

## EXAMPLES OF SOCIALLY RESPONSIBLE PRACTICES OF MULTINATIONAL ENTERPRISES FROM DEVELOPED AND DEVELOPING COUNTRIES IN COLOMBIA\*

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*“Multinational corporations have both the power  
and the responsibility to foster good will among  
the people of the nations where they operate”  
Juliette Bennett*

### ABSTRACT

*International business research has considered the Corporate Social Responsibility (CSR) of the Multinational Enterprises (MNEs) and so Multilateral Organizations have developed different recommendations about what these companies should do in different social areas, especially in labor practices. MNEs play a significant role given their influence and activities in both home and host countries. They play a double role: actor of the problem, but also the actor of the solution. The purpose of the paper is to identify the differences of Socially Responsible Practices (SRP) between MNEs from developed countries and MNEs from developing countries in Colombia. The method used in this document is a literature review from several academic databases; and we check CSR programs published in Web sites in the host country (Colombia) of six MNE's.*

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*The results suggest that Multinationals from developing countries focus their practices on the community, mainly in education programs, while Multinationals from developed countries try to work with all stakeholders and involve particularly aspects related with their business in the programs they develop. This is possible because MNEs from developed countries use better divulgation mechanisms. SRP less mentioned in both cases are related to employees. Commitment with ethical responsibilities, promote greater economic and social inclusion should be the goals for MNEs in developing countries. In the other hand, the government has to play a more important role in this ground establishing minimum standards for MNEs that want to operate in developing countries, and some education programs to sensitize society into a more responsible consumption, in order to generate social pressure.*

**Key words:** *Corporate Social Responsibility, Multinational Enterprises, Corporate Social Responsible Practices, developed country, developing country, Colombia.*

## RESUMEN

*La investigación en negocios internacionales ha examinado la Responsabilidad Social Corporativa (RSC) de las empresas multinacionales (MNC) y las organizaciones multilaterales han desarrollado diferentes recomendaciones acerca de lo que estas empresas deben hacer en diferentes ámbitos sociales, especialmente en las prácticas laborales. Las empresas multinacionales juegan un papel importante debido a su influencia y las actividades en los países de origen y de destino. Ellos juegan un doble papel: agente del problema, y también agente de la solución. El propósito de este trabajo es identificar las diferencias de prácticas socialmente responsables (SRP) entre las empresas multinacionales de los países desarrollados y las empresas multinacionales de los países en desarrollo en Colombia. El método utilizado en este documento es la revisión de la literatura de varias bases de datos académicas, y la revisión de los programas de RSE publicados en los sitios Web del país anfitrión (Colombia) de seis MNCs.*

*Los resultados sugieren que las multinacionales de los países en desarrollo centran sus prácticas en la comunidad, principalmente en programas de educación, mientras que las multinacionales de los países desarrollados tratan de trabajar con todas las partes interesadas e implican en particular los aspectos relacionados con su negocio en los programas que se desarrollan. Esto es posible porque las empresas multinacionales de los países desarrollados utilizan mejores mecanismos de divulgación. El SRP menos mencionado en ambos casos este relacionado con los empleados. El compromiso con las responsabilidades éticas y el promover una mayor inclusión económica y social deben ser los objetivos de las empresas multinacionales en los países en desarrollo. Por otro lado, el gobierno tiene que jugar un papel más importante en este terreno el establecimiento de normas mínimas para las empresas multinacionales que quieran operar en los países en desarrollo, y algunos programas de educación para la sociedad sensible a un consumo responsable, con el fin de generar una presión social.*

**Palabras clave:** *Responsabilidad Social Empresarial, Multinacionales, Prácticas de RSE, Países en desarrollo, Países desarrollados, Colombia.*

## RESUMO

*A pesquisa internacional de negócios examinou a Responsabilidade Social Corporativa (RSC) das empresas multinacionais (MNC) e organizações multilaterais têm desenvolvido diferentes recomendações sobre o que essas empresas estão fazendo em diferentes áreas da sociedade, especialmente em práticas de trabalho. As empresas multinacionais têm um papel importante por causa de sua influência e atividades nos países de origem e de destino. Eles desempenham um duplo papel: agente do problema, e agente de solução. O objetivo do trabalho é identificar as diferenças de práticas socialmente responsáveis (SRP) entre multinacionais de países desenvol-*

*vidos e empresas multinacionais de países em desenvolvimento na Colômbia. O método utilizado neste documento é revisão da literatura de várias bases de dados acadêmicos, e vamos verificar programas de RSE publicados em sites da Web no país anfitrião (Colômbia) de seis MNCs.*

*Os resultados sugerem que as multinacionais de países em desenvolvimento focar suas práticas na comunidade, principalmente em educação, enquanto as multinacionais de países desenvolvidos tentam trabalhar com todas as partes e envolvem aspectos particulares da sua empresa em programas que desenvolvem. Isto é possível porque as empresas multinacionais nos países desenvolvidos utilizam melhores mecanismos de divulgação. O SRP menos citado em ambos os casos está relacionado com os funcionários. O compromisso com as responsabilidades éticas e promover uma maior inclusão econômica e social devem ser os objetivos das empresas multinacionais nos países em desenvolvimento. Além disso, o governo tem de desempenhar um papel maior nesta área para estabelecer padrões mínimos para as empresas multinacionais que pretendem operar em países em desenvolvimento, e alguns programas de educação para o consumo responsável confidenciais da empresa, com para gerar a pressão social.*

**Palavras-chave:** *Responsabilidade Social Corporativa, as empresas multinacionais, Corporate Social de práticas responsáveis, países desenvolvidos, países em desenvolvimento, Colômbia.*

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## INTRODUCTION

Multinational Enterprises (MNEs) play an important role in development of the countries given their influence in both home and host countries. They face significant issues with the stakeholders including the institutional context, and the double role they play: actor of the problem, but also the actor of the solution (Kolk & Tulder, 2010). The focus on developing countries

Socially Responsible Practices (SRP) are actions, programs and projects that a company drives to increase the well-being of individuals, preserve or even restore the environment; in other way, solve social and environmental problems inside and out of the company, for those who feel responsible. SRP should be adapted in the different host country because of its economic, politic and social needs may be different from the MNEs home country (Kolk, & Tulder, 2010; Hornstein & Zhao, 2011).

Given the previous statements, isomorphism and peer/partner pressure may explain how the adoption of CSR by MNEs is different in host countries (DiMaggio & Powell, 1983) in order to foster their

social or environmental practices. According to Visser (2008, p. 474), some reasons explain why SRP in developing countries are different from SRP in developed countries:

1. developing countries are where social and environmental crises are usually most intensely felt in the world;
2. developing countries are where globalization, economic growth, investment, and business activity are likely to have the most dramatic social and environmental impacts (both positive and negative);
3. developing countries present a distinctive set of CSR agenda challenges, which are collectively quite different to those, faced in the developed world.

Therefore, CSR in developing countries should be addressing the socio-economic challenges of the country, focusing on poverty, health-care, education and infrastructure; while CSR issues in developed countries are related to emission reduction, fair trade, green marketing, socially responsible inves-

tments and empowerment of marginalized groups (Visser, 2010).

Even though, those reasons explain why MNEs adapt or have different SRP in developing countries, there are several studies that demonstrate they are likely to be weak, do not have SRP or even MNEs change their ethical behavior, where the social cohesion is not strong enough to demand Social Responsibility (SR) from big corporations, and the consumers do not ask for human rights, labor practices, eco-friendly products, etc. (Williamson, 1986). In Colombia there are some evidences that MNEs have taken advantage of and participated in Colombia's armed conflict, some examples are: Drummond Coal, Chiquita, and Coca-Cola (Maurer, 2009).

The purpose of the paper is to identify the differences of Socially Responsible Practices (SRP) between MNEs from developed countries and MNEs from developing countries in Colombia, through the analysis of three successful MNEs from each one operating in Colombia. First, we outline the basic CSR concepts and try to explain why companies engage in CSR. Second, we present a literature review about MNEs CSR in developing countries focusing in Colombia. Then, we compare SRP of MNEs from developed and developing countries doing business in Colombia and attempt to explain differences. The final section provides conclusions.

## **CORPORATE SOCIAL RESPONSIBILITY**

Since the second half of the twentieth century the issue of Corporate Social Responsibility (CSR) has been developed and became a strategic topic for organizations but has also been a research topic from different perspectives and disciplines.

In the 50's appeared the first Social Responsibility academic work provided by Bowen (1953, p. 6), in which is defined as: "it refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of actions

which are desirable in terms of the objectives and values of our society". From then, there are multiple and abundant work around the issue, trying to define comprehensive and measurement frameworks, from different theoretical approaches. This has generated a proliferation of different terms related to the concept of CSR, corporate citizenship, sustainable development, shared value, among others.

All these concepts make it difficult to approach the subject from a universally applicable definition in this regard (Graafland et al, 2003; Donaldson & Fafaliou, 2004). This ultimately impacts the implementation of CSR, therefore, companies do CSR activities using their own criteria and following the prevailing trend in its operating area as well as available resources and the inclination of the groups of interest or stakeholders (Palazzi & Starcher, 2001).

However, there are some elements on which CSR concepts have achieved certain agreement, according to Sabogal (2008, p. 189):

- *CSR is going beyond legal compliance;*
- *Voluntary;*
- *Ethics and transparency in business;*
- *Balance between economic, social and environmental;*
- *Consideration about the interest of stakeholders;*
- *Respect for human dignity; and*
- *Commitment to social development at local / regional level*

CSR involves a series of voluntary initiatives seeking to meet the economic, social and environmental expectations beyond the law; incorporating the interests of stakeholders in daily organizational activities, in order that actions, practices and programs become sustainable and long-lasting, likely

to be enhanced, to expand its coverage and impact, and to be audited by stakeholders.

### WHY COMPANIES ENGAGE IN CSR?

In the academic field CSR has been developed for more than fifty years, but business community have not been articulated with the concepts, as we mentioned before. The business community is interested in what CSR means for them in practice, so an instrumental questions like: Why the companies need to engage in CSR?, need to be answered before companies adopt CSR practices.

About the question of why companies engage in CSR, several studies suggest three general reasons related to: 1) economic benefits; 2) external pressures; and 3) conscious of their social and environmental impacts (Graafland & van de Ven, 2006; Valentine & Fleischman, 2008; Basu and Palazzo, 2008; Matten, 2006). A large number of companies use a CSR as a differentiation strategy, so they are based on economic reasons. The interests are oriented to improve the company reputation, achieve consumer loyalty, built, recover or increase brand name recognition, among others. According to Gallego-Alvarez, *et al.* (2010, p. 2) "many corporations could well use CSR practices as a marketing tool or for Public Relations purposes".

Others companies have to involve in CSR because external pressures from socially and environmentally conscious customers, political actors, multilateral organizations, activist groups. Reinhardt and Stavins (2010, p. 168) affirm, "In some case firms engage in CSR only under pressure from market participants or other social forces". While others companies, are more conscious of their impacts to society and environment, and strengthen relationships with their stakeholders (do Nascimento, 2004).

### MNES AND CSR IN DEVELOPING COUNTRIES

Multinationals have been extensively studied from different theoretical approaches, namely agency

theory, institutional theory and transaction cost theory (Mudambi & Pedersen, 2007; Thite, *et al.*, 2011). Even though, there is relatively little research about MNEs from developed and developing countries in emerging economies (Wright, *et al.*, 2005). Consequently, there are little less taking about SRP in MNEs from developed and developing countries.

Nevertheless, there are some articles, especially, case studies that demonstrate important evidences about the ethical behavior and social responsibility of MNEs in emerging economies and the negative externalities generated to society and environment. Developing countries are characterized, in most of the cases, by corruption, economic inequality, weak institutions, lack of market's regulation, etc. (Sarmiento, 2008). Bennett (2002, p.1) says, "Multinational corporations have both the power and the responsibility to foster good will among the people of the nations where they operate".

Given the influence of MNEs they are in a position to contribute to a more sustainable development and a range of issues with their stakeholders and institutions, in both home and host countries (Kolk & Tulder, 2010; Bennett, 2002). Although, real facts demonstrate that some prominent corporations have been accused of fueling wars and violence through their business operations (Bennett, 2002).

### CSR EXPERIENCES OF MNES IN DEVELOPING COUNTRIES (COLOMBIA)

Kenner *et al.* (1992) use the corporate social performance (CSP) framework to analyze the response scenarios or reactions of the American multinationals operating in Colombia, making a theoretical long run study. They describe three kind of company who are making his job in another country, an example happening in Colombia, where these three companies: Alpha, Beta and Gamma take part in the behavior of a company in a specific situation, which in this case is the violence.



The first one focuses on the safety of employees who are Colombian national, because they replace all American executives. The second one is Beta which does not make any contact or as less is possible with Colombian security. And Gamma they emphasize is the best one, because it works toward with Colombian forces for making solutions to social problems. The way in each one MNEs respond are presented in Table 1.

**Table 1.** MNEs Response according to Kenner et al. (1992)

	Alpha	Beta	Gamma
General Response	Reactive	Defensive	Proactive
Pattern of Social Action	Ignore	Respond (limited)	Problem solve
Level of Social Responsibility	Economic	Economic Legal	Economic Legal Ethical Discretionary

Watson and Weaver (2003) researched about how the degree of internationalization of a firm affects the way MNEs and their executives approach ethics. And they find two means by which companies can try to reduce the risks associated with the ethical variability attendant to a firm's internationalization: First, formal ethical programs can be established in an effort to suggest the ethical behavior expected of employees at all levels of the MNEs. Second, for reducing ethical incongruence, top management can show its own concern in order to promote concern for ethics to other organization members (promote from their own behavior). The results indicate that top managers in greatly internationalized firms show more visible concern for ethical issues than do their counterparts at less internationalized firms.

Dramatically opposite, Maurer, (2009) explicate the Chiquita's history in Colombia, and compares with formal firm's commitment to corporate responsibility. She demonstrates that major corporate activities diverged dramatically from the core values of the firm. Chiquita's in Cincinnati by 2002, according to Maurer (p. 596) "It had made demonstrable

progress in reducing accidents, improving worker safety and health, improving industrial relations, reducing the use of pesticides, recycling plastics, planting trees, and according comprehensive attention to sustainable production and distribution practices". But, from 1989 to 2004, it provided financial support and cocaine for weapons exchange to guerilla and paramilitary organizations in Colombia (Maurer, 2009).

On the other hand, Sarmiento (2008) researched about the motivations of multinational corporations in adopting Social Responsibility policies in developing countries, and compares the case of Drummond and Carbones del Cerrejón in Colombia. The study showed that these companies respond in different ways to the institutional restrictions and pressure and that therefore their initiatives in social responsibility depend on institutional contexts. It concludes that the motivations that both multinationals have to adopt social responsibility policies are alienated in two categories: internal and external.

A current case that confirms the fact that "MNEs initiatives in CSR depend on social and institutional pressure" is Pacific Rubiales (Canadian Oil Company) in Colombia. In July and August of 2011, employees and community led a large protest that stops oil production (losses amounted to 70 million dollars). The employees were demanding better working conditions, while the locals demanded investment in health care, education, housing and roads. After that, Pacific Rubiales (PR) announced that in 2012, PR would invest 25 million dollars in social and development activities (Portafolio, October 4<sup>th</sup> 2011)

An Asian study by Chapple and Moon (2005) found that 'multinational companies are more likely to adopt CSR than those operating solely'. In the absence of strong governmental controls over the social, ethical, and environmental performance of companies in developing countries, MNEs will keep taking advantage and becoming bigger. Visser (2010) affirms that CSR in developing countries

tends to be less formalized or institutionalized in terms of the CSR benchmarks, commonly used in developed countries, and multinational that practiced formal CSR in developing countries are those with recognized international brands or those aspiring to global status. Additionally, for MNE's CSR increases the potential cost of opportunistic behavior and thus signals quality or reliability (Fisman et al., 2006; Elfenbein et al., 2010)

### **CSR EXPERIENCES OF MNES FROM DEVELOPING COUNTRIES**

Vives (2006) surveyed over 1,300 small and medium-sized enterprises in Latin America; he found that the region's religious beliefs are one of the major motivations for CSR. Similarly, Nelson (2003) shows how Buddhist traditions in Asia are aligned with CSR.

About 1997 in Latin America raised some CSR initiatives, and most of them are supported by The Inter American Development Bank. Those initiatives are organizations such as Peru 2021, Ethos Institute in Brazil, RSE in Chile, Costa Rica's Asociación de Empresarios para el Desarrollo and Red Puentes, CompormeterRSE program in Colombia, etc. They are all looking for a contribution to the development of their own society and closer work with stakeholders (Casanova and Dumas, 2010).

Brazilian companies are one of the most active in the region. According to Casanova and Dumas (2010 p. 4) "Brazil has become a hotspot for social entrepreneurs and more than half of all Brazilian companies have embraced social policies according to the Ethos Institute. Entrepreneurs and executives alike are leaving traditional businesses and embarking in entrepreneurial projects with a social development priority".

Latin American companies (and companies from emerging markets in general) operate in a severe economic and social context. Despite these conditions, many Latin American firms have succeeded

globally with strong leadership, agility in decision-making and flexibility in action. Casanova and Dumas (2010, p. 4) affirms that: "most of these emerging market multinationals have a social dimension as part of their DNA and engage with employees and local communities to improve their social life (by providing housing, education and special health benefits)".

Some examples, are the cosmetics company Natura from Brazil is based on an environmental concept, in which its products are created through the sustainable use of natural products sourced from the Amazon rainforest from poor indigenous communities; and the Peruvian chain of restaurants Astrid and Gastón, they want Peruvians to rediscover the value of their unique local agricultural products and through them improve the image of Peru.

Drayton and Budinich (2010) affirm that the union between big business and the average citizen could create great benefits for both, generation of employment, reduction of costs and taxes, increased profit. They find a specific example in Colombia with the union between Colcerámica and Kairos Company. Colcerámica (a Colombian subsidiary of Corona) wanted to acquire more about the low-income market for ceramics and home products. Kairos sent Haidy Duque, one of the company's executives to train unemployed women in the manufacture of the product (tile). According to these authors "Colcerámica provided the product it's Iberica tile line-and the technical and business know-how" (p.41).

Some results of that model, were the generation of income for previously unemployed women and impulse the product to potential costumers. Drayton and Budinich (p. 42) sustain that "it reduced Colcerámica's distribution costs by third, so the company could afford to pay a percentage of its profits to the women sales promoters and community partners".

In sum, we can say that MNEs face in different ways CSR; some demonstrate good examples about the practices across countries. In the other hand,

there are many empirical studies that reveal how big companies (from developed countries) change their ethical behavior in host countries, especially if they are in developing countries.

## MULTINATIONALS EXPERIENCES FACING CSR IN COLOMBIA

Many multinational corporations have an annual income greater than the GDP of several small-to-medium sized countries, so it gives them power and political influence in this context. Neither governmental institutions, nor society request about the social and environmental impact from these MNEs, they are only interested about the economic benefits or quantification of the Foreign Direct Investing (FDI). MNEs in developed have strong social and environmental commitment; this statement is demonstrated in several empirical

studies. In this section, we want to compare CSR practices implemented by MNEs from developed and developing countries in a developing country (Colombia), in order to identify differences in their practices.

## METHODOLOGY

The methodology of this paper is a review of literature in order to find theoretical and empirical arguments that support it. In this article, we used multiple information sources. We collected and analyzed several scientific articles from different databases. We also analyzed information related to CSR in Web sites of the companies mentioned in this article. We selected some MNEs that have specified CSR information for Colombia in their web sites, because some MNEs present CSR global report but they do not give specific details.

MNEs selected operating in Colombia are:

**Table 2.** General data of MNEs selected from developed countries in Colombia

MNEs	Origin	Sector	Entry year
Pfizer	United States of America	Pharmaceutical	1953
Carrefour	France	Retailer	1998
Nestlé	Switzerland	Food	1950

Source: Authors based on information reported in the Colombian Corporate Websites (2011).

**Table 3.** General data of MNEs selected from developing countries in Colombia

MNEs	Origin	Sector	Entry year
Bimbo	Mexico	Food	1995
Belcorp	Peru	Cosmetics	1985
Natura	Brazil	Cosmetics	2007

Source: Authors based on information reported in the Colombian Corporate Websites (2011).

## SOCIAL RESPONSIBLE PRACTICES OF SELECTED MNEs FROM DEVELOPED COUNTRIES IN COLOMBIA

Pfizer, Carrefour and Nestlé are MNEs from different developed countries operating in Colombia since a considerable time. All three companies work in different sectors and regions at the country.

These MNEs have been recognized in different stages for its social contributions. Pfizer won in the category of Social Responsibility of "Portafolio Award" in 2009, this award is given by one of the most prestigious economic newspaper in Colombia. In the other hand, Nestlé is number one in the ranking of most reputable company in Colombia



announced by Reputation Institute and Good Will Communications in 2011.

Nestlé and Carrefour were among 10 finalists for the “Undertaken Peace Prize 2011”. Such recognition is aimed at micro, small, medium and large companies, as well as unions, to develop business initiatives that contribute to the building of peace in Colombia. This award has the support of the Ministry of Trade, Industry, and Tourism of Colombia, the German Development Cooperation (GIZ), the Konrad Adenauer Social Foundation, among others. Nestlé was nominated for the “Centre of Coexistence, Peace, and Reconciliation”, the

purpose of this initiative is to generate spaces of forgiveness, reconciliation and peace in areas where the company operates, in order to build social weave, improve the quality of life of communities and social change around the peace. Carrefour received nomination for the Microfinance Project for the undertaking of vulnerable women in the district of Aguablanca in Cali.

In table 4, we present the Social Responsible Practices that these companies develop with employees, suppliers, customers, environment and community. We realize that CSR information in Colombian corporate Website is not well detailed,

**Table 4.** Social Responsible Practices of MNEs (Pfizer, Carrefour and Nestlé) from developed countries (2011)

	Pfizer	Carrefour	Nestlé
Employees	No information	-Employ people with physical and sensory disability. Also, stimulate the learning of all those persons who have not had an intensified career education.	No information
Customers	-Program to support and assistance to quit smoking	-Product safety and quality -Virtual game which explains to customers different possibilities of having a responsible consumption.	-Accessible products to children at risk of malnutrition through a state program.
Suppliers	-Suppliers are evaluated for their ability to meet Environmental Health & Safety (EHS) expectations.	No information	No information
Environment	-Reducing greenhouse gas emissions, increasing energy efficiency, minimizing releases to air and water, decreasing water use and waste, increasing recycling and using land more sensitively. -Making products “greener” from discovery through disposal.	-Protecting natural resources and biodiversity. -Contributing to the fight against climate change. -Reducing product waste through optimized recycling. -Developing responsible products, responsible sourcing, reducing stores impact -Reducing logistics impact -Commercialization of friendly products with the Environment	-Environmental Management System (consider energy, water, emissions, waste) -Water treatment plant
Community	-Supporting a Foundation that supports children affected by displacement or victims of violence, with economic resources and volunteering. -Volunteer program in state schools to promote leadership and issues associated with entrepreneurship. -Promoting family planning methods and cardiovascular diseases that affect patients of low resources.	-Programs to prevent poor eating habits and promote nutritional balance -Every shop support a school -Commercialization of Products of Substitution of Illicit Crops -Commercialization of products made by vulnerable population -Microfinance Project to vulnerable woman	-Agricultural development program for Substitute Illicit Crops -Centre of Coexistence, Peace, and Reconciliation

Source: Authors based on information reported in the Colombian Corporate Websites (2011).

so CSR disclosure to stakeholders in Colombia by this media are not well developed. Even, global corporate Website has extensive CSR information, it does not specify by country.

According to the information found, these MNEs develop their principal work with the environment and community. The challenge of environmental responsibility is principally related to: reducing greenhouse gas emissions, increasing energy efficiency, decreasing water use and waste, and increasing recycling; while issues with community are focused in: productive development, education, and promotion or sponsorship of social campaigns. Social programs are strongly associated to the Colombian conflict, therefore, promoting of substitution of illicit crops, supporting social projects for vulnerable population and children affected by displacement or victims of violence, are issues faced by this companies. Even companies mention the importance of their employees, just one of them reports practices in this aspect.

There is another reflection about the disclosure of social responsibility information and is associated to the quantification of impacts of each program generated to their stakeholders; for example, how many children have the schools that Carrefour supports, and what is the academic performance of this institutions; or how many new ventures have generated the volunteer program of Pfizer; more than how much money they have invested, the real question is: what are the real impacts of their social programs in developing countries?

#### **SOCIAL RESPONSIBLE PRACTICES OF SELECTED MNEs FROM DEVELOPING COUNTRIES IN COLOMBIA**

Bimbo, Belcorp and Natura are MNEs from different developing countries of Latin America. These are well recognized in Colombia, Bimbo has four factories distributed at the four largest cities in Colombia; Belcorp has one factory with 4.131 employees in 2011, and Belcorp Colombia has been ranked at the top 15<sup>th</sup> since 2003, as one of the best MNEs com-

pany to work for in Latin America, by Great Place to Work Institute (Belcorp, 2011). Natura does not have factories in Colombia, it has just distributions center with more than sales consultants 5.000.

Social responsible practices are diverse between these three companies. On the one hand, Bimbo has a social program (the only one known) of volunteering for advising to state and privates' schools, in order to promote the improvement of educational processes. Belcorp, by the type of its business, has decided to focus on development of woman (personal, educational and occupational levels).

Although, Natura works in the same sector of Belcorp, SRP of Natura seek to prevent violence at schools, but its hard work is in the environmental aspect. Natura environmental challenges are taken from the supply chain to distribution product, it means that they appropriate environmental responsibility, across the company and promote responsible consumption to its customers. In these three companies we did not found information about employees and suppliers in their Colombian corporate Websites.

We considered that a large corporation as Bimbo is not committed to the social and environmental problems with the country; it does not report SRP related directly with the socio-economic and political conditions of Colombia. Bimbo do not develop the same SRP that it have in home country (Mexico), neither they adapt or adjust their strategies. In such cases is where government and society play an important role generating pressure. Society expects from MNEs an important social and environmental investment, Schmidheiny (2006) in Visser (2008, p. 479) sustains that "CSR is seen by many Latin Americans as the hope for positive change in the face of persistent poverty, environmental degradation, corruption, and economic stagnation".

We realize that MNEs studied from developing countries do not publish social responsibility information in Colombia. They publish social reports in

**Table 5. Social Responsible Practices of MNEs (Bimbo, Belcorp and Natura) from developing countries (2011)**

	Bimbo	Belcorp	Natura
Employees	No information	No information	No information
Customers	No information	No information	-Implementation of a model to promote responsible consumption under the proposed use of spare parts (70% less environmental impact than conventional packaging).
Suppliers	No information	No information	No information
Environment	No information	-Program "Planting a possible future": plant trees -Program "Ecoacción" is a Belcorp commitment in order to contribute to sustainable development in three ways: offices, factories and distribution control.	-Plan to neutralize greenhouse gases -Manufacture of carbon neutral market -Incorporates recharge in a large number of products. -Production of Natura Ekos brand products developed from green technologies -Content of the products are mostly biodegradable containers are used in glass and PET bottles that contain recycled and recyclable material.
Community	-Educational project Leading Century XXI: executives of the company offer advising to state and privates schools, in order to promote the improvement of educational processes	-Program "Great Women": this program search for personal development, violence prevention, economic development and social leadership. -Program "University Women's Business Forum 2011" aims to support the transition processes of the university to the labor market for young women in Colombia -Program "less empty seats more dreams of life!" consultant's daughters, entering at the University through this program - Volunteer program  (All these through its foundation "Belcorp")	-Program "Believe to View", works with the program "Classrooms in peace" in order to prevent school violence and promote peaceful coexistence. This program trains teachers, students and their families that are in violent situations.

Source: Authors based on information reported in the Colombian Corporate Websites (2011).

their home country but in host country is less informed; for example, Natura reports in Brazil extensive information about its actuation in economic, social and environmental level.

### CONCLUSIONS

The results suggest that Multinationals from developing countries focus their practices on community mainly in education programs while Multinationals from developed countries try to work with all stakeholders and involve particularly aspects related with their business in the programs they develop. We realize that MNEs from develo-

ping countries, more than MNEs from developed countries do not report detailed information about host country, in this case Colombia. It is possible because MNEs from developed countries use better divulgation mechanisms. SRP less mentioned in both cases are related to employees.

The government has to play a more important role in this ground establishing minimum standards for MNEs, which want to operate in developing country. And some education programs to sensitize society to a responsible consumption, in order to generate social pressure, too.

MNEs take advantage of resources, economic and political context, and markets; and we found that MNEs as Bimbo does not really contribute to social and economic inclusion in Colombia, according to the information found about CSR. Commitment with ethical responsibilities, promote greater economic and social inclusion should be the goals for MNEs in developing countries.

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