



Multinational Firm – NGO Collaboration: A Case Study Of Accor And Parada Foundation

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Biographical Note

Sara da Cunha Cardoso was born in Porto in the year of 1991. From a young age, Sara started to travel with her mother and that is how her interest in other countries, cultures and, consequently, in the state of the world and its problems started to arise.

Before going to University, she decided to live her dream and go on an exchange year, to live with a host family in Finland and was ready to get to know another culture by living a finn day-to-day life. In Finland, she got a close look of all the cultures she had visited with her mother and some more and started to learn about other languages, traditions, about different people and different life stories.

After one year abroad, she came back to her home town and entered the Faculty of Arts in the University of Porto (2010) to study Languages and International Relations (Bachelor Degree), where she would later have two more opportunities to go abroad. During her Bachelor's degree, Sara studied a semester in Rio de Janeiro, Brasil (2012) and another in Madrid, Spain (2013), city in which she had the opportunity to improve her spanish. In order to continue her international path, she applied for the Master of International Economics and Management at the Faculty of Economics in the University of Porto (2013).

On the first year of her Masters degree, Sara got to know another student, Rita, with whom she shared a striking experience: a trip to Cape Verde. All the trips and the time spent abroad brought up a deep social consciousness in her, that led to the creation, together with Rita and in partnership with a local NGO, of a summer school for poor children in Boa Vista Island, Cape Verde (2014), where both of them also worked as volunteers. The success of the project led to a second edition (2015), organized by the same people, with different volunteers.

All her international path directed Sara to this research project on “The Role of NGOs in International Business“, in order to better understand how the business world can have an important role in the population's social needs and to try to redefine her future goals, as she wants to use her academic education to make a difference, as much as possible.

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This would not have been possible without my family who was also present, not only during this process but in my life. To my cousin and my aunt, who have always believed in me and given me motivation and advise. Finally, to my mother that has always put me and my dreams before her own, for her understanding, her love and for inspiring me to work harder, be better and to stay humble.

Thank you!

Para a minha Litis.

Abstract

Nowadays, globalization forces are stronger than they have ever been, due to the developments in information and communication technology and to the fast liberalization of international trade. Even though international business (IB) gets the whole world involved, the direction of the foreign direct investment (FDI) has been changing in the last decades and companies have been focusing on internationalizing their businesses to developing countries. At the same time, the importance and influence of nongovernmental organizations (NGOs) has been increasing drastically in the world economy, pressuring multinational companies (MNEs) and governments to be conscious and participate in social issues. For these reasons, partnerships between NGOs and MNEs have started to emerge and become now common, as MNEs start to realize the benefits that can rise from them. This study aims to understand how social alliances –voluntary alliances between companies and social institutions –can affect multinational companies (MNEs) and NGOs, both positively and negatively. We analyzed the interactions between Accor and the Parada Foundation to demonstrate the value of this type of cooperation. Analyzing a case study helped us get to helpful conclusions. We suggest that both NGOs and MNEs register benefits that result from this collaboration. These findings are important because understanding these relationships may provide economic and social development for our society and especially for the host developing countries.

Keywords

Nongovernmental organizations; Multinational enterprises; Foreign direct investment; Social alliances; Corporate social responsibility; Civil society organizations

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Introduction

During the last decades, the globalization process has been influencing the way governments and countries behave socially and economically (Ghaus-Pasha, 2004). This globalization process is reflected on the increasing foreign direct investment (FDI) and international trade flows. Over the past decades, FDI has grown and even though most FDI flows occur between developed countries, multinational enterprises (MNEs) are starting to switch their investment to developing countries where FDI has become truly important (Herzer, 2008).

The Organization for Economic Co-operation and Development (OECD) stated that the fast growth of FDI is reflected on developing countries and on their economies where MNEs diversify their operations (OECD, 2008). OECD also mentioned that their activities, through international trade and investment, have straitened the ties between OECD economies and also deepened their connections to the rest of the world.

Although globalization provides an opportunity for countries to grow, it represents a problem for the ones that cannot adjust to this global society and its requirements (Ghaus-Pasha, 2004). The author adds that while some regions grow exponentially, others still have to deal with high levels of poverty, which has been a concern for the international community that observes the growth of global inequalities. According to the Secretary-General of the United Nations Ban Ki-moon in his speech at the World Economic Forum in Davos, Switzerland (29 January 2009): *“Our times demand a new definition of leadership - global leadership. They demand a new constellation of international cooperation - governments, civil society and the private sector, working together for a collective global good.”*

In this study, we will focus on the relationships between nongovernmental organizations (NGOs) and MNEs that have become more common since MNEs realized its benefits (Marano & Tashman, 2011). Although mostly this will be the terminology used, according to the referred author, we have to be aware that this terminology has been contested and that for many authors the concept of NGOs is just a small part of a wider category referred to as Civil Society or Civil Society Organizations (CSOs).

According to Doh and Teegen (2002, p. 665), “*The emergence of NGOs as important institutional actors in international business can be traced to the widespread movement in the mid-1980s to pressure companies to divest from South Africa, resulting in the withdrawal of more than 200 US and 60 British firms from the country between 1985–2000*”. As stated by Vachani, Doh, and Teegen (2009), not only NGOs have been pressuring companies and working as civil society’s agents, but MNEs have also been changing their strategies and behavior, increasing their social responsibility and responsiveness as the pressures to do so have been arising in last years. The authors add that this phenomenon has affected companies, their transaction costs¹ and their organization.

Skippari and Pajunen (2010) report that the increased interaction between MNEs, host country governments and NGOs has made FDI more complex and potentially conflicting. However, as stated by Spar and La Mure (2003), other researchers suggest the opposite, stating that NGOs try to mobilize resources and information in order to advocate for change, which makes them an important “*figure of the global economy.*” It is also argued that this cooperation may be beneficial for both agents, since corporations’ resources and skills are useful for NGOs and, on the other hand, NGOs can help companies with internationalization prospects creating value and understanding local context (Dahan, Doh, Oetzel & Yaziji, 2010).

Literature on NGO/MNE relationships is scarce which we can see with a research on SCOPUS and on ISI databases. We inserted, on May 19th 2015, the keywords ‘Multinational enterprises’ and ‘NGOs’ on SCOPUS and we found roughly 10 journal articles of interest in this matter. Additionally, inserting the words ‘CSO’ and ‘FDI’ on SCOPUS database and after, the words ‘CSO’ and ‘MNE’ and for both searches we obtained no results at all. Finally, we did the same on the Web of Science database, and we got only 7 results. We also need to take into account that the articles found are mostly the same we had found already on SCOPUS. For this reason, this thesis aims at filling this gap, and at analyzing how companies and NGOs can cooperate in efforts to

¹ A cost that a company incurs on when making an economic change; the cost of negotiating an agreement and of the adjustments that need to be done afterwards; it is the cost of participating in the

provide more information on the subject. According to Teegen, Doh and Vachani (2004), existing literature has been focusing either on MNEs or on governments, ignoring a very important third actor, the NGOs.

How does the cooperation between NGOs and MNEs work in a world where corporate social responsibility (CSR) is becoming more and more important? How do companies and NGOs see this cooperation? These are the questions that this work intends to investigate, trying to understand all the constraints of these interactions, contributing to a better understanding of this subject. In order to try to accurately find the answers to these questions, we used the case study method, given that, according to Yin (2012), it is the most appropriate method to address descriptive data and to study phenomena that involves a big range of contexts and a number of complex situations, reason why the data comes from multiple sources of evidence rather than from an isolated variable.

After this first introductory chapter, we will now begin chapter 1, the literature review, by defining civil society and nongovernmental organizations and by trying to understand their role in the world economy. After that, we are going to define multinational enterprises in order to be able to comprehend the role of all these referred actors in international business and in the global economy. Once we understand all the concepts, we can finally analyze how NGOs and MNEs influence and pressure each other. On chapter 2, we will have the methodology section, where we will explain the choice of the case study method, in detail. We will then introduce our own case study, on chapter 3: Accor-Parada, introducing both the enterprise and the NGO followed by a specific explanation of their cooperation and projects and how it positively affected them. Lastly, we will present the conclusions of our work.

Chapter 1 - Literature Review

This chapter will be subdivided in sections, so that we can better understand all the important concepts related to this subject and after, how do relationships between MNEs and NGOs work and how important they are becoming. In Section 1.1, we start by clarifying the concepts of Civil Society and NGOs, trying to distinguish and compare them since in previous literature that has been a discussion about whether they are different concepts and how so; on Section 1.2. we will try to conceptualize MNEs. On Section 1.3; in order to try to understand how NGOs have increased their significance in international business, we will analyze the swap from a two-sector bargaining model (between companies and governments) to a three-sector bargaining model that operates today and that includes NGOs. Next, on Section 1.4, we will analyze the possible relationships between NGOs and MNEs and how they can cooperate and benefit from each other's help and about the different perspectives on Corporate Social Responsibility (CSR).

1.1. Civil Society Organizations (CSOs) and Nongovernmental Organizations (NGOs)

Civil Society is the sector that acts independently from the state and the market and in which individuals organize in a way that helps them reach collective goals and purposes (Brown, Khagram, Moore & Frumkin, 2000). Both in the case of Civil Society Organizations (CSOs) and in the case of Non-Governmental Organizations (NGOs), which are considered a type of the first ones, individuals band around common ideas, needs, causes and strategies to promote collective benefit (Olson, 1971).

According to Ghaus-Pasha (2004), based on Veneklasen (1994), Civil Society is the domain of social interaction between the household and the state. This interaction is expressed in the norms of the communities, together with the structure of the voluntary associations, among others. The referred structure of the association refers to the full extent of informal and formal configuration through which citizens pursue common interests. Furthermore, values as trust, reciprocity, tolerance and inclusion are implied in the norms and are critical to cooperation and community problem solving (Ghaus-

Pasha, 2004). This concept has been growing in the international community since the 1990s because governments and other international organizations have been relying on this type of institution more and more (Wolde-Yohannes & Freeman, 2012). Quoting the United Nations Development Programme (UNDP), Wolde-Yohannes and Freeman (2012) state that CSOs are capable of mobilizing poor populations to help in the implementation of developing policies and a lot of other financial institutions have been cooperating with them, as is the case of the World Bank.

The concept of CSO, that includes the one of NGO, is broader than the latter and, for that reason, it may be relevant to use this concept during this dissertation, even though our focus will be on the collaborations between NGOs and MNEs. The World Bank states that this term refers to both non-governmental and non-profit organizations that try to express civil rights and fight for them, always following values having ethics, politics, culture, science and religion as its basis. Furthermore, CSOs cover not only NGOs but also community groups, labor groups, indigenous groups, foundations, amidst others (The World Bank, 2013).

Supporting the same idea of The World Bank, OECD adopted a definition that was put forward by the 2007–2008 Advisory Group on CSOs and Aid Effectiveness, and that states that these organizations usually include all non-market and non-state in which all the participants try to organize themselves in the best way possible to reach common goals in the public sphere. Community-based organizations, environmental groups, women’s rights groups, labor unions, among others, are good examples of Civil Society Organizations (OECD, 2009).

CSOs are motivated by the limited capability of the states to work on social problems as the welfare, the environment and the development of the nation, on their own. Besides that, the communications revolution and the expansion of an educated middle class that has been showing its frustration in what concerns the lack of economic and political expression, has had a decisive impact in the growth of CSOs (Salamon, Anheier, List, Toepler, Sokolowski & Associates, 1999).

Its existence is extremely relevant given that there is a clear need to cover the gaps that have been increasing in developing countries’ social services. In order to be successful,

CSOs and even NGOs should be separated from the state, formed by people with common goals and values (as tolerance, equality, etc.). They should also promote good governance values such as responsiveness, transparency and accountability, among others (Ghaus-Pasha, 2004).

According to Spar and La Mure, “...NGOs and activists tend to organize primarily around ideas: around a collective commitment to some shared belief or principle. Operating independently of any government, NGOs target both public and private entities, using whatever tools they can muster to secure their desired goal.”(Spar & La Mure, 2003, p. 79)

NGOs may also be defined as the organizational expression of the civil society interests, aiming to reach social, political or economic goals through advocacy or operational efforts. Equity, education and health are good examples of those goals (Teegen et al., 2004). Besides that, the referred authors add that the main actors in NGOs are: individuals who contribute with their time, skills and resources; NGOs’ staff, like the board members; and finally, private foundations and governments that provide support by funding.

As stated by Werker and Ahmed (2007), NGOs are non-profit private organizations that work independently but also in partnership with other organizations as aid agencies coming from the developed countries or even private-sector operators, in the prospect of helping international development and increasing living conditions in developing countries.

NGOs, contrary to elected governments that are accountable to their citizens and to companies that, in turn, are accountable to their owners and stakeholders (Florini, 2003), are more immune to transparency due to the environments they operate in and are usually not accountable to anyone besides their funders and some governments (Hayden, 2002). Even though NGOs differ from governments on accountability, they take governments’ central role in service distribution and in sustaining basic levels of welfare since state’s services, as subsidies, were eliminated (Wiktorowicz, 2002). The author adds that NGOs are important to soften the effects of capitalism and its economic liberalization.

According to Yaziji and Doh (2009), NGOs' emergence is related to different factors: population members' frustration in what regards some economic, social or political matters and the lack of capacity from governments and political structures to address these problems. However, the authors add that for the NGO evolution in society to happen, it is necessary for the context to allow the social movement to be perceived as capable of solving this dissatisfaction.

NGOs have their own strengths and weaknesses and that is why cooperation with companies would be a possibility. On the strengths side, NGOs are cost-effective, they have a local knowledge due to social proximity that allow them to have a lot of link in the community they operate in and specialized skills. They also have a good ability to adapt since NGOs constantly deal with new and many times complicated situations, etc. On the weaknesses side, their work might be constrained due to limited resources, scarce funding, isolation and lack of economical expertise and of inter-organizational (The World Bank, 1998).

NGOs are considered non-state and non-market, which is why many theorists see them as a third sector that represents 'civil society' (Lambell, Ramia, Nyland & Michelotti, 2008). Lambell et al. (2008) also mention that NGOs, contrary to what was the perspective some years ago, are now considered as part of the international business scenery and interact with the other actors, like MNEs, governments and inter-government organizations. Consequently, NGOs have become important actors in the global political, social, and economic business environment.

Agg (2006) considers that there are two types of NGOs: Local NGOs that operate in their countries with, usually, local staff and International NGOs, that usually work in more than one country, coming from developed countries and operating in the developing world. However, Doh and Teegen (2003) make a different classification, stating that there are three types of NGOs: advocacy NGOs that stand before governments defending the interests of the ones who do not have the access to do it; operational NGOs, that are responsible for providing goods for clients who need them; and hybrid NGOs, whose service is a combination of the two mentioned.

To sum up, CSOs and NGOs have common goals and characteristics, differing mostly on the span of the concepts.

According to Dahan, Doh, Oetzel and Yaziji (2010), statistics show that there has been an increase of approximately 400% in the number of international NGOs between 1990 and 2000. Yaziji and Doh (2009), that had considered the same percentage, add that over the last decade the word “NGO” has been mentioned twenty times more in the *Financial Times* and *Wall Street Journal*, than ever before. Furthermore, the authors state that, in 1993, the United Nations Development Program registered roughly 50 000 NGOs worldwide and just 8 years later, in 2001, there were 1.4 million organizations of the independent sector in the United States alone. The author also added that international development aid conducted by NGOs represented more than 15% of its total. Even though estimates differ, most observers can agree on the fact that NGOs grew and keep growing not only in number but only on their importance (Yaziji & Doh, 2009).

1.2. Multinational Enterprises

To understand the importance of studying the role of NGOs in international business and the possible cooperation between NGOs and different types of CSOs with MNEs, it is not only important to understand what multinational companies really are but also their tendencies and how they have been operating in recent years.

Multinational enterprises have been seen as the central institutions in international business (Teegen et al., 2004). There are various definitions of multinational companies, but according to Buckley and Casson (2009) a MNE is a company that owns and controls activities in at least two countries. The authors add that firms look for the location where the costs for each activity are lower, taking into account their networks. A multinational enterprise (also known as transnational enterprise) is a company that engages in foreign direct investment (FDI) and owns or controls value-added activities in more than one country. Despite being very broad, this definition is accepted by most institutions like governments and the OECD, for example (Dunning & Lundan, 2008).

The OECD adds on its report that MNE’s subsidiaries are linked to each other and so, they should co-ordinate their operations and assist one another if that is the case. Even

though some of the subsidiaries are able to put pressure and influence over the activities of the others, the length of their autonomy within the enterprise is different from one MNE to another. The ownership may be private, state or mixed. It is also stated that the operations of a multinational company occur around the world and, for that reason, managers should take into account the host country peculiarities and its policies (OECD, 2008).

MNEs have a really strong role and impact on globalization since they account for all FDI, they are active in trade and they transfer not only technology but also know-how via intrafirm transactions (Kleinert, 2011). The referred author also states that this process of economic integration has accelerated year after year and MNEs are right in the center of all these economic developments.

Luo (2002) states that emerging markets have been the chosen destination for FDI, which is MNEs' main vehicle to enter other markets, expanding globally. The author adds that MNEs have been transferring their functions to different locations, segmenting their production and originating global value chains. Usually, less developed regions like emerging and developing economies are assigned low-tech tasks while developed countries are assigned more complex ones (Luo, 2002).

However, their influence on developing countries has been a controversial issue. On the one hand, Blomström and Kokko (1998) stated that host countries started to liberalize FDI regulations in the 1980s and have been trying to attract international companies because they are looking to acquire modern technology, know-how, managerial skills brought by MNEs, that most host countries would not have access otherwise. Additionally, the authors defend that FDI is valuable for developing countries' exports, employment and also capital formation due to the *productivity spillovers*². The authors state that there are also indirect benefits resulting from FDI and gives the example of local firms that, just by collaborating with MNEs (having backward or forward

²“*Productivity spillovers are said to take place when the entry or presence of MNC affiliates lead to productivity or efficiency benefits in the host country's local firms, and the MNCs are not able to internalize the full value of these benefits*” (Blomström and Kokko, 1998, p. 3).

linkages), may increase their productivity since they are able to imitate MNEs technologies, for instance.

Furthermore, the economic theory states that FDI is beneficial for host countries, considering that the global integration of the markets may impulse the spread of better practices in corporate governance and that the global mobility of the capitals restricts government's pursue of bad policies (Lougani & Razin, 2001). Moreover, the authors defend that it allows the transfer of technology as well as know-how, which could not be achieved by trade alone; it often leads to employee training, developing local human capital; and it generates profits, contributing to corporate revenues in tax for the host country. On the other hand, and according to the referred authors, recent works point out the risks for the developing host countries. Lougani and Razin (2001), worry that the benefits may be limited by the country's power and the high share of FDI on the country's capital inflows sometimes represents the country's weaknesses rather than its strengths (for instance, FDI is prone to happen in countries where the quality of institutions is poorer, countries with inefficient markets, among other factors).

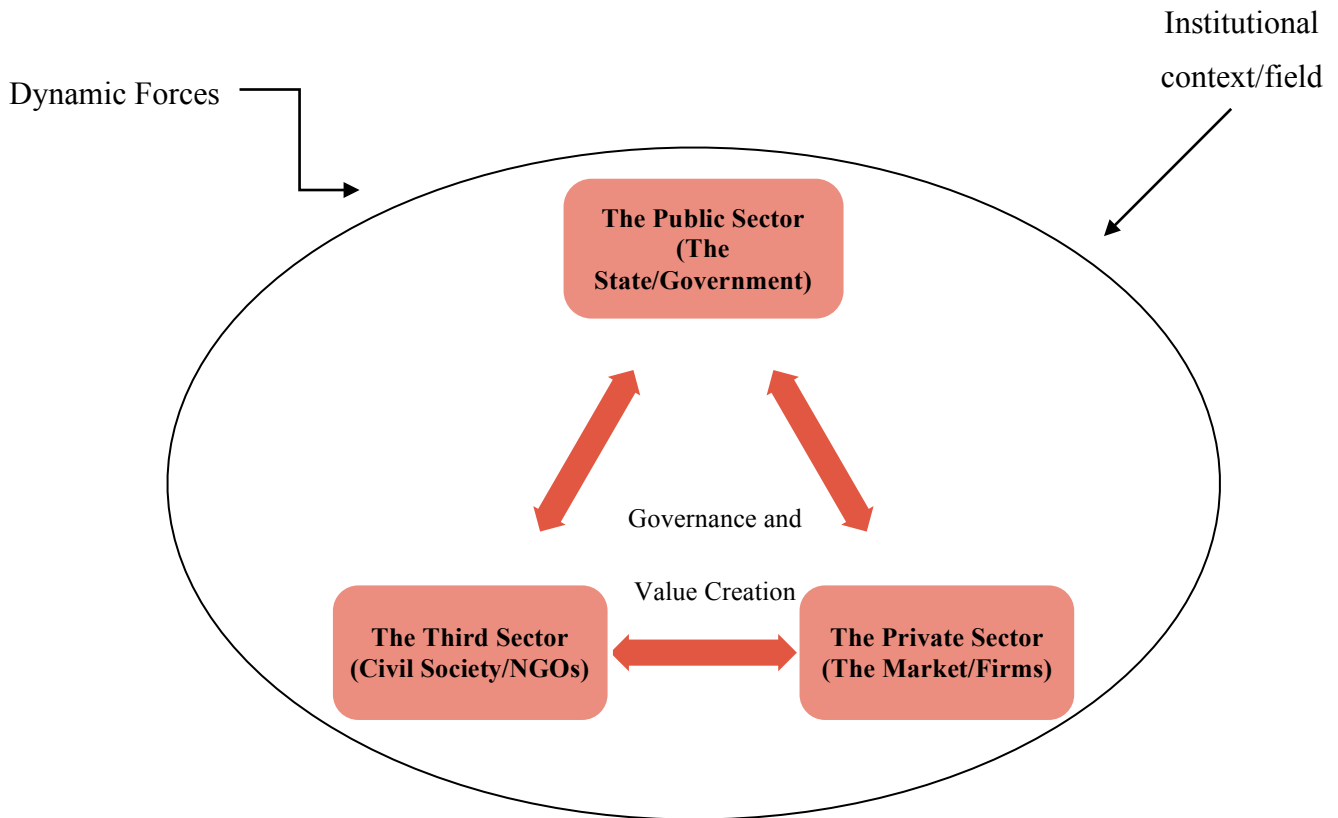
As we have already mentioned and according to Yaziji (2004), MNEs play a big role in the globalization process but they are often responsible for some negative effects, being therefore accused of little concern with the countries where they do business and its human rights conditions. The author stresses, on the one hand, the inability of transnational organizations and governments to solve these problems and, on the other hand, the efficiency of NGOs that are starting to follow a more moderate and cooperative path. Yaziji (2004) states that NGOs are formed by smart educated individuals with strong popular support, which makes companies want to partner with them rather than being hostile. According to the same author, by cooperating, companies not only avoid conflict that would cost them both money and reputation, but can also use NGOs' strengths like their established networks, techniques and the knowledge of local social environment (Yaziji, 2004).

1.3 Moving from a two-sector to a three-sector bargaining model

Nongovernmental organizations and multinational enterprises can influence each other positively or negatively. In their efforts to maximize profits, in many occasions, MNEs generate negative externalities, polluting the environment, for example. This situation generates, in turn, pressures from NGOs. On the other hand, other MNEs attempt to implement strategies that increase social welfare may face challenges in which NGOs may be able to help using their skills and knowledge (Vachani, Doh & Teegen, 2009).

According to Allard and Martinez (2008, p. 2), “...NGOs (*civil society organizations*) influence the institutional context in which they operate; the same context that defines the choice sets of multinational firms (*the private sector*) when they invest in host governments (*the public sector*).” For this reason, NGOs may alter considerably the traditional conceptions of MNEs’ role in international business and in the global economy as well as in what concerns their relationships with other players (Teegen et al., 2004). Doh and Teegen (2003), consider that since NGOs are becoming more and more present on the economic and political contexts, they are transitioning from a simple stakeholder role to a more complex net of relationships that involve themselves, governments and businesses, reshaping the two-sector model into a trilateral system. Thus, according to Ramamurti (2001), the traditional MNE-Host Government bargaining model needs to be adapted given that the circumstances in the international scene have changed with the emergence of international organizations and agreements that bind host governments opportunism. According to Teegen et al. (2004), some scholars argue that, nowadays, we should move from the two-sector to the three-sector bargaining model, as evidenced on Figure 1, considering that NGOs have been very active in what regards MNEs’ entry in developing countries, as well as their operating practices and outcomes and that they play a decisive role in global institutional systems. Aside from governments and MNEs, NGOs also have, as we referred, an imperative influence on how enterprises develop their policies playing an important role in global contexts (Skippari & Pajunen, 2010). According to the OECD (2008), the presence of NGOs should be taken into account when companies decide to internationalize and to which location, since they are an integral part of a country’s institutional process.

Figure 1. The public, private and third sectors within society



Source: Adapted from Teegen et al (2004, p.466)

Business activities require straight relationships with governments since they are the ones who regulate the economy and economic activities and the clients of the private sector activities. Furthermore, governments try to control corporations' activities and use legislation in order to create to maximize social welfare (Luo, 2002). The researcher adds that, as we know, host governments may facilitate or make it difficult for enterprises to enter their markets. Moreover, a host-government may work as a MNE's ally, by offering incentives like better investment infrastructures, financial privileges, supporting the entering of the enterprise on its market. According to Luo (2001), the main motivations for governments to cooperate with MNEs are related with enterprises being employers, taxpayers and even customers and suppliers of the governments' transactions. In turn, MNEs see the political risks being reduced and get financial returns.

However, MNEs and governments have, sometimes, divergent interests (Skippari & Pajunen, 2010). On the one hand, MNEs seek profit maximization by investing abroad and are accountable, primarily, to their shareholders. On the other hand, states try to improve social welfare, as referred before, and have economic, socio-cultural and political goals and are responsible to their citizens (Vernon, 1971).

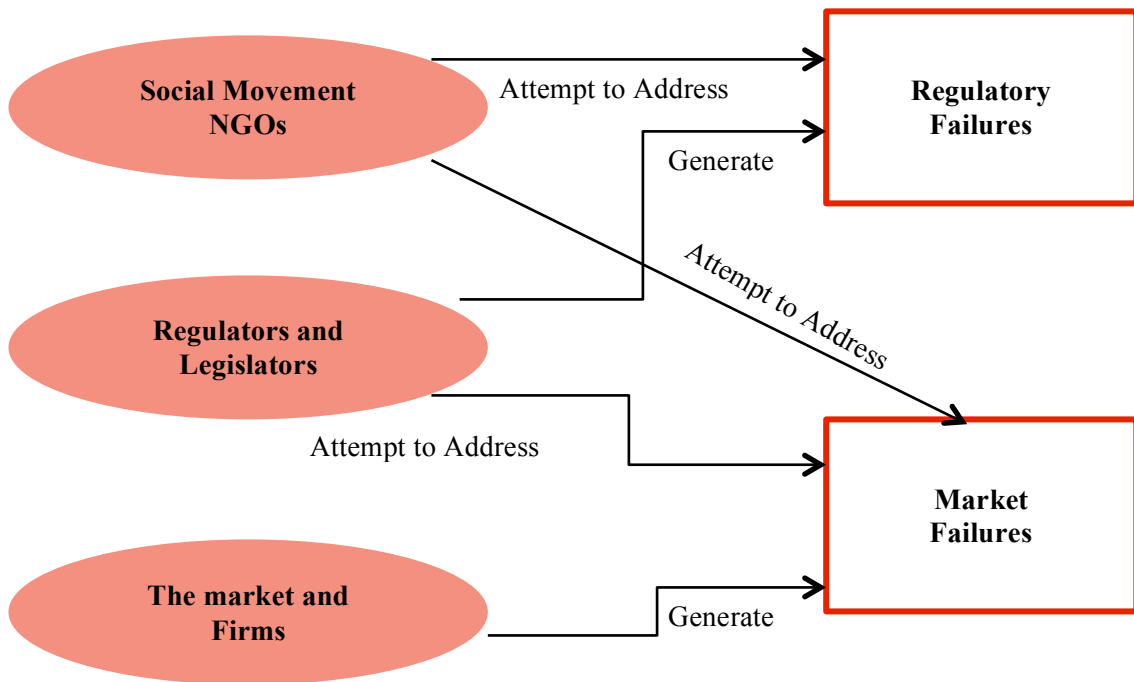
To sum up the three international actors are interdependent because MNEs depend on governments' interest in cooperating with NGOs since their operations and activities depend on the infrastructures built by the governments (Luo, 2001). This interdependency explains the relevance of a three-sector bargaining model, instead of a two-sector one.

According to Freeman (1984), whose stakeholder theory can be an alternative to the traditional conceptions, researchers have argued that CSOs as labor unions or civic associations are legitimate stakeholders because business relations should include all the actors that may influence or be influenced by enterprises (Freeman, 1984).

Doh and Teegen (2002) believe that MNEs and governments can assess the potential impact of a certain NGO on investment projects, defending that NGOs' stakeholders should be taken into consideration. Quoting the authors, nongovernmental organizations *"...can have a material impact on the long-term viability and sustainability of investment projects and therefore command managerial (host government and MNC investors) attention."* (Doh & Teegen, 2002, p. 670).

Emerging collaborations between MNEs and NGOs whether counting on government's input or not, constitute nowadays a form of organization in efforts to deliver social services to the communities, such as poverty relief (Skippari & Pajunen, 2010). Furthermore, the authors add that NGOs can be helpful to corporations in the area of corporate social responsibility, which constitutes a growing concern to companies globally. On Figure 2 we can see how these interactions work and in what way they complement each other: NGOs attempt to address the regulatory and market failures created by regulators and legislators and by companies and that is why cooperation between the three may be a good way to solve these problems.

Figure 2. A political, economic, social and technological context favorable to NGOs



Source: Adapted from Yaziji and Doh (2009, p. 17)

There is a gap in literature in this area and it is important to understand how this MNE-NGO-Host Government triad influences and is influenced by FDI (Skippari & Pajunen, 2010). Research in International Business must focus on this three-sector bargaining power and on MNE-NGO interactions apart from governments' participation (Teegen et al., 2004). The authors refer the importance of understanding this possible organization and the implication on MNE's behavior and performance that can result both from cooperating with NGOs and from avoiding these types of interactions (Teegen et al., 2004).

1.4. NGOs/MNEs Interaction

Both NGOs and MNEs face challenges while performing their activities. For that reason, NGOs and for-profit corporations have been trying to develop collaborative relationships in order to promote mutual benefit (Dahan et al., 2010). The authors add that even though these cross-sector partnerships are not conventional they may benefit both parties and originate new products, methods and strategies, business models,

improve the quality of the services and, consequently, create value. Furthermore, the authors report that the cooperation between MNEs and NGOs (or even other types of CSOs) may be a way to create value since both have their strengths and both have some skills and knowledge that the other may lack. On one side, NGOs gather knowledge of the culture and the markets that MNEs may be interested to enter while companies have the resources and skills that can be important for NGOs and the development of their work. But, as highlighted by Dahan et al. (2010), this relationship is more complex than what explained in this paragraph.

In a very recent study, den Hond, de Bakker and Doh (2015), based on Pfeffer (1981), defend that there are resource dependencies between the two entities and because of that, many companies seek collaborations with NGOs, either formal or informal. Managers are aware of the influence of external factors on human decision processes and try to utilize strategies that reduce the uncertainties, often by engaging with NGOs (Hillmann, 2009).

Argenti (2004) stated that NGOs' credibility is much higher than corporations and even governments and that is based on emotional appealing campaigns which help them getting allies in their selfless and social crusades against greedy corporations that are only motivated by profit, as they portrayed them and as the public often perceives them.

According to Ritvala and Salmi (2011) and the stakeholder theory, there are primary stakeholders like owners, customers, employers, among others, and secondary stakeholders, that include NGOs and the media for example, and on which companies' survival does not rely. However, even though they are seen as of less importance than primary stakeholders, NGOs may be able to provide enterprises access to different resources and capabilities that are either acquired internally or that they developed with other for-profit corporations. These alliances can enable corporations to reduce *transaction cost* in developing countries by giving them knowledge about the markets allowing them to accelerate market entrance or even co-developing new business models (Dahan et al., 2010). Marano and Tashman (2012), state that NGOs can work as

intermediaries and use their knowledge to help companies face the *liability of foreignness*³.

According to Yaziji and Doh (2009), there are some NGO strengths that are especially important from the MNE perspective, when considering collaborative relationships. NGOs can bring legitimacy since the public (specifically in the USA and in Europe) sees NGOs' dedication to a social cause and to a section of social welfare trusts their spokespeople better than a CEO, for example, since companies are profit oriented. Besides, NGOs are aware of social forces, contrary to companies that live by the markets they operate in. Moreover, according to the referred theorists, NGOs work in more varied networks that consist not only in companies, but regulators, legislators, donors, among others, and through cooperation, companies can get easier access to these networks. Lastly, NGOs have specialized technical expertise and that is the reason why sometimes NGOs know about new technologies or developments that companies are unaware of (Yaziji & Doh, 2009). Furthermore, the authors add that there are some specific benefits to corporations. Firstly, intercepting trouble, since NGOs recognize that negotiating with companies is better than creating conflict and negative public campaigns – "*private negotiation is preferable to public demonstrations*" (Yaziji & Doh, 2009, p. 130). Secondly, accelerating innovation, given that without a threat, companies do not mind to improve their processes and, on the other hand, by focusing on a broader perspective and context of companies' practices, NGOs are able to demand more of MNEs, which may lead to radical solutions that help some aspect of our society. The authors add that, at the same time, it improves companies' competitiveness. Thirdly, foreseeing shifts in demand, if we consider that NGOs often start and lead social movements, detecting the public's concern about a certain issue and being able to influence their consumption and preferences. At last, shaping legislation, since as we referred, NGOs have access to regulators and legislators and know important information before it comes to the public and, therefore, to companies; setting industry

³ Additional costs that an enterprise operating in a foreign country as to face, due to limited local knowledge, discrimination by local stakeholders, etc. (Hansen and Spitzeck, 2011).

standards because cooperating with NGOs gives companies the opportunity to reshape their industry.

MNEs can get those business benefits from cooperating with NGOs, but there is also the concept of social responsibility that plays a big role on the way managers think and behave nowadays. According to Berger, Cunningham and Drumwright (2004), the importance given to the social domain in business strategies gains strength as the consciousness of the need to integrate corporate action and social responsibility policies grows. Furthermore, and according to Sakarya, Bodur, Yldirin-Oktem and Selekler-Göksen (2012), based on McElhaney (2009) and Pivato and Tencati (2008), through Corporate Social Responsibility (CSR) programs, companies can improve their image, earn and secure customers, create new products, improve their productivity and sustainability.

Following the same idea, Vachani et al. (2009) defend that MNEs have been increasingly pressured by NGOs to adopt socially responsible strategies across the value chain and, for that reason, they need to adapt their organization and to change their posture while doing business. Moreover, the authors state that while MNEs' activities aim to generate profit, some of them may also generate negative externalities which will trigger NGOs' pressures to reduce it and might increase the company's transaction costs; others, while trying to generate social welfare, have to deal with implementation challenges that may be lightened with NGOs' help.

The international normative organizations like OECD, The United Nations (UN), among others, have increased their pressure with develop norms about organizational structures, practices and processes. Since then, companies started to disclose social responsibility activities in their reports and accepted programs and norms like OECD's Guidelines for International Enterprises (Sakarya et al., 2012).

Society, NGOs and the media have had a major role in holding companies accountable for the consequences of their work and many organizations take companies' corporate social responsibility (CSR) efforts into consideration when ranking them, attracting publicity (Porter & Kramer, 2006).

Dunning (2006) defends that nowadays, with telecommunications and varied information about the world we live in and about other countries' needs and preferences. Both individuals and companies (as well as other organizations) are more aware that values as environmental protection and social responsibility, among others, should be made a priority by those involved in the IB, since efficiency cannot be measured just by money prices because they do not represent the real economic welfare. The author states that there have been many attempts, including by the UN, to arrange different indexes of living standards, that represent social reality more accurately.

Furthermore, according to Argenti (2004), in his study about companies' collaboration with NGOs, more specifically, focusing on Starbucks case study, NGOs work has a moral compass and have become more powerful because of the media and the Internet. The author adds that according to a survey conducted in 47 countries, the most part of the population trusts NGOs and, on the contrary, distrusts enterprises and, moreover, people only start losing their trust on an NGO when it partners with an enterprise that, according to the public, seems to have suspicious motives.

Whereas before companies used to worry and focus only on the profit side, which explains their lack of interest in partnering with the non-profit sector, their perspective has changed in the past years with a change in the sensibilities, the increase of the power of the consumers and the growing demands of transparency, explained by the referred development of the technologies (Porter & Kramer, 2011).

According to den Hond, FGA and Doh (2015), companies have shown an increasing dependence on their stakeholders when it comes to their reputation and legitimacy and even to their license to operate and, therefore, since NGOs are social and political stakeholders, when they pressure MNEs, the latter tend to respond in a proactive way that is positive to our society. Moreover, they add that a company that is committed to CSR is more likely to seek cooperation with NGOs.

As reported by Kolk and van Tulder (2010), MNEs consider many factors in order to guide their internationalization process, including not only their usual strategies but also other considerations regarding corporate social responsibility. The authors also add that

this situation leads to a very elaborated decision process that involves social, economic, environmental legal and ethical trade-offs.

In fact, Porter and Kramer (2006) believe that because of the referred pressures, companies see CSR in a very generic light, not adapting it to the company's business and strategies, which make it less productive both to MNEs and society. The authors also add that if companies made CSR decisions in the same way they analyze their core business, "*...they would discover that CSR can be much more than a cost, a constraint, or a charitable deed—it can be a source of opportunity, innovation, and competitive advantage.*"(Porter & Kramer, 2006, p. 2)

However, according to Rodriguez, Guerrero and Sánchez (2013), in their case study interviews to four enterprises, focusing on collaboration as value creator, conclude that the companies have admitted that the partnerships are included in a strategy that involves both social and economic value creation. Moreover, the authors add that the interviewed enterprises consider that this strategy is related to improving the value chain, measuring the impacts of CSR and to the importance of marketing related to the improvement of the enterprise/brand reputation.

As we have seen, and according to Porter and Kramer (2006), companies have awakened to the importance of CSR through NGOs' and activists' pressures but they are still not sure of the best way to deal with it. The authors also state that, by analyzing most MNEs reports on CSR, we are presented by a number of uncoordinated actions to show the company's social considerations, rather than strategic and productive operations.

On the side of NGOs, according to Dahan et al. (2004), they also use business models to structure their operations and to generate profit so that they are able to create social value. Even though they are non-profit, in order to reach their goals and maximize their social impact they need to be sustainable and balance their economic need with their financial sources and that is why their reasoning forces are similar to the ones of for-profit organizations. Furthermore, according to Vachani et al. (2009), NGOs can use specialization to get a deeper knowledge about negative externalities so that they can help MNEs to find a way to reduce their transaction costs while being socially responsible. The researchers add that proactive MNEs have more access to NGOs'

information that can help them calculate their negative externalities and finding a way to minimize them.

For NGOs, the resource scarcity and the net benefits are some of the motives that leads them to cooperation with MNEs (Yaziji & Doh, 2009). The authors also consider other motivations such as legitimacy gain: while companies get more credibility from this relationship, NGOs may change public's perception that they are ineffective and inflexible, for example. According to den Hond et al. (2015, p. 9), companies usually seek partners “...*who can add economic and social value, either by recombining valuable resources that partners have access to, or by jointly developing new valuable resources.*”.

Dahan et al. (2010), consider that there are three possible scenarios in the evolution of NGO-MNE collaborations. In the first case, both the NGO and the corporation have complete business models and, for that reason, there is no need for cooperation. Case 2 represents the situation when both have incomplete business models, due to the fact that they rely on skills they do not own or control, which can be reduced by collaborating. In this case, NGOs may help the company establish a business model that generates profit and creates value to their customers, in a developing country (Dahan et al., 2010).

Moreover, the same authors believe that the enterprise may facilitate the NGO's business model given that it creates social value to its target public. The success of this business model relies on the fact that none of them could reach their maximum potential without the complementary functions of the other. In the 3rd and last case, neither of them has a prior business model so they both create a joint new one, where they contribute differently, complementing each other. “*Thus a joint project's business model delivers both economic and social value concurrently.*”(Dahan et al., 2010, p. 330).

O'Connor and Shumate (2014) present us with a new model, called *The Symbiotic Sustainability Model (SSM)*, that defines the NGO/MNE relationship as symbiotic, given that it is based on interdependence, or as a beneficial relationship between two organizations with very different characteristics such as their organizational cultures, competitive goals, structures, resources, etc. While explaining their model, the authors add that previous studies “*on business-NGO relationships suggest that reputational*

benefits, derived from the institutional positioning of a business's relationship with a NGO, are primary." (O'Connor & Schumate, 2014, p. 109). According to the model, the communication of this cross-sector cooperation may allow both NGOs and MNEs to obtain capital that would be impossible otherwise, by taking advantage of their functional differences (O'Connor & Schumate, 2014).

Furthermore, according to the SSM model, organizations tend to start alliances with partners who have had previous cross-sector alliances that led to capital accumulation, usually do not start alliances with partners who already have any in the same industry and NGOs and MNEs engaged in these alliances are less vulnerable to turmoil in their environments compared to other organizations (O'Connor & Schumate, 2014).

However, we cannot expect NGOs and MNEs to perfectly communicate since, as referred, their goals and interests are rarely the exact same and, for that reason, MNEs can never be sure of the accuracy of the NGOs' criticism. Furthermore, according to Doh and Teegen (2002), NGOs have considerable influence on the decisions made by enterprises and have the potential to affect the sustainability of FDI projects. These two factors combined often generate conflict between the two and, according to Skippari and Pajunen (2010), these conflicts are only resolved when they can find compatible basic rules that form basis to problem solving strategies. Furthermore, they add that these conflicts commonly remain unsolved if both parties have divergent interests and paradigms.

When it comes to activism, the relationship between MNEs and NGOs depends on the activist groups characteristics (if they are radical or reformative) and on their pressure tactics that have evolved over time (den Hond & de Bakker, 2007). Skippari and Pajunen (2010) add that as the conflict escalates, the tactics change and become more aggressive, often involving material damage when the groups are more extremists.

With the switch from a two-sector bargaining power to a three-sector where NGOs come to play, explained in the last section, the dynamic gets more complicated (Doh & Teegen, 2002). According to Skippari and Pajunen (2010), an FDI conflict may cause less discretion for the MNE and its operations, as the conflict escalates and the enterprise has little control of its evolution. In their case study, the conflict caused a new issue, a dispute between the involved countries' governments.

The authors add that as the issue evolves, new actors get involved and, consequently, the complexity of the problem increases. Furthermore, they conclude that the more it evolves, the more the MNE gets dependent of other institutions as the host government, for example and that the communication process between the MNE and the NGO gets more complicated which leads to misunderstanding and, therefore, it gets more and more difficult to reach mutual understand and a solution for the conflict (Skippari & Pajunen, 2010).

Moreover, adding to the complexity of these relationships and their possible negative effect, according to Millar, Choi and Chen (2004), there is the issue that these partnerships may pollute the NGOs' ideals since they are ruled for MNEs and their particular goals that often, are not compatible to the NGOs'. The authors add that frequently, NGOs in their need for resources and funds, resort to MNEs' sponsorships that usually reveal be more harmful than helpful, since NGOs see their freedom of speech being limited.

On the other hand, while working with NGOs, MNEs face both risks and challenges. For example, MNEs disclose important information that can help NGOs do a better job, but also makes them dangerous partners (Yaziji & Doh, 2009). Furthermore, according to the same theorists, if a company makes a mistake that before did not seem important, now it may put into question their sincerity in its cooperation and whether they are merely interested in image building. The authors add that in order for the cooperation to be successful, there must be a change in mentality and companies need to incorporate NGOs' social worries and goals in their cost-benefit calculations and in all their operations.

Concluding this chapter, we can understand that opinions diverge and the debate about the subject of MNE/NGO collaboration is still going on and a lot of research still needs to be done. Table 1 synthesizes the studies about this dissertation's subject, where we can try to understand the methodology used and the conclusions of the studies. As we have mentioned before, there is not a lot of research on these subject and, for that reason, we could only have access to four articles that involved a more practical approach, study and that went further than the literature review on the NGO/MNE relationship.

Table 1. Empirical research on NGO/MNE

AUTHORS	OBJECTIVES	METHODOLOGY	CONCLUSIONS
<p>Ritvala, Tiina Andersson, Per Salmi, Asta 2014</p>	<p>Increase understanding on the relational processes on cross-sector partnerships; Increase understanding on the network dynamics on cross-sector partnerships</p>	<p>Case Study</p>	<p>Network changes: enlivening of existing links and formation of new ones with as authorities and research institutes, for example; The NGO acted as a cultural mediator facilitating the communication between the MNE and the Government.</p>
<p>Rodríguez, Dario M. Guerrero, Rodrigo Flores Sánchez, Paula Miranda 2013</p>	<p>Describe the relationship between four Spanish MNEs based in Chile within their CSR framework, with NGOs</p>	<p>Case Study</p>	<p>NGOs/enterprises relationships may bring significant competitive advantages, improving consumer choice and provide better returns for investors that have welfare concerns; Socially responsible companies generate consumer loyalty, improves the band's image, leading to a long-term increase of the profits; It is getting more common that consumers and society in general, demand that companies play a leading role in economic development, environmental care and social development.</p>
<p>Skippari, Mika Pajunen, Kalle 2010</p>	<p>Understanding how some characteristics of NGO/MNE/Government relationships can contribute to the escalation of an FDI conflict</p>	<p>Case Study</p>	<p>An FDI conflict has higher chances to escalate when the MNE has strong bargaining power with the host government; A conflict usually arises when the MNE, the NGO and the host government disagree on the legitimacy of the project and the extent to which they disagree is related to the dimension of the conflict; The longer the conflict, the more complex the relations get and further gets the chance to find common ground and solve the problem.</p>
<p>Argenti, Paul A. 2004</p>	<p>Analyzing Starbucks' decision of selling fair trade coffee and cooperating with NGOs.</p>	<p>Case Study</p>	<p>Socially responsible companies are more targeted by NGOs, since they use CSR as a platform to spread that own messages, but at the same time, are attractive candidates for collaboration with NGOs; Often, companies only collaborate after a crisis but the opportunity is bigger if they seek opportunities to collaborate before the issue is public, showing strength; Many companies gain credibility by collaborating with NGOs and their causes; NGOs are looking for new ways to work with corporations in order to do what is best for society, rather than trying to work against them.</p>

Source: Own Elaboration

Chapter 2 - Methodological Considerations

It is important for a methodology section to provide the readers the information they need to critically assess the validity of the research study, by describing the materials, techniques and procedures used to answer the research questions, but also by explaining the limitations and assumptions (Azevedo, Canário-Almeida, Almeida Fonseca, Costa-Pereira, Winck & Hespanhol, 2011). The authors state that in order to get to accurate conclusions and to have a reliable study, the chosen method is crucial and that is why the researcher must be wise and choose the appropriate method to secure their study's reliability.

We introduce this chapter by explaining the methodology adopted and the reasons behind that option (Section 2.1.). Afterwards, on Section 2.2., we explain our case study introducing the MNE and the NGO involved, finishing the chapter with the description of their cooperation project and with a discussion about its benefits for both of them.

2.1. Methodology Adopted

When we are trying to address descriptive and explanatory questions [which is what happens in this research study], it is pertinent to use one or more case studies as our method (Yin, 2012). As stated by the referred author, when using a case study, it is necessary to complete specific tasks as designing the case study, collecting all the data needed about the case, analyzing it and, finally, presenting the results obtained and all the conclusions (Yin, 2012).

A case study is, according to Yin (2009, p. 18), *“an empirical inquiry about a contemporary phenomenon (e.g., a “case”), set within its real-world context—especially when the boundaries between phenomenon and context are not clearly evident.”* As stated by Gomm, Hammersley & Foster (2000), case studies are good and useful to study human affairs but we should be careful not to generalize, having one study as basis. However, given the subject of our research, this seems to be the more appropriate method since quantification of data is not of much use neither a priority to gather our conclusions. Furthermore, and also according to the same authors, this is

often the chosen method given that it is both epistemological and in harmony with the reader's experience.

The case study not only aims to get to a clear understanding of the event of the case, but also to create theoretical statements about the observed regularities in the phenomena (Fidel, 1984). Even though, according to Yin (2003), the case study method is still one of the most challenging methods, its use has been growing especially in social sciences, as a research tool.

After researching different companies and their social work, and based on Arenas, Sánchez, Murphy and Vives (2011) in which there were 20 examples of MNE/NGO cooperation in specific projects, we believe Accor is suitable for our analysis and we have used the extensive information that is available online since the company works with more than one NGO in different projects that involve different areas such as health and environment. Moreover, while researching the NGOs that cooperate with Accor, we encountered the Parada Foundation, whose partnership projects with Accor, have been renewed over the years and, for that reason, we decided to focus on this specific cooperation.

2.2. Case Study: Accor-Parada

We decided to start by introducing Accor's work in general with NGOs followed by a general view of the Parada Foundation's work and partnerships and afterwards, explain in detail our case study: Accor-Parada partnership.

First of all, we chose ACCOR as our case study because it is a very successful multinational group and because it is also known for its CSR efforts and different projects and collaborations with NGOs in developing countries where it operates. The company has made important documents available to us so that we could better understand their work and their perspective on CSR, such as annual reports with detailed information about their CSR policies and projects as well as their partner NGOs around the world. Furthermore, Ionut Jugureanu, Executive Director of one of their partner NGOs (Parada Foundation) has answered an interview, by email, about

their relationship with Accor and other enterprises, available on the appendix (both the original and the translated version). Jugureanu has also sent us documents such as internship reports, the Accor-Parada pilot project report and provided us useful links we would not have found so easily without his help. Moreover, since the focus of our work is the collaboration between NGOs and MNEs, the project involving Accor and Parada is a good example of that type of cooperation that allows us to understand why it is relevant and how it works.

2.2.1. Accor

Brief History

According to the company's website, assessed in July 2015, ACCOR is a French service group in the restaurant industry, hotel business and travel agencies that started in 1965 with the opening of the first Novotel in Lille Lesquin, funded by Paul Dubrulle and Gérard Pélisson. The group has different brands, which include Sofitel, Novotel, Grand Mercure, Mercure, Ibis, Thalassa (Sea and Spa), Adagio, among others. According to Accor's website, the group is market leader in the European market and is now present in 92 countries with more than 3,700 hotels and 480,000 rooms.

According to a press release by Accor (2014), the enterprise transformed, on the referred year, its corporate foundation that had already supported 180 projects in 39 countries, into Solidarity Accor, which is an allocation fund. As stated in the same press release, this more flexible new structure will allow the corporate foundation to receive more resources and donations, not only from stakeholders but also from employees, franchisee partners and guests, diversifying its funding sources, in order to increase the number of projects and reach more beneficiaries.

In 2014, according to the Accor's Registration Document (2014), the enterprise created an Ethics and CSR committee in the referred year that meets periodically to ensure the development of the company's CSR commitments related to human resources, sustainable development, among others. Furthermore, it is stated on the report that the Sustainable Development Department, the Human Resources Department and the

Solidarity Accor Endowment Fund primarily lead Accor's CSR policies. The latter supports projects that help disadvantaged people, promoted by employees (Accor, 2014).

Based on the 2014 Registration Document and Annual Financial Report, Accor's activities are interlocked with their stakeholders' activities and expectations, especially on a local level and, therefore, in 2013, the group decided to do a mapping exercise in order to identify and understand their stakeholders and to compare each others' views on CSR.

Solidarity Accor, according to the Registration Document (2014), is focused on three areas such as local know-how, supporting initiatives that promote traditional industries and techniques; training and insertion, providing it to disadvantaged youngsters; and finally, humanitarian and emergency aid, responding to humanitarian disasters by helping the populations affected. According to the same report, in 2014, the Sustainable Development Department, decided to assess both Accor and the stakeholders expectations and concerns by degree of importance. The results show that CSR, whether it concerns employees' health and working conditions or more specific local problems such as child sex tourism, is an important factor both for the group and the stakeholders.

According to its Registration Document (2014), Accor has been awarded many international prizes in the past year, such as gold medal award in Asia-Pacific for its environmental program, it has been named best place to work in Brazil, a Caio Award in Brazil for its program related to child protection in partnership with ECPAT, among many others.

The Planet 21 Program

Since Sébastien Bazin has become CEO, in 2013, Accor has adapted its strategy and is now trying to cement its leadership position in Europe and, at the same time, trying to develop its presence in emerging countries. More importantly, Accor has been reinventing their strategy for a sustainable future and in 2012 the group started its Planet 21 Program (Accor, 2015).

According to Sébastien Bazin on the annual report (2014), Accor has 5 core managerial values that are spirit of conquest, meaning that they try to look beyond preconceived ideas; imagination, valuing new innovative ideas; trust, valuing partners and employees and their spirit of initiative and fulfilling commitments; respect, which involves respecting host communities and their cultures; and performance, which involves a quick and effective response (Accor, 2014). Furthermore, according to the referred report, since he has become the company's CEO he has installed a new mindset based on agility, clarity and accountability.

The program is divided in 7 different pillars, being those health, nature, carbon, innovation, local, employment and dialogue (see Table 2). For each pillar, the company sets different goals (Accor, 2015).

Table 2. The 7 pillars of Planet 21 Program

Pillars	Goals
Health	<ul style="list-style-type: none"> - Ensure healthy interiors by using eco-labeled products; - Prevent diseases, focusing on the fight against HIV by partnering with NGOs and associations to raise awareness among guests and employees, training the latter on how to prevent it and equipping hotels with condom vending machines, for example.
Nature	<ul style="list-style-type: none"> - Reduce water use, recycling and protecting biodiversity, which includes tree planting.
Carbon	<ul style="list-style-type: none"> - Reduce energy use, CO2 emissions and increase the use of renewable energy.
Innovation	<ul style="list-style-type: none"> - Promote sustainable building and introduce sustainable technologies.
Local	<ul style="list-style-type: none"> - Collaborate with local NGOs in developing countries; - Contribute to the economic growth of the host communities; - Protect children from abuse, in order to eliminate child abuse, child pornography and child trafficking; - Support responsible purchasing practices, supporting small producers in Cambodia by assisting their economic; - Etc.
Employment	<ul style="list-style-type: none"> - Support employee growth and improve the quality of the work life.
Dialogue	<ul style="list-style-type: none"> - Conduct the Accor's business in a transparent and trustworthy way and with sharing their approach with the suppliers.

Source: Own Making based on Accor's website

In order for Accor to reach its goals, especially on the “local” pillar, the MNE has been using a strategy of cooperation with NGOs around the world. On the next chapter, we will explain some of the projects Accor is working on in partnership with NGOs such as ECPAT International, IECD, Agrisud International, among others. According to Solidarity Accor’s 2014 annual report, Accor has more than 10 projects in partnerships with different NGOs in different countries.

Chapter 3 - Case Study

In this chapter, we will firstly contextualize on Accor's CSR projects, by briefly describing their projects with some NGOs worldwide, so that we can understand their global action and concerns, and the CSR work they do in general (Section 3.1.). Afterwards, we will describe Parada Foundation's work in order to get to know the NGO, their difficulties and their action (Section 3.2.) To finish this chapter, we will focus on the actual cooperation between both entities and try to understand the benefits that outcome from it.

3.1. Accor: Partnerships with NGOs

Even though our case study is about the specific cooperation between Accor and Parada, we decided to focus on some other NGOs and their work to show that Accor is involved in projects in varied countries and locations and in different problems of the social sphere. We can see the variety of CSR work the enterprise has done and some different communities it has been involved in. There are many more projects and partnerships involving Accor around the world but we chose just a few to better get to know some of its social work.

On most cases, we will be able to verify that, on the one hand, Accor is helping a community where a hotel is located in but is also training and educating future employees, which can certainly improve their services and their conditions.

IECD, Thailand

According to the IECD (Institut Européen de Coopération et de Développement) website, the institution is French and aims to create places where people are stimulated to reveal their talents in order to provide them a better future and so they can have an important role in their communities and in their country. Furthermore, according to the same source, the association focuses on training and in professional integration, on supporting small enterprises and in education and healthcare. According to Accor's

Annual Report (2014), the organization has been in Thailand since 2008 and has been training the Karen community, which is an ethnic minority that is often marginalized in the country, in order to integrate them in the work environment. Furthermore, according to the same report, the program is accredited by the Thai Government, which gives the students a better chance to find a job. Moreover, the NGO has also created *The Passport Restaurant*, which is a vocational school, hotel and restaurant. Accor has supported this project, donating 35.000€ and is especially involved in their last year training, providing them with an internship in a partner company of Accor group, helping them finishing their training that involves studying any jobs related to the hospitality industry, such as waiter, bartender and kitchen assistant.

Accor's vice-president Human Resources in Asia-Pacific, has stated on Accor's Annual Report (2014) that, while they are on their sector training professionals for their industry, the hospitality industry, they are also helping poor and problematic host communities. He adds that *giving "...our [Accor's] expertise and working alongside IECD to contribute to sustainable development is not only something we [Accor] feel we must do, but something we are proud to do."* (Accor, 2014, p. 15).

François Xavier Bagnoud (FXB) International association, Myanmar

According to the Foundation's website, it started in 1986 in honor of François Xavier, who was a rescue pilot that died in a helicopter accident when he was 24 years old. The tragic happening boosted his mother to dedicate her life to the cause of vulnerable children and women affected by the AIDS pandemic, trying to perpetuate her son's value of generosity and compassion and trying to keep his mission of rescuing the poor. Since its launching, according to Accor's annual report (2014), FXB has been connected to varied causes integrating the excluded such as the disabled, the HIV positive and also reconstructing areas affected by natural disasters.

In 2008, according to the FXB's website, Myanmar was affected by Cyclone Nargis and following the natural disaster, the foundation created five "Child-Friendly Places" in partnership with UNICEF, providing affected children with clean water, healthcare, food and shelter. It was also after the cyclone that Accor chose to help the NGO, present

in Myanmar since 1992, in a project focused on helping women that received education and training sponsored by the Novotel Yangon Max, teaching them how to manufacture products, such as clothes, and then selling them not only in their village but also at the hotel. According to the same report, Accor helped financially with 30 000€ and at the end of the year, almost 100% of the beneficiaries were employed in Novotel Yangon Max.

ECPAT International, Worldwide

One of Accor's objectives is to protect children from abuse and in order to do that, in 2001, Accor started a partnership with the NGO ECPAT (Accor, 2015). According to the NGO's website, ECPAT International (End Child Prostitution, Child Pornography And Trafficking Of Children For Sexual Purposes) is a network of organizations composed by ECPAT groups based around 77 countries that are sometimes composed by large alliances of NGOs or by small organizations, that work together in efforts to achieve the same goal: eliminate child abuse, child pornography and child trafficking (ECPAT International, 2015).

According to Accor's report on the *Accor/Ecpat Partnership: Fighting Child Sex Tourism, in 2005*, for the ITB (Internationale Tourismus-Börse) in Berlin, which is the world's largest tourism fair the main objective for Accor in this partnership, is to undertake projects and activities alongside ECPAT that raise awareness both for employees in host communities and for clients. This cooperation involves countries like France, the USA, the UK, Thailand, Cambodia, the Dominican Republic, Mexico, etc, and has originate fund-raising events, information campaigns, training and awareness programs, etc.

Moreover, the World Tourism Organization and ECPAT, created a Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism, signed by many entities including Accor, UNICEF, Tui, etc. (WTO & ECPAT, 2001). According to the same report, the code was initiated in 1998 and is being developed since 2000, through public funding provided by the European Commission.

As we referred, Accor signed this code of conduct, in 2014, and, according to Accor's Registration Document (2014), committed to establish an ethical policy related to the subject of child abuse and exploitation, train its staff about the subject, include a clause in contracts with travel agents, handing information to travelers on the subject, among other measures.

Agrisud International, Cambodia

Since 2004, Accor has helped the referred NGO that helps small producers in Cambodia by assisting their economic development (Accor, 2015). Agrisud International is an international NGO that believes in combating poverty through entrepreneurship and, for that reason, is dedicated to help poor families creating small businesses, having had a major role in the launch of roughly 40000 small businesses around the developing world (Agrisud, 2015). According to Agrisud's 2009 report, its project financed by Accor consisted in promoting local products for the tourist industry, generating 43 new farms in the current year, in Phnom Penh and Siem Reap, Cambodia. In Agrisud's website, accessed in 2015, it is stated that the project aimed to support around 200 cambodian farmers creating a supply chain of fresh goods to the local Accor hotels. Moreover, Accor (2015) believes that with this project, not only helps producers to drain away their products and, therefore, get some return, but also stimulates them to change their practices, diversifying production and using agro-ecological practices, for example.

3.2. Parada Foundation

Parada Foundation, according to its website, is a Romanian legally recognized NGO, member of the Federation of Child Protection NGOs, that aims to support homeless people by educating them and professionally integrate them, giving them the necessary tools to set their individual life plan. Furthermore, according to Accor's annual report (2014), its project empowers youth in the long-term and was one of the first projects that solidarity Accor decided to support and many students who stood out found long-term employment at Accor hotels.

According to Berdăi (2012), “Un nez rouge contre l’indifférence”, meaning “A red nose against indifference” has been Parada Foundation’s motto since its creation in 1992. On the same report (2012), the author states that it started with Milloud Oukili’s idea of trying to establish a good relationship with children living on the streets, through the art of circus, with the ambition of, somehow, getting these children out of their complicated lives by giving them the opportunity to be a child while, at the same time, instilling values that provide them with a social base.

As most NGOs, when preparing their projects, Parada finds the problem of financing and that is when the foundation finds its ground on CSR (Tregouet, 2010). According to the same report, handed to us by the Foundation and written by a project managing intern, in the last 5 years their projects have been mainly funded by enterprises, that represent 50% of their revenue in a total of 280 000€ (data referring to the year of 2009), being supported by UNICEF only occasionally. Furthermore, on the internship report, it is explained that there are two ways that countries can perform CSR and financing NGOs and other institutions: patronage and sponsoring. Tregouet (2010) states that in the first one, the enterprise chooses to help (financially, by donating equipment or even by providing technology and know-how) with no direct return; in the latter, the company sees the financial help as a marketing strategy, expecting to profit with it.

According to Tregouet (2010), the help from other institutions, such as governments and UNICEF, for example, brings problems and challenges that do not happen with enterprises. The Romanian law, for example, makes it difficult for governments not only to fund NGOs but also to make that funding effective (Tregouet, 2010). Even though the number of NGOs has grown in the country in the decade after the fall of communism (19 000 new NGOs have emerged) with the start of the process of democratization that involves a new law of association (Berdăi, 2012), according to Tregouet (2010), the Romanian population misunderstands most civil society institutions, being that only 24% trusts NGOs while roughly 91% trusts the church. Berdăi (2012) states that there have been many attempts from civil society organizations to try to engage the Romanian public in their activities but unsuccessful which can be explained by the fact that due to their communist past, the Romanian population

associates the investment in NGOs to the forced voluntary work happening in the communist era. Furthermore, according to Berdăi (2012), based on a comparative study from the John Hopkins Center, only 8.6% of NGOs' total resources come from public funding and the percentage rises just to 27.2% if we count the European funding.

Therefore, according to Tregouet (2010), the donations sent by the Romanians are scarce and in small amounts and, as stated by Berdăi (2012) only a fraction of NGOs gets public funding, which is not the case of Parada. These are just two examples of the financing problematic and the difficult access to it in the country and why the author states that the Parada Foundation seeks financing mostly on enterprises.

As stated by Tregouet (2010), this type of financing, even though it has its own limitations, is easier to access and there is a lot less bureaucracy involved than in other ones referred. Tregouet (2010) interviewed Veolia's group manager that stated that the private sector can have a faster response and be more reactive since they do not need to go through the same reporting procedures as governments, for example, and furthermore, it has advantages in funding NGOs such as taking more risks because they do not have so many formal requirements. Tregouet (2010) adds that being funded by companies creates an advantage for NGOs because the institution starts to be talked about in the corporate world, attracting other companies to finance its work.

According to Tregouet's report (2010), the foundation has chosen to use enterprises' help as default, trying to involve companies in social support and in helping people that are often marginalized and even companies agree with this goal and try to develop other values rather than worrying just about business.

However, Tregouet (2010) shows us that even though many companies have altruistic motivations, they have to have advantages in working with NGOs and helping them since their goal is not to be a financier but to reach profit. Firstly, the author considers the financial motivations, such as the referred tax deduction; secondly, managerial motivations in order to highlight corporate values and involve employees who start to feel more motivated; lastly, marketing motivations, but in Romania, only a few do it to improve their image, since NGOs are not seen as trustworthy through the eyes of the public. Furthermore, based on interviews to Veolia's and BNP's managers, the author

adds that enterprises are careful when choosing an NGO to support since it puts at stake their image in front of stakeholders, consumers and employees. Therefore, an NGO needs to know how to market and present themselves, their work and their activities (Tregouet, 2010).

3.3. Parada-Accor: A professional reintegration program

According to Accor's 2011 annual report, it all started when, in 2009, the human resources director at the Bucharest Novotel, asked Accor's corporate foundation to support Parada Foundation's project. In its 2012 report, the Parada Foundation states that this program is the result of cooperation that started in 2010, as a pilot program, with merely 20 youngsters between 15 and 28 years old. However, the program was very successful and, for that reason, it was renewed in the following years (Parada, 2012), with ages comprehended between 17 and 35, averaging 26, according to the final report of the pilot project (Accor & Parada, 2011). As stated in the referred report, there are also indirect beneficiaries that include young people that are in contact with the direct beneficiaries.

According to the Foundation's report (2011), the project's principal goal and focus was reintegration for youngsters in complicated life circumstances and in 2011 there were already 60 beneficiaries involved, looking for integration in the Romanian labor market. Parada (2012) states that the most important achievement, more than getting a job, is for youngsters to understand and participate in the working world and the dynamic exchange between them and the trained and experienced hotel employees. Furthermore, as stated in the final report of the pilot project (Parada & Accor, 2011), the project aims to educate and call the attention of employers, the media, public authorities and also the population, in general, for the problematic of this population segment.

According to Accor's 2011 annual report, the project is divided in three phases: in the first one, Accor employees start out by giving the beneficiaries notions on personal behavior, on how to write a resume, a motivation letter and labor laws. On the second stage, according to the same report, the beneficiaries are sponsored by an Accor group hotel, where they have their first working experience for a month and a half, supervised

by an employee from the group. On the last stage, the students got support from psychologists, social workers and career advisers in order to make their way onto employment (Accor, 2014).

According to Parada (2011), the program counted with a psychologist and a social assistant and was based on the partnership with the Accor Foundation (Pullman Hotels, Ibis Parliament and Gara de Nord, Novotel). From the 60 beneficiary children, 6 of them got a job in the program board, in the areas of kitchen, management or sales (Parada, 2011).

Based on the final report of the Pilot Project (Parada & Accor, 2011), the total budget was 33 000€ and Accor's contribution was of 23 000€. The project lasted 11 months, in order to perform the activities as planned, without expanding the budget and to overcome the difficulties that may emerge and plan the following activities, the project was monitored in the implementation period (Parada & Accor, 2011)

From the 24 students who completed and validated the theoretical training, in the first group 75% found employment and in the second one, only 17% remained unemployed (Parada & Accor, 2011). Furthermore, according to the same report, on a socio-professional level, the beneficiaries have filled gaps in four different areas, by completing this training: on the economic sphere, they were provided financial and housing assistance, for example; on the cultural sphere they got Accor's foundation formations and validation; on a symbolic level, they saw a valuation of their work and a trust in themselves, through the delivery of the diploma, by following the hotel employees, among other reasons; and finally, in the social sphere, improving the relationships with their environment such as neighbors and with society by learning the standards of living within a community, within a society and citizenship which includes rights and duties.

The balance sheet of this project was clearly positive, otherwise there would not have been other editions in the following years. According to Parada and Accor (2011), firstly, the project allowed many of the social workers to gain expertise and get practical skills on how to guide beneficiaries into the labor market. Secondly, the network and relationships between Parada, other NGOs, Accor Hotels and Accor Romania was

strengthened, since the links on this cooperation went beyond the strictly professional sphere (Parada & Accor, 2011). Finally, many of the beneficiaries decided to pursue further education or other trainings or reintegrate a support system such as Parada or other partner organization.

As we could see, the advantages are far beyond the framework of the project in itself, since it created an important, vibrant dynamic for those involved that motivated and stimulated them in a way that exceeds the project (Parada & Accor, 2011).

As stated by Dahan et al. (2009), MNE/NGO partnerships can create both social and economic value and, moreover, according to Vachani et al. (2009), the objectives of these types of partnerships usually involve sharing resources, developing and assessing new opportunities and skills. As we could see by Parada's case, MNEs provide important funding for NGOs that is, otherwise, scarce and difficult to get from governments or other types of sources, especially on developing countries. MNEs can also help the NGOs beyond funding, by using their resources and skills, as we could see in our case study, when Accor helps Parada by using their employees to train street youngsters in a way that, probably, Parada alone could not do it.

According to the Parada Foundation, this cooperation is more than just a reflex of CSR. Jugureanu (2015), while answering our interview, defends that each counterpart uses their skills in their field of expertise. On one hand, the NGO creates a connection between the street youth and the world of work and, on the other hand, Accor provided the training, integration and supporting not only through financing but also by involving their staff and by being able to employ the best students. Nowadays, it is also important to remember that the corporate foundation, as stated by Jugureanu (2015) is an important link between the NGO and MNE and promotes the NGO to the headquarters, mediating the communication. On the other hand, the MNE also benefits from this cooperation. While training youngsters and, consequently, investing on future employees, the MNE is improving their customer service and their productivity and is able to target their type of training to the company's needs. According to Aguinis and Kraiger (2009), most of the organizations recognized for innovative training programs, register an improvement of productivity, sales, revenue and overall profitability. Moreover, the enterprise is able to hire more qualified employees and to develop their

former team's skills and cohesion because of their work in the training project. Finally, MNEs CSR policies result in an improvement of their image before customers (Rodríguez et al, 2013), but also, as stated by Parada on our interview, among their employees, that are now more motivated for working in a socially responsible company.

Overall, both the MNE and the NGO are content with the results of this collaboration, reason why the project has been renewed every year since 2010 and that Accor's investment has grown over the years. According to Parada, on its interview, the collaboration helps the NGO adjusting their work to the social needs of the community.

However, as we have mentioned, literature also states that business models should be adapted due to the cultural, social and economic changes and that partnering with NGOs may be the solution (Dahan et al, 2009). The authors believe that NGOs can bring market expertise, legitimacy with governments and the civil society, local sourcing abilities, among others. Even though, theoretically, we agree with this view and believe it is relevant, it has been really difficult to prove not only in previous existing literature but also in our work. We have observed that CSR as becoming more important to MNEs and to civil society and that both MNEs and NGOs are aware of its benefits. However, they do not seem to be at the stage of making this collaboration a new organized business model

Conclusions

The emergence of NGOs as organized manifestations of deeper social movements has altered the international business scenery creating challenges but also opportunities to adapt the existing business models (Teegen et al., 2004). For that reason, MNEs have been pressured to transform their organization and have been directing their strategies towards CSR and social issues (Vachani et al., 2009).

This work tried to understand the reality and the potential of the MNE/NGO relationships and how they can collaborate in order for this relationship to be a tandem that can benefit both entities.

Even though theorists disagree on whether NGOs and MNEs should or not cooperate and if yes, how to do so, there are some facts that are undeniable such as the growth of CSR's importance in the corporate world.

NGOs and MNEs have strengths and weaknesses and that it is likely for an NGO to harm a corporation since, as stated by Argenti (2004), NGOs have a strong ability to focus, gain attention, act quickly and, more importantly, more credibility.

In order to reach a better understanding of these dynamics, we supported our analysis on a case study involving a Romanian NGO (Parada Foundation) and a multinational hotel group (Accor).

This work allowed us to understand that both the MNE and the NGO can benefit from this cooperation. As we have referred, Accor gets to improve their image before employees and customers, train future employees according to their needs, increasing team cohesion and improving their productivity and their sales. Furthermore, in the cooperation between Accor and Parada, there have been some really specific but really important results, such as a bigger focus on the Romanian subsidiary by the group. On Parada's side, Accor's help was decisive in order to reach the project's goals in two different dimensions. Firstly, by providing funding that is usually difficult for the NGO to access, which makes it almost impossible for Parada to complete their projects. Secondly, the training and employment of the youngsters involved in the project would not have been possible without Accor's resources and skills.

This study presents some limitations related to the difficult contact to enterprises and the lack of abundant exact data that could support our conclusions. However, we believe that the data presented and the documents provided by Accor and by Parada were enough to prove that cooperation can be successful for both sides and also for host countries' communities, disproving the theories that MNEs do nothing but profit with the harm of the populations. We believe it was enough to prove that the world is evolving and international business is becoming, indeed, a three-sector bargaining model (since we cannot forget the importance of governments, even though it is not matter of focus in this thesis) where a symbiotic relation is being nourished, as suggested by O'Connor and Shumate (2014). The positive interactions between the two (and even the three) tend to become more and more frequent and creative in a process that has just recently started and with place to grow.

Despite not being decisive in the international business studies, this work is a contribute for the knowledge on this subject, that is yet to be explored further, since as we referred in the introduction, the literature is still scarce on this matter.

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Appendix

Attachment 1

Foundation Parada – Original Interview

1. Tout d'abord, nous aimerions savoir un peu plus sur l'histoire de la Fondation Parada et connaître quelques faits intéressants et spécifiques éventuellement indisponibles online.

R : Les débuts de PARADA vous les trouverez très bien repris dans ce film: <https://www.youtube.com/watch?v=nycDOfxJQS0>. Il est en italien, il est sorti et fut lancé en 2008 au festival de Venice. Il fut réalisé en coproduction: franco-italo-roumaine par la RAI. La DVD est aussi sous-titrée en fr et en. Il reprend l'histoire de Miloud et de Parada des années 90, les rôles des enfants étant joués par des véritables enfants de rue de Parada de 2007-2008.

- Deux autres reportages (FR3 et ARTE) de 1999:

https://www.youtube.com/watch?v=S16_7VE8dVk

- Le portal UNESCO: <http://portal.unesco.org/education/fr/ev.php->

[URL_ID=9648&URL_DO=DO_TOPIC&URL_SECTION=201.html](http://portal.unesco.org/education/fr/ev.php-URL_ID=9648&URL_DO=DO_TOPIC&URL_SECTION=201.html)

2. Nous savons que vous avez des projets en partenariat avec des entreprises comme Accor. Travaillez-vous avec d'autres entreprises? Dans quel genre de projets?

R: La BNP PARIBAS, projet SMART START:

<http://www.bnpparibas.com/actualites/presse/fondation-bnp-paribas-lance-smart-startun-programme-denvergure-europeenne-faveur-l>. Je vous attache le projet. Aussi, des projets plus ponctuels avec des entreprises directement (Apa Nova Bucarest - groupe Veolia, soutien intervention sociale de rue; BRD Groupe Société Générale, toujours Outreach avec le Samu Social) ou encore des fondations d'entreprise (la

fondation Carrefour, Véolia, Air France - soutien d'un projet éducatif, puis aussi pour la construction d'un abri, etc.).

3. *Que pensez-vous: ce sont les compétences de la Fondation qui complètent les compétences d'Accor ? Ou, au contraire, ce sont les compétences d'Accor qui complètent les vôtres?*

R: Chacun utilise ses compétences dans son domaine de compétences: nous on fait le lien entre la rue, les jeunes de rue (avec lesquels on établit une relation de confiance) et le monde du travail, de l'entreprise. La boîte fournit un travail d'insertion, de formation, d'accompagnement. C'est un tandem. La fondation d'entreprise: les sous qui font vivre le projet et le soutien du projet, la com, etc

4. *Croyez-vous que votre relation avec vos sociétés partenaires est symbiotique ou cette relation est à peu près corporative de responsabilité sociale.*

R : Voici quelques avantages pour l'entreprise, avantages obtenus grâce à notre collaboration triangulaire (avec Accor Roumanie et la fondation d'entreprise du groupe Accor):

- Grâce au projet, la fondation Accor s'est pour la première fois investie dans un projet en Roumanie. Cela a mis l'accent sur l'existence et **l'importance de la filiale roumaine aux yeux de l'entreprise, du groupe Accor**. Donc, un accroissement de la **visibilité de la filiale pays** au sein du groupe;

- Le projet aida à **sensibiliser les employés** aux questions sociales de la société et dans le pays où leur entreprise agit.

- Les employés se mettent ensemble et travaillent sur un projet non profit, sur un projet social, et cela favorise la **cohésion des équipes** et augmente, **positive l'image de la boîte aux yeux de ses propres employés**

- Dans une moindre mesure, un tel projet peut aider l'entreprise à communiquer et se présenter devant ses clients en tant qu'**entreprise socialement responsable**, qui n'est pas orienté exclusivement vers le profit, mais qui défend aussi des valeurs solidaires.

Il s'agit donc surtout des effets, des retombées internes, plutôt qu'en relation avec la clientèle ou les partenaires business.

5. *Quels sont les avantages qui, à votre avis, résultent de cette coopération avec Accor et d'autres sociétés?*

R : Bah, cela nous aide à mener à bien notre action sociale, à adapter l'offre des populations avec lesquelles on travaille.

6. *Avez-vous des données/documents (évidemment, non confidentiels) qui peuvent appuyer vos réponses et, par conséquent, mes conclusions de thèse? En cas affirmatif, pouvez-vous me les fournir ?*

R : - Le rapport du projet pilote avec Accor (1ère année);
- Les 3 mémoires d'études des étudiants français qui passèrent près de 10 mois au sein de Parada à divers moments.

Attachment 2

Foundation Parada – Translated Interview

1. *First of all, we would like to know more about the history of the Parada Foundation and some interesting and specific facts that might not be available for us online.*

A: You can find the beginnings of Parada very well reflected in this film: <https://www.youtube.com/watch?v=nycDOfxJQS0>. It is in Italian; it came out and was launched in 2008 at the Venice Film Festival. The film was a co-production: French-Italian-Romanian by RAI. The DVD is also subtitled in French and in

English. It tells the story of Millou and the Parada of the 90s, the roles of children were played by the real street children of Parada of 2007-2008.

- Two other reportings (FR3 and ARTE) of 1999:

https://www.youtube.com/watch?v=S16_7VE8dVk

- UNESCO portal: http://portal.unesco.org/education/fr/ev.php-URL_ID=9648&URL_DO=DO_TOPIC&URL_SECTION=201.html

2. *We know you have projects in partnerships with companies like Accor. With which other companies do you work with? In what kind of projects?*

A: BNP-PARIBAS: Project SMART-ART:

<http://www.bnpparibas.com/actualites/presse/fondation-bnp-paribas-lance-smart-startun-programme-denvergure-europeenne-faveur-l>

I will attach the project (on the email).

Also, there are more punctual projects directly with enterprises (Apa Nova-Bucharest – Veolia group, supporting street social intervention; BRD Groupe Société Générale, always Outreach with Samu Social) or even the corporate foundations (The Carrefour Foundation, Veolia, Air France – support of an educational project, and also for the construction of a shelter, etc).

3. *What do you think are Parada Foundation's skills that complement Accor's skills? On reverse, what are Accor's skills that you think complement yours?*

A: Each one uses their skills in their field of expertise: we make the link between the street, the street youth (with whom we establish a trust relationship) and the world of work, of the company. The enterprise provides a work of integration, training, support. It's a tandem. The corporate foundation: the base that sustains the project and the support of the project, the communication, etc.

4. *Do you see your relationship with your partner companies is symbiotic or it is just about corporate social responsibility?*

A: Here are some advantages for the company, benefits achieved through our triangular cooperation (with Accor Romania and Accor's corporate foundation):

- Thanks to the project, the Accor Foundation has invested for the first time in a Romanian project. This has highlighted the existence and the importance of the Romanian subsidiary to the company's eyes. Therefore, there has been an increase in the visibility of the country subsidiary within the group;
- The project helped raising employee awareness regarding social issues in the society and in the country and in the country where their company is located;
- The employees get together and work on a non-profit project, on a social project, which promotes team cohesion and increases a positive image of the enterprise they work with;
- To a lesser extent, such a project can help the company communicate and present itself before its clients as a socially responsible enterprise that is not exclusively profit oriented, but that also defends solidarity values.

It's a matter of intern effects, consequences, more than consequences related to clients or business partners.

5. *What results do you think came from this cooperation with Accor and other companies?*

A: Well, helps us carry out our social action, to adjust the supplies of the populations we work with.

Thank you so much for your availability and all the information you provided us. If you have any data (obviously, not confidential) that can support your answers and, consequently, my thesis conclusions, would it be possible to make them available for me?

Thank you very much!