

Corporate Social Responsibility and Financial Performance: A Cross-cultural Analysis

ABSTRACT:

Based on the geographic limitations of previous meta-analysis made about Corporate Social Responsibility (CSR) and Financial Performance (FP) and on the evidence found in previous work on the country's influence in this relationship, the aim of this paper is to analyze the relationship between these two variables studying the possible moderating effect that the country variable may have on it.

By the use of the cultural dimensions of GLOBE (2004), we classify the countries, and test the hypothesis through the statistical technique of meta-analysis. The results show that the country where the companies are home-based moderates the relationship between CSR and FP. In particular from the results, we can conclude that while in Australia, Canada, USA and the United Kingdom the relationship is stronger and larger, in some countries, such as Japan, there is no relationship.

KEY WORDS:

Corporate Social Responsibility, Culture, Financial Performance, Cluster Analysis, Meta-analysis.

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1. INTRODUCTION

Debate is growing about the convenience for the companies of carrying out Corporate Social Responsibility (therefore CSR) practices, evidence by Hayek (1969), Dressel (2003), Freeman (1984), Friedman (1970) among others, and especially the lack of agreement on the relationship between Corporate Social Responsibility (CSR) actions and Financial Performance (FP) (Davidson and Worrell, 1990, Ruf *et al.*, 2001). Although that is a question that the academia has spent 45 years studying, the findings are heterogeneous. In this sense, recent works have aimed to study the possible mediator or moderator role that certain variables can have on the relationship between CSR and FP, which will make a greater consensus on this relationship possible.

Some of the moderating or mediating variables that have been studied are the stakeholder management (Van der Laan *et al.*, 2008), the earnings management (Prior *et al.*, 2008), the differentiation of industry and innovation capacity (Hull and Rothenberg, 2008), the debt and the characteristics of the boards in Dunn and Saintry (2009), and intangible resources (Surroca *et al.*, 2010) among others.

In this way, Orlitzky *et al.* (2003), Allouche and Laroche (2005) and Wu (2006) deepened through a meta-analysis in this relationship, emphasizing the influence how to measure CSR and the FP.

Moreover, basing on the geographical limitation of previous meta-analysis Miras *et al.* (2010) made a meta-analysis where they included as moderating variable the country which companies are home-based. So that, they used different classifications (continent, sustainable competitiveness index, the average income of each country according to the World Bank, and finally, the legal system) to reveal the influence of the "country" variable on the relationship, emphasizing that European countries and those with an Anglo-Saxon legal system, showed a closer relationship between CSR and FP.

Given these results and basing on the evidence found in the literature about the influence that national culture have on CSR practices (Ringov and Zollo, 2007), on the disclosure of CSR (Prado and Garcia, 2011), and on the ethical behavior of the companies (Luna and Fernandez, 2007; Singh and García, 2008; Yong, 2008; Svensson *et al.*, 2009), we decided to look more closely the influence of the country variable on the relationship between CSR and FP.

To have a specific and relatively objective assessment of the culture of a country, we can find lots of different cultural classifications (Hofstede, 1980, 2000, 2005; Schwartz, 1992, 1994; Ingleharts, 1977, 2001, 2004; Trompenaars, 1993; GLOBE, House *et al.*, 2004), although the most used in the studies about country culture are Hofstede and GLOBE (Shi and Wang, 2011). We have used the GLOBE national cultural dimensions (House *et al.*, 2004), because it is considered to be the most recent (Chhokar, 2007) and nowadays, it has received less number of criticism.

In this line, we will make successive cluster analysis allow us to identify groups of countries with similar cultural dimensions, and later, through a sample formed by pieces of work that measure the relationship between CSR and FP from 2004 until 2010, trying to identify whether country moderates or not the relationship between CSR and FP using meta-analytic technique.

The results reveal that the geographical area reduces the heterogeneity obtained in similar studies before, and how the country variable moderates the relationship between CSR practices and FP. Countries like Australia, Canada, the USA and UK, stand out for having a relationship between CSR and FP that is positive and higher than average. On the other hand, in the case of Japan, we found that these variables show us no relation. Finally, we highlight the group of countries formed by Brazil and Turkey, where the relationship between these variables is negative, ie companies with more CSR practices return a lower FP.

Therefore, the structure of our work is configured as follows. In section 2, we focus on the debate about the relationship between CSR and FP and formulate the relevant hypotheses. In section 3, we look more closely at the statistical techniques we used: cluster analysis and the meta-analysis. Section 4 presents the results of the study. Finally, we show the findings in Section 5, the study's limitations and some of the lines of investigation remain open.

2. CORPORATE SOCIAL RESPONSIBILITY AND FINANCIAL PERFORMANCE

Interest in the study of the relationship between CSR and FP began with Moskowitz (1972), whose work has been followed over 45 years of research in which many articles have been published, and among them, several literature reviews (Brammer and Millington, 2005, Fernandez and Luna, 2007; Beurden and Gössling, 2008). This is why such heterogeneous results have been found and why there is no widespread conclusion about the existence or not of the relationship and even less about the meaning of it.

In this sense, the meta-analysis performed (Orlitzky *et al.*, 2003; Allouche and Laroche, 2005; Wu, 2006; Miras *et al.*, 2010) comes to the conclusion that the relationship between CSR practices and the FP exists and is positive, although they all reflect the influence that both the way of measuring CSR activities and the FP of businesses have on the relationship.

Starting with the conceptual framework that seeks to explain the relationship between CSR and FP, we find that most accepted theoretical based are summarized by Preston and O'Bannon (1997). These authors propose six hypotheses which try to take the various possibilities that allow the relationship between CSR and FP, such as the *Social Impact Hypothesis*, the *Slack Resources Hypothesis*, the *Positive Synergy*, the *Trade-off Hypothesis*, the *Managerial Opportunism Hypothesis* and the *Negative Synergy* (as can be seen in Table 1.).

CAUSAL SEQUENCE	SIGN OF THE RELATIONSHIP		
	Positive	Neutral	Negative
CSR → FP	Hypothesis of Social Impact	Hypothesis of moderator variables	Hypothesis of Trade- off
CSR ← FP	Hypothesis Funds Availability		Hypothesis of Directors' Opportunism
CSR ↔ FP	Positive Synergy		Negative Synergy

Table 1: Types of relationship between CSR and FP.

Source: Preston and O'Bannon (1997) and Gomez (2008).

Based on these hypothesis and the previous literature, there is no unanimity about the direction of the relationship, since we can find works that support the study of the relationship in both ways and others to support the bidirectional relationship. Thus, we can find jobs that take CSR as the dependent variable (Prior *et al.*, 2008, Choi and Jung, 2008; Apostolakau and Jackson, 2009; Soana, 2009; Surroca *et al.*, 2010, Chih *et al.*, 2010) works that consider the FP as the dependent variable (Bartkus *et al.*, 2006, Luo and Bhattacharya, 2006, Lopez *et al.*, 2007, Fernandez and Luna, 2007; Berrone *et al.*, 2007, Van der Laan *et al.*, 2008 , Yu *et al.*, 2009; Poddi and Vergalli, 2009; Moneva and Orta, 2010) and others who study the bidirectional relationship (Nakao *et al.*, 2007; Makni *et al.*, 2009, Yang *et al.*, 2010; Aras *et al.*, 2010; Fauzi, 2010).

Of special interest to our work is the hypothesis proposed by Gomez (2008) "Hypothesis of moderator variables", which can be added to that previously raised by Preston and O'Bannon (1997). This hypothesis seeks to explain the neutrality or lack of significance found in that relationship (between CSR and FP) through the existence of variables that could act as moderators. These variables could show that the indirect relationship between CSR actions and FP (via the moderator variable) were significant. An example of this is found in the recent work of Surroca *et al.* (2010), which introduced variable intangibles as moderating variable of the relationship between CSR and FP and, in conclusion, even claims that the indirect connection is superior to direct. The indirect relationship is significant, while the direct is insignificant.

In this regard, we must also highlight the results through meta-analysis by Orlitzky *et al.* (2003), Allouche and Laroche (2005); Wu (2006) and Miras *et al.* (2010), in which reveals the influence that the way of measure the CSR and the FP have on the relationship. More specifically, they found a more significant relationship when measured CSR by reputation indices or surveys. In turn, focusing on the RF, accounting measures and in particular the ROA, help better predict the CSR policies.

In Miras *et al.* (2010), also extends the study of the influence of the country under study as a moderator variable of the relationship between CSR and FP. The decline in the heterogeneity across the moderation of the country is higher than that resulting from the different measures of CSR and FP. In particular, in countries belonging to Europe, those with high coefficients on the index of sustainable competitiveness and

higher incomes (as the World Bank in 2007) and those who are governed by an Anglo-Saxon legal system, is where the relationship between these variables is higher.

Based on the moderating role of some variables in the relationship CSR-FP, we consider it of interest because the results of Miras *et al.* (2010), to further investigate the effect the country as a moderator of the relationship.

As a result, we formulate our research hypotheses:

H₁: The country under consideration moderates the relationship between CSR and FP.

3. METHODOLOGY

As mentioned earlier, our aim is reaching a conclusion about whether the countries in which studies are carried out, affect or not the relationship established between CSR and FP, i.e., if the country variable moderates the relationship between CSR and FP, based on a sample from 2004 to 2010.

To do this, first we performed a cluster analysis taking the cultural values – based on the GLOBE classification (House *et al.* 2004)- of each of the countries involved in order to formulate different groups which would allow us to contrast our hypothesis through the meta-analysis.

3.1. SAMPLE

Our sample is composed by 26 pieces of work that are contained in Appendix A, which includes a brief reference to the temporal horizon covered by each of them, the size of the sample used, the geographical area referred to, and the measure of CSR and the FP of each article.

To identify them, firstly, there have been included in the initial sample those articles that are referenced in the literature review of Gössling & Beurden (2008) about the relationship between CSR and FP from the early 90's until 2007.

Secondly, we performed a search in the database ISI Web of Knowledge, chosen because it contains all items from the most recognized and specialized journals in CSR. The words used in these searches have been “Corporate Social Responsibility, Financial Performance, Empirical” and “Corporate Social Responsibility, Financial Performance, Analysis” in order to avoid the theoretical articles.

Finally, due to the important role that the “publication bias” (Kirkham & Dwan, 2010), even questioning the robustness of the conclusions reached, we include papers from SRNN in our sample, because it is such a prestigious recognized international network. This bias is due to the fact that many scientific papers, mostly with "negative" results (those which find no significant differences, or which have results against the study hypothesis or the established norm), never get published, take longer to do so or are less cited in other publications.

After collecting all the pieces of work, we put them in order and followed procedures to eliminate any duplication that might exist for having used different sources. Subsequently, we also had to exclude items for the following reasons:

1. The theoretical articles, in which the relationship between CSR and FP is not studied quantitatively, as they are not useful for our purpose of reaching a conclusion on empirical evidence.
2. Studies published prior to 2004 are excluded from the sample based on one the limitations detected in the previous analysis of Orlitzky et al. (2003), Allouche & Laroche (2005) and Wu (2006) in which they showed that all the studies included in the samples were published prior to 2003, and that this could result the conclusions were not up to date.
3. We had to exclude studies that do not provide some statistics that could be transformed into Pearson correlation coefficients, according to the formulas proposed by Wolf (1986), Rosenthal (1991) and Lipsey & Wilson (2001).
4. Finally, we remove those articles that comprise more than one country, because we are going to study one of the national culture dimensions.

3.2. MODERATOR VARIABLE: THE CULTURE OF THE COUNTRY UNDER STUDY

There is no universal agreement in social sciences to define the term culture. Generally speaking, culture is used to refer to a set of parameters of a group that sets this group apart from another in a significant way. To House *et al.* (2004), culture serves as a framework that allows us to interpret and give meaning to the significant events that result from the common experiences of members of a collective, which, being an issue of great importance, are transmitted through generations. The fundamental feature of culture is that it is a social design that affects the majority of practices and social processes, so that much of social behavior can be understood by the prevailing culture.

Therefore, CSR practices will be conditioned by the social design and culture of each country. Yong (2008) indicated that different cultural variables affected the attitudes of managers towards profit and social attitudes in the business and found that managers working in Australia are the most socially considerate toward their employees, customers and environment, while those employed in Malaysia had the highest regard for profit. Svensson *et al.* (2009) found that corporations operating in Sweden have utilized ethical structures and processes differently than their Canadian and/or Australian counterparts, and that in each culture the way that companies fashion their approach to business ethics appears congruent with their national cultural values. Ringov and Zollo (2007) suggest that national culture dimensions have a strong impact on CSR behaviour of organizations.

Various studies have attempted to identify dimensions or cultural values that are useful in explaining the cultural differences between countries. The first was Hofstede (1980) which identified 4-5 cultural dimensions, this was followed by several other works which aimed to improve, expand or clarify the measurement of the culture of a country. In response to this conceptual development we can include studies of the cultural values of Schwartz (1992, 1994) of Ingleharts (1977, 2001, 2004) and Trompenaars (1993), and finally, draw the cultural framework of GLOBE (House *et al.*, 2004).

Hofstede's original research (1980) was based on a questionnaire sent to IBM employees in 40 countries and two time periods (1967-1968) and (1971-1973). Hofstede identified four cultural dimensions that distinguished different countries, which were referred to as power distance, uncertainty avoidance, individualism and masculinity¹. Later (1987) he added a fifth cultural dimension called long-term orientation. In 2004, the GLOBE research program, in its original acronym Global Leadership Organizational Behavior Effectiveness (House *et al.*, 2004), presented the results of research whose main objective was to describe, understand and predict the influence of cultural variables on leadership, process management and effectiveness anywhere in the world. This program began in 1993, which used data from 825 organizations from 62 countries, and identified 9 dimensions that were categorized as: uncertainty avoidance, power distance, emphasis in society on collectivism, collectivist practices in family and group; gender equality, assertiveness, future orientation, performance orientation and human orientation².

¹ Power distance: the degree to which a society accepts the unequal distribution of power in institutions and organizations.

Uncertainty Avoidance: Reflects that people in a country prefer structured situations over unstructured situations.

Individualism: The degree to which individuals prefer to act as such rather than as members of a group.

Masculinity: The degree to which values like assertiveness, performance, success and competitiveness associated with the male role, prevail over values such as quality of life, personal relationships, service, solidarity, the latter values associated with the feminine role.

(Hofstede, 2000)

² Performance Orientation: The degree to which a collective encourages and rewards group members for performance improvement and excellence.

Future Orientation: The extent to which individuals engage in future-oriented behaviors such as delaying gratification, planning, and investing in the future.

As pointed out by Robbins (2004), Hofstede's cultural dimensions have become the basic framework for differentiating national cultures, though data which emanate from a single company, namely IBM, and which is about 40 years old, can reduce and erode the ability to explain cultural diversity between countries. All this points to the need for an updated and ongoing assessment of the cultural dimensions. A comparison of the dimensions of GLOBE and Hofstede shows that the former updates and extends Hofstede's work.

In our work we will take as a moderator variable of the relationship CSR-FP, culture measured by Globe dimensions (House *et al*, 2004) (Appendix 2) because it is considered to be the most recent (Chhokar, 2007) and nowadays, it has received less number of criticism.

In terms of these variables, we are going to conduct a cluster analysis to identify groups of countries with similar cultural traits. To do this, first of all, we will perform a hierarchical cluster, since the number of countries in the sample (14) is not very high and our intention is to reduce the heterogeneity within groups, to determine the number of clusters, later, we use a non-hierarchical cluster analysis k-means, to accurately determine the countries that make up each group.

3.3. META-ANALYSIS

The meta-analysis was the work of Schmidt and Hunter (1977) and Smith and Glass (1977) in the field of psychology. Later it was used in both studies on accounting by García-Meca and Sánchez-Ballesta (2006), among others, and in studies concerning the relationship between CSR and FP, as we have seen in Orlitzky *et al.* (2003), Allouche and Laroche (2005) and Wu (2006).

We can say that the aim of the meta-analysis is to determine the state of affairs relating to a particular research problem and according to Sánchez-Meca (2008), whose main contribution when compared to traditional literature reviews is that from the correlations of each of the studies we obtained a weighted average correlation of the relationship analyzed, which subsequently can be examined for their significance through probability distributions.

Humane Orientation: The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.

Gender egalitarianism: The degree to which a collective minimizes gender inequality.

Assertiveness: The degree to which individuals are assertive, confrontational and aggressive in their relations with others.

Institutional Collectivism: The degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.

In-Group Collectivism: The degree to which individuals express pride, loyalty and cohesiveness in their organizations and families.

Power distance: The degree to which members of a collective expect power to be distributed equally

Uncertainty avoidance: The extend to which a society, organization or group relies on social norms, rules, and procedures to alleviate unpredictability of future events.

(House *et al.*, 2004)

In our case, using the meta-analysis we will try to answer the following question: does it the culture of the countries under study influence in the relationship between CSR and FP?

To perform the test of hypothesis we use the statistical tool of meta-analysis, for which we calculate the overall effect sizes³ and derivatives of each of the classifications shown by cluster analysis. For this, we weighted each effect size with its corresponding sample size. Subsequently, we estimated a confidence interval of 95% for each of the calculated effect sizes, a range that will show the significance of the effect. Finally, to see the degree of heterogeneity of results, we have calculated the Q statistic for homogeneity (Hedges and Olkin, 1985)⁴ which follows a chi-square distribution with n-1 degrees of freedom, whose significance is the rejection of null hypothesis, ie that the studies are heterogeneous.

4. STUDY RESULTS

Here are the results of the cluster analysis, which we have summarized in Figures 1 to 3 , and the meta-analysis carried out, in the Tables 2 and 3 , which are presented below. They all contain: the number of correlations studied (K), the sample (N), the effect size (E), the confidence interval (95%) and, finally, the Q test of homogeneity.

In each of the tables, in the first row, appears the overall relationship between CSR and FP, in order to compare if the group of countries (based on the cultural values of GLOBE) makes a difference in the size effect and will in turn reduce the heterogeneity of the results. And therefore, whether we accept or reject the hypothesis.

First, we performed a cluster analysis according to the Globe cultural dimensions, giving 4 major groups, as shown in Figure 1. In Appendix 3 and 4 we can find the dendrogram for the hierarchical analysis and ANOVA test. Appendix 4 shows how the variables affect the cluster analysis, in this case, human orientation, in-group collectivism, and power distance have a greater impact on the groups. On the other hand, the assertiveness and the future orientation are variables affecting less to the clusters and are not significant. In addition, we can see graphically the means of these variables that are most influential for each group. Group 3 includes countries with high values on humane orientation, and low values on in-group collectivism and power distance. While, the countries included in group 4 have low values on these dimensions.

Since we have the groups, we can perform the test of the hypothesis, and consequently study the moderation of the country variable.

³ The magnitude of any statistical measure that shows the degree to which an event is present in a sample (Cohen, 1969). $\bar{E} = \frac{\sum (n_i * E_i)}{\sum n_i}$

⁴ $Q_j = \sum n_{ij} * (E_{ij} - \bar{E}_j)^2$

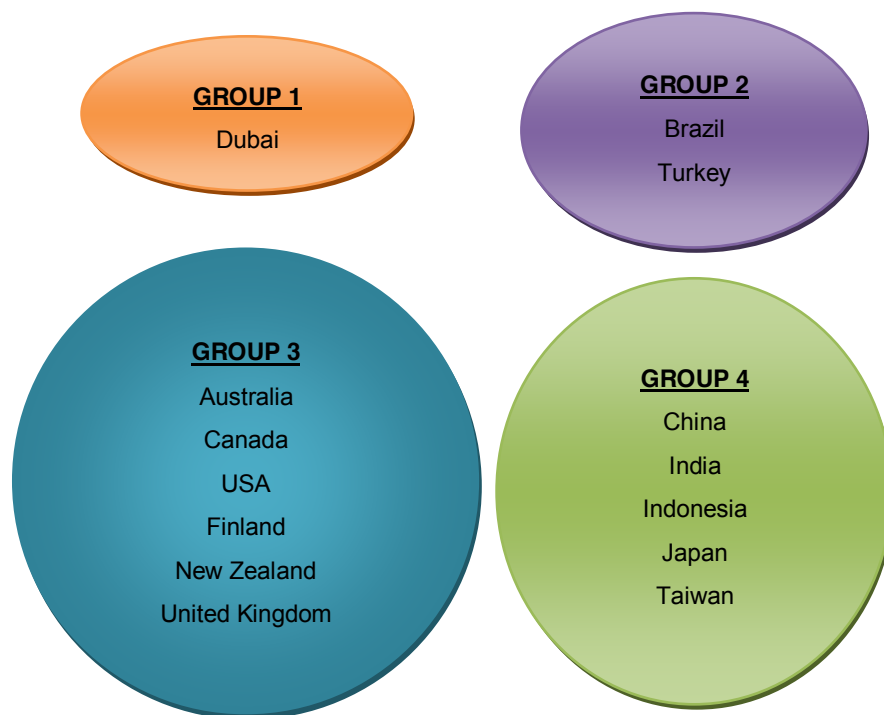


Figure 1.: Clusters resulting from cluster analysis based on cultural dimensions Globe.

In this sense, based on the classification of Figure 1, we make the meta-analytic study that is shown in Table 2 in which we can see in first place that in Group 2 countries (Brazil and Turkey) that the relationship between CSR and FP is negative. On the other hand, in countries in group 3 the effect size is higher than the general, besides being statistically significant.

	K	N	Effect size	Confidence interval		Test of homogeneity
CSR-CFP	72	43508	0,0457	0,0076	0,0838	283,7217
Group 1	1	280	0,03	-	-	0,252
Group 2	9	1128	-0,0226	-0,0866	0,0414	5,399
Group 3	31	21299	0,0697	0,0115	0,1279	166,8541
Group 4	30	20765	0,0252	-0,0413	0,0917	85,1338

The confidence interval is calculated with a probability of 95%.

The test of homogeneity, through the Q statistic and associated probability distribution according to the Chi-square.

Table 2.: Moderation of countries grouped by Globe.

In order to reduce the heterogeneity found in both group 3 and group 4, we performed a cluster analysis for each of the groups, thus obtaining the subgroups that are shown in Figure 2 and 3.

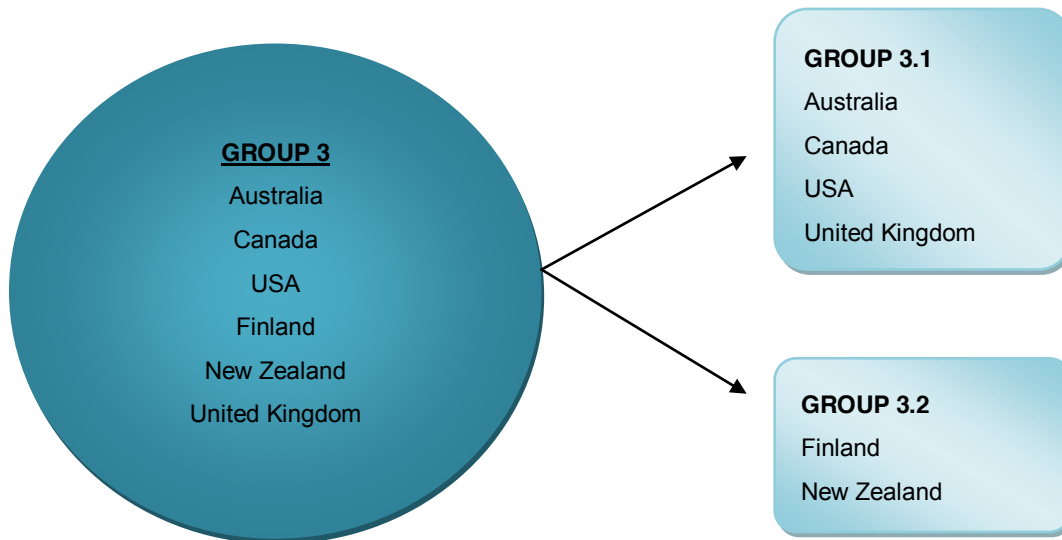


Figure 2.: Clusters resulting from cluster analysis based on cultural dimensions within the group Globe 3.

Highlights for group 3 (Appendix 5) by t-test the most influential variables are the institutional collectivism and assertiveness, variables with a greater range of values between countries in the previous cluster. In the case of group 4 (Appendix 6) by ANOVA test, the institutional collectivism and the in-group collectivism are the variables that influence the construction of these cluster.

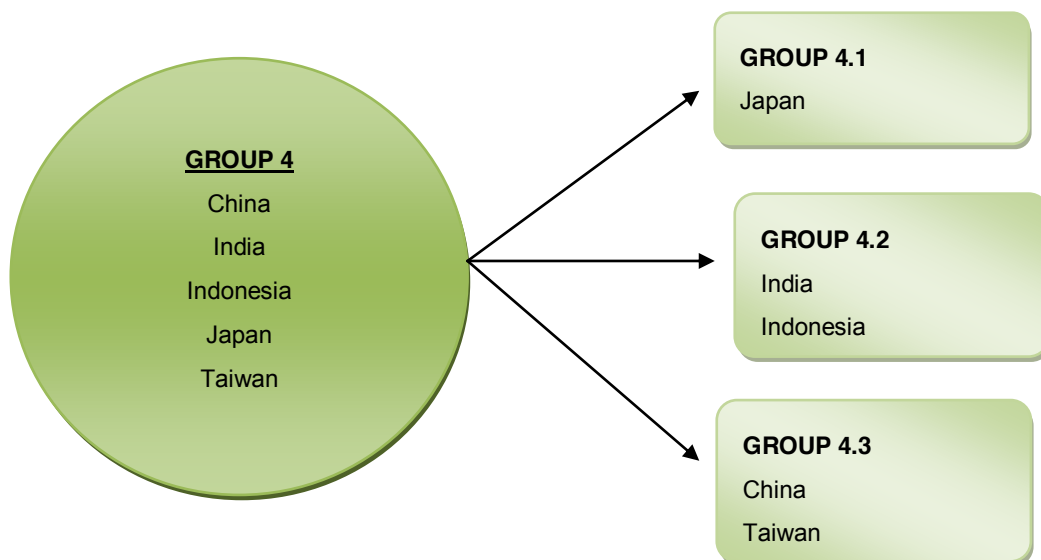


Figure 4.3.: Clusters resulting from cluster analysis based on cultural dimensions within the group 4 of Globe.

Based on the two previous figures, we conducted a meta-analysis whose results are shown in Table 3, here we can see that after the division of Group 3 countries, both coefficients are statistically significant and show a fairly considerable reduction of heterogeneity in the case of group 3.1. As to the division made in group 4, we highlight the coefficient found in the group 4.1. with a near zero coefficient (ie there is no relationship between CSR and FP), and note that the reduction of heterogeneity especially significant, since we can say that the result is homogeneous. As for group 4.3., its coefficient well above the average coefficient of relationship.

	K	N	Effect size	Confidence interval		Test of homogeneity
CSR-CFP	72	43508	0,0457	0,0076	0,0838	283,7217
Group 3.1.	28	20783	0,0618	0,0094	0,1143	96,5015
Group 3.2.	3	516	0,3852	0,1367	0,6337	17,71964
Group 4.1.	12	10008	0,0022	0,0009	0,0035	0,0389
Group 4.2.	7	1607	0,0272	-0,2448	-0,2989	35,8643
Group 4.3.	11	9150	0,0499	-0,0007	0,1068	38,3312

The confidence interval is calculated with a probability of 95%.

The test of homogeneity, through the Q statistic and associated probability distribution according to the Chi-square.

Table 2: Moderation of countries grouped by Globe (II)

After analyzing the results, we can say that accepting the hypothesis about the moderation of the country where the relationship between CSR and RF.

5. DISCUSSION AND CONCLUSIONS

The study aims to study the moderating role of the country variable in the CSR-FP relationship, through the grouping of countries (using a cluster analysis) using the cultural dimensions of Hofstede (1980) and Globe (House *et al.* 2004), and later to test the hypothesis through the statistical tool of meta-analysis. To achieve this we used a sample of articles dating from the start point of 2004, with the aim of obtaining up to date findings.

First of all, the results obtained in the meta-analysis, and assuming that the correlation between CSR policies and FP is positive and significant (0.0457). From this result, we can make comparisons to see whether the various ratings show that moderation and reflecting a decrease of heterogeneity.

Therefore, we can say that the country effect, measured by the national cultural dimensions of each of one of those included, moderates the relationship between CSR and FP, and therefore, we accept the

hypothesis. This result is consistent with those found in the studies of Fernandez and Luna (2007), Ringov and Zollo (2007), Singh and Garcia (2008), Yong (2008), Svensson *et al.*, (2009), in which highlight the influence that the country's culture has on CSR practices.

Moreover, some others pieces of work (Waldman *et al.*, 2006; Prado and Garcia, 2011) that deepen into the analysis of the influence that national culture has on the CSR, using the cultural dimensions of each country (basing in Hofstede and GLOBE dimensions), reach conclusions in the same line highlighting the special influence that some cultural dimensions such as collectivism, masculinity and power distance have on the CSR.

In particular, the group of countries consisting of Australia, Canada, the USA and UK, reveals a relationship between CSR and FP which is positive and well above the average. In the case of countries like Japan, Brazil and Turkey, they show a non- existent or negative relationship between these variables. Therefore, those countries with lower power distance, in group collectivism, and higher human orientation have a positive relationship between CSR and FP.

As for the limitations of the paper, it should be noted, first, that this paper is a literature review, secondly, the number of countries included in the sample, since no studies of all countries, and finally, that there is still heterogeneity but this has been reduced considerably with the introduction moderator variable

In conclusion, it would be interesting to conduct an international study of companies that tried to analyze the relationship between CSR and RF, in which we could deepen the moderation of the countries, in particular, of their national cultural values to see if the results are consistent.

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Appendix 1

Article	Studied period	Sample size	Country	Measure of CSR	Measure of FP
Tsoutsoura (2004)	1996-2000	422	USA	KLD	ROA, ROE, ROS
Goll y Rasheed (2004)	1985-1986	62	USA	Survey	ROA, ROS
Elsayed y Paton (2005)	2004	227	United Kingdom	Survey similar to Fortune	ROS, ROA, Q Tobin
Salama (2005)	2000	201	United Kingdom	Survey	
Brammer y Millington (2005)	2002	209	United Kingdom	Survey similar to Fortune	ROTA
Galbreath (2006)	2000	38	Australia	Reputex	ROA, ROE, MVA
Clemens (2006)	2003	76	USA	Survey	Survey
Guenster, Derwall et al. (2006)	1997-2004	154-519	USA	Puntuations	ROA, Q Tobin
Nakao, Amano et al. (2007)	2002-2003	278	Japan	NEMS (Survey Enviroment Management, Nikkei)	ROA
He, Tian y Chen (2007)	2005	438	China	Survey	Survey
Lyon (2007)	2004-2005	120	New Zeland	Puntuations	ROA, ROE
Fauzi, Mahoney y Hahaman (2007)	2005	324	Indonesia	KLD	ROA, ROE
Andayani, Atmini y Kamau (2008)	2004-2006	18	Indonesia	Belonging to social index (dummy)	Q Tobin
Singh (2009)	2007-2008	37	India	Social Cost	Annual benefits
Dunn y Sainty (2009)	2002-2006	104	Canada	Similar to KLD	ROE
Rettab, Ben Brik y Mellahi (2009)		280	EAU	Survey	Survey
Makni, Francoeur y Bellavance (2009)	2004-2005	179	Canada	MJRA y KLD	ROA, ROE y Stock Performance.
Shen y Chang (2009)	2005-2006	640	Taiwan	Social Index	ROA, ROE, EPS
Fauzi, Rahman et al. (2009)	2001-2004	461	Indonesia	KLD	ROA, ROE
Lin, Yang y Liou (2009)	2002-2004	33	Taiwan	Donations	ROA

Article	Studied period	Sample size	Country	Measure of CSR	Measure of FP
García-Castro, Ariño y Canela (2010)	1991/2005	658	USA	KLD	ROE, ROA, Q Tobin y MVA
Yang, Lin y Chang (2010)	2005-2007	150	Taiwan	ARESE	ROA, ROE, ROS
Aras, Aybars y Kutlu (2010)	2005-2007	40	Turkey	Survey	ROA, ROE, ROS
Fauzi (2010)	2004-2006	120	USA	KLD	ROA, ROE
Lima, de Souza y Cortés de Vasconcellos (2010)	2001-2006	71	Brazil	Social Index	Q Tobin, ROA, ROE
Schadewith y Niskala (2010)	2002-2005	236	Finland	GRI (Global Reporting Index) (dummy)	Market Value

Source: Own elaboration

Appendix 2

	Globe 1: Performance Orientation	Globe 2: Future Orientation	Globe 3: Humane Orientation	Globe 4: Gender Egalitarianism	Globe 5: Assertiveness
Australia	4,36	4,09	6,24	3,4	4,28
Brazil	4,04	3,81	6,15	3,31	4,2
Canada	4,49	4,44	6,36	3,7	4,05
China	4,45	3,75	5,85	3,05	3,8
EAU (Dubai)	3,45	3,78	4,62	3,63	4,11
USA	4,49	4,15	6,28	3,34	4,55
Finland	3,81	4,24	6,29	3,35	3,81
India	4,25	4,19	6,02	2,9	3,73
Indonesia	4,41	3,86	6,23	3,26	3,86
Japan	4,22	4,29	5,63	3,19	3,59
New Zealand	4,72	3,47	6,23	3,22	3,42
United Kingdom	4,08	4,28	6,21	3,67	4,15
Taiwan	4,56	3,96	5,66	3,18	3,92
Turkey	3,83	3,74	6,25	2,89	4,53

	Globe 6: Societal Institutional Collectivism	Globe 7: Societal In- group Collectivism	Globe 8: Power distance	Globe 9: Uncertainty avoidance
Australia	4,29	4,17	4,74	4,39
Brazil	3,83	5,18	5,33	3,6
Canada	4,38	4,26	4,82	4,58
China	4,77	5,8	5,04	4,94
EAU (Dubai)	4,5	4,71	4,73	3,99
USA	4,2	4,25	4,88	4,15
Finland	4,63	4,07	4,89	5,02
India	4,38	5,92	5,47	4,15
Indonesia	4,54	5,68	5,18	4,17
Japan	5,19	4,63	5,11	4,07
New Zealand	4,81	3,67	4,89	4,75
United Kingdom	4,27	4,08	5,15	4,65
Taiwan	4,59	5,59	5,18	4,34
Turkey	4,03	5,88	5,57	3,63

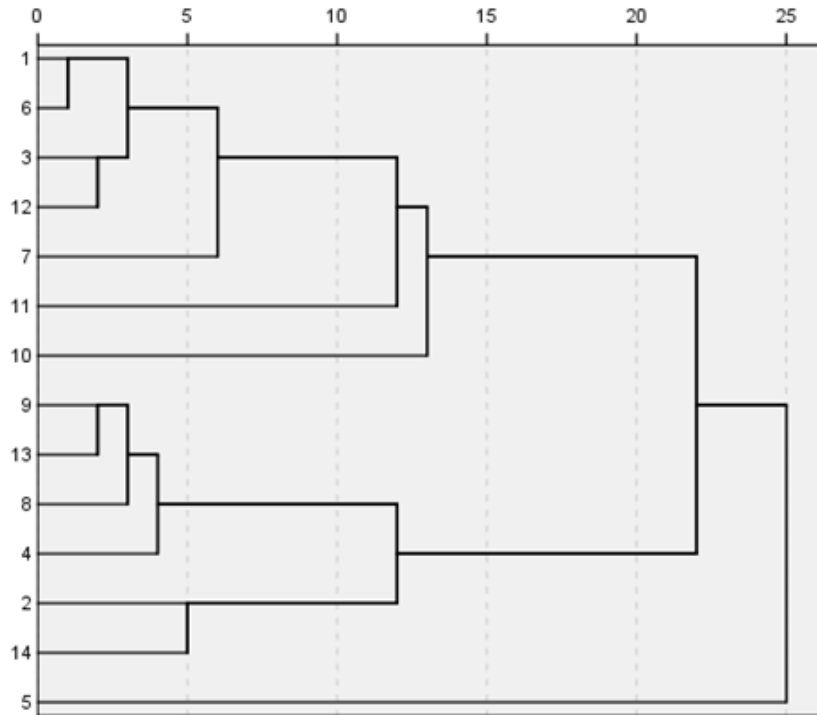
Source: House, R.J.; Hanges, P.J.; Javidan, M.; Dorfman, P.W.; y Gupta, V. (2004)

Appendix 3

HIERARCHICAL CLUSTER ANALYSIS

Dendrogram using Average Linkage (Between Groups)

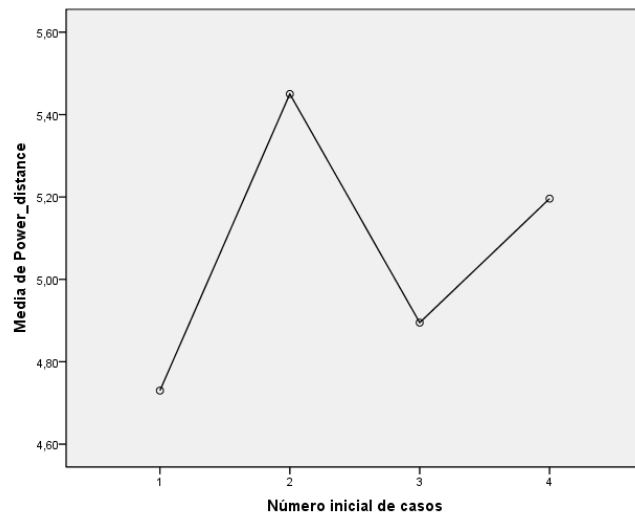
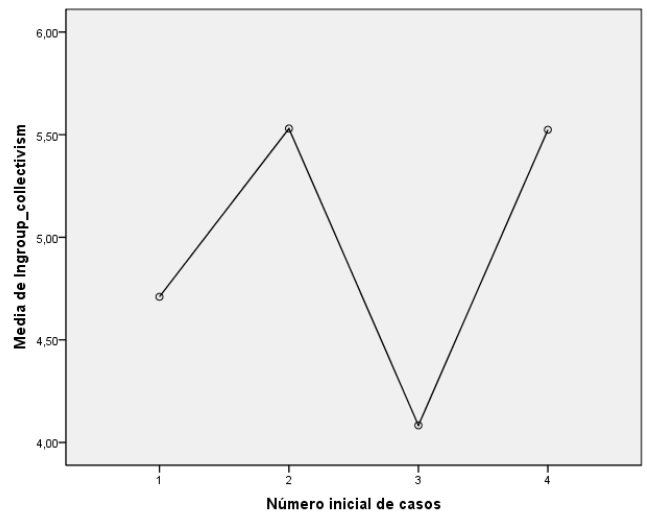
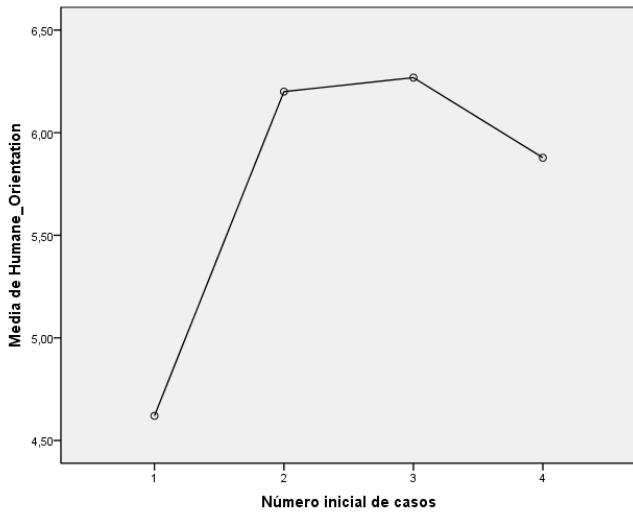
Rescaled Distance Cluster Combine



Appendix 4

ANOVA

	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Performance_Orientation	,315	3	,064	10	4,929	,024
Future_Orientation	,075	3	,077	10	,970	,444
Humane_Orientation	,830	3	,027	10	30,350	,000
Gender	,162	3	,036	10	4,531	,030
Assertiveness	,177	3	,089	10	1,999	,178
Institutional_collectivism	,281	3	,069	10	4,071	,040
Ingroup_collectivism	2,247	3	,154	10	14,561	,001
Power_distance	,223	3	,023	10	9,630	,003
Uncertain_avoidance	,514	3	,095	10	5,431	,018



Appendix 5

T test for equality of means	t	df	Sig.	Means difference	Standard error of difference
Performance_Orientation	,287	4	,789	,0900000	,3140910
Future_Orientation	1,464	4	,217	,3850000	,2629104
Humane_Orientation	,240	4	,822	,0125000	,0520967
Gender	1,689	4	,166	,2425000	,1435651
Assertiveness	3,187	4	,033	,6425000	,2015836
Institutional_collectivism	-5,555	4	,005	-,4350000	,0783023
Ingroup_collectivism	2,325	4	,081	,3200000	,1376136
Power_distance	,056	4	,958	,0075000	,1333756
Uncertain_avoidance	-2,365	4	,077	-,4425000	,1871121

Appendix 6

ANOVA

	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Performance_Orientation	,031	2	,009	2	3,280	,234
Future_Orientation	,063	2	,038	2	1,659	,376
Charismatic	,107	2	,020	2	5,331	,158
Gender	,004	2	,037	2	,110	,901
Assertiveness	,025	2	,008	2	3,153	,241
Institutional_collectivism	,178	2	,014	2	12,273	,075
Ingroup_collectivism	,505	2	,025	2	19,864	,048
Power_distance	,028	2	,026	2	1,070	,483
Uncertain_avoidance	,159	2	,090	2	1,762	,362