Journal of International Management 30 (2024) 101140

Contents lists available at ScienceDirect

Journal of International Management

journal homepage: www.elsevier.com/locate/intman

Non-market strategies in weak institutional environments: The case of MNE subsidiaries in Cameroon

Young Hoon An[a,b], Yong Kyu Lew[c,d], Zaheer Khan[d,e,f,*]

[a] Faculty of Economics and Business, Groningen University, Groningen, Netherlands
[b] Institute of Global Business Research, Hankuk University of Foreign Studies, Seoul, 02450, South Korea
[c] HUFS Business School, Hankuk University of Foreign Studies, Seoul, 02450, South Korea
[d] Innolab, University of Vaasa, Finland
[e] University of Aberdeen Business School, University of Aberdeen, Aberdeen, AB24 3QY, UK
[f] Africa-Asia Centre for Sustainability, University of Aberdeen Business School, University of Aberdeen, UK

ARTICLE INFO

Keywords:
Corporate social responsibility
Corporate political activity
Non-market strategy
MNE subsidiary
Institutions
Africa

ABSTRACT

This study seeks to understand why and how multinational enterprise (MNE) subsidiaries use non-market strategies to establish legitimacy in weak institutional environments. By adopting an in-depth qualitative approach, we explore the non-market strategies enacted by four MNE subsidiaries operating in Cameroon. We find that MNE subsidiaries endeavour to gain legitimacy and social reputation in weak institutional environments by engaging with multiple local stakeholders through corporate social responsibility and political non-market strategies. Our findings support the previous studies on emerging African markets that the host-country government remains the most critical and challenging stakeholder. However, firms experience legitimacy risks due to their strong ties with the government during periods of political and social instability. The subsidiaries mesh social with political strategies and use them as complementary strategies for developing their social reputation and gaining social license to operate in the host market, thus mitigating social and political risks from aligning with the host government. We draw implications of these findings for research and practice.

1. Introduction

When multinational enterprises (MNEs) enter and expand into foreign markets, they encounter different institutional logics and need to adapt and align their business practices, including social and political non-market strategies, with the host markets' institutional environments for building legitimacy (Khan et al., 2023; Röell et al., 2024; Zhao et al., 2014). This is especially the case for MNEs entering emerging markets where formal institutions are in a state of flux. MNEs expanding their business activities into emerging markets face significant challenges, such as adjusting to weak institutional environments and establishing legitimacy (e.g., Boso et al., 2023). In weak institutional environments, the government is often the powerful (Kozan, 2022), legitimate, and urgent actor and a primary source of uncertainty for firms (Bai et al., 2019; Du et al., 2019; Kozan, 2022). In such contexts, firms rely more on informal networks such as political connections because politicians have stronger control over access to critical resources and valuable information.

* Corresponding author at: University of Aberdeen Business School, University of Aberdeen, Aberdeen, AB24 3QY, UK.
E-mail addresses: y.h.an@rug.nl (Y.H. An), yklew@hufs.ac.kr (Y.K. Lew), zaheer.khan@abdn.ac.uk (Z. Khan).

https://doi.org/10.1016/j.intman.2024.101140
Received 3 April 2023; Received in revised form 30 January 2024; Accepted 13 March 2024
Available online 19 March 2024

Yet, institutional demands are often conflicting and complex within the same country, for example, government and society as they have different needs (Newenham-Kahindi and Stevens, 2017), thus gaining social license to operate in host markets becomes vital for firms (Ho et al., 2024; Oh et al., 2023). Depending on the level of resource dependence and legitimacy requirements, firms would need to coordinate and prioritize corporate social responsibility (CSR) or corporate political activity (CPA) (Winkler and Krzeminska, 2024). In some cases, firms would opt for one strategy to buffer unwanted demands from local actors (Cho et al., 2006). As such, MNEs need to adjust their social and non-market strategies whilst considering their host markets' environment (e.g., Khan et al., 2015; Khan et al., 2023; Rodgers et al., 2019) in order to gain social acceptance from local stakeholders with diverse demands.

Most of the African markets are characterised by relatively weaker institutions facing macroeconomic volatility, high unemployment, and other substantial challenges such as "extreme poverty", requiring firms to nurture non-market strategies to create value and establish legitimacy (cf. Boso et al., 2023; Eifert et al., 2008). Furthermore, the majority of African countries lack the essential elements of solid institutions and proper governance contexts, such as voice and accountability, political stability, government effectiveness, regulatory quality, the rule of law and control over corruption (Adeleye et al., 2020; Agoba et al., 2019; Boso et al., 2023). However, within such minimal or insufficiently enforced institutions, a narrow set of elites capture the rules and structures in many African countries, prioritising the interests of a narrow set of elite actors over resources and impairing the ability of others to capture value. In such a context where institutions are inefficient and captured by a few elites, the context necessitates firms to engage in *partnership* strategies and *proactive* strategies are required (Dorobantu et al., 2017), such as CPA, lobbying, grassroots mobilisation for building pressure on formal institutional actors, and CSR, to navigate the challenging host-country institutional environments and survive (Mellahi et al., 2016; Sun et al., 2021).

Given the institutional complexities, it becomes counter-intuitive to expect firms to act responsibly in such weak institutions and raises a pertinent question. It is critically important to investigate how MNEs, who often consider themselves "institutional takers" in their host environments, can remain responsible and establish legitimacy. Thus, we explore the following research question: *why and how do MNE subsidiaries use non-market strategies to respond to the weak institutional environment of their host markets?*

We answer this question by using in-depth interview data from MNE subsidiaries and local stakeholders based in Cameroon, which we corroborate with secondary data (i.e., media articles, news, and government reports). By adopting a multiple case study (Eisenhardt, 1989; Miles and Huberman, 1994) of four MNE subsidiaries in Cameroon, we seek to address the above question by investigating the integration and combination of CPA and CSR to respond to the host-country multiple stakeholders' pressures.

The findings suggest that subsidiaries engage in CPA to overcome the hurdles created by the government and weak regulatory institutions. In contrast, CSR is used to build its social reputation as well as gain legitimacy in the host markets. On the one hand, firms with strong ties with the government experience legitimacy, reputation and image risk during political instability and conflict. On the other hand, subsidiaries with an arm's length relationship with the government and using CSR to address societal issues and respond to diverse stakeholders enhance legitimacy and social reputation.

Our study contributes to international management and non-market strategy streams of literature in important ways. First, we draw on institutional literature to provide unique insight into how foreign subsidiaries respond to weak institutional environments through their non-market strategies. It becomes counter-intuitive for firms operating in weak institutions to proactively shape and influence local institutions as there are limited incentives and high complexity to perform so (Adeleye et al., 2020; Boso et al., 2023). Our study, however, finds that MNE subsidiaries use CSR and CPA not only to comply with host country pressures but also to enhance legitimacy, image, social acceptance, and social value, such as societal improvement and ecological benefits. Such findings provide vital insights into how and why firms remain institution-takers or instigators, depending on different driving factors of non-market strategies (cf. Adeleye et al., 2020; Luiz and Stewart, 2014).

Second, our study highlights the impact of MNE subsidiaries' business practices on establishing their legitimacy in weak and evolving host markets' institutional environments. We find that local stakeholders see not all non-market strategies of the subsidiaries to be virtuous for the host market community, thus resulting in both gains and risks of non-market strategies from a subsidiary perspective. Our case findings show that diverging expectations and perceptions of local stakeholders towards subsidiaries are shaped by the subsidiaries' liability of foreignness, the weak Cameroonian state and diversity within the country. Besides positive aspects of CSR and CPA, we find that some risks of non-market strategies arising from tensions between CSR and CPA, such as legitimacy risks from social stakeholders and limited social reputation (cf. Boso et al., 2023; Rao-Nicholson et al., 2019). As such, our case study demonstrates complementarities and tensions between different types of non-market strategies of MNEs operating in Africa, which deepens the existing non-market strategy literature in international business (IB) and management by providing unique insights from an underexplored context. This is an important contribution to existing literature, as extant studies suggest examining how MNEs manage the complementarities and tensions involving different types (e.g., political and social) of non-market strategies in risky environments (Darendeli and Hill, 2016; Stevens et al., 2016).

2. Literature review

2.1. Institutions in emerging markets

Institutional agency by MNEs is commonly known as the "*purposive actions taken by embedded actors who seek to shape their host institutional environment through compromise, avoidance, defiance, and manipulation strategies in order to create, maintain or transform institutions*" (Saka-Helmhout, 2020, p.1). Previous studies on institutional agency identified three drivers; the difference in institutional systems (Ahmadjian, 2016), institutional ambiguity in emerging markets (Marano and Kostova, 2016), and different institutional logics (Edman, 2016; Newenham-Kahindi and Stevens, 2017). The difference in institutional system refers to the diversity in institutional systems in which MNEs are exposed, which offers MNEs the choice of adopting, negotiating, and selecting models which fit them (Kostova et al., 2008; Oh et al., 2023). On the other hand, institutional ambiguity in emerging markets provides opportunities for MNEs to mobilise their capabilities and resources to complement informal institutions, such as building network connections and social trust. Leveraging institutional ambiguity facilitates institutional innovation and co-evolution in the host country (Parente et al., 2018; Regnér and Edman, 2014). Studies have identified several types of institutional agencies and mechanisms. There are three types of institutional agency: institutional bridging, embedding practices in host institutional contexts and avoiding or defying institutional differences (Saka-Helmhout, 2020).

Institutional bridging refers to the "*transfer and adaptation of practice from other institutional contexts to gain legitimacy and create value*" (Saka-Helmhout, 2020, p.10). Previous studies identified social position (Regnér and Edman, 2014), identity (Edman, 2016), hybridisation of practice (Newenham-Kahindi and Stevens, 2017) and cognitive framing (Skilton and Purdy, 2016) as key mechanisms for institutional bridging. Especially in an emerging market context where formal institutions are evolving and weak, it is crucial for foreign firms to gain legitimacy and lessen complexity in the environment (Luiz and Stewart, 2014; Mbalyohere and Lawton, 2018; Newenham-Kahindi and Stevens, 2017).

Embedding practices in the host institutional context refer to relational strategies that focus on building networks' connection and trust with multiple stakeholders. Relational strategies are used to develop and manage relationships with the government and key stakeholder groups to gain access to resources, reduce institutional uncertainty and enhance the competitive position in the market (Saka-Helmhout, 2020). Establishing network ties with the government and local stakeholders is particularly important for foreign firms in emerging markets because they face higher liabilities of foreignness due to the strong role of the government in economic activities (Newenham-Kahindi and Stevens, 2017).

Following institutions in foreign countries, MNEs can better secure resources and enhance their competitive position by building a co-evolving relationship with the local stakeholders (Mbalyohere et al., 2017; Mbalyohere and Lawton, 2018). For instance, studies have found that MNEs' network-building with local stakeholders in Sub-Saharan Africa allows them to moderate unethical pressures or contribute to reputational recognition and regulatory compliance (Luiz and Stewart, 2014; Spencer and Gomez, 2011). Following the notion of the institutional theory, MNEs proactively avoid or defy institutional differences when operating in host markets. As such, Oliver (1991) argued that firms tend to avoid or defy institutional pressures when the social legitimacy or economic gain from conformity is low, and vice versa.

Particularly in emerging markets, the weak formal institutions and strong informal institutions cause further complexity for MNE subsidiaries, thus requiring them to adjust their business practices considering such environmental conditions. Such institutional complexity, however, enables them to delay, decouple or defy institutional pressures. Holm et al. (2017) found that when MNE subsidiaries face conflicting institutional demands between the headquarter and the local environment, they use various two-stage responses such as non-compliance, selective coupling, postponing, and compromising to manage relationships. Consequently, MNEs do not necessarily comply with institutional pressures but have the institutional agency to proactively shape the host country's institutions through strategic postures. MNEs operating in weak institutions of developing and emerging markets utilise non-market strategies to deal with institutional complexity and develop legitimacy (Darendeli and Hill, 2016; Selmier II et al., 2015; Stevens et al., 2016). Below, we discuss non-market strategies in the context of emerging markets.

2.2. Non-market strategies in emerging markets

In weak institutional settings such as those observed across many emerging markets, there is a lack of market predictability, regulatory effect, and complexities between regulatory, normative, and cognitive institutions (Cuervo-Cazurra, 2016), which raises transaction costs for MNEs. While operating in such markets, MNEs can overcome institutional challenges by formulating and exercising non-market political and social strategies (cf. Boso et al., 2023; Rao-Nicholson et al., 2019; Selmier II et al., 2015). According to Dorobautu et al. (2017, p.117), non-market strategies indicate alternative strategies "*that firms use to address high institutional costs of using the market*." In an institutionally unstable developing market, a foreign MNE can actively perform non-market practices with a strategic intent to achieve competitive advantage in non-market environments surrounded by multiple stakeholders such as governments, social groups, local communities, and the press (Oberholzer-Gee and Yao, 2007). As such, non-market strategies are crucial for MNEs doing business in developing economies, given the strong role of local government. Scholars have indicated that in weak institutional settings, both formal and informal institutions and the liability of foreignness play a vital role in the social acceptance of MNEs (Oh et al., 2023).

Firms operate in both market and non-market environments. In the market environment, firms have to compete based on product/service offerings. The main goal of the firm is to make a profit, keeping in view its market environment. The market environment is also influenced by political, legal, and socio-cultural factors, which are classified as firms' non-market environment (cf. Bach and Allen, 2010; Baron, 1995; Rodgers et al., 2019). Firms need to use both market and non-market strategies to compete and develop competitive advantage effectively. Firms use non-market strategies to influence policymakers, regulators and local communities/stakeholders through CPAs and CSR, which firms deploy to enhance their social reputation (Bach and Allen, 2010; Khan et al., 2015; Mellahi et al., 2016). In emerging markets, firms have a greater propensity to engage in CPAs in order to influence local politicians and regulators in order to get favourable policies and regulations (cf. Darendeli and Hill, 2016; Stevens et al., 2016; Rodgers et al., 2019). The motivation to engage in non-market strategies, such as lobbying, grassroots mobilisation and CSR, may be low in weak institutions as governance functions on CSR or anti-corruption regimes are grossly undermined or not strictly implemented and followed by firms operating in weak institutional environments. In such markets, stakeholders also might not be that active in putting pressure on firms to enhance their social reputation through engaging with CSR.

The extant literature has examined and acknowledged the conceptualisation of CSR as a complex phenomenon and the need to incorporate a more comprehensive array of stakeholders and issues such as fair labour practices, education, human rights, poverty, corruption, and social change in the context of weak institutions (Jamali and Karam, 2018; Luiz and Stewart, 2014; Selmier II et al., 2015). Firms need to engage in corporate political activity as cross-level manifestations of CSR, where a set of strategies are used to align the business environment and or institutional context to enhance their performance and social acceptance (Oh et al., 2023). Studies have already provided evidence of firms using CSR and CPA as non-market strategies to influence the institutional context and address their multiple stakeholders' expectations (Garrone et al., 2019; Mbalyohere et al., 2017; Mbalyohere and Lawton, 2018). Thus, it is in firms' interest to master, dominate and influence the environment in which they operate and effectively deal with different institutional logics.

In weak institutional settings where the state is fragile, corrupt, or incompetent, the outsized influence of private sector players, MNEs actively engage in non-market strategies through their subsidiaries (Adeleye et al., 2020; Stevens and Newenham-Kahindi, 2017). As such, it is worthwhile to investigate how institutions of a host country drive different forms of MNE subsidiaries' non-market strategies and what types of non-market strategies they undertake to obtain legitimacy, thus developing sustainable business and social acceptance in the host country (Oh et al., 2023).

3. Research context and methods

3.1. Research context

Context is essential in business management research (Child, 2009). IB scholarship has emphasized integrating context into theorising as most IB studies detached the context from the phenomenon under examination (cf. Meyer and Peng, 2016; Teagarden et al., 2018). Studying non-market strategies of MNE subsidiaries operating in a weak institutional setting offers an important context to understand the actual strategies enacted by the subsidiaries and the expectations and perceptions about the subsidiaries' strategic alignment with the multiple pressures arising from local stakeholders.

In recent years, scholars have investigated business ethics and corporate codes of conduct in Africa (George et al., 2016; Kolk and Lenfant, 2010; Kolk and Rivera-Santos, 2018). The African continent is diverse, with 54 countries and over 2000 spoken languages or dialects. Countries like Ghana and Rwanda have low levels of corruption and stable political institutions, making them attractive for foreign direct investment (FDI) (Nachum et al., 2023). Cameroon presents an important context for examining MNE subsidiaries' non-market strategies and how these are aligned with the local institutional logic. Cameroon is a lower-middle-income country situated in Central Africa (World Bank, 2016). The country suffered from high corruption (Agbor, 2019; Egbeyong, 2018) and ranked 163 out of 190 countries in the World Bank's Doing Business 2019 report (World Bank, 2018). The country suffered from inadequate infrastructure and administrative and regulatory weaknesses (World Bank, 2016). Production factor costs remain high because of heavy state centralisation, which rations utilities (water and electricity), transport and telecommunications. Significant problems such as administrative bottlenecks, red tape, inefficient tax systems and bank credit access restrictions persist (World Bank, 2018). The economy is inefficient, and poverty remains high. 90 % of all poor people live in rural areas, while formal business and economic activities are concentrated in two cities: Douala and Yaoundé. In addition, the economy remains predominantly in the rural areas related to the informal economy, while less than 1 % of all registered firms generate 68 % of all revenue (World Bank, 2016). 68 % of all revenue is generated by MNE subsidiaries and state companies (National Institute of Statistics, 2018).

Cameroon and other African countries are heavily influenced by the Ubuntu philosophy, which emphasises caring, community, harmony, hospitality, respect, and responsiveness that individuals and groups display for one another (Karsten et al., 2005). Although the philosophy originates from southern Africa, all cultures in sub-Saharan Africa share aspects of the philosophy in one form or another (Karsten et al., 2005). In the Ubuntu philosophy, the individual pursues his or her good by seeking the common good (Lutz, 2009). Rather than being an individual sacrifice, Ubuntu asserts that one's good is realised by promoting the good of others.

The informal financial sector of Cameroon exemplifies the community logic embedded in normative institutions. Only 12.2 % of adults have bank accounts in a formal financial institution (Sosale, 2015). The remainder rely on informal financial institutions such as village banks, which are owned by the members and operate with the socio-cultural norms of the communities.

Cameroon is also characterised by high internal diversity and complexity. The country is comprised of over 250 ethnic tribes and more than 240 languages (Gabriel, 1999). However, the country is divided into two the Anglophone and the Francophone regions. The tensions and disarticulations between the Anglophone and Francophone areas escalated in 2018, when the secessionist group declared independence and sabotaged MNE subsidiaries and government institutions, thereby challenging MNE subsidiaries to address weak institutions and violence in the war-stricken region. In addition to the conflict, the country is run by a president who has ruled the country since 1982 and is preparing to pass over the power to his son. Such context provides insight into how MNE subsidiaries navigate such weak institutions using CSR and CPA and the interactions between the activities.

3.2. Research methods

Due to the underexplored topic in the context of Cameroon, we adopted an exploratory case study approach to explore how MNE subsidiaries use non-market strategies to respond to weak institutions. To this end, we apply a grounded theory approach using a qualitative, multi-case study (Eisenhardt and Graebner, 2007; Gioia et al., 2013; Magnani and Gioia, 2022; Catherine et al., 2022). Grounded approaches open up the discovery of relevant concepts and context-sensitive phenomena (Gioia et al., 2013; Magnani and Gioia, 2022). Our research question requires access to fine-grained data, organisational members' and stakeholders' accounts and interpretations of MNE subsidiaries' engagement with multiple stakeholders for developing legitimacy. We seek to capture the ongoing CPA and CSR activities used by MNE subsidiaries and the perception of local stakeholders, thereby generating a rich contextual analysis of the phenomenon and making sense of hidden reality (Miles and Huberman, 1994; Welch et al., 2011). Thus, we use four MNE subsidiaries constituting four cases representing the different country origins, entry periods and mixes of non-market strategies.

3.3. Description of the cases

To supplement the data in Table 1, we next present the cases in some more detail. **SAB** is a subsidiary of a French MNE with a long history of engagement in Cameroon. The company was created in 1948 by the French BGI (Brasserie et Glacières d'Indochine) and was taken over by the current French MNE in 1990. The company focuses on manufacturing soft drinks, alcohol, and water. The company's first factory was in Douala and subsequently opened in Yaoundé (Central), Garoua (North), Bafoussam (West) and Limbe (Southwest). The Limbe plant closed in the 1990s, but the company decided to create another factory in Douala, maintaining most of its facilities in the Francophone region of Cameroon.

SAB enjoyed a monopoly in the country until 1967 when DIA entered the market. Despite the increasing competition over the years with new local and foreign entrants, the company enjoys an extensive network of stakeholders and a high market share (estimated 74 %). The majority of its shares are held by the French group (73 %), followed by the Cameroonian government (15 %), Heineken (8 %) and small local shareholders (4 %).

DIA is a subsidiary of a multinational from the UK that produces alcoholic drinks. The subsidiary was established in 1967, with the first depot opening in Limbe, an Anglophone region. Two years later, a brewery was built in Douala. Cameroon is the fifth largest market for the multinational and holds 15 % of the market share. The subsidiary employs around 350 people from all 10 regions of Cameroon, hiring both English and French speakers. The subsidiary also encourages women employability, with 23 % of the workforce being women. The company hopes to achieve 50 % within the next four years. In addition, the company was the first to engage in CSR initiatives in the country and give positions to Cameroonians in the executive committee. The subsidiary is currently leading the anti-corruption campaign called the Business Coalition Against Corruption (BCAC) with the UK government to deal with corruption in Cameroon.

ORA is a subsidiary of a French multinational in the telecommunication sector. The French multinational took over the operations of the local mobile operator in 1999 and changed its brand to ORA in 2002. ORA was one of the two operators allowed in Cameroon and competed with MTC. The parent company holds 94.4 % of the ownership and the rest is held by the Cameroonian government. By the end of 2018, the company came second in the market share, followed by a new entrant from Vietnam and a local mobile operator, but first in terms of annual turnover.

The company expanded first to the most populated areas, such as the main cities of Douala and Yaoundé, and gradually expanded its network throughout the country. Due to the tall mountains and dense forests in Cameroon, it was difficult for the firm to extend coverage. In addition, government regulations provided a hurdle for the company to build satellite states where they wanted. The previous CEO of the subsidiary felt that Cameroon was one of the most expensive countries because the company had to use expensive technologies to provide service in these challenging conditions. From 2017 through 2018, the company faced multiple risks, from sabotage in the Anglophone region to a series of regulatory sanctions from Cameroon's (ART) Telecommunications Regulatory Agency. The company actively engages with multiple local stakeholders through its CSR foundation and institutional relations division.

MTC is a subsidiary of the South African multinational in the telecommunications sector. The company entered Cameroon in June 2000, acquiring the local state monopoly. MTC was able to enter Cameroon because the local state monopoly faced criticism for wielding high power over the Cameroon Telecommunications Regulatory Board and imposing high rates on the consumers. Under the telecommunications law, the parent company holds 70 % of the ownership and the rest is held by government and local shareholders.

Unlike ORA's expansion strategy, MTC focused on developing its physical infrastructure to expand its geographical coverage, adapt its offer to the specificities of the local market and build its brand name. By drawing on external investments, MTC extended its

Table 1
Summary of the profiles of the cases in the study.

Parameters	Research case			
	BRA	DIA	ORA	MTC
Year of market entry (active operation)	1948	1967	1999	2000
Industry	Beverage	Beverage	Telecommunications	Telecommunications
Home country	France	the United Kingdom	France	South Africa
Mode of market entry	Greenfield	Greenfield	Acquisition	Acquisition
Ownership	Parent company, local government, local small shareholders	Parent company	Parent company, local government, local small shareholders	Parent company, local government, local small shareholders
Interviews	11	6	7	7
Integrated source of data	**Interviewees**: Senior executives and Head of Department (14); Former CEOs and senior managers (3); Senior/junior local government officials (8); local associations, media and NGOs (6) **Documents**: Annual reports; corporate social responsibility reports; budgetary reports, company newsletters; regulatory communications analyst reports; media reports and analysis			

geographical coverage even in remote areas. The firm provided coverage in all 10 provinces, although many remote areas and villages were still not covered. By 2018, the network coverage of 2G, 3G and 4G was over 90 %. The firm also invested heavily in building its reputation and image, and thus was the first to create a corporate foundation in Cameroon and annually devoted 1 % of its after-tax profits to social activities. Its rival ORA followed MTC's initiatives soon.

Despite the CSR activities from MTC and ORA, local stakeholders were sceptical of the intentions, especially in terms of activities that run closely with the government and phone lottery games. Like ORA, MTC experienced a series of sabotage in the Anglophone region and regulatory sanctions from the ART.

3.4. Data collection

Following a grounded theory approach, data gathering overlapped with data analysis. Data gathering is closely related to data analysis and thus, constructs and categories that emerged in the early interviews were continuously refined and challenged throughout the interview (Gligor et al., 2015; Magnani and Gioia, 2022). We used semi-structured in-depth interviews for data collection. This format ensures that the core themes identified by the research questions were addressed while allowing freedom for elaboration and clarification. We triangulated the semi-structured interviews using archival and secondary sources to enhance credibility and reliability (Eisenhardt, 1989).

Furthermore, we interviewed local stakeholders, such as government officials, local suppliers, NGOs, and industry associations, to enhance validity and explore the dyadic relationship between MNEs and local stakeholders. We sent the transcripts to the respondents to check content validity. The study includes two broad categories of data: (1) in-depth interviews with senior executives and managers responsible for CSR and CPA and local stakeholders, and (2) archival data, including annual reports, internal newsletters, press releases, surveys, media reports and regulatory communications.

The population of interest for this study is foreign MNEs operating in Cameroon. Based on the studies on non-market strategies using Africa as the research context (Boso et al., 2023; Mbalyohere et al., 2017; Mbalyohere and Lawton, 2018; Newenham-Kahindi and Stevens, 2017), the requirement for the sample firm to be considered for this study were operated in the region for over 10 years, top 10 contributors in terms of CSR and tax, the experience of institutional failures and willingness of its senior executives to provide information. Cases should be relevant to the research questions and capture both the phenomenon and the study context (Yin, 2009). The requirement allows us to observe the non-market strategies of foreign MNEs as well as the interactions with local institutions (Demuijnck and Ngnodjom, 2013; Mbalyohere et al., 2017; Newenham-Kahindi and Stevens, 2017).

The sample included four MNE subsidiaries from the manufacturing and telecommunication sector, where firms face multiple stakeholders' expectations. Furthermore, the sample includes firms from different country origins. Table 1 summarises some of the key

Table 2
Overview of MNE subsidiary interviewees' position.

Company	Status of Interviewees	Language	Data Collection Timeline
BRA	Deputy General Director	English	July–January 2019
	Head of Sales and Marketing	French	
	Head of Alcoholic Drinks	French	
	Head of Communication	French	
	Head of Non-Alcoholic Drinks	French	
	Researcher of Investment Promotion Agency	English	
	Ex-President of Employer's Association of Cameroon	English	
	Head of National Labour Union	French	
	Researcher of Consumer association	French	
	Head of Labour Union	French	
	CEO of a local media outlet	English	
	Regional Manager for Central Africa	English	
	Executive Assistant for General Director	English	
DIA	Member/Head of Parliament and Cameroon Business Association	English	July–September
	Deputy Head of Investment Promotion Agency	English	
	CEO of local supplier	English	
	Research of Consumer Association	French	
	Senior manager Taxation	English	
	Fleet Manager	English	
	Head of Marketing	English	
MTC	Minister of Telecommunication	French	July–August
	Head of Business and Economic Department	English	
	Researcher of Investment Promotion Agency	English	
	Researcher of Consumer Association	French	
	Marketing Manager	English	
	Head of Institutional Relations	French	
	Head of Marketing	English	
ORA	Ministry of Telecommunications	English	July–August
	Research of Investment Promotion Agency	French	
	Head of Consumer Association	French	
	CEO of local supplier	French	

characteristics of the sampled MNE subsidiaries. Data collection in emerging markets can be complicated due to a lack of trust, and managers might not be readily willing to participate in research due to fear of reprisals from formal institutional actors. Guest et al. (2016) argue that the basic elements for meta themes were present early as six interviews, but saturation occurred within the first twelve interviews. Yet, previous qualitative studies in the African context successfully used single respondents (e.g., Luiz and Stewart, 2014; Liedong et al., 2019; Newenham-Kahindi and Stevens, 2017).

We selected interviewees based on the individuals responsible for areas with local challenges and ties to local stakeholders, such as CSR and institutional relations. As a result, our study includes senior executives as well as former CEOs, senior government officials, NGOs, industry associations and media who were identified by their direct experience with the sample firms (Mazé and Chailan, 2020; Mbalyohere et al., 2017; Mbalyohere and Lawton, 2018). These criteria enabled us to collect rich information from the head of departments and executives who were not only involved in CPAs or CSR but also knowledgeable about the business activities of the firm in the host market. In line with other studies (e.g., Liedong et al., 2019), we sent the interview guides prior to the actual interviews to the respondents to facilitate their preparation. A total of 31 interviews and 53 archival data are used for this paper. The interview and on-the-ground observation (meetings with the management team and informal conversations with managers) were carried out by one of the authors, who was raised and educated in Cameroon and proficient in both English and French (a regional lingua franca), helping us to have accurate data interpretation.

The interviews took thirty minutes to two hours, conducted in both English and French, but later transcribed in English. One of the research co-investigators grew up, was educated in the host country and is proficient in both languages. Therefore, the researcher built rapport with key respondents to gain access to data, understand issues and supplement interview data with observations and informal conversations with the key respondents. They were recorded and subsequently transcribed in English. The data collection lasted seven months (June 2018 – January 2019). See Table 1 for an overview of the sample firms and data sources, and Table 2 provide an overview of the interviewees' profile and language used in the interview.

3.5. *Qualitative case study*

As there is a paucity of research on non-market strategies in weak institutions, specifically on the integration of CPA-CSR in engaging with social and political stakeholders, we used an in-depth qualitative case study approach to allow theory to emerge from the data (Eisenhardt, 1989; Magnani and Gioia, 2022). First, we analysed each of our four cases separately before performing the cross-case analysis (Ojala, 2009). We followed the analytical approach advanced by Gioia et al. (2013), which is inductive but involves a highly iterative process. The data structure consists of three components: first-order (informant-centred) codes, second-order (theory-centred) themes and aggregated dimensions (Magnani and Gioia, 2022).

We first engaged in open coding, identifying first-order categories from the interviews. The categories identified were major themes in the data and recurrent expressions describing the activities the subsidiaries used to overcome challenges in the environment. In this

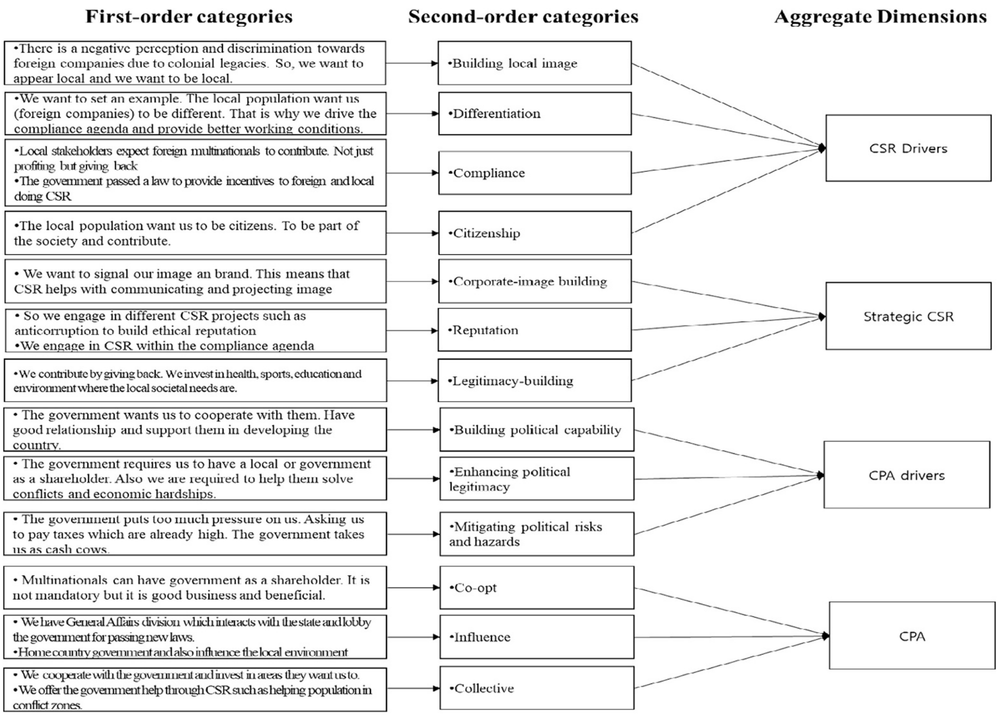

Fig. 1. Data structure.

initial data analysis stage, the authors remained close to the informants' language and paid close attention to the informants' claims about the challenges and pressures from the local environment and the specific responses and activities performed by the subsidiaries. Through this procedure, we first generated numerous provisional codes that captured the views of the interviewees (e.g. there is negative perception and discrimination towards foreign companies due to colonial legacies) and that corresponded to first-order codes. We also identified that the CSR/CPA drivers pertain to the local stakeholders' expectations, whereas CSR/CPA relate to the MNE level. For example, drivers of CSR and CPA relate to local government and societal demands (e.g. local stakeholders expect foreign multinationals to contribute) while CSR and CPA relate to firm response (e.g. we offer the government help through CAPA to support the population in the conflict zone).

Then, we engaged in axial coding (Corbin and Strauss, 2008), reducing and synthesising the first-order categories. We searched for relationships between the first-order categories with greater focus and insights (Boso et al., 2023; Mazé and Chailan, 2020; Regnér and Edman, 2014). The second-order themes enabled us to gain insights about major underlying issues from interviews and archival data by asking whether emerging themes suggest concepts that might help us to describe and explain the phenomena (Gioia et al., 2013). For instance, CPA drivers that were related to government pressures and risks (e.g., the government takes us as cash cows) were grouped under a theme labelled 'mitigating political risks and hazards'. Once the second-order themes reached theoretical saturation (Corbin and Strauss, 2008), we compared the categories across cases to identify similarities and differences, finally leading to aggregate dimensions. Our analysis became more theory-driven with each abstraction and involved going back and forth between the data and the non-market strategy literature. This process enables us to link data to the literature and helps us to identify new concepts.

From the data structure, we developed our inductive model that shows the relationship among the emergent concepts while capturing our data in theoretical terms (Gioia, 2020; Gioia et al., 2013). We then developed a conceptual model that accounts for the emergent concepts and explains their interrelationship, ultimately answering our research question. For example, we were able to distinguish strategic CSR (e.g. we offer and CPA. In reading the literature on CSR-CPA, we realised that firms often use CSR activities to achieve political legitimacy, categorised as a political strategy (Liedong, 2022; Liedong et al., 2019). We therefore labelled collaborative CSR activities with the government as corporate political strategies. Fig. 1 provides an overview of our data structure and Fig. 2 provides the conceptual model of the study.

4. Findings

4.1. CSR drivers in weak institutional settings

The main drivers of CSR from our data are (1) local corporate *image*; (2) *differentiation*; (3) *compliance*; (4) *expectations*. While these drivers are similar to previously espoused motivations for CSR in emerging economies, we also find that subsidiaries engage in CSR to appear to be a local firm, but also to differentiate from Cameroonian firms and other foreign companies. We find that this is particularly strong for French and British companies.

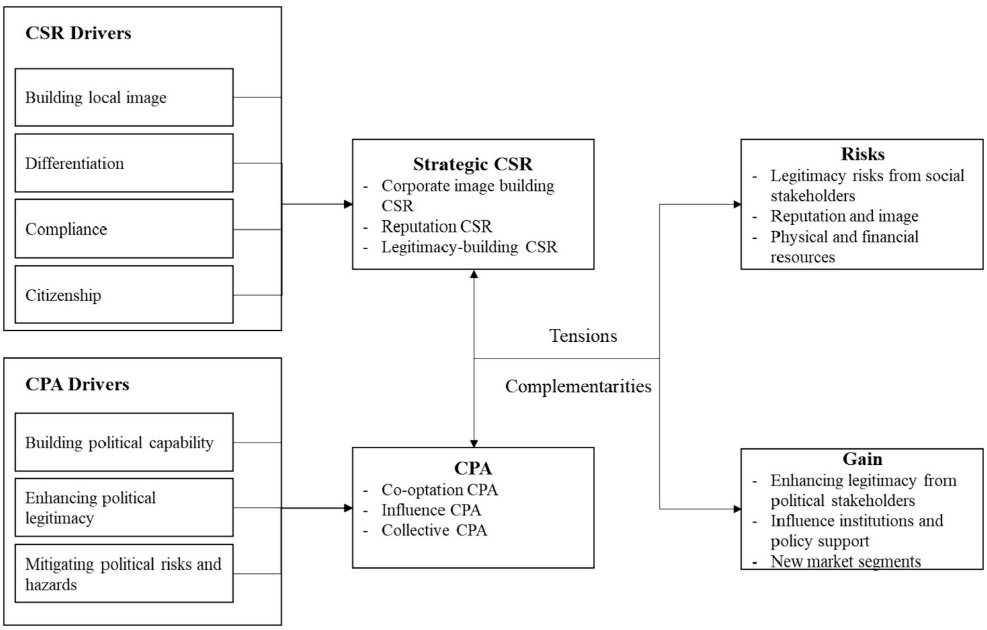

Fig. 2. Non-market strategies in weak institutions.

4.1.1. Developing local corporate image

The findings suggest that corporate image emerged as the overriding rationale and driver for engaging in CSR activities in host markets. The subsidiaries involved in CSR mainly wanted to appear local by addressing socio-economic issues and elevating poverty in the country in order to gain social acceptance and social license to operate in weak institutional settings (Ho et al., 2024; Oh et al., 2023). The respondents believed that local stakeholders have a negative image of foreign companies, perceiving them as exploiting the locals. Thus, CSR was a way of mitigating the negative corporate image and showing the locals that foreign companies cared about the local community, thus such posturing can further enhance the social acceptance of the firms operating in weak institutional settings. One of the subsidiary's Deputy Director General stated this in the following way:

> We have a football academy where we pay students' tuition fees. We have events…we are giving to many other associations or sponsoring [them]. It is to engage with society and show that we are a local firm. [Deputy Director General, BRA]

4.1.2. Differentiating foreign corporate image

Despite the rationale to appear local and Cameroonian, the subsidiaries differentiated themselves from purely Cameroonian firms. Our data shows that Cameroonian companies engaged in minimal and symbolic CSR activities and are reputed to be unethical. Local companies tended to bribe public officials for tax evasion, not paying salaries on time and employing people from the same tribe.

> Local companies are not well organized, and they don't provide good working conditions. The CEO only works for his own interests. Of course, not all companies are like this, but majority are. They give money to tax collectors to evade tax audits, most of them only hire people from the same tribe, and there is no giving back to the communities. [Member of Parliament; Head of Mouvement des entrepreneurs du Cameroun]

The survey on the perception of CSR in Cameroon also shows that the top ten companies are foreign multinationals, including BRA, DIA, ORA and MTC. The only Cameroonian company in the top ten was Beaupharma in 2018, but was not included since then. MNE subsidiaries used CSR to differentiate themselves from Cameroonian companies and gain legitimacy and social acceptance in the host market.

In addition to differentiating from local firms, subsidiaries sought to distinguish from other foreign companies by engaging in CSR. Some firms started philanthropic foundations and CSR related activities with local communities to distinguish themselves from other foreign firms engaging in sponsorship schemes, philanthropic activities, and donations. The foreign companies tried to show the local stakeholders that their company is more aware and alert towards the social issues and lead the agenda on CSR. One of our interviewees indicated:

> We find lots of difficulties compared to our competitor, who has the government as a shareholder. They are working hard to win the hearts of the Cameroonians. So, by engaging in CSR, we are trying to sort out the challenge. [Sales Executive of West and Central Africa, DIA]

4.1.3. Compliance

Further, we found that firms engage in CSR to comply with local institutional pressures. Many of the MNE subsidiaries were recipients of government incentives and were required by law to address social issues. Aside from regulatory compliance, the local stakeholders expected MNE subsidiaries to address social problems and alleviate poverty. Thus, to comply with local pressures, MNE subsidiaries engaged in CSR activities.

> We have passed the Law N 2013/004 in April 2013 that provides incentives to foreign and local companies who combats pollution and develop public interest in rural areas. So, there are quite few multinationals who benefited from this such as DIA. They get exemptions from tax, VAT, and customs duties [Investment Promotion Agency, Senior Researcher 1]

4.1.4. Good corporate citizenship

Lastly, the sampled companies were motivated to engage in CSR activities to be like a responsible citizen with full duties and rights. The respondents referred to “citizenship”, “giving back to the communities”, “respect” and “responsibility”. One of the respondents suggested that:

> Well, we want to be a citizen to the state. To contribute. To the people, to respect the regulations and provide the best quality in respect to the law. We accompany people for their happiness. We participate in health projects, family and such. Each day we try to help, and we have a social dialogue to understand how to help alleviate the conditions of people. [Executive Director of Institutional Relations, ORA]

In summary, the above shows that subsidiaries are motivated to engage in CSR activities for a myriad of reasons. Companies do CSR for legitimacy and credibility-building purpose by aligning their business interests with their multiple stakeholders. However, in weak institutional environments, firms enact CSR activities to appear local, comply with local pressures and distinguish themselves from local and other foreign firms. Appearing local firms can be important for subsidiaries as these firms might encounter hostility from local stakeholders, and perceiving local firms can help firms stay under the radar from hostile stakeholders through CSR strategies.

4.2. CSR strategies

The findings indicate that sample subsidiaries used four types of CSR in the host market. While all subsidiaries engaged in CSR activities, their form differed. The CSR strategies focused on donations and charity works (*Corporate image-building*), compliance with host country regulations and expectations (*Compliance*) and overcoming liabilities of foreignness, enhancing legitimacy, and managing political relationships (*Legitimacy-building*). Below, we explore each of these strategies.

4.2.1. Corporate image-building CSR

Image-building CSR involves activities such as donations, charity works and sponsorship schemes. Although donations, charity work and sponsorships can be part of philanthropic activity, the firms aimed to gain profit and drive corporate competitiveness from these activities. Some of the sample companies used donations and charity works to show that they endeavour to satisfy local expectations and give back to the societies. Thus, it was a matter of managing its image and improving its reputation and competitiveness rather than stressing the company's ethical duties.

> To show that we are a citizen company and contribute to the development of Cameroon. Also, to communicate and signal our image and brand. This means that CSR helps with communicating and projecting the image of the company. So, we are present in education and health sectors and present in cultural activities such as the Musik Star. [Communication Executive, BRA]

4.2.2. Compliance CSR

Compliance CSR is the CSR activity in which the companies engage to comply with regulations and stakeholders' pressures. MNEs who are beneficiaries of the investment incentive schemes invested in socio-economic development and promote the general welfare of the country. For those not receiving incentives, it was not a requirement for them to engage in CSR activities. Yet, the companies were involved in CSR activities because local stakeholders expected them to invest in community development and “give something back”. In addition, because foreign multinational has superior financial, technological, and human resources compared to the local government and firms, the local population have high expectations for socio-economic contributions. Thus, CSR is a way of strengthening relationships with local stakeholders and building resilience.

> I think there is a huge expectation because, as we are multinational companies, the main question is whether we are doing business in the country but are investing in the social area. Are we helping people to address some key relevant issue in the market? So, there is a huge expectation there. Even for us to say that we are in your country, we are doing business with you, and we are investing part of our business in the country. This message is key for the population that our foundation is important for the company's future. Investing in schools, in health, in education, mainly in those two areas that help some communities, some poor communities to get health and education. There is a huge expectation there. [Marketing Executive, MTC]

4.2.3. Legitimacy-building CSR

The last type of CSR activity enacted by firms is legitimacy-building CSR. MNE subsidiaries focused on activities which could mutually benefit the firm and effectively overcome the liability of foreignness. Therefore, rather than complying with multiple expectations and pressures, MNE subsidiaries negotiated and prioritised activities on which they could effectively gain legitimacy and manage risks. For example, DIA employed local people from different tribes and conducted rigorous internal training. The subsidiary also invested in both Anglophone and Francophone regions to satisfy both regions. ORA and MTC focused on sponsoring football leagues, connectivity, and environment protection, where they had strong expertise and ties to. BRA focused on sponsoring cultural activities, health, and football, which could connect with their products.

DIA specifically focused on anti-corruption campaigns with the British government providing free training with the police and launching associations to discuss measures to stop corruption.

> We have a strong compliance agenda. Our company has been driving the anti-corruption campaign for a long time. Our General Director is the chairman. You know the country has problems with corruption. We are everywhere and we are managing this agenda. People know that we are serious about this and that is we have support. [Sales Executive of West and Central Africa, DIA]

DIA and BRA also launched CAPA to promote ethical behaviour and social responsibility and defend members' activities in the country. Yet, this association was also used to obtain legitimacy and manage political relationships while not directly being involved with political issues and government. The Deputy Director General of BRA mentioned that:

> We have received a request from the government to give money. Not a fixed amount but concerning the Anglophone crisis to help the population there. So, the president is saying to participate. Since there is an association of brewers which is called the CAPA, we will participate officially to help. [Deputy Director General, BRA]

4.3. CPA drivers in weak institutional settings

The findings suggest that along with social strategies, MNE subsidiaries also actively pursue other non-market strategies such as corporate political activities. CPA is closely related to ethical and responsible business in a weak institutional context. The state is weak, corrupt, and incompetent, and there are concerns about the outsized influence of private sector players on the policy formulation and implementation processes in emerging markets. Especially if the player is a foreign company, the concern and risks over ethics and legitimacy may be heightened due to colonial legacies and liabilities of foreignness. However, CPA is crucial for firms in a weak institutional context because the political strategies help them to navigate uncertainty, institutional voids, and other constraints. Our data show that the motivations of CPA are: (1) building political capabilities, (2) enhancing legitimacy and mitigating political risks.

4.3.1. Building political capabilities

The subsidiaries acknowledged that they engage in CPA to influence local institutions in order to shape the policy and regulations' agenda. Firms in our sample identified the government's policies as the most challenging factor in doing business in Cameroon and had a separate division in charge of dealing and negotiating with the government. High taxes and weak regulations were seen as the main challenge for the subsidiaries, as taxes from the MNE subsidiaries were the main source of income for the government. The corporate tax in Cameroon is 33 %, and as the MNE subsidiaries contributed to 68 % of the government's revenue, tax policies mainly influenced the subsidiaries. Especially in 2018 when the Anglophone conflict was at the peak of tension and the country preparing for the election, the government imposed new taxes and regulations on the subsidiary.

> The government focuses heavily on foreign subsidiary because the industry is so small and local companies are non-existent. The government is going to focus on the one they have. Sometimes they are just taxing and taxing. Once they wanted to tax umbrellas with our logo printed. So, we said, how are you going to tax the umbrellas? Count everyone who has it? So, we continuously have a discussion with the government. So, we have our Director General speaking directly with the Head of State. [Deputy Director General, BRA]

> The main challenge is the perception of the government towards us. They are taking us as cash cows. Like somebody able to pay anytime. That is why when the tax audit came here, they spent more time than they spend normally according to the law. The law says they can spend 3 months to 11 months. But they stay longer. They come from the same people like MTC, ORA and BRA. I mean BRA is the biggest contributor in terms of taxes and we come second and ORA third. But they always introduce new taxes with no right mechanisms. [Senior Manager of Tax Division, MTC]

The volatile local regulations propelled MNE subsidiaries to make political connections and become aware of the new laws which might adversely impact their operations.

> We need to anticipate our project to tell them what our views are and what we need in longer terms so that they can put in place laws and regulations. This is the type of communication we have with the authorities and government regulators. But you know everything is uncertain and dynamic, and things can change. So we need more anticipation and prudence. [Institutional Relations Executive, ORA]

Furthermore, subsidiaries engaged in CPA to be recognized as powerful players and have a say in policymaking. The respondents acknowledged that they are significant players in the host country, and by engaging in CPA, they sought to leverage the power and influence over local stakeholders. Especially when MTC and ORA were sanctioned in 2018, they asserted influence on the government for negotiation and threatened litigation.

> When we conducted an audit in the telecommunication sector this year, there were many issues with quality. We sanctioned both MTC and ORA. But, they used their head of state and called our head of state complaining that Cameroon doesn't want multinationals to stay. Especially the French, they try to influence us. I will not be surprised if they can remove me next year. Because I don't want to follow their way. [Minister of Telecommunication and ex-Head of Customs]

In addition, subsidiaries cultivated political capabilities to work with the local government to improve institutional quality and get favourable policies.

> We have a very good relationship with the government. But within our compliance agenda. They understand and it is not difficult because we have been working on this for several decades. In fact, the government will say that DIA is a model to follow. That is why we focus on fighting corruption and that is why we train the police and launch anti-corruption campaigns in the private sector. [Sales Executive of West and Central Africa, DIA]

The firms also engaged in CPA to 'bypass' slow administrative processes and heavy taxes. Furthermore, without the help of political ties, the firms encountered difficulties in operations. The political ties gave them protection, such as bypassing drastic penalties and litigations.

> You know the government is the most important stakeholder. And they are the most challenging to deal with. Now you have your values and ethics, but they will tell you to do something against your values. If you don't, they don't give you a license. Because when you operate in Cameroon, you need space, buildings, papers, and the government has them. That is why you have a local shareholder who deals with the government and talks with ministers. You have problems with the government asking for money. If it is a big amount, this guy will get involved and solve it. [Senior manager of Procurement Division, MTC]

> But you know we don't have government as a shareholder. While all other companies, especially the French, the Cameroon government is part of the shareholder. You know our competitor BRA. The government is the shareholder. The government will give us more opportunities to sort out issues. [Sales Executive of Central and West Africa, DIA]

4.3.2. Enhancing legitimacy, reducing political risks and hazards

The interviews highlighted another driver of CPA, namely enhancing legitimacy in the local environment. Having the government as a local shareholder was used not only to build political capabilities, but it was a way to signal that the firm is local and Cameroonian and gets accepted in the environment.

> Well first I don't think you should take BRA as a foreign company. We don't want others to call us like that. We want to be called a Cameroonian company. We have been here for 70 years. I mean even though the parent company is the majority shareholder, there is 15% Cameroonian (government) share. [Communication Executive, BRA]

Signaling local image and identity was a priority for most of the subsidiaries in the sample. The subsidiaries experienced a negative perception of being foreign and needing to contribute more to the local stakeholders. All local stakeholders pressured the MNE subsidiaries to contribute towards socio-economic development such as employment, environment protection, quality of life, health, and education. In response to these pressures, MNE subsidiaries engaged in collaboration with the government and prioritised areas in which the government asked for investment.

> We partner with the government, and we talk with them about where they want us to invest. We [ORA] are involved with local actions, events, and cultural events. We also contribute to job opportunities for young people. Also, we signed partnerships with state universities like University of Douala. The government they like it. [Head of Marketing Division, ORA]

The subsidiaries also sought to use CPA as a way to navigate political risks and corruption pressures. When facing unethical pressures, the companies would use their CSR foundations or industry associations to buffer the pressure and manage the network.

> Now when we face unethical demands or actions, we use the foundation to prevent it. For example, you have the foundation working with the police. Even with the education sector, the foundation invests in enhancing education quality. So, when dealing with the government, they are aware that we are an ethical company with governance in place. We have built a relationship with diverse government departments which makes it difficult for them to pressure us. [Marketing Executive, MTC]

Some firms in the sample also sought to use higher-level government officials and firm resources in order to mitigate risks and conflicts. When faced with sanctions on subscriber identification, ORA used their home institution to make complaints to the Head of State to pressure ART and the Ministry of Telecommunication. MTC filed a lawsuit against ART, making the case that the sanction was unlawful. BRA also used its relationship with the Head of State.

During the crisis, such as the Boko Haram crisis in the North and the Anglophone crisis in the North and Southwest. For example, MNE subsidiaries such as ORA and MTC followed the government order to cut internet in the Anglophone zones as the government outlawed two Anglophone pressure groups. BRA and DIA agreed to work with the government in providing financial support for their cause of helping the Anglophone population through the CAPA. While these attempts aimed to manage legitimacy and mitigate political risks, the collaboration has led to several backlashes from the local stakeholders, especially the Anglophone population.

4.4. CPA strategies

We found three CPA strategies from the data. We label them as *Co-optation*, *Influence* and *Collective*. The three CPA strategies focused on mitigating political risks, overcoming weak institutions and enhancing legitimacy. Below, we explore each of these strategies.

4.4.1. Co-optation

The Co-opt strategy is one of the actions of changing or exerting power over the sources of pressure. MNE subsidiaries in Cameroon invited government officials or locals with political ties as a shareholder of the company. The main objective was to persuade and change the expectations and gain legitimacy in the environment. Furthermore, the firms sought to build a coalition with the government officials and use the ties to show the worthiness and acceptability of their existence for local development.

> Multinationals can have government as a shareholder. It is not mandatory, but it is good business and beneficial to have government as a shareholder. We communicate more easily, and the government knows our business. So, there is constant discussion about taxes, conflict, and the consequences. That is why the government can be part of it. [Deputy Director General, BRA]

> The local shareholder" sometimes help doing business in Cameroon. Especially, when you want to use the government at a high level, the local shareholders can help to get an invitation to negotiate a contract with the government. [Marketing Executive, MTC]

4.4.2. Influence

Another type of CPA strategy is the Influence strategy. The subsidiaries made efforts to change and shape local stakeholders' expectations. One of the ways of influencing local stakeholders is lobbying. The subsidiaries lobbied the government to get access to information and new laws but also to exert pressure and shape them. Most subsidiaries had a separate department in charge of lobbying to gain information and influence new laws.

> First, we have our division [of] General Affairs…which interacts with the state such as the minister of environment, and other institutions…. When there is a new law, the division tries to influence it through lobbying. Our company does lobby to be aware of the new laws and also to influence them. [Communication Executive, BRA]

The subsidiaries also used intermediaries such as business and industry associations to influence local stakeholders. One of the well-known associations is GICAM, or the Employer's Association of Cameroon. The association is made up of local and foreign businesses but was initially formed to protect foreign companies in Cameroon. The association comprises 60 % local companies, but the association is heavily influenced by foreign businesses.

> I think that as far as Cameroon is concerned, all foreign companies are more welcome than the local company. In other countries, even developed countries, their policies are to sustain local businesses. But here, it is a fair competition they are promoting, which is unfair to us. And GICAM is promoting this. [ex-President of Employer's Association of Cameroon]

Also, foreign companies formed industry associations to influence the local stakeholders and the environment. In the brewery sector, for instance, foreign companies created a new association to delay the 2019 Finance Act. The act would increase the price of beer, and the association was in charge of lobbying the government. Aside from lobbying the government, the association promoted social responsibility, responsible consumption of alcohol and technological cooperation between the members. Furthermore, foreign companies began anti-corruption campaigns and worked with the government to raise awareness of responsible business and ethics.

> We are training police against corruption. We are driving the compliance agenda of all the private companies. [Sales Executive of West and Central Africa, DIA]

The subsidiaries also used business/charitable foundations and CSR activities to influence the local stakeholders. Previous literature calls this "*strategic CSR*", where philanthropic and business units join forces to boost the competitiveness of both society and companies. However, while the goal of strategic CSR is mutual benefit, MNE subsidiaries in Cameroon use CSR as a tool to leverage bargaining power and drive corporate competitiveness.

> We have a foundation which is working with the police in Cameroon. CSR activities and investments will lower barriers. It makes things more accessible with the ministers, and we are communicating what we are doing. And we use this in dealing with the government. [Marketing Executive, MTC]

4.4.3. Collective strategy

Lastly, the type of CPA strategy pursued by subsidiaries is Collective. The Collective strategy reveals a reciprocity or cooperative relationship between the government and the MNE subsidiaries: the firms help the government to gain socio-economic investments, information, technology, and innovation; the government help the MNE subsidiaries access local resources and overcome regulatory challenges. The strategy benefitted MNE subsidiaries not only in gaining business profit but also in building legitimacy and pursuing responsible business in the host market.

> MTC brought in new technology, they are involved in new networks. Their foundation is used as a platform for corporate social responsibility. The government selects areas which need to be addressed. So MTC and ORA foundations will invest in those areas. [Senior Researcher, Investment Promotion Agency]

4.5. Complementarity and tension between CSR and CPA

Our data shows that subsidiaries integrate both corporate political activity and strategic CSR to enhance legitimacy, social image and political capabilities and reduce risks associated with weak institutions and foreignness. The subsidiaries sought to engage with diverse local stakeholders through CSR activities by fulfilling expectations and signaling local image to enhance their social acceptance. MTC, ORA and BRA especially focused on signaling local image and involvement, whereas DIA emphasized differentiation from both local and foreign companies.

However, we find that subsidiaries in our sample used CSR as a way of building political capabilities, thereby enhancing legitimacy. Facing expectations for socio-economic contribution from the government, subsidiaries engaged in environment protection, enhancing health, and working conditions, technology transfer and sponsorships. Firms also created associations to promote ethical practices as well as launch anti-corruption campaigns with the government. While the local government control enormous resources, MNE subsidiaries hold resources the government requires. Through the MNE subsidiaries, the government could use the subsidiaries' financial resources to invest in socio-economic areas whilst subsidiaries receive government support to shape regulatory institutions and build new market segments. Thus, CSR was used to benefit both parties.

Nevertheless, distinctions emerged among the firms in our analysis. French enterprises such as BRA and ORA exhibited a primary emphasis on utilising CSR not only to cultivate a local image but also to bolster CPA through collaboration with governmental entities. This strategic approach enabled these firms to project a more locally integrated identity, enhance their political efficacy, and establish legitimacy within their operating environment. Conversely, DIA and MTC directed their CSR initiatives more towards aligning with societal expectations and distinguishing themselves from the aforementioned French counterparts.

Unlike BRA and ORA, DIA opted for a focused anti-corruption strategy by investing in police training and launching campaigns. This selective CSR approach allowed DIA to enhance corporate competitiveness and cultivate a robust reputation compared to BRA. In the case of MTC, it pioneered the establishment of a CSR foundation, motivated partly by the need to address societal expectations, and build legitimacy, and partly to differentiate itself from the early market entrant, ORA. Like DIA, MTC concentrated on meeting societal demands, focusing on anti-corruption initiatives, empowering women, and promoting rural development.

However, MTC also engaged in CPA, which is driven by its industry-specific reliance on the government for resources. As a telecommunication company, both MTC and ORA were dependent on government contracts for network infrastructure, facing significant pressures related to security and tax concerns. In response, MTC strategically invited local elites as shareholders to mitigate political risks and enhance legitimacy and collaborated with the government in addressing the challenges posed by the Anglophone crisis.

Despite the complementarities between CPA and CSR, the subsidiaries experienced tensions between the two activities. The subsidiaries in the sample were ranked top contributors in terms of CSR in each year's survey on CSR perceptions (l'étude sur la perception de la Responsabilité sociétales des entreprise by Ascomt/Malaria). The Ascomt/Malaria study surveys over 3000 people spread over ten regions to understand the perception of CSR practices. In the 2017 survey, MTC came first, BRA second, DIA fourth and ORA fifth. Despite the contributions, the local stakeholders scrutinized the intentions of CSR, and the companies suffered from sabotage in the conflict zone. The main reason for the risks was due to using CSR as a way to engage with the government but also in using CSR as an insurance policy and hiding political ties. MTC, BRA and ORA have been working closely with the government in socio-economic contributions but also in supporting the government in its policy to crack down on successionist groups and the Anglophone region. As a result, MTC, BRA and ORA suffered severe financial and physical damage and a loss of revenue.

On the other hand, we find that DIA suffered relatively less risks. While MTC, BRA and ORA could not operate in the Anglophone region due to the successionist group, DIA was able to sell their products and increase sales. This was due to the fact that DIA did not have the government as a shareholder, but also because DIA has been significantly investing in the Anglophone region (creation of the first depot in the Southwest and employing both Anglophone and Francophone Cameroonians), whereas other firms invested in the Francophone region. In addition, DIA is the first company in the country to work with political and social stakeholders in responsible drinking, environmental protection, and corruption. While MTC had invested in the Anglophone region, the firms had supported the government in blocking internet connection in the region which received severe backlash. MTC has a strong foothold in the region, owning 60 % of the market share, but a total of 206 sites have been ransacked since April 2018.

5. Discussion and conclusion

Our study addresses the lack of research on non-market strategies within the African context in general and especially on how firms use both CPA and CSR in weak institutional environments (cf. Boso et al., 2023), and enhance social acceptance (Oh et al., 2023). Emerging economies, such as those from Africa, tend to rank low in the essential elements of strong institutional and good governance contexts. In these markets, power elites wield significant influence and have captured formal and informal institutions and control over resources. In such an environment, "*there are often limited incentives for firms to obey the law, pay living wages, abide by high ethical standards and corporate governance, offer high-quality customer services and voluntarily reduce their negative impacts on stakeholders*" (Adeleye et al., 2020, p. 720). Our findings demonstrate that the subsidiaries use both CPA and CSR, but also CSR is used to complement CPA in order to establish legitimacy and social reputation. Yet, we also find that firms face risks of losing legitimacy, reputation, and image in using CPA-CSR combinations when there is an internal conflict, especially when the local government has weak legitimacy and a negative image. We also find that those subsidiaries, such as DIA, on the other hand, suffered from fewer legitimacy and reputation risks as they engaged with multiple stakeholders and engaged less with the government. This suggests that MNEs operating in elites captured institutional contexts face dual challenges of balancing social acceptance with overcoming the liability of foreignness. These firms on the one hand strive to establish legitimacy and gain much needed social acceptance (Oh et al., 2023), but then face additional local liability along with the liability of foreignness by aligning with the local government who has a poor image in the eyes of the local community and other diverse stakeholders.

Firms in Cameroon use both CSR and CPA in response to stakeholders' expectations. The general expectation of the local stakeholders towards MNEs is to contribute to socio-economic development and avoid involvement with politicians. The local stakeholders depend on foreign companies for employment, technology, financial resources, and social benefits. Yet, MNE subsidiaries are not in a favourable position to adhere to the expectation due to the complex environment. In highly corrupt Cameroon (Agbor, 2019; Fombad, 2000), firms have to offer what politicians want (e.g., money and information) but also negotiate, buffer, and influence them for business interests (Liedong et al., 2019). Consequently, CSR and CPA are used to enhance legitimacy and social reputation in the host environment, but also to manage, shape and influence the local stakeholders (Selmier II et al., 2015; Oh et al., 2023). Thus, our findings provide an understanding of business and society in Africa and weak institutional context but also the complementarity and tension between MNE subsidiary CPA and CSR (Darendeli and Hill, 2016; Stevens et al., 2016).

5.1. Theoretical implications

Our study extends the international management and responsible business literature by providing insight into how foreign subsidiaries adapt to weak institutions through undertaking non-market strategies such as CSR and CPA (cf. Boso et al., 2023), and develop social acceptance (Oh et al., 2023). The extant literature posited that when faced with weak institutions, firms can create an appropriate value by either adapting to, augmenting, or transforming the existing institutional environment and can do so either independently or in collaboration with others (Dorobantu et al., 2017). Our study extends the literature by identifying the drivers of CSR and CPA, such as enhancing legitimacy, social reputation and image, and political capability, which shape how firms align with their business and institutional context. Thus, we provide more fine-grained insights into non-market strategies about how firms compete in weak institutions and make strategic choices within the host market's institutional constraints (Adeleye et al., 2020; Dorobautu et al., 2017; Mellahi et al., 2016; Sun et al., 2021). We extend the literature by suggesting that firms choose to be "institutional-takers" or "instigators" (Luiz and Stewart, 2014) depending on the different drivers of CSR and CPA.

Secondly, our study unravels the complex and dynamic interplay between CSR and CPA. MNE subsidiaries have been known to face various and conflicting demands/pressures arising from multiple stakeholders while operating in host markets (Kostova & Roth, 2002; Kostova et al., 2008). Our study sheds light on this by discovering the various demands and pressures from local stakeholders and how subsidiaries use CSR and CPA to respond to those pressures. Especially in a context where the political stakeholder is influential and controls enormous resources, the subsidiaries aim to partner with the government using both CSR and CPA as tools in building political capability, cooperative relationships and negotiating demands. However, the weak legitimacy and negative image of the government actors also lead to legitimacy, reputation and image risks for the companies resulting in physical and financial damage during the internal conflict. The social capital generated through CSR also is jeopardised. The subsidiary is willing to cooperate with both political and social stakeholders through collective social issues to manage its legitimacy and resources. We find the case with DIA using collaborative CPA and CSR to tackle corruption and setting standards in Cameroon. In contrast, the other companies faced backlash by cooperating with the country's policies against the Anglophone region and using CSR to build political activity and influence institutional conditions to benefit themselves (Dorobautu et al., 2017). Thus, such cross-case analysis findings provide insight into the complementarity and tension between CSR and CPA in the context of weak institutional settings, which has been long called for in the non-market literature (Sun et al., 2021; Selmier II et al., 2015).

Lastly, our study highlights the impact of MNE subsidiary non-market strategies on local actors. Overall, we find that local stakeholders expect better ethical business practices from the MNE subsidiaries and see not all CSR and CPA be virtuous, thus suggesting a misalignment between the expectations of local stakeholders and the strategies pursued by MNE subsidiaries but also between CSR and CPA. Such misalignment might create significant challenges for MNE subsidiaries operating in a weak institutional environment to establish much-needed legitimacy and social acceptance (Oh et al., 2023). These findings support previous literature on LOF, where foreign companies are subject to higher expectations and acceptance levels than local firms (Edman, 2016a). In addition, we find that a strategy which aims to maintain a reciprocal relationship with local politicians is expected in emerging markets (Liedong et al., 2019; Liedong and Frynas, 2018). However, social stakeholders perceive the practice as ethically problematic. Especially when the local government's legitimacy and image are weak, despite potential societal benefits, they expect MNE subsidiaries to cut ties with politicians and focus on contributing to societal benefit through their business operations. Overall, we contribute to the institutional and non-market streams of literature by demonstrating how MNE cope with different institutional logics using non-market strategies, which in turn enable them to establish legitimacy and gain social acceptance from the local stakeholders (Oh et al., 2023).

5.2. Implications for policymakers and managers

The discussion surrounding CSR and CPA in Cameroon sheds light on the complex relationship between multinational enterprises, local stakeholders, and the government. Cameroon, like many developing nations, faces a multitude of socio-economic and environmental challenges, and there is growing expectation that MNEs operating within its borders should contribute meaningfully to address these issues. Local communities and the government often demand CSR activities as a way for MNEs to demonstrate commitment to the well-being of the society where they operate.

However, a critical point of contention arises when considering the scope and depth of these CSR initiatives. Local stakeholders in Cameroon frequently argue that MNEs should go beyond what is legally mandated, emphasising the importance of voluntary contributions to the communities in which they operate. This demand for a more substantial commitment reflects the desire for MNEs to take a proactive role in uplifting the local population and addressing environmental concerns rather than merely fulfilling basic legal requirements.

Despite the seemingly high levels of investment and attention given to CSR activities by MNE subsidiaries in Cameroon, not all kinds of CSR are perceived positively by local stakeholders. Firms can engage in different types of CSR activities to show citizenship and act responsibly in challenging situations. Yet, one of the primary concerns is the perception that some MNEs may engage in CSR activities primarily for financial benefits or to foster closer relationships with the government, potentially leveraging these initiatives for political influence. The attempt of co-opting or influencing the political stakeholders and the environment is treated as ethically problematic as the population sees it as a way of exploiting and colonising the country. Such suspicions can undermine the authenticity of CSR efforts, eroding trust between MNEs and local stakeholders. Consequently, while the subsidiaries can take an active role in instigating institutional change (Regnér and Edman, 2014) and influence African institutions (Liedong et al., 2019; Luiz and Stewart, 2014; Mbalyohere and Lawton, 2018), cautious use of these strategies are warranted. Companies should not exploit institutional weaknesses and pursue idiosyncratic benefits but seek to address pressing societal issues and pursue the common good (Liedong et al., 2019).

Moreover, there is frustration among local communities that, despite the economic dominance of MNEs in the region, their CSR investments may not be commensurate with the scale of the challenges faced by the communities. This sentiment highlights the need for MNEs to align their CSR activities more closely with the specific needs and priorities of the local population, demonstrating a genuine commitment to social and environmental responsibility.

This study reveals some of the dark and unethical strategies used by the subsidiaries based in Cameroon. Previous literature posited that firms use traditional political activities such as lobbying and political CSR to influence governments to gain firm-specific competitive advantages, respond to government policy and impact regulations (Frynas and Stephens, 2014). Our findings show that firms readily engage in CPA and CSR to leverage their bargaining power to gain firm-specific competitive advantages. Furthermore, we find that firms use the home-country government or the host-country executive power to exert pressure on ministers to negotiate and reduce regulatory sanctions and penalties. However, firms should take into consideration that local stakeholders are aware of the unethical strategies, and once new entrants enter the market, these firms readily lose their market share. Furthermore, firms with claims on business and societal benefits are positively received by local stakeholders. Thus, firms should work towards an identity seeking to achieve both business and societal profit.

In sum, the discussion around CSR and CPA in Cameroon underscores the multifaceted nature of MNE engagement with local stakeholders and government bodies. While CSR is seen as a critical avenue for addressing societal and environmental challenges, it also reveals tensions and scepticism regarding the motivations and impact of MNEs' efforts. Furthermore, this study calls on MNE subsidiaries and governments with weak institutions to work towards creating a transparent institution. Our findings show that firms face legitimacy, reputation, and image risks because of the weak legitimacy of the local government and corruption. Currently, across Africa and other developing countries elsewhere, structures and mechanisms for business-government relations are either non-existent or inefficient (Liedong et al., 2019). Furthermore, businesses often portray themselves as victims of corrupt environments but seldom reflect on how they contribute to them and become part of the problem (Adeleye et al., 2020). Rather than contributing to a virtuous cycle or merely complying with local regulations, MNE subsidiaries should aim to work with diverse local stakeholders to address societal issues and create transparent institutions.

5.3. Limitations and future research

This study has limitations, which offer important opportunities for future work. As seen in many qualitative studies, a small sample size limits generalisability. We interviewed firm managers and local stakeholders and used secondary data to complement the limitation. A follow-up study could allow for a more longitudinal and dynamic view of the changes in firm strategies and the factors that determine the choice of strategy adopted by MNE subsidiaries, and the outcomes of these strategies on the performance and survival of subsidiaries. Such studies could conduct comparative studies across other similar markets of Africa, Asia, and Latin America.

Lastly, future research could use the context of a developed country or another emerging economy since ethicality is subjective, just as morality is. Therefore, the way CSR and CPA are judged as (un)ethical in one context may differ from another. In this respect, research needs to investigate how managers assess the ethicality of their CSR and CPA strategies. Although this paper has explored how local stakeholders perceive the ethicality of MNE subsidiary CSR and CPA strategies, future research could address the following questions; how can MNE subsidiaries assess the ethicality of their business practices? How can firms respond dynamically to negative or positive reactions of local stakeholders? How can both parties determine ethicality or responsible business practices in the host country context and reach a common understanding? Addressing these questions and integrating insights from the stakeholders and legitimacy perspectives will enrich the business and society and responsible business literature.

CRediT authorship contribution statement

Young Hoon An: Conceptualization, Data curation, Formal analysis, Investigation, Methodology, Writing – original draft. **Yong Kyu Lew:** Conceptualization, Project administration, Supervision, Writing – original draft, Writing – review & editing. **Zaheer Khan:** Conceptualization, Project administration, Supervision, Writing – original draft, Writing – review & editing.

Data availability

The data that has been used is confidential.

Acknowledgements

This work was supported by Hankuk University of Foreign Studies Research Fund.

Appendix A. Interview Guide

A.1. MNE subsidiary

1.) What is your position in the company and how long have you worked (both in the company and the country)?
2.) What are the company's or unit's services and products?
3.) What are the visions and missions of the company?
4.) What is the strategic objective of the company? Building strategic assets (developing resources), efficiency, market seeking or natural resources? Has it always been that way?
5.) What are the challenges that the company faces in Cameroon? Please rank them
6.) What are the disadvantages, or costs faced by the company because of being foreign? How did the firm overcome these costs?

7.) What is the advantage of being a foreign company and how does the company use its advantage?
8.) How does the firm adapt to the host country/How does the firm try to work together with the stakeholders to change the environment?
9.) What do you think the responsibilities of multinationals towards society are?
10.) Name the most relevant stakeholders for your company or business unit. (Customers, suppliers, government, employees, NGOs, Associations, Competitors, Community)
11.) What is your company's responsibility vis-à-vis each stakeholder?
12.) How does your company/unit try to meet its responsibilities with each stakeholder? Which initiatives have been taken?
13.) What are the strengths and weaknesses in the way firm has organized to handle its responsibilities towards stakeholders?
14.) What is the corporate responsibility of firms within your sector?
15.) How does the firm contribute to the development of the host country?
16.) Is CSR a strategic issue? How?
17.) Are socially-motivated decisions or initiatives recognized in your performance evaluation?
18.) In your part of the organisation, is there a requirement to include an evaluation of the social impact of investment plans to decide on project proposals and resource allocation?
19.) How do you deal with the conflicting expectations? What are the skills and resources that you need? Does being a foreign firm have advantages in dealing with the situation?
20.) What are the strategies that you use to deal with conflicting expectations?

A.2. For the government

1.) What are the government's expectations towards MNE subunits?
2.) How do the government and locals perceive the MNE subunits?
3.) Does the MNE subunits conform to local expectations? How do they conform to the expectations?
4.) How do they deviate from local expectations?
5.) Why do they deviate from local expectations and what enables them to act such a way?
6.) How does the government react to this?
7.) How do you try to solve conflict between the government and MNE subunits?
8.) How do you penalise companies that do not conform to regulative, normative and cognitive pressures?

A.3. For the consumers, analysts, suppliers, media, NGOs and industrial associations

1.) What is your expectation of MNE subunits?
2.) How do you perceive the MNE subunits?
3.) Do the MNE subunits conform to expectations? How do they conform to expectations?
4.) How do they deviate from local expectations?
5.) Why do they deviate from local expectations and what enables them to act such a way?
6.) How do you react to this?
7.) How do you try to solve conflict between the government and MNE subunits?
8.) How do you penalise companies that do not conform to regulative, normative and cognitive pressures?

References

Adeleye, I., Luiz, J., Muthuri, J., Amaeshi, K., 2020. Business ethics in Africa: the role of institutional context, social relevance, and development challenges. J. Bus. Ethics 161 (4), 717–729.
Agbor, A., 2019. Cameroon and the corruption conundrum: highlighting the need for political will in combatting corruption in Cameroon. Afr. J. Int. Comp. Law 27 (1), 50–75.
Agoba, A.M., Abor, J.Y., Osei, K., Sa-Aadu, J., Amoah, B., Dzeha, G.C.O., 2019. Central bank independence, elections and fiscal policy in Africa: examining the moderating role of political institutions. Int. J. Emerg. Mark. 14 (5), 809–830.
Ahmadjian, C.L., 2016. Comparative institutional analysis and institutional complexity. J. Manag. Stud. 53 (1), 12–27.
Bach, D., Allen, D., 2010. What every CEO needs to know about nonmarket strategy. MIT Sloan Manag. Rev. 51 (3), 41–48.
Bai, X., Chang, J., Li, J.J., 2019. How do international joint ventures build legitimacy effectively in emerging economies? CSR, political ties, or both? Manag. Int. Rev. 59 (3), 387–412.
Baron, D.P., 1995. Integrated strategy: Market and nonmarket components. Calif. Manag. Rev. 37 (2), 47–65.
Boso, N., Amankwah-Amoah, J., Essuman, D., Olabode, O.E., Bruce, P., Hultman, M., Adeola, O., 2023. Configuring political relationships to navigate host-country institutional complexity: insights from Anglophone sub-Saharan Africa. J. Int. Bus. Stud. 1–35.
Child, J., 2009. Context, comparison, and methodology in Chinese management research. Manag. Organ. Rev. 5 (1), 57–73.
Cho, C.H., Patten, D.M., Roberts, R.W., 2006. Corporate political strategy: an examination of the relation between political expenditures, environmental performance, and environmental disclosure. J. Bus. Ethics 67, 139–154.
Corbin, J.M., Strauss, A., 2008. Basics of Qualitative Research. In: Techniques and Procedures for Developing Grounded Theory, 3rd ed. Sage. Thousand Oaks.
Cuervo-Cazurra, A., 2016. Corruption in international business. J. World Bus. 51 (1), 35–49.
Darendeli, I.S., Hill, T.L., 2016. Uncovering the complex relationships between political risk and MNE firm legitimacy: insights from Libya. J. Int. Bus. Stud. 47 (1), 68–92.

Demuijnck, G., Ngnodjom, H., 2013. Responsibility and informal CSR in formal Cameroonian SMEs. J. Bus. Ethics 112 (4), 653–665.

Dorobautu, S., Kaul, A., Zelner, B., 2017. Nonmarket strategy research through the lends of new institutional economics: an integrative review and future direction. Strateg. Manag. J. 38, 114–140.

Du, J., Bai, T., Chen, S., 2019. Integrating corporate social and corporate political strategies: performance implications and institutional contingencies in China. J. Bus. Res. 98, 299–316.

Edman, J., 2016. Cultivating foreignness: how organizations maintain and leverage minority identities. J. Manag. Stud. 53 (1), 55–88.

Egbeyong, B.E., 2018. Corruption in Cameroon: public perception on the role and effectiveness of the different anti-corruption agencies. Rev. Public Adm. Manag. 06 (235), 1–6.

Eifert, B., Gelb, A., Ramachandran, V., 2008. The cost of doing business in Africa: evidence from enterprise survey data. World Dev. 36 (9), 1531–1546.

Eisenhardt, K.M., 1989. Building theories from case study research. Acad. Manage. Rev. 14 (4), 532–550.

Eisenhardt, K.M., Graebner, M.E., 2007. Theory building from cases: opportunities and challenges. Acad. Manage. J. 50 (1), 25–32.

Fombad, C.M., 2000. Endemic corruption in Cameroon: Insights on consequences and control. In: Corruption and Development in Africa. Palgrave Macmillan, London, pp. 234–260.

Frynas, J.G., Stephens, S., 2014. Political corporate social responsibility: reviewing theories and setting new agendas. Int. J. Manag. Rev. 17 (4), 483–509.

Gabriel, J.M., 1999. Cameroon's Neopatrimonial dilemma. J. Contemp. Afr. Stud. 17 (2), 173–196.

Garrone, P., Piscitello, L., D'Amelio, M., 2019. Multinational enterprises and the provision of collective goods in developing countries under formal and informal institutional voids. The case of Electricity in sub-Saharan Africa. J. Int. Manag. 25 (2), 17.

George, G., Corbishley, C., Khayesi, J.N.O., Haas, M.R., Tihanyi, L., 2016. Bringing Africa in: promising directions for management research. Acad. Manage. J. 59 (2), 377–393.

Gioia, D., 2020. A systematic methodology for doing qualitative research. J. Appl. Behav. Sci. 57 (1), 20–29.

Gioia, D.A., Corley, K.G., Hamilton, A.L., 2013. Seeking qualitative rigor in inductive research: notes on the Gioia methodology. Organ. Res. Methods 16 (1), 15–31.

Gligor, D.M., Esmark, C.L., Gölgeci, I., 2015. Building international business theory: a grounded theory approach. J. Int. Bus. Stud. 47 (1), 93–111.

Guest, G., Bunce, A., Johnson, L., 2016. How many interviews are enough? Field Methods 18 (1), 59–82.

Ho, S.S.H., Oh, C.H., Shapiro, D., 2024. Can corporate social responsibility lead to social license? A sentiment and emotion analysis. J. Manag. Stud. 61 (2), 445–476.

Holm, A.E., Decreton, B., Nell, P.C., Klopf, P., 2017. The dynamic response process to conflicting institutional demands in MNC subsidiaries: an inductive study in the sub-Saharan African E-commerce sector. Glob. Strateg. J. 7 (1), 104–124.

Jamali, D., Karam, C., 2018. Corporate social responsibility in developing countries as an emerging field of study. Int. J. Manag. Rev. 20 (1), 32–61.

Karsten, L., Fink, G., Illa, H., 2005. Ubuntuas a key African management concept: contextual background and practical insights for knowledge application. J. Manag. Psychol. 20 (7), 607–620.

Khan, Z., Lew, Y.K., Park, B.I., 2015. Institutional legitimacy and norms-based CSR marketing practices: insights from MNCs operating in a developing economy. Int. Mark. Rev. 32 (5), 463–491.

Khan, Z., Zeng, J., Knight, G., Rajwani, T., Pattnaik, C., 2023. Non-market strategies and disruptive innovation in the platform economy. J. Int. Manag. 29 (5), 101047.

Kolk, A., Lenfant, F., 2010. MNC reporting on CSR and conflict in Central Africa. J. Bus. Ethics 93 (2), 241–255.

Kolk, A., Rivera-Santos, M., 2018. The state of research on Africa in business and management: insights from a systematic review of key International Journals. Bus. Soc. 57 (3), 415–436.

Kostova, T., Roth, K., Dacin, M., 2008. Institutional theory in the study of multinational corporations: a critique and new directions. Acad. Manage. Rev. 33 (4), 994–1006.

Kozan, A., 2022. The nasty face of the liability of foreignness: MNCs and rent extraction. Crit. Perspect. Int. Bus. 18 (5), 746–763.

Liedong, T.A., 2022. The liability of tribe in corporate political activity: Ethical implications for political contestability. J. Bus. Ethics 181 (3), 623–644.

Liedong, T.A., Frynas, J.G., 2018. Investment climate constraints as determinants of political tie intensity in emerging countries: evidence from foreign firms in Ghana. Manag. Int. Rev. 58 (5), 675–703.

Liedong, T.A., Aghanya, D., Rajwani, T., 2019. Corporate political strategies in weak institutional environments: a break from conventions. J. Bus. Ethics 161 (4), 855–876.

Luiz, J.M., Stewart, C., 2014. Corruption, south African multinational enterprises and institutions in Africa. J. Bus. Ethics 124 (3), 383–398.

Lutz, D.W., 2009. African Ubuntu philosophy and global management. J. Bus. Ethics 84 (3), 313.

Magnani, G., Gioia, D., 2022. Using the Gioia Methodology in international business and entrepreneurship research. Int. Bus. Rev. 32, 102097.

Marano, V., Kostova, T., 2016. Unpacking the institutional complexity in adoption of CSR practices in multinational enterprises. J. Manag. Stud. 53 (1), 28–54.

Mazé, D., Chailan, C., 2020. A south-south perspective on emerging economy companies and institutional coevolution: an empirical study of Chinese multinationals in Africa. Int. Bus. Rev. 30, 101704.

Mbalyohere, C., Lawton, T.C., 2018. Engaging stakeholders through corporate political activity: insights from MNE nonmarket strategy in an emerging African market. J. Int. Manag. 24 (4), 369–385.

Mbalyohere, C., Lawton, T., Boojihawon, R., Viney, H., 2017. Corporate political activity and location-based advantage: MNE responses to institutional transformation in Uganda's electricity industry. J. World Bus. 52 (6), 743–759.

Mellahi, K., Frynas, J.G., Sun, P., Siegel, D., 2016. A review of the nonmarket strategy literature: toward a multi-theoretical integration. J. Manag. 42 (1), 143–173.

Meyer, K.E., Peng, M.W., 2016. Theoretical foundations of emerging economy business research. J. Int. Bus. Stud. 47 (1), 3–22.

Miles, M.B., Huberman, A.M., 1994. Qualitative Data Analysis: An Expanded Sourcebook. Sage, Thousand Oaks.

Nachum, L., Stevens, C.E., Newenham-Kahindi, A., Lundan, S., Rose, E.L., Wantchekon, L., 2023. Africa rising: opportunities for advancing theory on people, institutions, and the nation state in international business. J. Int. Bus. Stud. 54 (5), 938–955.

National Institute of Statistics, 2021. Répertoire et démographie des entreprises modernes en 2018 [Review of *Répertoire et démographie des entreprises modernes en 2018*]. In: National Institute of Statistics. National Institute of Statistics.

Newenham-Kahindi, A., Stevens, C.E., 2017. An institutional logics approach to liability of foreignness: the case of mining MNEs in sub-Saharan Africa. J. Int. Bus. Stud. 49 (7), 881–901.

Oberholzer-Gee, F., Yao, D., 2007. Strategies beyond the Market, Harvard Business School Case #9–707-469. Harvard University.

Oh, C.H., Shin, J., Ho, S.S.H., 2023. Conflicts between mining companies and communities: institutional environments and conflict resolution approaches. Bus. Ethics Environ. Responsib. 32 (2), 638–656.

Ojala, A., 2009. Internationalization of knowledge-intensive SMEs: the role of network relationships in the entry to a psychically distant market. Int. Bus. Rev. 18 (1), 50–59.

Oliver, C., 1991. Strategic responses to institutional processes. Acad. Manage. Rev. 16 (1), 145–179.

Parente, R., Rong, K., Geleilate, J.-M.G., Misati, E., 2018. Adapting and sustaining operations in weak institutional environments: a business ecosystem assessment of a Chinese MNE in Central Africa. J. Int. Bus. Stud. 50 (2), 275–291.

Rao-Nicholson, R., Khan, Z., Marinova, S., 2019. Balancing social and political strategies in emerging markets: evidence from India. Bus. Ethics: Eur. Rev. 28 (1), 56–70.

Regnér, P., Edman, J., 2014. MNE institutional advantage: how subunits shape, transpose and evade host country institutions. J. Int. Bus. Stud. 45 (3), 275–302.

Rodgers, P., Stokes, P., Tarba, S., Khan, Z., 2019. The role of non-market strategies in establishing legitimacy: the case of service MNEs in emerging economies. Manag. Int. Rev. 59, 515–540.

Röell, C., Arndt, F., Kumar, V., 2024. A blessing and a curse: institutional embeddedness of longstanding MNE subsidiaries in emerging markets. J. Manag. Stud. 61 (2), 561–594.

Saka-Helmhout, A., 2020. Institutional agency by MNEs: a review and future research agenda. J. Int. Manag. 26 (2), 100743.

Selmier II, W.T., Newenham-Kahindi, A., Oh, C.H., 2015. "Understanding the words of relationships": language as an essential tool to manage CSR in communities of place. J. Int. Bus. Stud. 46, 153–179.
Skilton, P.F., Purdy, J.M., 2016. Authenticity, power, and pluralism: a framework for understanding stakeholder evaluations of corporate social responsibility activities. Bus. Ethics Q. 27 (1), 99–123.
Sosale, S., 2015. Cameroon - Fostering skills for inclusive workforce development, competitiveness, and growth: a framework for action (ACS13117). Retrieved from Washington, D.C.
Spencer, J., Gomez, C., 2011. MNEs and corruption: the impact of national institutions and subsidiary strategy. Strateg. Manag. J. 32 (3), 280–300.
Stevens, C.E., Newenham-Kahindi, A., 2017. Legitimacy spillovers and political risk: the case of FDI in the east African community. Glob. Strategy J. 7 (1), 10–35.
Stevens, C.E., Xie, E., Peng, M.W., 2016. Toward a legitimacy-based view of political risk: the case of Google and yahoo in China. Strateg. Manag. J. 37 (5), 945–963.
Sun, P., Doh, J.P., Rajwani, T., Siegel, D., 2021. Navigating cross-border institutional complexity: a review and assessment of multinational nonmarket strategy research. J. Int. Bus. Stud. 1–36.
Teagarden, M.B., Von Glinow, M.A., Mellahi, K., 2018. Contextualizing international business research: enhancing rigor and relevance. J. World Bus. 53 (3), 303–306.
Welch, C., Piekkari, R., Plakoyiannaki, E., Paavilainen-Mantymaki, E., 2011. Theorising from case studies: towards a pluralist future for international business research. J. Int. Bus. Stud. 42 (5), 740–762.
Winkler, D.M., Krzeminska, A., 2024. How context matters in non-market strategies: Exploring variations in corporate social responsibility-political activity relationships. J. Manag. Stud.
World Bank, 2016. Cameroon economic memorandum: markets, public administration, and growth (131617). Retrieved from Washington, D.C.
World Bank, 2018. Doing Business 2019: Training for Reform - Cameroon. Retrieved from Washington, D.C.
Yin, R.K., 2009. Case Study Research: Design and Methods, 4th ed. Sage, Thousand Oaks.
Zhao, M., Park, S.H., Zhou, N., 2014. MNC strategy and social adaptation in emerging markets. J. Int. Bus. Stud. 45 (7), 842–861.

Young Hoon An is a Lecturer in International Business at University of Groningen. He completed his Ph.D. at University of Manchester, UK. His research interests include international business, global strategy and the socio-economic consequences of multinational enterprises in emerging economies. His work appeared in *Multinational Business Review* and *Critical Perspectives on International Business*.

Yong Kyu Lew is a Professor of International Business and Associate Dean of HUFS Business School at Hankuk University of Foreign Studies, Seoul, South Korea. He completed his Ph.D. at University of Manchester, UK. His research interests include global strategy, regional innovation and institutions & socio-economic consequences. His work has appeared in the *Journal of International Business Studies, Long Range Planning, Journal of International Management, Global Strategy Journal, International Business Review, R&D Management* and *Journal of Business Research,* among others.

Zaheer Khan is a Professor in Strategy and International Business at the University of Aberdeen, UK. He gained his Ph.D. in International Business at the University of Birmingham, UK. He is a Fellow of the Academy of Social Sciences. His research interests are international knowledge transfer, capability development, automotive industry, sustainability, and cross-border alliances. His work has appeared in leading journals such as the *Journal of International Business Studies, Global Strategy Journal, Journal of World Business, Human Relations, British Journal of Management, R&D Management, International Business Review* and *Journal of Corporate Finance*, among others.