighted the evolving nature of MNEs' CSR practices in emerging markets. At the same time, the use of corporate expertise, frameworks, and guidelines plays a pivotal role in the formulation of the subsidiary managers' CSR activities.

The nature of the local social advantage created varied across MNEs and the jurisdictions in which they operated. This was driven by a mixture of regulatory compliance, adoption of best practices, and meeting the expectations of clients, suppliers and employees, as well as any other stakeholders. The CSR activities were undertaken through a variety of channels that included, inter alia, the MNEs, their employees, dedicated foundations, or the use of NGOs.

In summary, the present study's findings confirmed the existing frameworks, theories and literature on CSR, subsidiary managers' influence on MNEs' decision-making, and social advantage. However, it also extended the literature with unique and practical insights into balancing the multiple needs of global and local stakeholders when using strategic CSR activities to create a local social advantage.

7.3 Research Contribution

This study's theoretical contribution includes both confirmation and extension of theory. This research confirmed the theory in several ways, and details of the confirmation are discussed herein. First, global CSR strategies provide a foundational framework; however, local adaptation through materiality assessments, partnerships, and regulatory alignment is essential for a meaningful and sustainable impact. Second, reputational risk significantly influences the CSR strategies of MNEs. Third, stakeholder engagement plays a critical role in all CSR activities. Fourth, advocacy and collaboration in addressing societal issues, with employee engagement, are a critical driver for authentic CSR initiatives. Fifth, CSR is multi-

dimensional and context-specific in nature. Sixth, CSR integration is vital in its role in creating local social advantages.

This research also extended theory in several cases and uncovered additional, rich findings. First, balancing global directives with local contextual needs is imperative when subsidiary managers have to address unique regional challenges. Second, the study identified the nuanced strategies used by subsidiary managers to navigate regional complexities and regulatory landscapes, as well as the importance of flexibility and localised approaches in community engagement. Third, the research presented the findings that there is a tension between compliance and broader social engagement, which had not been explained in detail in the extant literature. Fourth, this research identified and presented how CSR challenges manifest in real-world subsidiary operations. Fifth, the study also established how subsidiaries effectively balance global CSR strategies with local knowledge through contextual adaptation, collaboration, and leveraging corporate expertise. Sixth, the findings highlighted the complex interactions between corporate headquarters and local teams and seventh, the study provided practical insights into how global–local synergies are operationalised.

7.4 Practical Contribution

In the multinational environment, it has been shown that the parent company's CSR affects foreign subsidiary performance, but it does so depending on task, institutional, and informational elements in the host country stakeholders' signalling environment. The subsidiaries' primary activities and the localised parent firms' information affect the stakeholders' information demands and acquisition patterns, diminishing the parent firms' CSR performance-enhancing influence (Jiang et al., 2020). The subsidiary managers should seek to identify and ethically manage all stakeholders by influencing the use of CSR in their host country to create a local social advantage. This should be done in close cooperation, consultation and communication with all relevant stakeholders, and by taking cognisance of the local compliance requirements, customs, cultures and legislations.

7.5 Limitations of the Research

This section sets out the limitations of this study. The first limitation was using a cross-sectional time horizon because of the time constraints on concluding the research. The second limitation was the perception that the MNEs headquarters' CSR expertise would superimpose those of the subsidiary managers to create a local social advantage. The third limitation was the decision to include only MNEs operating in Africa as a representative sample of emerging markets. The fourth limitation was participants' inclination towards boosting MNEs' CSR

contributions to avert stakeholder backlash.. The fifth limitation was the small sample size, which was caused by potential participants' reluctance to take part in the study, despite the reassurance of anonymity and confidentiality

7.6 Suggestions for Future Research

Several suggestions for future research are presented here. First, there is an opportunity for future studies to examine the application of a mixed methods research to the revised conceptual model, Figure 6. Such research would provide a more comprehensive understanding of this critical and complex field of study by combining numerical data, obtained from a quantitative approach, with contextual interpretations, with the data derived from a qualitative approach. These elements would enhance the rigour and depth of the findings by fostering a balance between exploration and validation, ultimately contributing to more robust and nuanced findings.

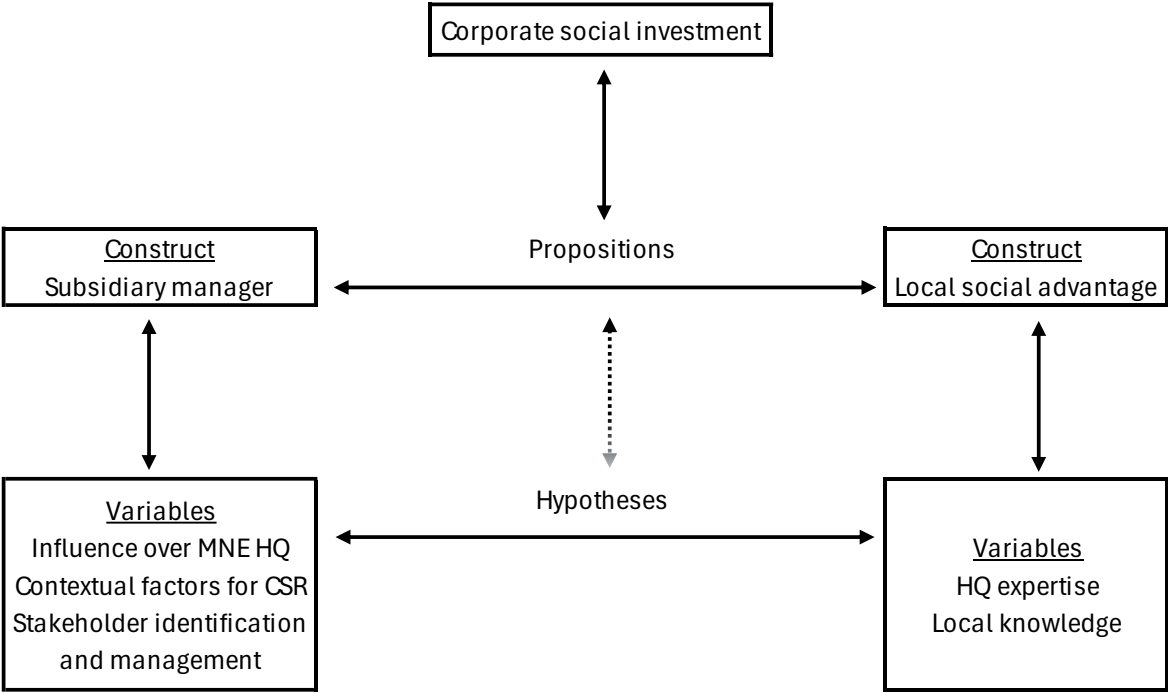


Figure 6: Revised conceptual model

Second, future approaches should integrate dynamic, context-sensitive frameworks that address global challenges, such as climate change and resource scarcity, to enhance CSR efficacy. Third, additional research is required into harmonising global and local CSR priorities, especially in regions with competing socio-economic challenges. Fourth, further refinement and contextualisation of global CSR models are necessary to address the dual pressures of

head office expectations and local operational realities. These recommendations aim to ensure that CSR strategies remain relevant and impactful in an evolving global landscape.

7.7 Conclusion

In conclusion, this research highlighted the pivotal role that subsidiary managers play in influencing multinational enterprise headquarters' decisions regarding corporate social responsibility (CSR) programmes in emerging markets. Through qualitative analysis and semi-structured interviews, it was found that proactive and positive engagement by subsidiary managers is crucial for navigating global and local challenges to create a local social advantage. The study underscored the importance of understanding the dynamics between headquarters and subsidiaries, especially in the context of CSR, to foster sustainable and ethical development. Future research should continue to explore these dynamics to further enhance the effectiveness of CSR initiatives in emerging markets.

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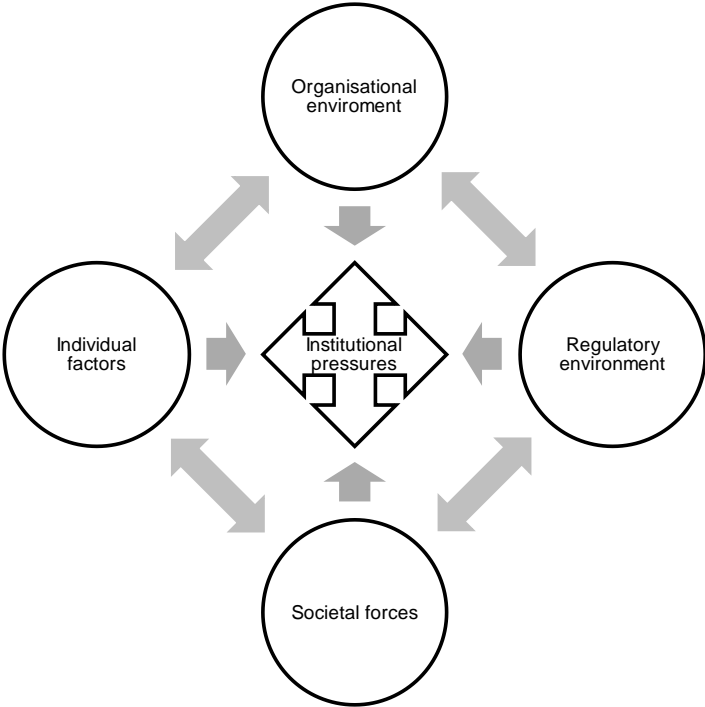
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APPENDICES

Appendix 1: Examples of Corporate Social Responsibility Models

Institutional Theory



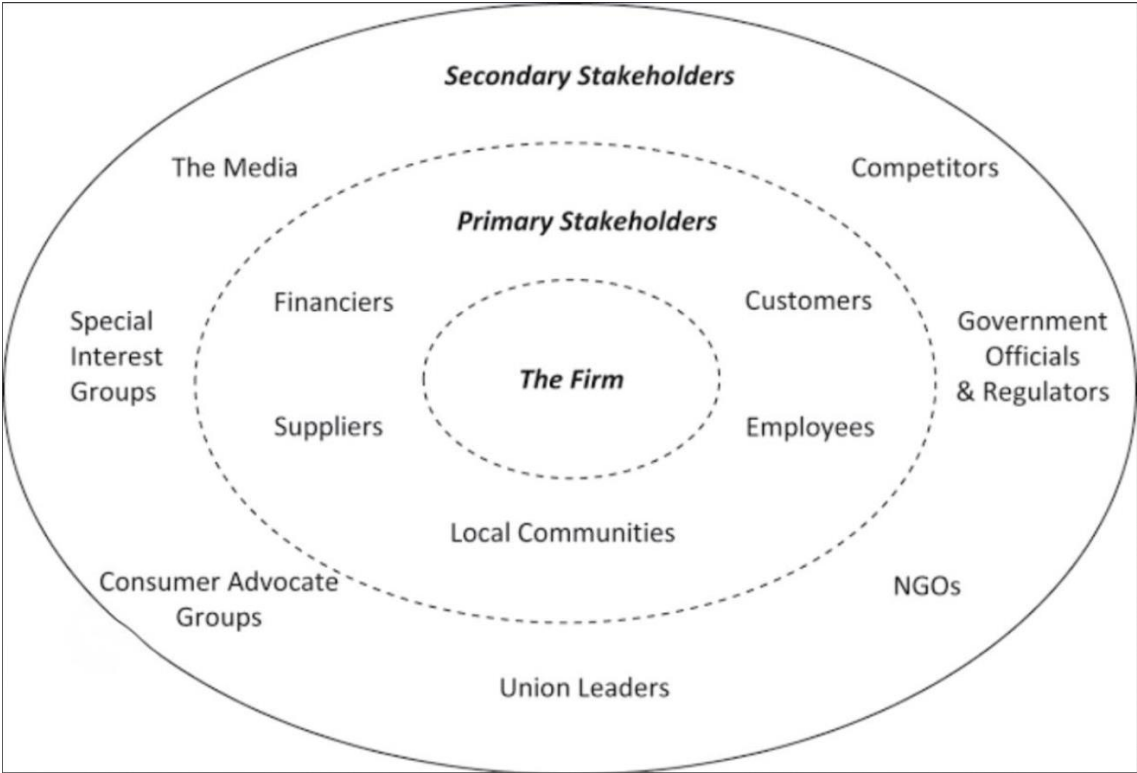
Source: Authors own, adapted from text and online diagrams

Carroll’s corporate social responsibility pyramid



Source: The AQA group, www.aqa.org.uk

Stakeholder Theory



Source: Cambridge University Press & Assessment, using Google search prompt "stakeholder theory diagram"

Appendix 2: Interview Schedule

Theme (T)	Research Questions (RQ)	Interview Schedule Questions (ISQ)
<p>T 1: What causes the necessity</p>	<p>RQ 1: What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?</p>	<p>ISQ 1.1: How do contextual factors in your subsidiary's organisational environment affect HQ's global approach to Corporate Social Responsibility?</p> <p>ISQ 1.2: To what extent does HQ's concern for reputational risk influence your EM subsidiary's CSR activities?</p> <p>ISQ 1.3: How does this concern manifest itself in practical terms?</p> <p>ISQ 1.4: To what extent does HQ provide directional guidance on your localised CSR strategy? Please elaborate.</p>
<p>T 2: Stakeholder identification and management</p>	<p>RQ 2: How can the subsidiary manager identify and manage its stakeholders?</p>	<p>ISQ 2.1: Describe the stakeholders that play a role in your subsidiary's efforts to implement its CSR strategies and practices?</p> <p>ISQ 2.2: What influence do these stakeholders bring to bear and how does this play out in practical terms?</p> <p>ISQ 2.3: What challenges does your subsidiary face in balancing competing pressures from global and local stakeholders when implementing CSR?</p> <p>ISQ 2.4: What steps does your subsidiary take to deal with these pressures?</p>

Theme (T)	Research Questions (RQ)	Interview Schedule Questions (ISQ)
T 3: Social advantage	RQ 3: How can the subsidiary manager combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?	ISQ 3.1: How do you integrate your corporate CSR expertise with your local experience? (How is that done?) ISQ 3.2: How is it used to create a local social advantage?

Appendix 3: Knowledge Gap

Subordinate Research Question	Subordinate Research Question (RQ)	Interview Questions (IQ)
<p>Theme: What causes the necessity</p> <p>Jiang et al. (2020) posited that parent companies' CSR affects foreign subsidiaries' performance, depending on the task, institutional, and informational elements in the host country stakeholders' signalling environment. The subsidiary's primary activity and localised parent firm's information affect the stakeholders' information demands and acquisition patterns, diminishing the parent firm's CSR performance-enhancing influence (Jiang et al., 2020). However, due to multinationals' high visibility, parent firms' influence over their subsidiaries, and foreign firms' liability in host countries, parent firms' reputation risk spillover to their overseas subsidiaries might cause those subsidiaries to use CSR in their host countries (Zhou & Wang, 2020). There is scant research on which local strategies the subsidiary manager employs to enhance the signalling impact of the parent firm's CSR (Jiang et al., 2020) which presents an opportunity for future research</p>	<p>RQ: 1</p> <p>What contextual factors cause the subsidiary managers of MNE's to engage in CSR activities?</p>	<ol style="list-style-type: none"> 1. How do contextual factors in your subsidiary's organisational environment affect the HQ's global approach to corporate social responsibility? 2. To what extent does HQ's concern for reputational risk influence your subsidiary's CSR activities? 3. How does this concern manifest itself in practical terms? To what extent does HQ provide directional guidance on your localised CSR strategy? Please elaborate.

Subordinate Research Question	Subordinate Research Question (RQ)	Interview Questions (IQ)
<p>Theme: Stakeholder identification and management</p> <p>Exploring the establishment of ethical connections could help companies effectively manage their stakeholders, generating value for all parties involved (Khojastehpour & Shams, 2020). Figueira et al. (2023) identify the key stakeholder groups pressuring MNEs in emerging markets to develop CSR strategies. However, they suggest that understanding the dynamics of stakeholder–company relationships in EMs is important and still requires further investigation.</p>	<p>RQ: 2</p> <p>How can the subsidiary manager identify and manage its stakeholders?</p>	<ol style="list-style-type: none"> 1. Describe the stakeholders that play a role in your subsidiary’s efforts to implement its CSR strategies and practices? 2. What influence do these stakeholders bring to bear and how does this play out in practical terms? 3. What challenges does your subsidiary face in balancing competing pressures from global and local stakeholders when implementing CSR? 4. What steps does your subsidiary take to deal with these pressures?

Subordinate Research Question	Subordinate Research Question (RQ)	Interview Questions (IQ)
<p>Theme: Social advantage</p> <p>Khojastehpour and Shams (2020) recommend that future studies analyse the entrepreneurial and social advantage postulated by the internationalisation theory and aroused by host country factors to explore the impact of such host country factor-based advantages on planning, managing, and evaluating entrepreneurial international CSR propositions. Nayak et al. (2022) confirm that further studies are needed to explore the societal dimensions of a competitive advantage, to identify the balance between corporations' social outreach and commercial goals to create a local social advantage.</p>	<p>RQ: 3</p> <p>How can the subsidiary manager combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?</p>	<p>9. How do you integrate your corporate CSR expertise with your local experience? (How is that done?)</p> <p>10. How is it used to create a local social advantage?</p>

Appendix 4: Consistency Matrix

Research Questions	Literature Review	Data Collection Tool	Analysis
RQ 1: What contextual factors cause the subsidiary managers of MNEs to engage in CSR activities?	T1: What causes the necessity Jiang et al. (2020) Zhou and Wang (2020)	Semi-structured interviews	Coding and finding themes regarding what causes the necessity. Analysing themes and deriving at conclusions.
RQ 2: How can the subsidiary manager identify and manage the subsidiary's stakeholders?	T2: Stakeholder identification and management Khojastehpour and Shams (2020) Figueira et al. (2023)	Semi-structured interviews	Coding and finding themes regarding stakeholder identification and management. Analysing themes and deriving at conclusions.
RQ 3: How can the subsidiary managers combine MNEs' corporate CSR expertise with local knowledge to create a local social advantage?	T3: Social advantage Khojastehpour and Shams (2020) Nayak et al. (2022)	Semi-structured interviews	Coding and finding themes regarding social advantage. Analysing themes and deriving at conclusions.

Appendix 4: Letter of Informed Consent

Dear Madam/Sir

My name is <Researcher Name>. I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA. I am conducting research on subsidiary managers and how they influence multinational enterprise headquarters' decisions regarding the proposed scope and mandate changes. My research project title is 'The influence of subsidiary managers on multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes to create a local social advantage'. The purpose of the research is to understand the influence of subsidiary managers on multinational enterprise headquarters' decisions regarding emerging market subsidiary corporate social responsibility programmes to create a local social advantage.

I would sincerely appreciate your time and willingness to participate in this study. The interview guide will be a semi-structured format with open-ended questions. The interview duration is expected to be between 45 and 60 minutes. With your permission, I request that the interview is recorded and transcribed to capture the content of the interview. Your participation is voluntary, and you can withdraw at any time without penalty. Please note that all data be used in the research report will be reported and stored without any identifiers to ensure the confidentiality of the participants and the organisations in which they work. With your permission and by signing below, you give your consent to participate.

If you have any questions or concerns, please feel free to contact my supervisor or me. Our contact details are provided below.

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

Researcher:

<Researcher Name>

Email: <Researcher Email>

Supervisor

<Supervisor Name>

Email: <Supervisor Email>

Appendix 5: Ethical Clearance

GIBS ETHICAL CLEARANCE APPLICATION FORM 2024/25

G. APPROVALS FOR/OF THIS APPLICATION

When the applicant is a student of GIBS, the applicant must please ensure that the supervisor and co-supervisor (where relevant) has signed the form before submission

STUDENT RESEARCHER/APPLICANT:

29. I affirm that all relevant information has been provided in this form and its attachments and that all statements made are correct.

Student Researcher's Name in capital letters: [REDACTED]

Date: 28 Jul 2024

Supervisor Name in capital letters: [REDACTED]

Date: 29 Jul 2024

Co-supervisor Name in capital letters:

Date: 28 Jul 2024

Note: GIBS shall do everything in its power to protect the personal information supplied herein, in accordance to its company privacy policies as well the Protection of Personal Information Act, 2013. Access to all of the above provided personal information is restricted, only employees who need the information to perform a specific job are granted access to this information.

Decision:

Approved

REC comments:

Good luck with your research

Date: 31 Jul 2024

Appendix 6: Final Code Book

Code	Count
○ Q1.1.1 Contextual factors	19
○ Corporate citizen	2
○ Corporate social responsibility prioritisation	1
○ Intergroup collaboration	1
○ Internal development	1
○ Internship programmes and vocational training	1
○ Lack of local knowledge at headquarter level	2
○ Level of corporate integration	1
○ Local knowledge	1
○ Physical presence essential	3
○ Regional partnerships	1
○ Regulatory frameworks	1
○ Risk and resilience	1
○ Source of knowledge	1
○ Stakeholder management	1
○ Transfer of skills	1
○ Q1.1.2 Social factor	3
○ Q1.1.3 Corporate spending	7
○ Corporate Spending Perspective	1
○ CSR Fund Usage and Support	1
○ Financial Charter and BEE Act Influence	2
○ Foundation's Corporate Social Investment Programmes	1
○ Government-Partnered Initiatives	1
○ Influencing Social Impact Programmes at Local and Subsidiary Levels	1
○ Internal CSR Fund Allocation	1
○ Q1.1.4 Regulatory requirement	5
○ Corporate Social Responsibility Program Development	1
○ CSI Strategy: CSR and Education	1
○ Firm's Corporate Social Responsibility	1
○ Global Reporting Index Implementation	1
○ No designated CSR department	1
○ Q1.2.1 Reputational Risk in Decision-Making	14
○ Corporate reputational risk management	1
○ Corporate social responsibility plan development process	1
○ Headquarter decarbonisation investment strategy	1
○ Internal debate on environmental issue	1
○ Investment decision making process	1
○ Principle based standards in corporate social investment programs	1
○ Reputational benefits of corporate social responsibility	1
○ Reputational concerns in corporate social responsibility	4
○ Stakeholder feedback on corporate conduct	1
○ Subsidiary asset manager policy implementation	1
○ Sustainability consultancy overview	1
○ Q1.2.2 Local context and challenges	4
○ Headquarter's Culture and Reputational Risk	1
○ Reputation Gain and Invisible Stakeholders	1
○ Risk Management in Local Subsidiaries	1
○ Social Licence in Business Operations	1
○ Q1.2.3 Policy customization and local adaptation	2

Code	Count
○ Q1.2.4 ESG on reputational risk	2
○ Q1.2.5 CSR and stakeholder engagement	5
○ Corporate social investment activities in business environments	1
○ Global strategy and activities	2
○ Local corporate social responsibility programmes	1
○ Local strategy alignment with headquarters	1
○ Q1.2.6 Risk management processes	2
○ Q1.2.6 Risk mitigation strategies	6
○ Capacity Building and Global Challenges	1
○ CSR and Reputation	2
○ Global Investor Pressure on Renewable Energy in Africa	1
○ Global Offset Strategy	1
○ Reputational Risk Management with Government Officers	1
○ Q1.3 Directional guidance	3
○ Q1.3.1 Centralized guidance and influence	7
○ Q1.3.2 Adaptation to local contexts	1
○ Q1.3.2a Adaptation to local contexts	3
○ Q1.3.3 Resource allocation and risk management	3
○ Q1.3.4 Ethical and performance standards	3
○ Q1.3.5 Social Sensitivity and compliance	1
○ Q2.1 CSR stakeholders	3
○ Q2.1 Employees and internal stakeholders	4
○ Q2.1 Identification and Impact of Stakeholders	4
○ Q2.1 Media and public perception	2
○ Q2.2 Empowerment	1
○ Q2.2 Goal and local contexts	2
○ Q2.2 Regulators and governances	2
○ Q2.2 Role of Stakeholders	3
○ Q2.2.1 Community engagement	6
○ Business Strategic Identification and Stakeholders in CSR	1
○ Corporate Sustainability Reporting Overview	1
○ CSR Drives and Partnerships	1
○ Nuanced Landscape	1
○ Stakeholder Engagement in Local Projects	2
○ Q2.2.2 Regulators and compliance	4
○ Q2.3 Influence of stakeholders	5
○ Four-Grid Model in Stakeholder Management	1
○ Global Data Privacy Challenges	1
○ Headquarter recognition	1
○ Local CSR initiatives	1
○ Stakeholder Role in Program Implementation	1
○ Q2.3.1 Customers and communities	5
○ Community as Trade Union	1
○ Community Custodians and Influence	1
○ Community Dynamics and Influence	1
○ Future Focus on Education and Skills	1
○ Stakeholders in Financial Education	1
○ Q2.3.1 Global Standards vs. Local Needs	2
○ Q2.3.2 Employees and internal staff	2

Code	Count
○ Q2.3.3 Regulators and Governance Bodies	2
○ Q2.4.1 Educational and CSR stakeholder	2
○ Q2.4.2 Advocacy groups	2
○ Q2.4.3 Industry and Professional Bodies	4
○ Q2.5.1 Global vs Local Stakeholder Expectations	4
○ Q2.5.2 International Perceptions and Subsidiary Dynamics	3
○ Q2.6.1 Capacity and Financial Limitations	5
○ Q2.6.2 Balancing Local Development and Resource Use	1
○ Q2.6.2 Balancing pressure	16
○ Carbon credit offsets	1
○ Corporate governance	1
○ Customer and employee information safety	1
○ Exhibit unique dislike for headquarter office	1
○ Formalisation of illegal mining operations	1
○ Government service delivery	1
○ International agenda conflict with local environmental concerns	1
○ Land displacement	1
○ Mining sector impact on the environment	1
○ Political challenges	1
○ Reputational impact	1
○ Small scale mining permits	1
○ Subsidiary corporate social responsibility	1
○ Sustainable practices	1
○ Technical capacity	1
○ Transportation of goods	1
○ Q2.6.3 Subsidiary-Head Office Collaboration and Influence	3
○ Q2.6.4 Global Pressure and Local Implementation	3
○ Q2.7.1 Advocacy	2
○ Q2.7.2 Environment	3
○ Q2.7.3 Leadership Involvement	2
○ Q2.7.4 Prioritisation	1
○ Q2.7.5 Regulatory push	3
○ Q3.1 Integration with Local knowledge	15
○ Capacity building via trusts/foundations	1
○ Combined assurance	1
○ Corporate governance: Headquarter perspective	1
○ Corporate social responsibility requirement	1
○ Female symposiums	1
○ Financial education and literacy	2
○ Headquarter corporate social responsibility guidelines	1
○ Just transition to ESG	1
○ Local corporate social responsibility initiatives	1
○ Multinational budgeting	1
○ Shared value creation	1
○ Subsidiary companies in local markets	1
○ Sustainability technical assurance	1
○ Trust activities and focus areas	1
○ Q3.1.1 Local context adaptation	3
○ Q3.1.2 Collaborative integration	5

Code	Count
○ Q3.1.3 Leveraging expertise for CSR	4
○ Q3.2 Integration for Local Social Advantage	21
○ Business end-to-end approach	1
○ Business philosophy and Corporate social investment	1
○ Corporate citizenship	1
○ Corporate disclosure and transparency	1
○ Corporate governance and transparency	1
○ Corporate social responsibility as a differentiator	1
○ Corporate social responsibility compliance	1
○ Local business communication strategies	1
○ Local compliance vs Group policies	1
○ Local expertise in corporate social responsibility initiatives	2
○ Local initiatives and sponsorships	1
○ Local subsidiary focus areas	1
○ Participation in local forums	1
○ Philanthropic initiatives to secure operations	1
○ Social advantage in business	1
○ Social capital and credit impact	1
○ Social capital benefits and budgeting	1
○ Social licence and corporate social responsibility programmes	1
○ Tailored press releases in local markets	1
○ Use of social media to create awareness	1
○ Q3.2.1 Strategic CSR integration	4
○ Q3.2.2 Localised Impact and Cultural Adaptation	3
○ Q3.2.3 CSR for Organisational Differentiation	3
○ x Government and policy makers	1
○ x Investment	2
○ x Organization Background	3
○ x Recommendations	2
○ x Suppliers and intermediary	1
Total Count	258

Appendix 7: Copyright Declaration Form

19.1 COPYRIGHT DECLARATION FORM

Student details			
Surname:		Initials:	
Student number:			
Email:			
Phone:			
Qualification details			
Degree:		Year completed:	
Title of research:			
Supervisor:			
Supervisor email:			
Access			
A.	My research is not confidential and may be made available in the GIBS Information Centre and on UPspace.		
I give permission to display my email address on the UPspace website			
Yes		No	
B.	My research is confidential and may NOT be made available in the GIBS Information Centre nor on UPspace.		
Please indicate embargo period requested			
Two years		Please attach a letter of motivation to substantiate your request. Without a letter embargo will not be granted.	
Permanent		Permission from the Vice-Principal: Research and Postgraduate Studies at UP is required for permanent embargo. Please attach a copy permission letter. Without a letter permanent embargo will not be granted.	
Copyright declaration			
I hereby declare that I have not used unethical research practices nor gained material dishonesty in this electronic version of my research submitted. Where appropriate, written permission statement(s) were obtained from the owner(s) of third-party copyrighted matter included in my research, allowing distribution as specified below.			
I hereby assign, transfer and make over to the University of Pretoria my rights of copyright in the submitted work to the extent that it has not already been affected in terms of the contract I entered into at registration. I understand that all rights with regard to the intellectual property of my research, vest in the University who has the right to reproduce, distribute and/or publish the work in any manner it may deem fit.			
Signature:		Date:	
Supervisor signature:		Date:	

Appendix 8: Certification of Additional Support

(Additional support retained or not - to be completed by all students)

Please note that failure to comply and report on this honestly will result in disciplinary action.

I hereby certify that (please indicate which statement applies):

~~• I DID NOT RECEIVE any additional/outside assistance (i.e. statistical, transcriptional, and/or editorial services) on my research report:~~
.....

• I RECEIVED additional/outside assistance (i.e. statistical, transcriptional, and/or editorial services) on my research report:
.....

If any additional services were retained– please indicate below which:

- Statistician
- Transcriber
- Editor
- Other (please specify)

Please provide the name(s) and contact details of all retained:

NAME:
EMAIL ADDRESS:
CONTACT NUMBER:
TYPE OF SERVICE:

NAME:
EMAIL ADDRESS:
CONTACT NUMBER:
TYPE OF SERVICE:

NAME:
EMAIL ADDRESS:
CONTACT NUMBER:
TYPE OF SERVICE:

I hereby declare that all statistical write-ups and thematic interpretations of the results for my study were completed by myself without outside assistance.

NAME OF STUDENT:

.....

SIGNATURE:

.....

STUDENT NUMBER:

.....

STUDENT EMAIL ADDRESS:

.....