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Corporate Social Responsibility initiatives with a strategic approach to eradicate the phenomenon of Greenwashing

Incorporación de iniciativas de Responsabilidad Social Corporativa con enfoque estratégico para erradicar el fenómeno del Greenwashing

José Luis Soriano Sandoval **ORCID** [0000-0002-1239-4698](https://orcid.org/0000-0002-1239-4698)
Consejo Nacional de Ciencia y Tecnología (CONACYT)
e-mail: jl77soriano@gmail.com

Karla María Alarcón Sánchez **ORCID** [0000-0002-8740-7043](https://orcid.org/0000-0002-8740-7043)
Consejo Nacional de Ciencia y Tecnología (CONACYT)
e-mail: karlamariaalarcons@gmail.com

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ABSTRACT

Purpose. Establish a multidisciplinary theoretical discussion to determine a possible solution to eradicate and/or reduce greenwashing practices.

Methodology. Through a systematic analysis of the literature and a bibliometric analysis, the results of the growth of greenwashing and its possible solution are obtained.

Findings. The position of using corporate social responsibility practices is theoretically identified, from a strategic approach, which, in turn, allows managers to incorporate said positions, for the

creation and development of best responsible practices, from a strategic point, leaving aside the philanthropic vision.

Originality. The research is innovative because it includes strategic management theories in theories related to corporate social responsibility and, in turn, generates practical recommendations to solve the growing problem of greenwashing.

Conclusions and limitations. This research is limited to establishing theoretical criteria, inviting empirical validation of the recommendations in future research.

RESUMEN

Objetivo. Establecer una discusión teórica multidisciplinaria, para determinar una posible solución que permita erradicar y/o disminuir las prácticas de greenwashing.

Metodología. Por medio de un análisis sistemático de la literatura y un análisis bibliométrico, se obtienen los resultados del crecimiento del greenwashing y su posible solución.

Hallazgos. Se identifica teóricamente la postura de utilizar prácticas de responsabilidad social empresarial, desde un enfoque estratégico, lo que, a su vez, permite a los gerentes, incorporar dichas posturas, para la creación y desarrollo de mejores prácticas responsables, desde un punto estratégico, dejando de lado la visión filantrópica.

Originalidad. La investigación es novedosa por incluir las teorías de la gestión estratégica en las teorías relacionadas a la responsabilidad social empresarial y a su vez, generar recomendaciones prácticas para solucionar la creciente problemática del greenwashing.

Conclusiones y limitaciones. La presente investigación se limita a establecer criterios teóricos, invitando a validar empíricamente las recomendaciones, en futuras investigaciones.

1. Introduction

Corporate Social Responsibility (CSR) is a growing phenomenon in the last two decades, being a response by the company to counteract the negative effects on the environment and society in general. However, questions have been raised about its functionality, due to the collateral problems that have arisen from its implementation, such as greenwashing, a problem that has been identified and has generated a counterproductive position in society. One of the possible responses to counteract the problem is government intervention, however, it contradicts the nature of CSR, because the very essence of the company is to incorporate CSR practices voluntarily, therefore, it

does not there should be regulations about it by the government. In order to demonstrate the growing problem, it is presented through a bibliometric analysis, the behavior of scientific production, referring to the investigation of greenwashing, as well as a theoretical discussion that reveals the importance of incorporating strategic management within the CSR programs, in order to eradicate greenwashing.

1.1. CSR

In terms of corporate social responsibility, greenwashing is a problem that has persisted in the last 20 years, for that reason, in this research, a possible solution is proposed theoretically. After a systematic review of the literature on the subject of business management and the development of a bibliometric analysis, the notable growth of greenwashing is identified, as well as the points of intersection between the need to eradicate said problem and the requirement to incorporate practices of corporate social responsibility with a strategic approach, finding that consequently, the above allows to increase the benefits of the company and in the same sense, reduce the opportunistic positions that support greenwashing.

Corporate Social Responsibility (CSR) has increased its relevance in recent years, according to Rodríguez, et al. (2017) and Braga, et al. (2019), society constantly demands a social purpose from companies, for that reason companies more frequently adopt corporate practices. CSR, however Porter, et al. (2006) highlight the absence of a strategic and operational approach when implementing programs and/or initiatives that seek to improve the social environment and an inclination is generated to "make up" the activities related to the CSR. In the same way, Rangan, et al. (2015) through interviews with directors attending the CSR executive program at Harvard Business School, identified a lack of coordination in programs and initiatives, a problem derived from poor strategic planning.

1.2. Greenwashing

Likewise, according to Martínez, et al. (2019) greenwashing is the definition attributed to a false relationship between what the company communicates and the real activities it generates. That is, an activity focused on disguising the true practices of the company through false information in its sustainability reports and/or in any other additional means of communication.

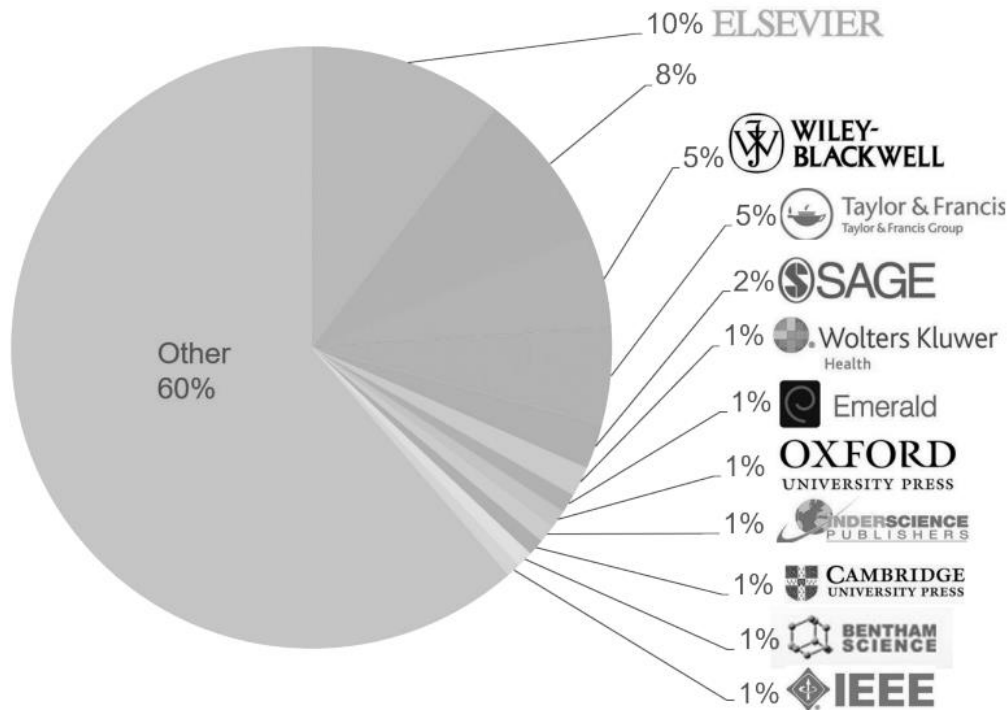
Institutions such as the United Nations (UN), the International Organization for Standardization (ISO), or the Global Reporting Initiative (GRI) program have generated models and/or guides to direct companies to a correct application of CSR, however, the models and guides have become a checklist and do not provide a strategic approach in the organization, Bernard et al. (2015) shows that, even when business organizations conform to a model such as the GRI, they do not necessarily obtain better results compared to companies that do not conform to models or standards. In other words, standardization models and/or guides are not considered instruments that allow companies to successfully develop CSR initiatives.

Likewise, according to Guo, et al. (2019), there is the difficult of limited resources to audit the activities reported by companies. On the other hand, Porter and Kramer (2011) mention the complexity of evaluating in a standardized way, as well as the absence of exclusive tools for the planning and development of CSR initiatives, opening a window for companies to decide to implement greenwashing practices. According to what was mentioned by Jong et al. (2019), the foregoing can have repercussions on the company's image, due to a negative impact on consumer perception.

2. Methodology

To carry out the bibliometric analysis, the Scopus platform was used because the platform itself claims to be the largest compiler of publications, with a bibliographic database of abstracts and citations of articles from scientific journals. It covers approximately 18,000 titles from more than 5,000 international publishers, including coverage of 16,500 peer-reviewed journals in the fields of science, technology, medicine, and social sciences, including the arts and humanities. **Figure 1** shows the distribution of the documents included in the Scopus database.

Figure 1. Percentage of participation in the Scopus database



Source: Scopus database content. Elsevier (2017).

Within the portal, in the “general search” section, using the Boolean operator “only”, a search was made for all the documents registered on the platform that contained the word “greenwashing” in the title of the document. Therefore, the investigations that take the phenomenon of greenwashing as the central axis would be obtained, excluding those that speak of the subject in a secondary way and not in a central way within the investigation.

Once the word was selected, all the search options were enabled and all the available years ranging from 1970 to 2022 were included, to obtain the result of all the disciplines over time. This allows comparing the fields of study that have addressed the issue and the trend in the number of publications, along with the various variables with which this phenomenon is associated.

3. Results

This section shows the results of the bibliometric analysis, **Figure 2** shows two comparative tables. The first table is filtered by order of years and the second by order of number of publications, in

both cases from highest to lowest. Allowing to identify a growing number of publications in recent years.

Figure 2. Comparative table of publications per year versus number of publications

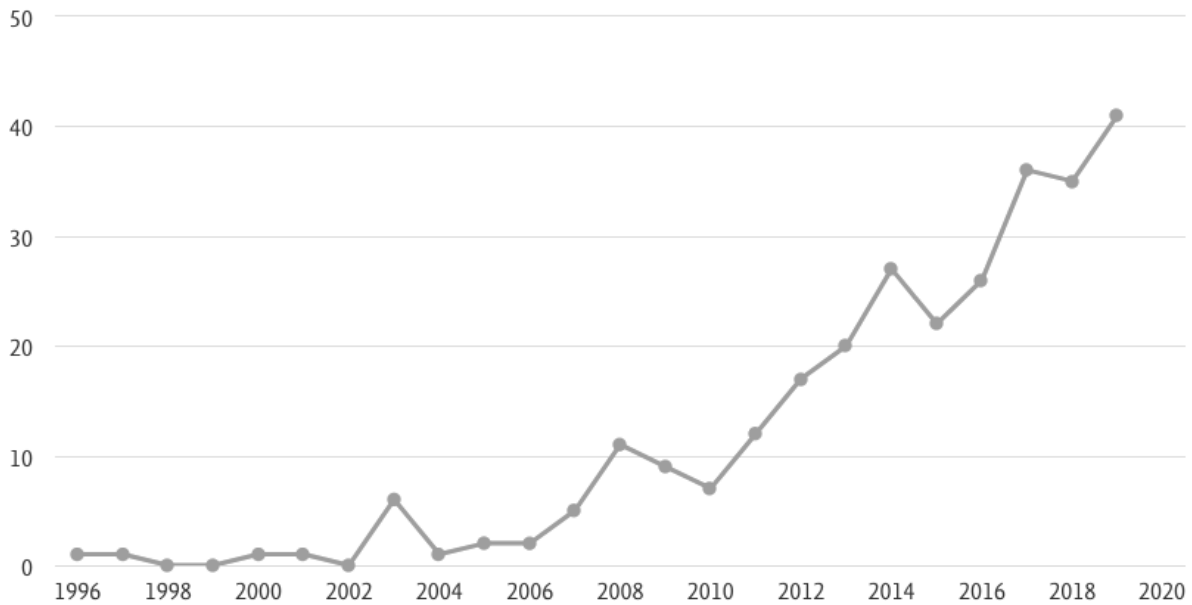
Año	Publicaciones	Año	Publicaciones
2019	41	2019	41
2018	35	2017	36
2017	36	2018	35
2016	26	2014	27
2015	22	2016	26
2014	27	2015	22
2013	20	2013	20
2012	17	2012	17
2011	12	2011	12
2010	7	2008	11

Source: Compilation based on Scopus.

About the chronology of publications, we show the **Figure 3**. **Figures 2 and 3** show a positive trend regarding the number of publications that have taken into account the phenomenon of greenwashing as the main topic of research. On the other hand, **Figure 4** presents the authors who have the largest number of publications on the subject, highlighting Guo, R. as one of the main authors, noted for addressing CSR issues and customer perception in the practices carried out by companies in China.

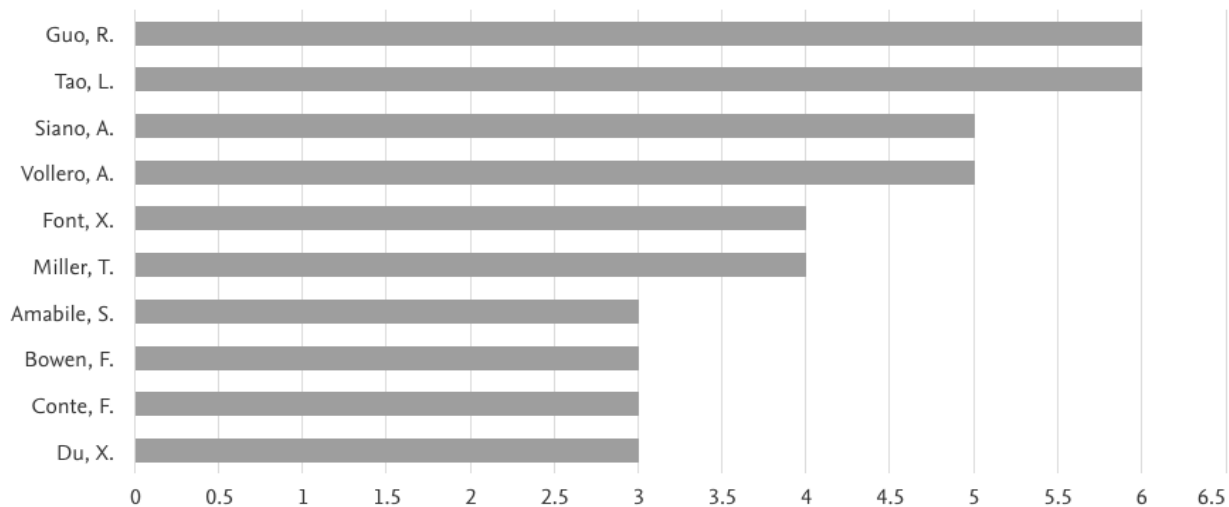
Figure 5 shows the number of publications by country, highlighting the great difference between the United States and the rest of the countries. Likewise, the absence of Mexico within the top countries that academically address the issue is identified.

Figure 3. Chronology of Publications



Source: Compilation based on Scopus

Figure 4. Publications by author

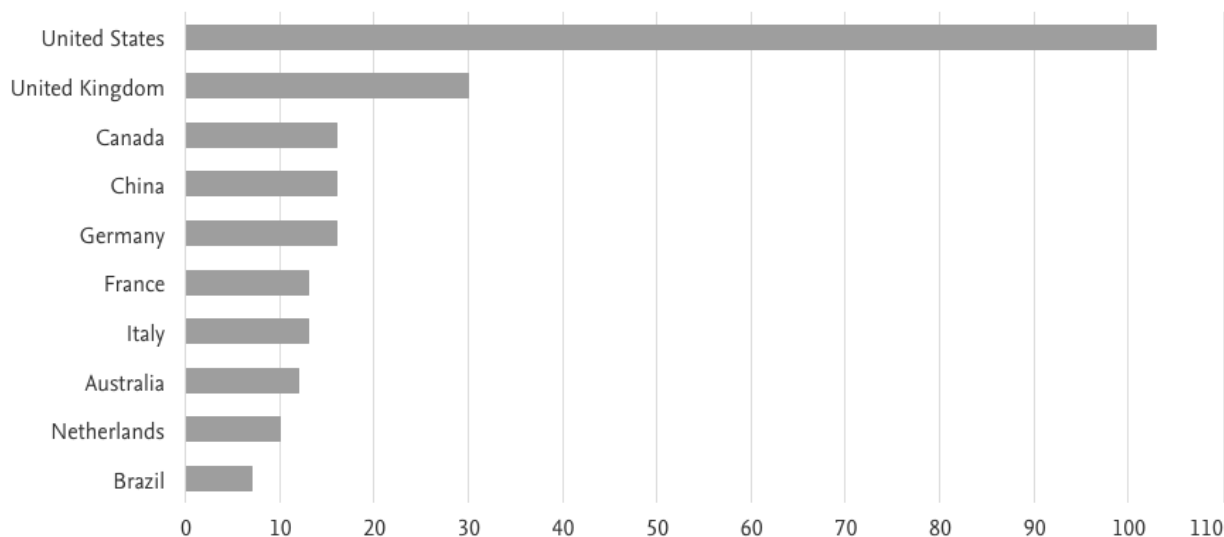


Source: Compilation based on Scopus

The foregoing is important to take into account because Mexican companies have been the target of criticism, due to the level of greenwashing that has been handled. Proof of this is what is mentioned by UNAM (2020) where the great problem in Mexico is mentioned, regarding greenwashing, however, it is not reflected in academic production. Similarly, Ocaranza (2016)

mentions through a report, how the Mexican group, a Mexican company, makes up its sustainability reports to make stakeholders believe its legitimate commitment to society.

Figure 5. Publications by country

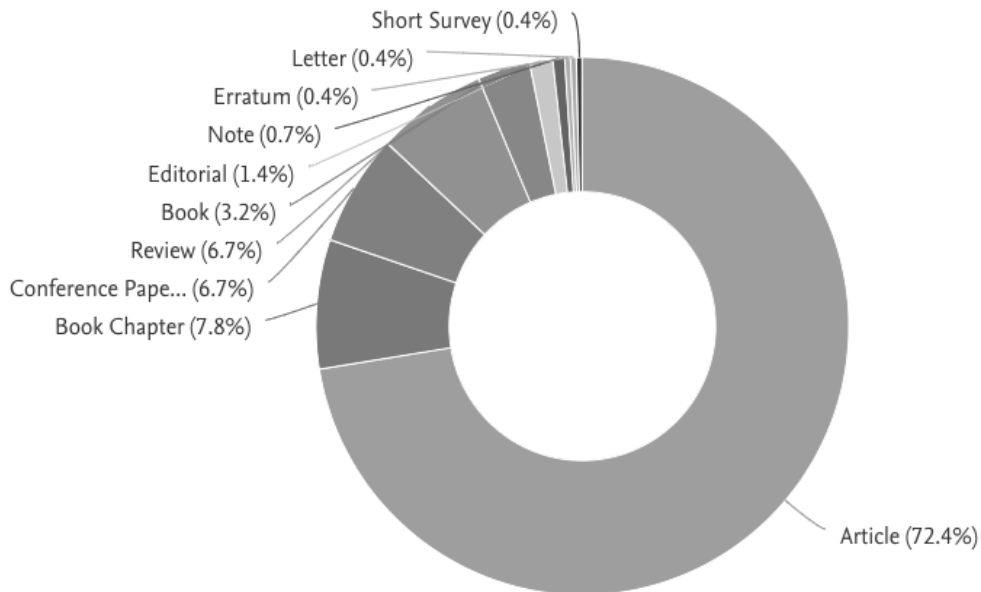


Source: Compilation based on Scopus

Likewise, **Figure 6** shows the type of document that was used to communicate the research on the subject. It is observed that 71% are scientific articles, followed by book chapters and conference proceedings.

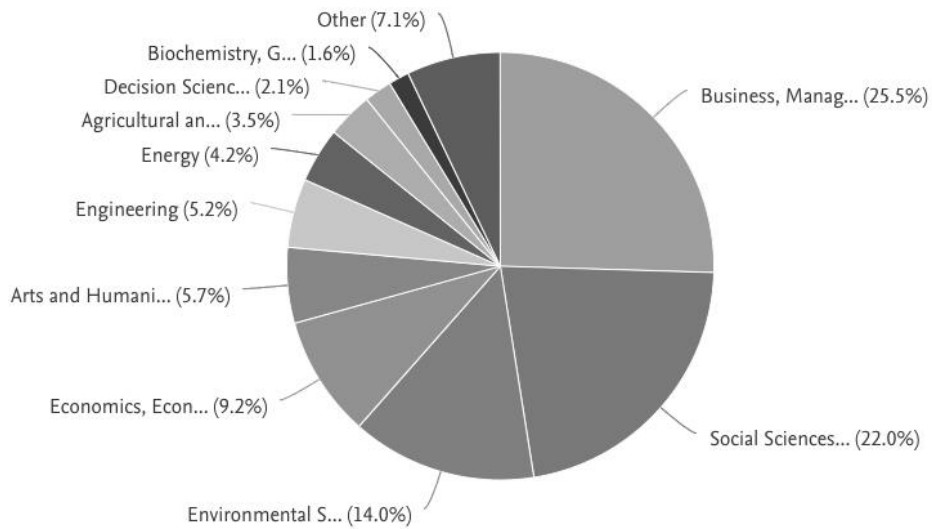
The **Figures 7 and 8** represent the number of publications that were produced by a scientific area, highlighting that 25.5% of the area that addresses the issue of greenwashing is Business and Management with 147 publications, followed by the Social Sciences area. Social) with 22% (127), this indicates that the phenomenon is addressed mostly from the perspective of the administration and not from social and ethical issues, therefore the importance and relevance to take into account this phenomenon is highlighted. as one more variable that influences the performance of the company, therefore it must be considered with a strategic approach and not from an ethical and philanthropic perspective.

Figure 6. Type of published document



Source: Compilation based on Scopus

Figure 7. Publications by thematic area



Source: Compilation based on Scopus

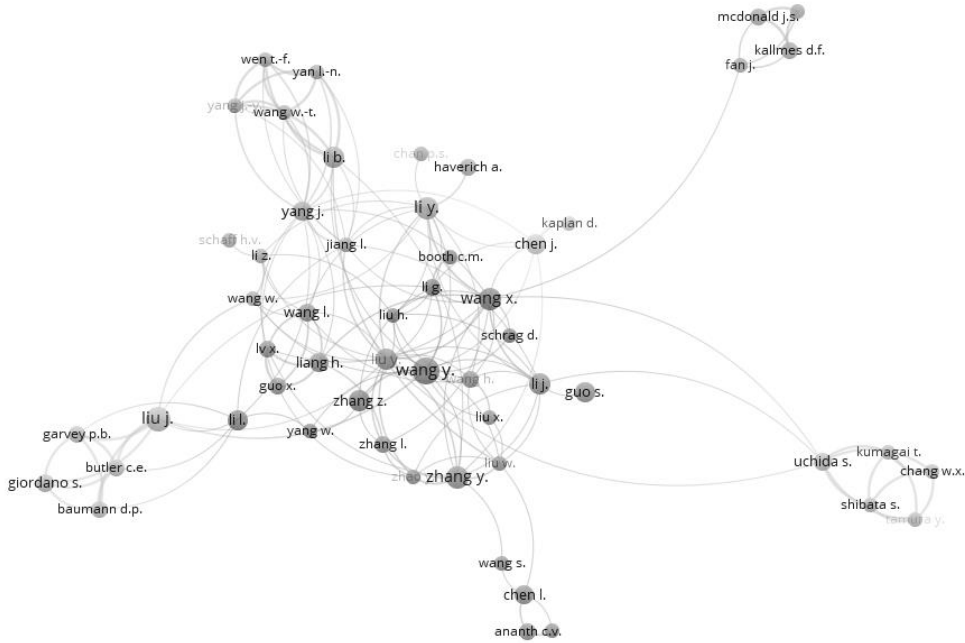
Figure 8. Number of publications by thematic area

Business, Management and Accounting	147
Social Sciences	127
Environmental Science	81
Economics, Econometrics and Finance	53
Arts and Humanities	33
Engineering	30
Energy	24
Agricultural and Biological Sciences	20
Decision Sciences	12
Biochemistry, Genetics and Molecular	9

Source: Compilation based on Scopus

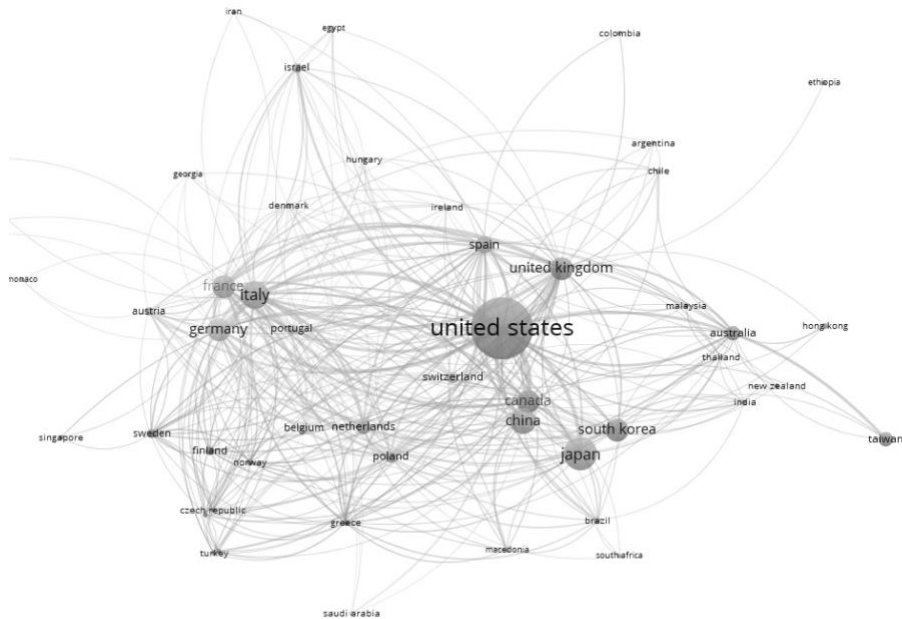
Finally, **Figures 9 and 10** are presented, in which the existing networks between authors and between countries, respectively, can be observed. Highlighting Wang, G., as one of the central axes in the study of the phenomenon and the United States as one of the main countries in the research networks on the subject, according to the Scopus database.

Figure 9. Networks between Authors



Source: Compilation based on Scopus

Figure 10. Networks between countries



Source: Compilation based on Scopus

4. Theoretical conception of the importance of CSR and strategic management

According to Carroll & Brown (2018), and Margolis & Walsh (2003), there is a positive relationship between CSR initiatives and the benefits of the company, in addition, Griffin, et al. (1997) describe it as the result of a 30-year search for an empirical relationship between a corporation's social initiatives and its financial performance. The evidence for such an emphasis is research such as that of Jackson (2004), and Laszlo (2003) that promotes the "responsibility-profitability connection" and affirms that CSR drives long-term shareholder value. Likewise, the author affirms that Price Waterhouse Coopers obtained as a result of a survey related to the subject, that 70% of global executive heads believe that CSR is vital for the profitability of their companies. Therefore, as mentioned by Teixeira (2019), the evidence suggests that the phenomenon is evolving towards a central business function and that it can be considered part of the general strategy of the company, vital for its success.

According to Carroll (2016), and Nart & Arkollar (2019) several authors have presented a review and evaluation of 127 empirical studies that explore the relationship between the implementation of social practices and financial benefits, in which they conclude that a simple compilation of the findings suggests that there is a positive association, and certainly very little evidence of a negative association, between one and the other, the social performance of the company and its financial performance, however, it is important to take into account the cases where the evidence is negative since it is important to clarify, why are these results obtained?

Based on the above, it is possible to identify the importance of the implementation of CSR, however, Rodríguez, et al. (2017) expose cases of failure, where business institutions implement sincere initiatives to improve the social environment without obtaining the expected results, derived from low credibility and even questioned for implementing "greenwashing". The authors suggest planning and strategically coordinating CSR initiatives, through instruments focused on strategic planning, such as matrices with previously established weights and criteria according to the priorities and particular characteristics of the company, in order to minimize the risk of failure. The foregoing allows planning and executing pertinent initiatives, generating the expected results (benefits) and, in turn, reducing the risk of implementing greenwashing due to poor implementation.

Authors such as Sun & Zhang (2019) and Lee et al. (2018) propose the intervention of the state to regulate said greenwashing practices, a future vision that leads to taking into account social

pressure and possible government regulations, because these regulations can affect the benefits of the company in a relevant way, Therefore, it is important to understand the variables that influence the success or failure of these initiatives to develop adequate strategic planning. On the other hand, the problem with regulation by the state is that it breaks with the very essence of CSR since CSR is adopted voluntarily, for that reason the government regulations are questionable.

Similarly, Torelli (2019) argues the existing complexity in the perception of consumers and how they can easily consider greenwashing practices that are not, and vice versa. Therefore, Dragomir (2019), and Rosenberg et al. (2019) consider it essential to align CSR strategies, programs, and/or initiatives with a strategic approach, taking into account the greatest number of variables that can influence the performance of the company, such as political, social, historical factors and even the company's own core business.

Based on the above, it is possible to understand the current difficulty in implementing CSR initiatives with a strategic approach, which allows aligning the company's activities with the initiatives established to improve the social environment, due to the absence of tools that facilitate said work, however, García, et al. (2010) Kang, et al. (2015) and Chen, et al. (2019), promote the use of existing tools such as the balanced scorecard that allows the company to facilitate the work related to the measurement of CSR indicators and at the same time align the initiatives with the additional activities of the company. An example is mentioned in Mejía-Trejo & Aguilar-Navarro (2022) and Mejía-Trejo (2021), where circular economy solutions and innovation models are proposed to solve problems related to sustainability and innovation (Mejía-Trejo et al., 2013).

Due to the above, according to Rosenberg et al. (2019), correctly implementing CSR initiatives will allow the company to eradicate greenwashing, a phenomenon that must be taken into account due to its growing presence in society, and that is reflected in the increase in publications focused on the subject. To ratify the above, a bibliometric analysis was carried out to demonstrate the increase in publications that analyze the phenomenon of CSR and the topic of greenwashing. In this way, the existence of case studies is identified, where companies still do not strategically incorporate CSR initiatives, therefore, the initiatives fail, which can influence decision-making and seek alternatives such as greenwashing. Finally, a summary table of the results and the discussion presented in this document are presented. **Table 1** presents the theoretical development and its proposal by incorporating strategic management as the central axis in the development of Corporate Social Responsibility practices.

Table 1. Incorporation of Strategic Management in CSR

	Corporate Social Responsibility Practices	
	No strategic management (leaning more to philanthropy)	Strategic management (focuses more on the core business)
Input	Low supervision	High supervision
	Isolated programs	Programs aligned to the central strategy
Output	Low retribution	High retribution
	High probability of greenwashing	Low probability of greenwashing

Source: Own elaboration.

As established in table 1, it is shown that when CSR practices are not developed with a strategic approach, they tend to be developed with a merely philanthropic approach, where there is little supervision, as well as being isolated programs, outside the strategies. headquarters of the company and, consequently, there is little remuneration and a high probability of applying greenwashing practices. On the contrary, when CSR practices are developed with a strategic focus, they tend to focus on the company's core business and, consequently, are aligned with the company's core strategies. Likewise, they are subject to greater supervision, since that is part of the company's strategy. Consequently, greater social retribution is obtained and, consequently, there is the possibility of reducing possible bad practices related to greenwashing.

5. Conclusions

Relevant aspects related to the issue of greenwashing and how the phenomenon has been addressed in recent years are identified. Emphasizing that the area of science with greater emphasis in the field of administration (Management) is based on bibliometric analysis. A high relationship between the study area and the phenomenon was identified.

Likewise, the vision of the future is identified in terms of the growing social demand for regulating the social activities of the company in terms of greenwashing, which should be of special interest to all business institutions, especially for those companies that belong to industries closely related. to ethical debates.

In addition, recent publications highlight the importance of incorporating CSR initiatives with a strategic focus to eradicate greenwashing in addition to addressing issues related to the explanation of customer behavior and the perception of CSR initiatives.

Finally, it is perceived that the existing CSR models work as a checklist but not as a strategic management tool that allows adjusting to the company's characteristics because it tends to standardize and on the contrary, each company must generate its characteristics. CSR initiatives individually, according to their resources and capacities. In addition to the above, various authors propose to adapt existing management tools and adapt them to develop successful CSR initiatives that take into account the most relevant aspects of the company, as an example, they propose to adopt the balanced scorecard to measure and evaluate the performance and impact of each CSR activity carried out by the company.

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