Article

Revisiting Stakeholder Theory and Environmentalism: Evidence from an Emerging Economy

Farida Saleem [1],[*], Yingying Zhang-Zhang [2], Muhammad Imran Malik [3] and Alawiya Allui [1]

[1] Department of Management, College of Business Administration, Prince Sultan University, Riyadh 11586, Saudi Arabia; aallui@psu.edu.sa

[2] Graduate School of International Management, International University of Japan, Niigata 949-7277, Japan; yzhang@iuj.ac.jp

[3] Department of Management Sciences, COMSATS University Islamabad, Attock Campus, Attock 43600, Pakistan; im4imranmalik@gmail.com

[*] Correspondence: fsaleem@psu.edu.sa

check for updates

Abstract: In this study, we evaluated corporate environmental activities within the framework of stakeholders' concerns and taking an emerging economy as the field of study. This paper integrates the stakeholder theory and corporate environmental behavior to develop a model and then tests this model in an emerging economy context. Data were collected through a questionnaire survey from managers operating in a variety of industries in Pakistan. A structural equation modeling technique has been used for data analysis. Results revealed that regulatory bodies are the most significant while media, customers, and activists are insignificant stakeholders. Top management commitment is identified as an important endogenous and exogenous variable.

Keywords: silent stakeholder; corporate environmental activities; emerging economy; sustainability strategy

1. Introduction

It has now widely been accepted that corporations have a responsibility beyond ensuring a return to their shareholders. The increasing attention toward environmental matters calls on the company to react and adapt its strategy to this issue. The growing concern about the environment arising from scientific debates (Intergovernmental Panel on Climate Change), global conferences (such as the Kyoto Protocol), and governmental responses has sharpened the focus on the role of corporations in dealing with the environment. Starting from the Global Compact [1] introduced by the UN, environmental responses are increasingly being considered as a part of a corporation's strategy and governance, rather than merely an operational issue.

The climate change issue is forcing firms around the world to give priority to these issues and carefully create and implement environmental strategies [2,3]. The concept that being good and being profitable cannot run side by side is an outdated one. Response of firms to climate change ranged from purchasing carbon credits to offset their emissions to voluntary environmental strategies that exceed the regulatory requirements [3]. The natural environment which was once considered as the external environment only has become a major influential factor in managerial decision making and is viewed as central to the marketing and management strategy nowadays.

Starting from Polonsky [4], the stakeholder theory has been repeatedly used by many researchers [5–9] in the corporate environmentalism area. As the concern for environmentalism continues to grow, managers need to understand their relationship with different stakeholder groups

and the impact of these groups on their ability to incorporate environmental strategies [10]. Hence, we have proposed an extended model based on the corporate environmentalism model [8] by integrating internal and external stakeholders' perspectives. Internal stakeholders are the ones present inside the organization while external are outside the organization. We have integrated the stakeholders' concern and strategic environmental disposition of firms to develop a model and then tested this model in an emerging market, Pakistan. Our results show that not all but few stakeholders are important drivers for corporate environmental strategies in the emerging market, Pakistan.

The contribution of this study is three-fold. First, we have considered a list of internal and external stakeholders whereas previous studies [5,7–9] have focused on a limited number of stakeholders' impacts on the environmental disposition of organizations. Second, we have taken top management commitment as mediating construct by putting it at the center of nexus. Lastly, we have tested the proposed model from an emerging economy perspective. It is also being increasingly recognized that the nature of environmental issues and responses vary between the developed and developing/emerging countries due to differences in the pressure from different stakeholder groups [7]. The majority of the literature, with very few exceptions, on corporate environmentalism has arrived from the USA and Europe; however, according to Spencer [11] developing and emerging markets should be brought into the picture due to the increase in the industrial development in these markets. The major focus of this research is to identify the important stakeholder groups that can have an influence on the environmental strategies of firms from an emerging market.

2. Literature Review

According to the traditional view of the firm, shareholders are the owners; the firm has a duty to give them primary importance and must address the needs of only four parties: investors, employees, suppliers, and customers. On the other hand, stakeholder theory argues that there are other parties who should be involved in this process including the public, government bodies, political groups, communities, trade unions, and even competitors.

The turning point of the stakeholder approach to strategy was the publication of R. Edward Freeman's *Strategic Management: A Stakeholder Approach* in 1984. Freeman defines stakeholders as "any group or individual who can affect or is affected by the achievement of the organization's objectives" (1984:46). According to Alkhafaji [12], stakeholders are "groups to whom the corporation is responsible" (1989:36). Similarly, Clarkson [13] defines stakeholders as those who have placed something at stake/risk in a relationship with the firm. Whereas, according to Savage et al. [14], stakeholders are individuals or groups who have some kind of interest in the actions of an organization; they have the ability to influence the practices of an organization through direct or indirect pressures. There is a significant debate in stakeholder theory (SHT) literature about which parties qualify as a corporation's stakeholders. Two foremost themes are evident, namely, (1) a narrow view, focusing on the groups that have direct influence on the corporation economic interests [15] and corporation survival is dependent on them [13,16]. Clarkson [13] identified them as primary stakeholders while Phillips, Freeman, and Wicks [17] tag them as normative stakeholders. and (2) the broad view that is derived from a more general definition of stakeholders by Freeman [18].

The normative approach on how managers should deal with stakeholders, based on a moral commitment rather than using stakeholders to maximize profits, was introduced by Donaldson and Preston [19]. According to this view, firms establish certain fundamental principles on how to treat stakeholders and guide them in doing business and decision making. This approach has been derived from principles of ethics according to which decisions that are made without considering whether their impact on others is unethical. According to Donaldson and Preston [19], stakeholders have intrinsic worth; certain claims by them are based on fundamental moral principles that are not related to the instrumental value to a corporation. Honoring these claims may not serve the strategic objectives of a firm but they should be addressed prior to the corporate strategic considerations.

Mitchell, Agle, and Wood [15] have derived a typology of stakeholders which includes attributes of power (coercive—force, utilitarian—incentive, and normative—symbolic influences), legitimacy (individual, organizational, and societal), and urgency (time sensitivity—delay in attending the claim is unacceptable to stakeholder and criticality—importance of the claim). This classification helps managers to address a fundamental question about which stakeholder group should be given priority and attention by the organization. They formulate seven classes of stakeholders on the basis of these three attributes.

Polonsky [4] argues that the stakeholders have the ability to either threaten or cooperate. The aim of corporate strategy should be to reduce the threatening behavior or increase the cooperative attitude of these stakeholders. The importance of stakeholders is dependent on the issue which is under consideration. The arguments of scholars like Wood and Jones [20] and Donaldson and Preston [19] put business responsible for only those entities that are directly or indirectly affected by or can affect a firm's operations and activities. Henriques and Sadorsky [21] have identified four critical stakeholder groups with reference to corporate environmentalism, i.e., regulatory stakeholders, organizational stakeholders, community stakeholders, and media. Similarly, Gago and Antolin [22] have used [15] typology (power, legitimacy, urgency, and salience) for stakeholder identification with respect to natural environmental issues and have identified the following stakeholder groups: (1) government regulatory bodies—high power and high legitimacy; (2) owners/board of directors—high power; (3) customers—high power and salience; (4) suppliers—low power, low urgency, and low legitimacy; (5) media—high urgency and low legitimacy; and (6) employees—moderate power, legitimacy, and urgency. Buysse and Verbeke [23], based on empirical analysis, divide the natural environmental stakeholders into external primary, internal primary, secondary, and regulatory stakeholders. These typologies are the true categorization of environmental stakeholders. Buysse and Verbeke [23] used these typologies to check their impact on different levels of environmental strategies and empirically identify the importance of these stakeholder groups. Some researchers have preferred to take a broad range of stakeholder groups while considering their relationship with the organization [4,22]. However, others have preferred to have a smaller number [8].

Most of the studies on the stakeholder perspective of corporate environmentalism considered customers and regulatory bodies [8,9] from the external stakeholder group and employees [5,6,24] from the internal stakeholder group. This study empirically investigated the impact of a few other important stakeholder groups (media, activists, competitors, and boards of directors) in an emerging economy's context. In this study, we have taken boards of directors (BODs) and employees from the internal stakeholder category and regulatory bodies, customers, media, competitors, and activists from the external stakeholder category. The proposed model is presented as Figure 1.

2.1. Environmental Strategies

An organization's environmental strategy, here, refers to "a pattern of action over time, intended to manage the interface between business and the natural environment" [24]. The classification of environmental strategies ranged from compliance to voluntary stances adopted by corporations. Similarly, the integration of environmental concerns can be at different levels. The environmental strategy focus has a corporate strategy and business/functional strategy focus (as delineated by Schendel and Hofer [25]). Corporate strategy may include the relocation of plant/production units, investment into R & D for ecologically friendly products, adoption of environmentally friendly technologies, and even decision about entering new markets. Marketing environmental strategies involve decisions at business and functional levels. These strategies are focused on the environment-conscious segments, the customer who wants greener products; they may include the launch of new eco-friendly products or packaging, redesigning of products to reduce or minimize their impacts on the environment, or use of environmental-friendly messages in their advertising [8]. Thus, corporate strategic environmental disposition can be represented through a firm's corporate- and marketing-level environmental strategies.
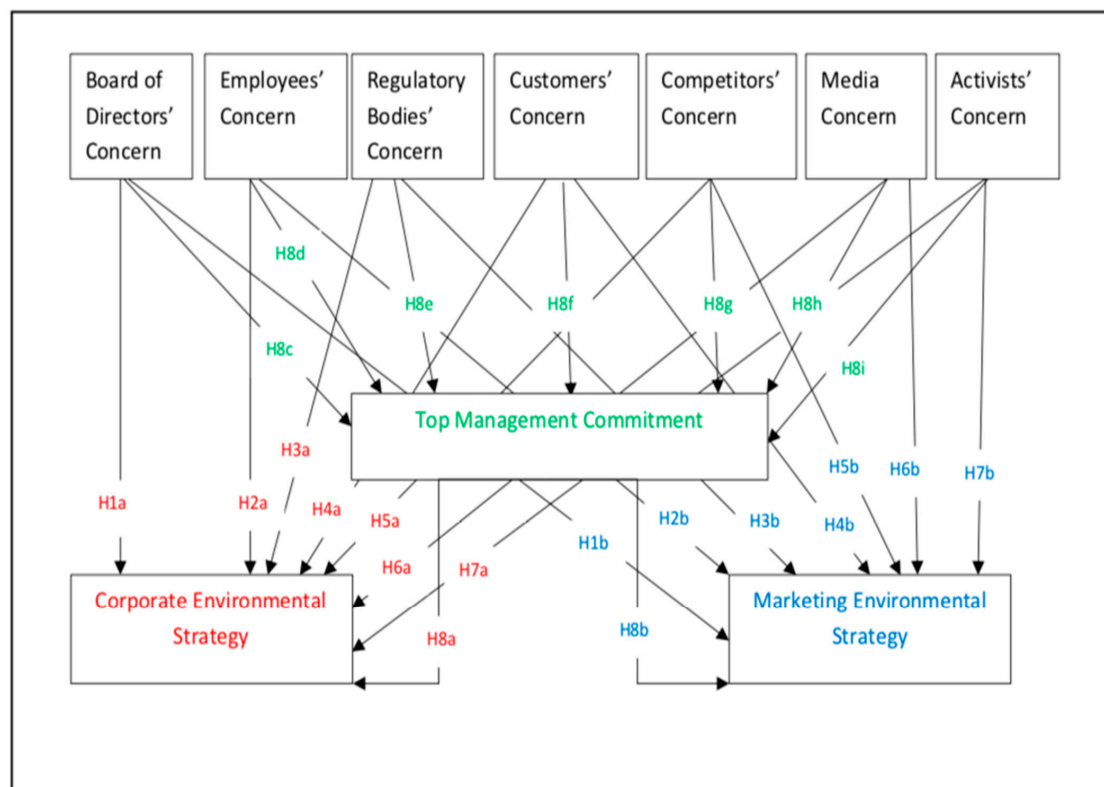
Figure 1. Proposed model.

2.2. Board of Directors' Concern

Every strategy and policy including environmental changes must go through the board; their concern toward environmental preservation can influence and encourage organizations to adopt more progressive environmental policies and strategies. The BOD's concern towards the environment is a critical factor that ensures the integration of the firm's strategy and sustainable development [26,27]. A corporate board of directors is the major decision maker for framing environmental policies and strategies [26]. Seifert and Guenther [28], while studying the voluntary environmental management system implementation in the healthcare sector, concluded that the most significant pressure to implement this voluntary system was from the owners and the management board. Based on the above findings following hypotheses are proposed.

Hypothesis 1a (H1a). *BODs' concern will influence firms' corporate environmental strategies.*

Hypothesis 1b (H1b). *BODs' concern will influence firms' marketing environmental strategies.*

2.3. Employees' Concern

Employees are becoming more and more environmentally conscious as they feel comfortable working in an organization that shares the same values [6]. Employees' concern towards environmental preservation can put pressure through "whistleblowing" and it is an important driver for companies to become sustainable [29]. Most of the researchers who have worked on the stakeholder perspective on natural environmental strategies considered employees an important stakeholder [5,6,30]. They can be an important motivating factor behind successful environmental policy. Suman and Das [6] found a positive association between organizational environmental performance and employee retention. Buysse and Verbeke [23] identified employees as the most important internal primary stakeholders. They have also found that the importance attached to primary stakeholders will increase the possibility

of environmental strategies shifting toward environmental leadership, rather than reactive or pollution prevention approaches. On the basis of the above results, the researchers hypothesize the following.

Hypothesis 2a (H2a). *Employees' concern will influence firms' corporate environmental strategies.*

Hypothesis 2b (H2b). *Employees' concern will influence firms' marketing environmental strategies.*

2.4. Regulatory Bodies' Concern

Researchers have recognized the role of regulatory bodies in initiating environmental response for firms [8,9,31,32]. Comprehensive environmental strategies by organizations are more common in industries that face stricter environmental regulations [8]. Environmental legislations play a very important role in the development and implementation of environmental strategies and can lead to significant environmental improvement [31,33,34]. King and Lenox [35], after studying chemical manufacturers associations, found that explicit sanctions through government regulation and coercive forces, in the form of sanctions by regulatory bodies, are required for proactive environmentalism.

Similarly, regulatory intensity and institutional pressure have forced firms to be environmentally responsive [31,32,34]. After studying the environmental performance of 14 paper and pulp mills in Australia, New Zealand, British Columbia in Canada, and the states of Washington and Georgia in the USA, Kagan et al. [36] have found that regulatory requirements play an important role in improving the environmental response of firms. In the light of the above results, the researchers expect the following relationship.

Hypothesis 3a (H3a). *Regulatory bodies' concern will influence firms' corporate environmental strategies.*

Hypothesis 3b (H3b). *Regulatory bodies' concern will influence firms' marketing environmental strategies.*

2.5. Consumers' Concern

Green consumerism has played an important role in corporate environmentalism and green marketing [37]. After seeing an increase in the environmentally conscious customers segment, firms have started environmental management and have started viewing environmental management as an opportunity rather than a threat [37,38]. It is more likely that customers will boycott irresponsible businesses compared to supporting responsible businesses [39]. The customers feel that today's ecological problems are severe and corporations are not acting reasonably toward these problems [39,40]. Environmental proactivity by firms is associated with pressures from the customer group [39,41]; as a result, many firms have started turning green due to green consumerism [39,41,42]. The rise of environmental concern among consumers has been viewed as perhaps the biggest opportunity for enterprise and invention the industrial world has ever seen. The difference in customers' concern also explains the difference in industrial response toward the development and implementation of environmental strategies [8,41]. These findings lead to hypothesize the following relationship.

Hypothesis 4a (H4a). *Customers' concern will influence firms' corporate environmental strategies.*

Hypothesis 4b (H4b). *Customers' concern will influence firms' marketing environmental strategies.*

2.6. Competitors' Concern

Firms try to mimic the visible and well-defined activities of others, such as environmental audits, certified environmental management systems, and other pro-environmental activities when these activities are part of industry practices or their competitor is doing it. This also saves them from suffering public or financial sanctions because of the legitimacy that is conferred since many players are engaged in the same practice [38,42]. Recognition by market forces will be given to the firms that

follow proactive environmental technologies; these recognitions by industry forces put pressure on firms to change their environmental strategy to compete in the industry [7,38,43]. The above findings lead to the following relationships.

Hypothesis 5a (H5a). *Competitors' concern will influence firms' corporate environmental strategies.*

Hypothesis 5b (H5b). *Competitors' concern will influence firms' marketing environmental strategies.*

2.7. Media Concern

　　Highly publicized events which become the focus of public attention can trigger institutional transformation and industry evolution [44]. Luo at al. [45] have identified media as an important stakeholder which can exert pressure on firms to be environmentally friendly. Polonsky [4] placed media into bridging stakeholder groups (groups which can become bridges between two stakeholder groups): it can exert pressure either directly or indirectly by involving other stakeholders in this process. Media can exert pressure on the firms and can play a positive role in promoting pro-environmental behavior and green consumption [7,46,47]. The media reports about environmental accidents increase public awareness. Hence, it trigger responses from firms to be more proactive in addressing environmental issues. It has been observed that firms that receive negative environmental press are the early adopters of environmental certification [45]. In a more recent study, Shipilov, Greve, and Rowley [48] indicated that media coverage has much deeper and broader consequences for the organizations. From the above theoretical and empirical findings, the following hypotheses are proposed.

Hypothesis 6a (H6a). *Media concern will influence firms' corporate environmental strategies.*

Hypothesis 6b (H6b). *Media concern will influence firms' marketing environmental strategies.*

2.8. Activists' Concern

　　Community groups and non-governmental organizations (NGOs) have the ability to put pressure on organizations to adopt a pro-environmental plan [32,49]. They can exert pressure on the firm through influencing the legislative process, changing buying patterns, third-party and citizen lawsuits, and closure of future development with the firm [7]. The adoption of pollution prevention programs by firms is positively correlated with firms' active engagement with community stakeholders [50]. There are many examples where companies have changed their environmental practices due to environmental group pressures [51,52]. For instance, Mitsubishi Corporation announced that it would no longer use old-growth forest products due to a protracted consumer boycott led by the Rainforest Action Network (RAN) (World Rainforest Movement, 1998) [30].

　　According to [7] NGOs exert social pressures as they act as effective watchdogs. In dirtier industries, the companies develop pro-environmental strategies for the maintenance of trust and support of local communities and to avoid attention from environmental groups and NGOs. Companies try to become a good neighbor as, according to Seifert, Damert, and Guenther [53], the environmental NGOs and associations have the ability to shape up the environmental response of firms. The above results lead to the following hypotheses.

Hypothesis 7a (H7a). *Activists' concern will influence firms' corporate environmental strategies.*

Hypothesis 7b (H7b). *Activists' concern will influence firms' marketing environmental strategies.*

2.9. Top Management Commitment

　　The upper echelon concept [54] places top management in the center of the nexus; organizational outcomes including both strategies and effectiveness are outcomes of the values and cognitive bases of

top management of an organization [55]. As identified by Dutton and Duncan [56], "strategic issues do not activate decision makers in a packaged form. Instead, interpretation of key issues and how they relate to the organization are highly subjective" (1987: 280). The strategic issue interpretation literature has given importance to the "response magnitude" [57] which reflects the level of commitment and effort the top management is willing to put into resolving an issue [56]. The response strategy that managers choose is a reflection of the level of commitment and the importance that managers have attached to those strategic issues [57]. The commitment of top management identifies the action a corporation is going to take to resolve them [56].

Del Brio et al. [58] found a direct relationship between the commitment of managers towards environmental issues, their awareness of the advantages and disadvantages, and tools of environmental management, and the formal importance they give to environmental protection. This might be the reason behind the establishment of environmental departments and/or the appointment of managers to be in charge of environmental issues. Aragón-Correa et al. [59], after comparing managerial view and inertial view, found the upper echelon concept [54] as a valid bridge between strategic choice and determinism. The relationship between environmental commitment and the manager is greater when the manager who is assuming environmental responsibility is a part of top management. Similarly, Shahab et al. [60] found CEO attributes as predictors of sustainable performance and institutionally driven environmental policies. The emphasis of top management on environmental issues make these issues more salient and can result in generating response [42,61]. In the light of the above results following hypotheses are proposed.

Hypothesis 8a (H8a). *Top management commitment will influence firms' corporate environmental strategies.*

Hypothesis 8b (H8b). *Top management commitment will influence firms' marketing environmental strategies.*

The management of a firm plays an important role in seeking out emerging sources of competitive advantage such as environmental marketing to satisfy customers and other stakeholders and in return increase shareholders' value [62]. Hambrick and Mason [55] put top management in the center of the nexus, and attribute organizational outcomes including both strategies and effectiveness to the values and cognitive biases of the top management. The managers of a firm play a mediating role in the relationship between stakeholders and organizational response to environmental issues [8,9]. Similarly, strategic decisions by the firms are not only affected by the degree of pressures from environmental stakeholders but also by the degree to which these pressures are perceived by the managers responsible for these decisions [32,63]. The literature has identified that top managerial commitment has a direct relationship and it also plays a role of mediator between environmental strategies and pressures from internal and external sources on organizations [8,9]. Hence, based on the above findings following hypotheses are proposed.

Hypothesis 8c (H8c). *BODs' concern will influence top management commitment to the environment.*

Hypothesis 8d (H8d). *Employees' concern will influence top management commitment to the environment.*

Hypothesis 8e (H8e). *Regulatory bodies' concern will influence top management commitment to the environment.*

Hypothesis 8f (H8f). *Customers' concern will influence top management commitment to the environment.*

Hypothesis 8g (H8g). *Competitors' concern will influence top management commitment to the environment.*

Hypothesis 8h (H8h). *Media concern will influence top management commitment to the environment.*

Hypothesis 8i (H8i). *Activists' concern will influence top management commitment to the environment.*

3. Methods

3.1. Data and Sample

We used a questionnaire to collect data from executives. Following the procedure recommended by Dillman [64], we made three contacts with the companies listed on the Karachi Stock Exchange. The first mailing, addressed to the CEO/MD (Managing Director) of the company, included a cover letter, a questionnaire, and a reply envelope. A total of 500 questionnaires were mailed in the first phase, out of which 27 questionnaires were returned due to change of address. Sixty-two companies responded to the first round of mail which is about 12% of the sample. The second mailing, a handwritten reminder on a postcard, was sent ten days later. The third and final mailing was sent after ten more days and was identical to the first mailing, including a cover letter (reminding about the first mailing), a questionnaire, and a reply envelope. In the third round, we contacted 382 companies. Twenty companies responded to the third round, which is about 5% of the sample. The total response rate was 16% and the total number of responses was 82.

Although the low response rate was disappointing, it was not surprising as the practice of survey research in Pakistan is not very common and organizations have not developed a culture of active participation in studies. To improve response, we initiated a second phase of data collection. We expanded data collection to include seven other major cities of Pakistan which are listed as having significant business activity. In this phase, we resorted to personal administration of the questionnaire and used the non-probability convenience sampling technique.

In the second phase, a total of 500 questionnaires were distributed. Direct contact with the CEO/MD and their personal staff was made by visiting the head offices. However, due to the important position of the respondent, it was not always possible to make personal contact. Hence, we left the questionnaire with his/her office and collected it after 3-4 days. This approach was used to reduce time-based response bias. We also made a reminder call before the follow-up visit to collect the questionnaire in order to improve the response rate. Under this strategy, 285 questionnaires were received. Eleven responses were dropped from analysis due to insufficient information and lack of knowledge about environmental activities. The total number of usable responses was 356. The data collection process is explained in Figure 2.
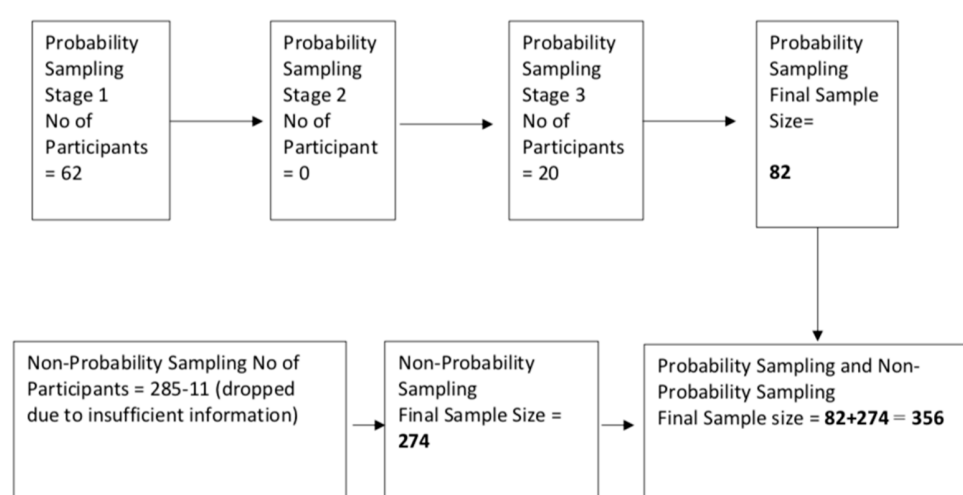

Figure 2. Data Collection Flow Chart.

3.2. Measurement of Variables

Customers' concern (CC) was measured with the help of three items adopted from Banerjee, Iyer, and Kashyap [8]. The same variable was measured by Fraj-Andrés, Martínez-Salinas, and Matute-Vallejo [9] by using the items developed by Banerjee, Iyer, and Kashyap [8]; they have validated these items with data from the Spanish industrial sector. Regulatory bodies' concern (RBC) was measured with the help of five self-report items adopted from Banerjee, Iyer, and Kashyap [8]. For the measurement of activists', competitors', media, boards of directors', and employees' concerns, self-report items, in the format of "public concern" [8], were developed. For the measurement of corporate environmental strategies (CES) and marketing environmental strategies (MES), six items and four items were adopted from Banerjee, Iyer, and Kashyap [8], respectively. Top management commitment (TMC) was measured with the help of four questions adopted from Banerjee, Iyer, and Kashyap [8]. All items employed a five-point response format (strongly agree, agree, not sure, disagree, and strongly disagree). All items are listed in Table 1.

Table 1. Measures for Data Collection and Factor Loadings of Exploratory Factor Analysis.

Variables/Measures	Questions	Factor Loading of Exploratory Factor Analysis (Extraction Method: Principal Component Analysis)
BODs' Concern		
BODC1	Members of board of directors of our organization are well aware of environmental issues related to our organization.	0.904
BODC2	Members of board of directors of our organization are concerned about the impact of our operation on the natural environment.	0.934
BODC3	Members of board of directors expect our firm to be environmentally friendly.	0.913
Employees' Concern		
EC1	Employees in our organization are well aware of environmental issues related to our organization.	0.919
EC2	Employees in our organization are concerned about the impact of our operation on the natural environment.	0.954
EC3	Our employees expect our firm to be environmentally friendly.	0.951
Customers' Concern		
CC1	Our customers feel that environmental protection is a critically important issue facing the world today.	0.854
CC2	Our customers are increasingly demanding environmentally friendly products and services.	0.822
CC3	Our customers expect our firm to be environmentally friendly.	0.821

Table 1. *Cont.*

Variables/Measures	Questions	Factor Loading of Exploratory Factor Analysis (Extraction Method: Principal Component Analysis)
Regulatory Bodies' Concern		
RBC1	Regulation by government agencies has greatly influenced our firm's environmental strategy.	0.945
RBC2	Environmental legislation can affect the continued growth of our firm.	0.954
RBC3	Stricter environmental regulation is a major reason why our firm is concerned about its impact on the natural environment.	0.948
RBC4	Our firm's environmental efforts can help shape future environmental legislation in our industry.	0.920
RBC5	Our industry is faced with strict environmental regulation.	0.901
Activists' Concern		
AC1	There are community groups/NGOs who are watching our natural environment related activities.	0.898
AC2	Our organization is facing pressure from community groups/NGOs for preservation of the natural environment.	0.728
AC3	Community groups/NGOs expect our firm to be environmentally friendly.	0.864
Media Concern		
MC1	Our industry is under observation from the media for our natural-environment-related activities.	0.630
MC2	Our organization is facing pressure from media for preservation of the natural environment.	0.921
MC3	Media expect our firm to be environmentally friendly.	0.818
Competitors' Concern		
ComC1	Our competitors feel that environmental protection is a critically important issue facing the world today.	0.925
ComC2	Our competitors are increasingly developing environmentally friendly products and services.	0.946
ComC3	Our competitors have gained an edge by using environmentally friendly strategies.	0.764
Top Management Commitment		
TMC1	The top management team in our firm is committed to environmental preservation.	0.947
TMC2	Our firm's environmental efforts receive full support from our top management.	0.960
TMC3	Our firm's environmental strategies are driven by the top management team.	0.914

Table 1. *Cont*.

Variables/Measures	Questions	Factor Loading of Exploratory Factor Analysis (Extraction Method: Principal Component Analysis)
Corporate Environmental Strategies		
CES1	Our firm has integrated environmental issues into our strategic planning process.	0.956
CES2	In our firm, quality includes reducing the environmental impact of products and processes.	0.961
CES3	At our firm, we make every effort to link environmental objectives with our other corporate goals.	0.956
CES4	Environmental issues are always considered when we develop new products.	0.959
Marketing Environmental Strategies		
MES1	We emphasize the environmental aspects of our products and services in our ads.	0.972
MES2	Our marketing strategies for our products and services have been considerably influenced by environmental concerns.	0.967
MES3	In our firm, product-market decisions are always influenced by environmental concerns.	0.956

3.3. Common Method Variance

Self-reported data raise the issue of the potential effect of common method variance (CMV) [65]. Prior to hypothesis testing, CMV was tested using Harman's one-factor test. When all items were loaded in principal component factor analysis, eight factors with "eigenvalue" greater than 1 were formed and the first factor accounted for less than 50% variance. The result revealed that the data are free from CMV.

3.4. Multivariate Normality

In Structural Equation Modeling (SEM) programs, multivariate normality can be assessed through Mardia's coefficients of multivariate kurtosis [66]. A sample is considered to be multivariate normally distributed at a 5% level of significance when the multivariate kurtosis value that is Mardia's coefficient is less than 1.96 [67]. One of the common measures for the identification of multivariate outliers is Mahalanobis distance. The most likely candidates to be considered outliers are the cases with the highest Mahalanobis D-square values and should be re-examined for inclusion in data analysis. To reach a multivariate normal distribution, seven observations were deleted, based on the Mahalanobis distance. After the deletion of seven observations, the multivariate kurtosis dropped sharply from 11.825 to 1.140. Table 2 provides information about Mardia's coefficient of multivariate kurtosis and its critical ratio.

Table 2. Multivariate Normality Analysis.

Sample Size	Mardia's Coefficient Kurtosis	Critical Ratio
356	11.825	2.023
349	1.140	0.193

3.5. Validation of Measures

As for the majority of variables, items were developed so their validation was required. As the first step of validation, exploratory factor analysis [68] of the measurement scale was conducted using SPSS 16. The values of Kaiser–Meyer–Olkin parameters and Bartlett's sphericity test justified application of the exploratory factor analysis technique. The factor loading of each item was greater than 0.5. All items were loaded in the underlying variables and the total explained variance for each factor was also greater than 50%. No item was removed at this stage. Similarly, the item to total correlation values exceeded the cut-off value of 0.5 [69]; the values are presented in Table 1.

The next step was the application of confirmatory factor analysis (CFA). CFA (measurement model fit) was conducted using AMOS 16. The two steps or incremental approach to structural equation modeling was used. The first step was the fitting of the measurement model also known as CFA and the second step was the testing of hypotheses using the structural model. Both of these steps were run in AMOS 16 using a structural equation modeling technique. Items were considered for deletion from the analysis based on the following criteria which had been identified by Joreskog and Sorbom [70]: (1) having t value less than 2.50, (2) having factor loadings less than 0.5, and (3) having R^2 less than 0.5. One item (MC1) from the media concern (MC) variable was deleted due to its factor loading less than 0.5. One item (RBC5) was deleted due to cross loading of this observed variable. The measurement model was a good fitted model with $\chi2 = 889$, d.f. $= 482$, $\chi2/d.f. = 1.85$, $p < 0.001$, comparative fit index (CFI) = 0.97, goodness of fit index (GFI) = 0.87, adjusted goodness of fit index (AGFI) = 0.85, root mean square residual (RMR) = 0.04, and root mean square error of approximation (RMSEA)= 0.05.

3.6. Discriminant Validity

The model which was presented by Fornell and Larcker [71] for assessment of discriminant validity of two or more factors explains that the average variance extracted (AVE) of each construct should be compared with the shared variance between the constructs and for the support of discriminant validity the AVE for each construct should be greater than its shared variance with any other construct in the model. After comparing these values, it was concluded that there is no issue of discriminant validity in all constructs. The results are presented in Table 3.

Table 3. Descriptive Statistics, Correlations, and Shared Variance for Constructs.

	Variable	No of Items	Mean	S.D. [a]	CR [b]	1	2	3	4	5	6	7	8	9	10
1	BODC	3	2.68	1.14	0.91	0.76									
2	EC	3	3.42	1.07	0.95	0.53 (0.28)	0.85								
3	CC	3	4.04	0.77	0.78	0.35 (0.12)	0.47 (0.22)	0.54							
4	RBC	4	2.88	1.13	0.95	0.69 (0.48)	0.58 (0.34)	0.33 (0.11)	0.85						
5	ComC	3	2.78	1.12	0.87	0.73 (0.53)	0.49 (0.24)	0.43 (0.18)	0.77 (0.59)	0.70					
6	AC	3	4.16	0.56	0.79	0.33 (0.11)	0.44 (0.19)	0.35 (0.12)	0.42 (0.18)	0.43 (0.18)	0.57				
7	MC	2	4.36	0.70	0.82	0.26 (0.07)	0.42 (0.18)	0.29 (0.08)	0.43 (0.18)	0.42 (0.18)	0.51 (0.26)	0.70			
8	TMC	4	2.53	1.21	0.96	0.67 (0.40)	0.61 (0.37)	0.35 (0.12)	0.77 (0.59)	0.73 (0.53)	0.40 (0.16)	0.34 (0.12)	0.87		
9	CES	5	3.34	1.35	0.97	0.71 (0.50)	0.57 (0.32)	0.38 (0.14)	0.79 (0.62)	0.79 (0.62)	0.40 (0.16)	0.35 (0.12)	0.79 (0.62)	0.89	
10	MES	4	2.69	1.33	0.97	0.63 (0.40)	0.59 (0.35)	0.45 (0.20)	0.67 (0.45)	0.67 (0.45)	0.47 (0.22)	0.44 (0.19)	0.64 (0.41)	0.77 (0.59)	0.89

Note: Shared variance in parenthesis; AVE in diagonal: $p < 0.01$; [a] S.D.: standard deviation; [b] CR: composite reliability.

4. Results

Structural Model and Hypothesis Testing

The dimensions which were obtained from the measurement model were used as input in causal path analysis. The SEM results appear in Table 4 and Figure 3. All hypotheses except for H2a, H4a H6a, H7a, H8b, H8f, H8h, and H8i were supported.

Table 4. Structural Model and Path Analysis.

Causal Path	Un-Standardized Coefficient	*t*-Value	Hypotheses	Supported
BODC =>CES	0.189	2.79 *	H1a	Yes
BODC =>MES	0.225	2.74 *	H1b	Yes
EC =>CES	0.047	0.82	H2a	No
EC =>MES	0.152	2.18 **	H2b	Yes
RBC =>CES	0.304	4.27 *	H3a	Yes
RBC =>MES	0.235	2.74 *	H3b	Yes
CC =>CES	0.051	0.62	H4a	No
CC =>MES	0.247	2.45 **	H4b	Yes
ComC =>CES	0.305	4.63 *	H5a	Yes
ComC =>MES	0.150	1.91 **	H5b	Yes
MC =>CES	−0.065	−0.89	H6a	No
MC =>MES	0.160	1.79 ***	H6b	Yes
AC =>CES	0.028	0.29	H7a	No
AC =>MES	0.221	1.89 **	H7b	Yes
TMC => CES	0.351	4.97 *	H8a	Yes
TMC =>MES	0.104	1.23	H8b	No
BODC =>TMC	0.110	1.77 ***	H8c	Yes
EC =>TMC	0.228	4.61 *	H8d	Yes
RBC =>TMC	0.352	5.83 *	H8e	Yes
CC =>TMC	−0.049	−0.66	H8f	No
ComC =>TMC	0.230	4.05 *	H8g	Yes
MC =>TMC	−0.100	−1.54	H8h	No
AC =>TMC	0.055	0.64	H8i	No

Goodness of fit indices

χ^2 = 925; d.f. = 483; χ^2/d.f. = 1.92; $p < 0.001$; CFI = 0.97; GFI = 0.87; AGFI = 0.84; RMR = 0.06; RMSEA = 0.051
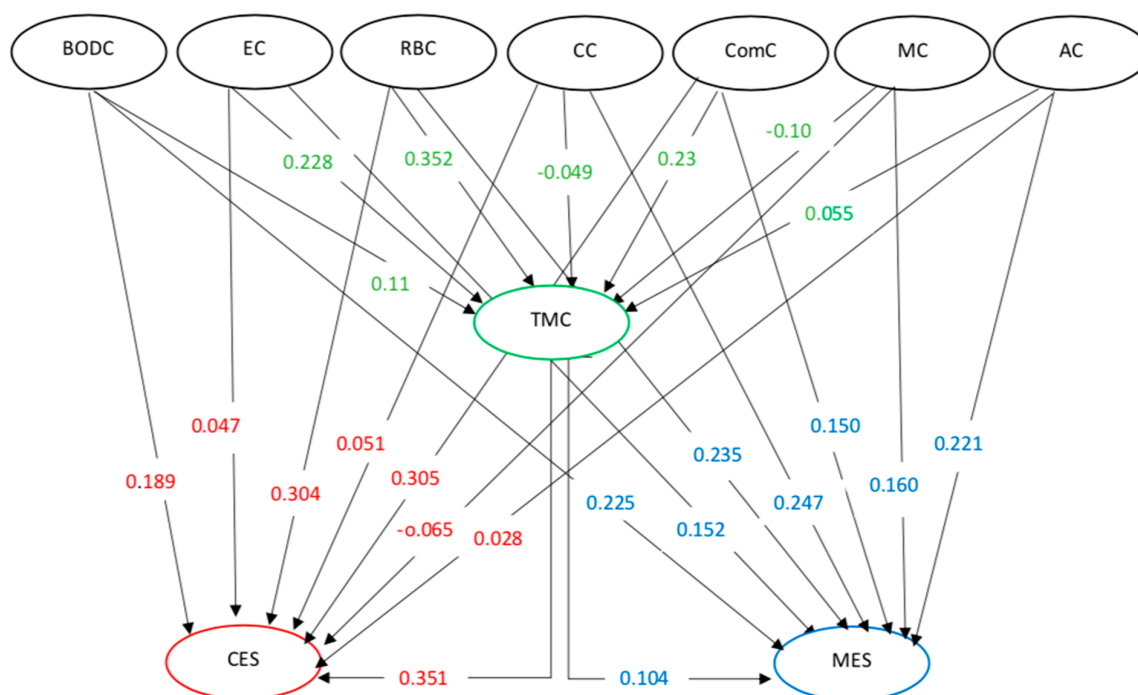
* $p < 0.01$; ** $p < 0.05$; *** $p < 0.10$.

Figure 3. Results of SEM Analysis.

5. Discussion

The importance of internal and external as well as primary and secondary stakeholder groups can be treated as foundational for shaping up the environmental response of firms [61,72]. In general, the influence of stakeholders and their actions make organizations follow some specific environmental response. One of the most important findings of the current study is the insignificant relationship of customers', activists', and media concern with top management commitment and corporate environmental strategies. This result is not consistent with the previous findings of many researchers, i.e., [7,8,28,36,73–75]. Some of the recent studies from China [76], Korea [77], and Pakistan [78] have also found customer pressure as an insignificant predictor of e-commerce adopting intentions to green innovation. We propose here that the difference in the result is due to the difference in the context of developed and developing/emerging economies.

The absence of the importance of customers', activists', and media concern (and public awareness in general) while the significance of regulation pressures appear to be a contradicting result as the voice of government is believed to be the voice of the general public. The result related to regulatory bodies' concern is consistent with another recent study on institutional pressures and corporate environmental responsiveness from Pakistan which has also found coercive pressure (pressures from regulatory bodies) as an indicator corporate environmental responsibility [79]. Similarly, Shin et al. [80] also found government involvement as a positive indicator for corporate social responsibility activities by Indian firms, and Park and Choi [77] found government as a major factor in promoting local CSR activities of multinational firms operating in Korea. These results can be linked to the increased global pressures on national governments to comply with multilateral agreements and standards as well as its link with an increase in productivity and compliance with export regulations [80]. Pakistan being part of the United Nations Framework Convention on Climate Change and the Kyoto Protocol is facing pressure from these international bodies on environmental protection. Thus, an important policy implication of our study is related to the importance of governmental action for environmental protection which may be treated as an alternative to public concern for initiating a positive response from firms.

After the regulatory bodies' concern, competitors' concern also has a significant relationship with top management commitment and corporate and marketing environmental strategies. These results

support the argument of Delmas and Toffel [30] and Bansal and Roth [74]. The organizations try to mimic the activities of their competitors as this helps them to get the social legitimacy to operate in the industry. Competitors can influence the activities of organizations they compete against for the same market. Hence, the environmental activities are affected by the type of the industry in which they are competing. If one company has developed strategies to protect the environment or has gained ISO 14001/environmental certification, the others operating in the same industry will try to follow that company; firms try to keep pace with their competition. Results related to boards of directors' concern are consistent with the previous arguments of Ricart, Rodríguez, and Sanchez [75]; Aragon-Correa, Matias-Reche, and Senise-Barrio [59]; and Kassinis and Vafeas [26]. The BOD's concern plays a critical role in ensuring the integration of the firm's strategy and sustainable development.

The fourth important finding is the significance of top management commitment as both an exogenous and endogenous variable. Top management commitment has a significant relationship with corporate environmental strategies. The only non-significant relationship is of top management commitment and marketing environmental strategies. This finding is consistent with Fraj-Andrés, Martínez-Salinas, and Matute-Vallejo [9], who also found an insignificant relationship between management commitment and marketing environmental strategies. This insignificant relationship is also evident from very little to no environmental marketing in Pakistan. The low significance of customers', activists', and media concern is consistent with this finding. The marketing campaigns are to attract new customers and as Etzion [81] observes, when customers are not knowledgeable, then "playing the environment card" (2007: 652) is not an effective strategy.

6. Conclusions

The data collected in this study should be interpreted carefully by considering the economic and social conditions of Pakistan. It would not be realistic to think about corporations from Pakistan to be following a proactive approach and adopting a voluntary environmental stance. Similarly, we should be careful about generalizing the situation in Pakistan as being true of all emerging markets. Even within emerging markets, we can see differences in environmental responses by firms.

Moreover, the perceptual nature of the constructs that we have examined here should not be confused with the environmental performance of organizations, which requires actual data from organizations. Most studies on the environmental response of firms have been focused on a limited set of internal factors or external factors, while the complexity of the phenomenon requires a more holistic approach by researchers. A similar pattern has been followed by the literature on environmental management and strategies, which addresses the issue of environmental commitment alternatively from an institutional perspective [44,82] or a resource-based view [83]. There is a need for an integrated approach that has been recognized by many researchers in this area.

This study makes a contribution by identifying stakeholders' concerns transferring into the strategic disposition of firms in an emerging market. Concerns of regulatory bodies, BODs, and competitors are important drivers for Pakistani organizations. Conversely, customers, media, and activists are less effective drivers. However, employee concern appears to have an impact on top management commitment and marketing environmental strategies. The results of this study also indicate that corporations adopting environmental policies are more effectively driven by requirements coming from regulatory bodies rather than voluntary actions coming from their own awareness. However, the majority of organizations in the data set do not tend to use environmental activities as one of the marketing tools. The results also reveal that neither do the customers, media, and activists put pressure on organizations to be environmentally friendly, nor do the organizations try to market their environmental activities.

To conclude, this study makes an important contribution to the literature by developing a model while considering internal and external drivers of corporate environmentalism and testing it in a developing country context. Corporate environmentalism is mainly driven by regulatory bodies,

competitors, BODs, and top management commitment in Pakistan. The lack of awareness and interest in environmental issues makes the customers, media, and activists inconsequential antecedents.

References

1. Global Compact. Overview of the UN Global Compact. 2017. Available online: http://www.unglobalcompact.org/aboutthegc/ (accessed on 16 June 2020).
2. Lash, J.; Wellington, F. Competitive advantage on a warming planet. *Harv. Bus. Rev.* **2007**, *85*, 94–102. [PubMed]
3. Ben-Amar, W.; Chang, M.; McIlkenny, P. Board gender diversity and corporate response to sustainability initiatives: Evidence from the carbon disclosure project. *J. Bus. Ethics.* **2017**, *142*, 369–383. [CrossRef]
4. Polonsky, M.J. A stakeholder theory approach to designing environmental marketing strategy. *J. Bus. Ind. Mark.* **1995**, *10*, 29–46. [CrossRef]
5. Vitolla, F.; Raimo, N.; Rubino, M.; Garzoni, A. How pressure from stakeholders affects integrated reporting quality. *Corp. Soc. Responsib. Environ. Manag.* **2019**, *26*, 1591–1606. [CrossRef]
6. Suman, S.; Das, S. Corporate Environmentalism, Epistemological Review & Ontological Position. In *Mandated Corporate Social Responsibility*; Springer: Berlin/Heidelberg, Germany, 2020; pp. 199–213.
7. Wang, L.; Li, W.; Qi, L. Stakeholder Pressures and Corporate Environmental Strategies: A Meta-Analysis. *Sustainability* **2020**, *12*, 1172. [CrossRef]
8. Banerjee, S.B.; Iyer, E.S.; Kashyap, R.K. Corporate environmentalism: Antecedents and influence of industry type. *J. Mark.* **2003**, *67*, 106–122. [CrossRef]
9. Fraj-Andrés, E.; Martínez-Salinas, E.; Matute-Vallejo, J. Factors affecting corporate environmental strategy in Spanish industrial firms. *Bus. Strategy Environ.* **2009**, *18*, 500–514. [CrossRef]
10. Hazel, D.; Mason, C. The role of stakeholders in shifting environmental practices of music festivals in British Columbia, Canada. *Int. J. Event Festiv. Manag.* **2020**, *11*, 181–202. [CrossRef]
11. Spencer, M. *Climate Change, Mitigation, and Developing Country Growth*; Working Paper 64; Commission on Growth and Development; World Bank: Washington, DC, USA, 2009.
12. Alkhafaji, A.F. *A Stakeholder Approach to Corporate Governance: Managing in a Dynamic Environment*; Praeger: Westport, CT, USA, 1989.
13. Clarkson, M.E. A stakeholder framework for analyzing and evaluating corporate social performance. *Acad. Manag. Rev.* **1995**, *20*, 92–117. [CrossRef]
14. Savage, G.T.; Bunn, M.D.; Gray, B.; Xiao, Q.; Wang, S.; Wilson, E.J.; Williams, E.S. Stakeholder collaboration: Implications for stakeholder theory and practice. *J. Bus. Ethics* **2010**, *96*, 21–26. [CrossRef]
15. Mitchell, R.K.; Agle, B.R.; Wood, D.J. Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Acad. Manag. Rev.* **1997**, *22*, 853–886. [CrossRef]
16. Sarkis, J.; Gonzalez-Torre, P.; Adenso-Diaz, B. Stakeholder pressure and the adoption of environmental practices: The mediating effect of training. *J. Oper. Manag.* **2010**, *28*, 163–176. [CrossRef]
17. Phillips, R.; Freeman, R.E.; Wicks, A.C. What stakeholder theory is not. *Bus. Ethics Q.* **2003**, *13*, 479–502. [CrossRef]
18. Freeman, R.E. *Strategic Management: A Stakeholder Approach*; Cambridge University Press: Cambridge, UK, 1984.
19. Donaldson, T.; Preston, L.E. The stakeholder theory of the corporation: Concepts, evidence, and implications. *Acad. Manag. Rev.* **1995**, *20*, 65–91. [CrossRef]
20. Wood, D.J.; Jones, R.E. Stakeholder mismatching: A theoretical problem in empirical research on corporate social performance. *Int. J. Organ. Anal.* **1995**, *3*, 229–267. [CrossRef]

21. Henriques, I.; Sadorsky, P. The relationship between environmental commitment and managerial perceptions of stakeholder importance. *Acad. Manag. J.* **1999**, *42*, 87–99.

22. Gago, R.F.; Antolin, M.N. Stakeholder salience in corporate environmental strategy. *Corp. Gov. Int. J. Bus. Soc.* **2004**, *4*, 65–76.

23. Buysse, K.; Verbeke, A. Proactive environmental strategies: A stakeholder management perspective. *Strateg. Manag. J.* **2003**, *24*, 453–470. [CrossRef]

24. Sharma, S. Managerial interpretations and organizational context as predictors of corporate choice of environmental strategy. *Acad. Manag. J.* **2000**, *43*, 681–697.

25. Schendel, D.; Hofer, C.W. (Eds.) *Strategic Management: A New View of Business Policy and Planning*; Little, Brown: Boston, MA, USA, 1979.

26. Kassinis, G.; Vafeas, N. Corporate boards and outside stakeholders as determinants of environmental litigation. *Strateg. Manag. J.* **2002**, *23*, 399–415. [CrossRef]

27. Ricart, J.E.; Rodríguez, M.Á.; Sanchez, P. Sustainability in the boardroom: An empirical examination of Dow Jones Sustainability World Index leaders. *Corp. Gov. Int. J. Product. Perform. Manag.* **2005**, *5*, 24–41. [CrossRef]

28. Seifert, C.; Damert, M.; Guenther, E. Environmental Management in German Hospitals—A Classification of Approaches. *Sustainability* **2020**, *12*, 4428. [CrossRef]

29. Wright, C.; Nyberg, D. Working with passion: Emotionology, corporate environmentalism and climate change. *Hum. Relat.* **2012**, *65*, 1561–1587. [CrossRef]

30. Delmas, M.; Toffel, M.W. Stakeholders and environmental management practices: An institutional framework. *Bus. Strategy Environ.* **2004**, *13*, 209–222. [CrossRef]

31. Lo, C.W.H.; Liu, N.; Pang, X.; Li, P.H.Y. Unpacking the complexity of environmental regulatory governance in a globalizing world: A critical review for research agenda setting. *J. Environ. Policy Plan.* **2020**, *22*. [CrossRef]

32. Aragon-Correa, J.A.; Marcus, A.A.; Vogel, D. The effects of mandatory and voluntary regulatory pressures on firms' environmental strategies: A review and recommendations for future research. *Acad. Manag. Ann.* **2020**, *14*, 339–365. [CrossRef]

33. Qian, W.; Chen, X. Corporate environmental disclosure and political connection in regulatory and leadership changes: The case of China. *Br. Account. Rev.* **2020**, 100935. [CrossRef]

34. Li, X.; Du, J.; Long, H. Green development behavior and performance of industrial enterprises based on grounded theory study: Evidence from China. *Sustainability* **2019**, *11*, 4133. [CrossRef]

35. King, A.A.; Lenox, M.J. Industry self-regulation without sanctions: The chemical industry's responsible care program. *Acad. Manag. J.* **2000**, *43*, 698–716.

36. Saleem, F.; Gopinath, C. Stakeholders Impact on Corporate Environmental Strategies: Evidence from a Developing Country. *Acad. Manag. Annu. Meet. Proc.* **2013**, *2013*, 13347. [CrossRef]

37. Uddin, S.F.; Khan, M.N. Young consumer's green purchasing behavior: Opportunities for green marketing. *J. Glob. Mark.* **2018**, *31*, 270–281. [CrossRef]

38. Keszey, T. Environmental orientation, sustainable behavior at the firm-market interface and performance. *J. Clean. Prod.* **2020**, *243*, 118524. [CrossRef]

39. Tan, S.H.; Habibullah, M.S.; Tan, S.K.; Choon, S.W. The impact of the dimensions of environmental performance on firm performance in travel and tourism industry. *J. Environ. Manag.* **2017**, *203*, 603–611. [CrossRef] [PubMed]

40. Zhu, Y.; Mazaheri, E. Influence of social network participation, regional density, and customer interaction on the adoption of sustainability initiatives. *J. Strateg. Mark.* **2020**. [CrossRef]

41. Parviainen, T.; Lehikoinen, A.; Kuikka, S.; Haapasaari, P. How can stakeholders promote environmental and social responsibility in the shipping industry? *WMU J. Marit. Aff.* **2018**, *17*, 49–70. [CrossRef]

42. Rui, Z.; Lu, Y. Stakeholder pressure, corporate environmental ethics and green innovation. *Asian J. Technol. Innov.* **2020**. [CrossRef]

43. Dai, J.; Chan, H.K.; Yee, R.W. Examining moderating effect of organizational culture on the relationship between market pressure and corporate environmental strategy. *Ind. Mark. Manag.* **2018**, *74*, 227–236. [CrossRef]

44. Hoffman, A.J.; Ocasio, W. Not all events are attended equally: Toward a middle-range theory of industry attention to external events. *Organ. Sci.* **2001**, *12*, 414–434. [CrossRef]

45. Luo, W.; Guo, X.; Zhong, S.; Wang, J. Environmental information disclosure quality, media attention and debt financing costs: Evidence from Chinese heavy polluting listed companies. *J. Clean. Prod.* **2019**, *231*, 268–277. [CrossRef]

46. Haque, M. Determinants of Environmental Standards Adoption by Multinational Corporations: A Review of Extant Literature. In *Non-Market Strategies in International Business*; Palgrave Macmillan: Cham, Switzerland, 2020; pp. 179–211.

47. Zou, H.; Xie, X.; Qi, G.; Yang, M. The heterogeneous relationship between board social ties and corporate environmental responsibility in an emerging economy. *Bus. Strategy Environ.* **2019**, *28*, 40–52. [CrossRef]

48. Shipilov, A.V.; Greve, H.R.; Rowley, T.J. Is all publicity good publicity? The impact of direct and indirect media pressure on the adoption of governance practices. *Strateg. Manag. J.* **2019**, *40*, 1368–1393. [CrossRef]

49. Waldron, T.L.; Navis, C.; Karam, E.P.; Markman, G.D. Toward a theory of activist-driven responsible innovation: How activists pressure firms to adopt more responsible practices. *J. Manag. Stud.* **2020**. [CrossRef]

50. Seroka-Stolka, O.; Fijorek, K. Forthcoming. Enhancing corporate sustainable development: Proactive environmental strategy, stakeholder pressure and the moderating effect of firm size. *Bus. Strategy Environ.* **2020**, *29*, 2338–2354. [CrossRef]

51. Baron, D.P.; Baron, D.P. *Business and Its Environment*; Prentice Hall: Upper Saddle River, NJ, USA, 2003.

52. Saleem, F.; Gopinath, C. Corporate Environmentalism: Second Stage Moderated Mediation Model. *Acad. Manag. Proc.* **2018**, *2018*, 14650. [CrossRef]

53. Seifert, C.; Guenther, E. Who cares?—Stakeholder relevance for voluntary environmental management in hospitals. *Corp. Soc. Responsib. Environ. Manag.* **2020**, *27*, 1786–1799. [CrossRef]

54. Hambrick, D.C.; Finkelstein, S. Managerial discretion: A bridge between polar views of organizational outcomes. *Res Organ Behav.* **1987**, *9*, 369–406.

55. Hambrick, D.C.; Mason, P.A. Upper echelons: The organization as a reflection of its top managers. *Acad. Manag. Rev.* **1984**, *9*, 193–206. [CrossRef]

56. Dutton, J.E.; Duncan, R.B. The creation of momentum for change through the process of strategic issue diagnosis. *Strateg. Manag. J.* **1987**, *8*, 279–295. [CrossRef]

57. Ginsberg, A.; Venkatraman, N. Institutional initiatives for technological change: From issue interpretation to strategic choice. *Organ. Sci.* **1995**, *16*, 425–448. [CrossRef]

58. del Brío, J.Á.; Fernández, E.; Junquera, B.; Vázquez, C.J. Environmental managers and departments as driving forces of TQEM in Spanish industrial companies. *Int. J. Qual. Reliab. Manag.* **2001**, *18*, 495–511. [CrossRef]

59. Aragon-Correa, J.A.; Matıas-Reche, F.; Senise-Barrio, M.E. Managerial discretion and corporate commitment to the natural environment. *J. Bus. Res.* **2004**, *57*, 964–975. [CrossRef]

60. Shahab, Y.; Ntim, C.G.; Chen, Y.; Ullah, F.; Li, H.X.; Ye, Z. Chief executive officer attributes, sustainable performance, environmental performance, and environmental reporting: New insights from upper echelons perspective. *Bus. Strategy Environ.* **2020**, *29*, 1–16. [CrossRef]

61. Saleem, F.; Gopinath, C.; Khattak, A.; Qureshi, S.S.; Allui, A.; Adeel, A. Corporate Environmentalism: An Emerging Economy Perspective. *Sustainability* **2020**, *12*, 6225. [CrossRef]

62. Waddock, S.A.; Graves, S.B. The corporate social performance–financial performance link. *Strateg. Manag. J.* **1997**, *18*, 303–319. [CrossRef]

63. Dubey, R.; Gunasekaran, A.; Helo, P.; Papadopoulos, T.; Childe, S.J.; Sahay, B.S. Explaining the impact of reconfigurable manufacturing systems on environmental performance: The role of top management and organizational culture. *J. Clean. Prod.* **2017**, *141*, 56–66. [CrossRef]

64. Dillman, D.A. *Mail and Telephone Surveys: The Total Design Method*; John Wiley: New York, NY, USA, 1978.

65. Podsakoff, P.M.; MacKenzie, S.B.; Lee, J.Y.; Podsakoff, N.P. Common method biases in behavioral research: A critical review of the literature and recommended remedies. *J. Appl. Psychol.* **2003**, *88*, 879. [CrossRef]

66. Gao, S.; Mokhtarian, P.L.; Johnston, R.A. Nonnormality of data in structural equation models. *Transp. Res. Rec.* **2008**, *2082*, 116–124. [CrossRef]

67. Mardia, K.V. Measures of multivariate skewness and kurtosis with applications. *Biometrika* **1970**, *57*, 519–530. [CrossRef]

68. Douglas, S.P.; Nijssen, E.J. On the use of "borrowed" scales in cross-national research. *Int. Mark. Rev.* **2003**, *20*, 621–642. [CrossRef]

69. Nurosis, M.J. *SPSS. Statistical Data Analysis*; SPSS Inc.: Chicago, IL, USA, 1994.

70.	Jöreskog, K.G.; Sörbom, D. *LISREL 8: Structural Equation Modeling with the SIMPLIS Command Language*; Scientific Software International: Chicago, IL, USA, 1993.

71.	Fornell, C.; Larcker, D.F. Evaluating structural equation models with unobservable variables and measurement error. *J. Mark. Res.* **1981**, *18*, 39–50. [CrossRef]

72.	Ashrafi, M.; Magnan, G.M.; Adams, M.; Walker, T.R. Understanding the conceptual evolutionary path and theoretical underpinnings of corporate social responsibility and corporate sustainability. *Sustainability* **2020**, *12*, 760. [CrossRef]

73.	Bansal, P.; Clelland, I. Talking trash: Legitimacy, impression management, and unsystematic risk in the context of the natural environment. *Acad. Manag. J.* **2004**, *47*, 93–103.

74.	Bansal, P.; Roth, K. Why companies go green: A model of ecological responsiveness. *Acad. Manag. J.* **2000**, *43*, 717–736.

75.	Chen, X.; Sun, X.; Yan, D.; Wen, D. Perceived Sustainability and Customer Engagement in the Online Shopping Environment: The Rational and Emotional Perspectives. *Sustainability* **2020**, *12*, 2674. [CrossRef]

76.	Zhang, H.; He, J.; Shi, X.; Hong, Q.; Bao, J.; Xue, S. Technology Characteristics, Stakeholder Pressure, Social Influence, and Green Innovation: Empirical Evidence from Chinese Express Companies. *Sustainability* **2020**, *12*, 2891. [CrossRef]

77.	Park, B.I.; Choi, J. Stakeholder influence on local corporate social responsibility activities of Korean multinational enterprise subsidiaries. *Emerg. Mark. Finance Trade* **2015**, *51*, 335–350. [CrossRef]

78.	Saleem, F.; Gopinath, C. Corporate Social Responsibility and Customer Behavior: A Developing Country Perspective. *Lhe. J. Bus.* **2015**, *4*, 1–22. [CrossRef]

79.	Latif, B.; Mahmood, Z.; Tze San, O.; Mohd Said, R.; Bakhsh, A. Coercive, Normative and Mimetic Pressures as Drivers of Environmental Management Accounting Adoption. *Sustainability* **2020**, *12*, 4506. [CrossRef]

80.	Shin, J.Y.; Jung, M.; Khoe, K.I.; Chae, M.S. Effects of government involvement in corporate social responsibility: An analysis of the Indian companies act, 2013. *Emerg. Mark. Finance Trade* **2015**, *51*, 377–390. [CrossRef]

81.	Etzion, D. Research on organizations and the natural environment, 1992-present: A review. *J. Manag.* **2007**, *33*, 637–664. [CrossRef]

82.	Saleem, F.; Gopinath, C. Impact of institutional forces and availability of slack on corporate environmental behavior: Evidence from a developing country. *Pak. J. Commer. Soc. Sci.* **2014**, *8*, 365–383.

83.	Russo, M.V.; Fouts, P.A. A resource-based perspective on corporate environmental performance and profitability. *Acad. Manag. J.* **1997**, *40*, 534–559.