

Article

Impact or Outputs? Exploring Multinational's CSR Activities in Mexico

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Abstract: This article aims to explore how multinationals measure CSR activities in Mexico and their alignment with core business activities and Sustainable Development Goals (SDGs). Through a qualitative approach and an exploratory methodology, based on 15 semi-structured interviews with CSR and sustainability managers, the results suggest that multinationals in this sample focus on outputs rather than on impact. Two reasons provided by the interviewees are as follows: (1) impact measurement does not carry any punishment or social reward, so corporations do not have much interest in measuring it; and (2) some corporations do not know how to measure CSR impact, so they usually report outputs in their sustainability reports. The results also suggest a disconnection between CSR and core business activities. Finally, multinationals recognise SDGs as a paramount guide to address the world's more urgent problems and are starting to link their CSR initiatives to particular goals. However, such efforts are still incipient and mostly mean connecting CSR initiatives and specific SDGs in their sustainability reports.

Keywords: CSR; social impact; impact measurement; sustainability; Mexico; social responsibility; SDGs



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1. Introduction

Humanity is facing rising disparities in opportunity, wealth and power (e.g., access to the coronavirus disease 2019 vaccine), soaring unemployment, global health threats, climate change and conflict. In addition, various societies are experiencing dehumanising and alienating situations provoked by global modernity [1]. As a consequence, billions continue to live in poverty and are denied a dignified life [2]. Some scholars blame the current capitalist economic paradigm that accords only marginal regard to human values and virtues [3]. Although companies have engaged in alleviating some of these problems through corporate social responsibility (CSR) strategies, these entities have also contributed to this scenario of social inequality [4,5].

The current social unrest has increased society's demand for companies to implement more actions for the benefit of society at large. Previously powerless stakeholders are now inflicting economic punishments on corporations and building the necessary conditions to create a different system that guarantees better results for society [6]. As a result, more organisations have emerged seeking more humane and life-conducive entities that prioritise positive stakeholder impacts instead of profit maximisation [7,8]. From a CSR perspective, companies still have a long learning curve to effectively improve stakeholder well-being. Scholars have expressed their concerns regarding the impact of CSR on society. For instance, Barnett [9] suggested that CSR research lacks a way for companies to measure social impact, and researchers need to better understand if and when firms are doing good. In addition, CSR has been criticised because it has focused on measuring specific stakeholder activities rather than on its impact on society at large [10]. Therefore, this article aims to explore how multinationals measure CSR activities in Mexico and their alignment with core business activities and SDGs.

2. Literature Review

2.1. CSR and Impact Measurement

CSR has become a source of legitimacy and value creation for companies. A company's alignment between social values and expectations, which is assessed through dialogue with different stakeholders, legitimises their actions in society [11,12]. Therefore, some entities use social responsibility to increase their social legitimacy [13,14]. As CSR is a source of value creation for a company, the challenge now is to integrate it into firm strategy in a way that favours the achievement of business objectives [15,16] and helps organisations to deal with major global challenges, such as instability, climate change and poverty [17] (Lu et al., 2020).

CSR has also become the main organisational approach to fulfilling sustainable development goals (SDGs). The relationship between CSR and sustainability gained recognition in the early 2000s; when the business community adopted the notion of sustainability, the topic became an integral part of every CSR discussion [18]. The notion of sustainability as one of the main objectives of organisations also created major cooperation opportunities with civil society for resource distribution, knowledge sharing and innovation for the common good [19]. However, the emergence of CSR programmes that sought sustainable development also posed the challenge of measuring their long-term contributions.

Organisations have to measure and evaluate the results of their actions; the famous quote from Lord Kelvin, 'If you cannot measure it, you cannot improve it' [20], also applies to CSR. If the impact of social responsibility is measured, it will be possible to move from sensibility and only doing things because they cleanse the organisational consciousness to a real awareness that it is positive to act responsibly [21]. However, when companies measure their CSR actions, they do not necessarily mean how those initiatives are generating social change or a positive social impact, but how they benefit the organisation [9,21,22].

Research has mostly focused on the benefits of CSR for the organisation and its finances, rather than evaluating the social impact and consequences of such initiatives [9,17,22,23]. However, this trend is starting to change, at least at the level of discourse, as questions arise about how such initiatives affect society [23]. As Donna Wood (2010) states: 'The whole idea of Corporate Social Performance (CSP) is to discern and assess the impacts of business–society relationships. Now it is time to shift the focus away from how CSP affects the firm, and towards how the firm's CSP affects stakeholders and society' (p. 76) [24].

This paradigm shift from focusing solely on a company's economic benefits or how CSR affects its organisational performance presents important challenges. It demands that we move from the mere description of the initiatives or the quantification of the number of actions carried out and people impacted to measuring the quality of the social impact. Frank Vanclay (2002) defined the evaluation of social impact as 'the process of analysing (predicting, evaluating and reflecting) and managing the intended and unintended consequences on the human environment of planned interventions (policies, programmes, plans, projects) and any social change processes invoked by those interventions so as to bring about a more sustainable and equitable biophysical and human environment' (p. 190) [25].

To date, few sources of information can actually assess these impacts; most are specific case studies of companies or initiatives. Additionally, the reports are based on the multiple existing standards or some of the existing ratings [21]. However, these sources of information do not necessarily analyse or deepen the impact of their activities holistically. For instance, environmental impacts rather than social or economic impacts are more often identified for the various stakeholders [21]. Conversely, there is usually a bias in favour of the organisation and its interests, without consideration of the vision of the different stakeholders and their perception of the impacts. In addition, the assessments and CSR indicators often seek to legitimise internally the investment made in social responsibility in an effort to make it a strategic element for the company [22].

Tello (2020) proposed different approaches to assessing social impact [26]. From logical models that measure impacts to more comprehensive models that integrate these evaluations with the business strategy and include social impact indicators in the strategic

performance indicators. The author also suggested the development of experimental methods with control groups or mediating qualitative methodologies (such as journals of observation, blogs or content analysis from accounts of the participants' experiences) that enable companies to delve into how CSR actions affect different stakeholders. Any approach has to deal with the complexity of additional political, cultural and economic factors that are beyond organisational control [26].

Researchers have identified a variety of challenges in measuring CSR programmes; there are many measures to assess CSR (across multiple dimensions), which results in a lack of consensus on the best practice approach [23,26]. There is also a lack of consensus on the methodological approach, given the complexity involved [23]. Coupled with the lack of a consensus methodology, there is the difficulty of specifying the scope of the impact produced by the activities or initiatives to be evaluated. This is further complicated by variables such as time [23]. Normally, companies have a short-term view; yet, when it comes to social impacts, these must be evaluated in the long-term, because they are slow processes that only mature after months or years if implemented [23].

Ebrahim and Rangan (2014) defined the problem of measuring CSR initiatives as one of alignment: it is necessary to design metrics and measurement systems that best support the objectives of each programme [27]. The question of whether organisations measure the outputs or impact has also been central to this problem. Outputs are defined by Fritz (2020) as the numerical count of a programme's actions [28], whereas long-term impact is defined as 'lasting changes in the lives of people and their societies' [27]. Outputs do not demand cause–effect verification; however, impact measurement poses the challenge of comparing the results of a project with the hypothetical scenario of not having developed the project [29]. Therefore, impact measurement can become a major challenge for organisations and scholars. More than 25 years have passed since researchers acknowledged the need to assess social impact; nonetheless, organisations still struggle to measure it [23]. Even the most highly cited articles have shortcomings when trying to assess social impact; they often measure CSR activities in terms of specific stakeholders rather than in terms of their impact on society as a whole [10]. In addition, organisations need to consider not only when to measure impact but also when not to measure it, as there are situations in which doing so may be counterproductive [30].

Although there is an important debate about how to measure CSR initiatives, the increasing consensus is that they should focus on their contribution to SDGs. 'Companies will be evaluated as responsible companies not only for the degree of dialogue and agreement with their stakeholders or the type of reporting they make, but for their effectiveness through their actions to achieve, in their part, the SDGs. New practices still unknown in CSR, such as the "goals-setting" or setting of objectives related to the SDGs within the strategic plan of CSR of the company, will become very important' [16].

SDGs have become the most important framework for many social actors [12,14,31–33]. Ruiz and García (2019) believe that their reception by different stakeholders has been incontestable because SDGs were conceived with a universal, holistic and multi-stakeholder approach, and they have specific impact indicators [34]. SDGs have been adopted enthusiastically by the business community; a 2018 KPMG report shows that 40% of the world's 250 largest companies are now including SDGs in their sustainability reports [33]. In this sense, Mexico is one of the countries whose organizations have embraced SDGs and sustainability more eagerly in the last decade [35].

2.2. CSR and Societal Impact in Mexico

In Mexico, 41.9% of the population (52 million people) lives in poverty [36]; the country is the second-most unequal country in the Organisation for Economic Cooperation and Development; 1% of the population receives 21% of the national income [37]. Income inequality partially explains the increase in femicides and drug-related homicides over the last few decades [38], which translates into 71% of the urban population feeling insecure in their neighbourhoods [39]. These social conditions, besides a weak institutional context,

has a substantial effect on the decision to implement social innovations [40] and the amount invested in CSR activities and the number of stakeholders addressed by organizations [41]. This social context of inequality and insecurity may deter business from embracing the public disclosure of business practices and impacts [26]. In fact, Velásquez et al. (2009) found that the lack of information and access to information seems to dissipate potential CSR benefits because Mexican consumers have trouble understanding corporations with social responsibility programmes [42].

Organizations in Mexico are starting to adopt SDGs as a framework to implement their CSR projects. The Global Compact Local Network in Mexico, which has the largest number of organizations adhering to the Global Compact in America and the third largest in the world, is the network that actively promotes the SDGs as a framework to achieve more sustainable operations in the country. There is great interest and willingness on behalf of companies in Mexico in being sustainable [35]. In addition, the Mexican Centre for Philanthropy (CEMEFI) has become the most influential organisation regarding CSR standards and practices in Mexico. It was founded in 1988, with the mission of promoting and articulating the philanthropic effort of companies. It has 1760 members and it grants the 'ESR' distinction to those entities with best CSR practices in ethics, quality of life, community and environmental protection [43]. Although the CEMEFI has successfully influenced entities about the need to implement CSR practices, impact measurement is still a pending task. Cota and Hamasaki (2019) found that Mexican SMEs tend to drop out of the 'ESR' distinction after 3 years because they consider it unnecessary to measure the impact of their operations; they avoid long-term social investments and report a lack social participation in their CSR efforts [44]. Additionally, SMEs tend not to measure impact because it is expensive, because they lack the knowledge and because it involves too much effort for little performance [45].

Although SMEs are still determining how to best implement CSR practices, Mexico's largest corporations have been building important alliances over the last decade to potentiate and focalise CSR efforts in specific long-term interventions in vulnerable communities. For instance, Red SumaRSE is an alliance of more than 30 corporations based in Monterrey that seek to contribute to the sustainable development of vulnerable communities through the implementation of long-term, self-managed citizen participation models that include impact measurement [46]. In addition, Iniciativa Capitalismo Social is a long-term effort headed by 16 multinationals in Nuevo León towards a new model of capitalism in which the economy is subordinated to the protection of human dignity, ethical decision-making, the environment and the common good; one of its pillars includes generating research on high-impact projects for society [47]. This initiative seeks to document and implement the best management practices that promote the common good and influence a new generation of entrepreneurs that prioritises the social dimension. Although these alliances are the exception rather than the rule, some of their actors hope that other companies and regions of the country will follow this novel form of cooperation and long-term view of CSR initiatives.

As Mexican organizations seem to have different levels of CSR adoption, studies that explore the impact of CSR initiatives in Mexico might be especially valuable for understanding how organisations are addressing societies' structural problems.

3. Materials and Methods

This article follows a qualitative approach and exploratory methodology for two reasons: Research about how social impact is measured in CSR is still in its early stages according to Barnett [9], and a qualitative approach can explore more appropriately how the interviewee conceives, designs and measures CSR activities. The study is based on 15 semi-structured interviews: 11 interviews with the head of CSR or sustainability from multinationals that have operations throughout the Mexican territory, two interviews with consultants in CSR strategies, one interview with a researcher who specialises in CSR and sustainability and one interview with the president of the Nuevo León Chamber of Com-

merce. One initial problem was finding the person who headed the CSR department of each multinational in Mexico, since the position has different names and is located in different hierarchical levels (see Table 1). The sampling method was purposive since we selected the multinationals based on their size and reputation, which includes manufacturing firms (beverages, cleaning products, construction materials, processed foods, etc.) and services firms (financial, education, entertainment, retail, etc.).

Table 1. Sample characteristics.

Gender	Industry	Position	Date of the Interview
Respondent 1 (Female)	Construction materials	Head of Sustainability	20 December 2018
Respondent 2 (Female)	Education	Chief of the social development chair	4 January 2019
Respondent 3 (Male)	Nuevo León Chamber of Commerce (COPARMEX)	President	16 January 2019
Respondent 4 (Female)	Health	Head of Sustainability	29 January 2019
Respondent 5 (Male)	Education	Professor and researcher	27 February 2019
Respondent 6 (Male)	Consulting services	CSR Consultant	15 April 2019
Respondent 7 (Female)	Manufacturing (highly diversified)	Head of Culture Transformation	25 April 2019
Respondent 8 (Male)	Manufacturing of cleaning products	Head of CSR	7 August 2019
Respondent 9 (Female)	Steel manufacturing	Manager of social projects	8 August 2019
Respondent 10 (Female)	Financial services	Head of Sustainability	19 August 2019
Respondent 11 (Female)	Energy	Head of CSR	2 September 2019
Respondent 12 (Female)	Education	Head of Sustainability	11 September 2019
Respondent 13 (Female)	Retailer	Marketing Vice-President	19 September 2019
Respondent 14 (Male)	Consulting services CSR think tank	Executive coordinator	4 October 2019
Respondent 15 (Male)	Beer manufacturing	Head of Circular Economy	20 February 2020

The interviews explored five themes, including the evolution of CSR in the firm, stakeholder engagement, alliances, impacts or outputs, and impact measurement. The interviews lasted over a year for two reasons: the difficulty to secure two-hour meetings with the managers, and the fact that the data analysis suggested the collection of additional data until we reached theoretical saturation. Therefore, additional interviews were conducted after the first examination of the evidence. The data were processed using MAXQDA software to generate a content analysis (both conceptual and relational) that explored the occurrences of, and relationships between concepts. This analysis followed Spiggle's (1994) methodology, which suggests an iterative process of categorization, abstraction, comparison, dimensionalisation, integration and refutation [48]. The meaningful chunks of data that first emerge were collapsed into higher-order conceptual constructs (abstraction); categorization allowed the identification of the main results based on the aim of the study. The process of integration and refutation strengthened the categories and the scope of the results, as well as the comparison of the differences and similarities across incidents. Finally, the iterative nature of the analysis allowed us to collect additional data until we reached theoretical saturation in every category. Four categories emerged from the analysis: (1) outputs instead of impact, (2) long-term contribution to society, (3) CSR is unrelated to core business activities and (4) incipient efforts to link CSR to SDGs.

4. Results

4.1. *Outputs Instead of Impact*

The preliminary results suggest that companies measure their CSR projects with quantitative indicators that focus on results rather than impact (e.g., the number of people reached, the number of trees planted, the number of acres readapted), which makes it difficult to assess the firm's real contribution to society. Respondent 5 mentions, 'There are companies that are not measuring their impact, why? Because they are not really interested in them'. He also argues that as impact generation does not carry any punishment or reward, they do not have much interest in measuring it. He adds that certain non-governmental organisations (NGOs) have to measure their impact or philanthropists will stop financing the projects; meanwhile, the firm has no incentive to measure the impact of its CSR projects as such a measurement is not demanded by managers or shareholders and is not a condition of future projects (e.g., future budget restrictions). Therefore, corporations usually report outputs in their sustainability reports, and the stakeholders seem to accept it.

Respondent 4 believes that they have well-established CSR programmes, but they have not measured their impact over the years: 'We count the number of patients we attend, and we have also some testimonies... but we do not have a tool to measure impact. Most of our beneficiaries are recurrent, that is, they come to the hospital every 6 months, every year, and this helps us realise how they are doing with their life'. She also admits that they do not know how to measure the impact of CSR programmes. Other interviewees also refer to the firm's lack of knowledge on this subject and the unwillingness to seek alliances with other organisations that specialise in impact measurement (e.g., universities). In addition, Respondent 9 recognizes that they urgently need to measure impact instead of outputs, but they have not found an organization they can partner with that specializes in the subject.

Some interviewees reported that their companies have started transitioning to measuring impacts. Respondent 1 admits that they are starting to measure impacts in all their facilities in various countries: 'I believe that we have transitioned from measuring outputs, then measuring processes, to measuring impacts. We are not ready to measure impacts on all geographies, but I believe that in Mexico and Latin America we are ready, since we are closer to every stakeholder'.

4.2. *Long-Term Contribution to Society*

This category shows that companies are still trying to determine how best to achieve a long-term impact on Mexican society. Respondent 5 believes that companies' CSR projects tend to ignore issues that may be considered polemic, such as corruption, inequality, discrimination and environmental pollution (which may be directly related to their operations) and focus on 'safer moves', such as health, poverty or education. 'The main problems [in Mexico] such as corruption, inequality, discrimination, environmental pollution is very serious, but we kind of do other things that have no impact on these nuclear issues' (respondent 5). Therefore, the long-term contribution of CSR projects to society tends to dissipate as they do not usually target those problems with which society is more concerned.

Another problem with CSR projects that make a long-term contribution to society is that they usually require intersectoral cooperation and the building of alliances. Respondent 2 argues that actors in Mexico do not promote cooperation, which affects the long-term contribution of CSR projects to society: 'There is no vision to generate an articulation of actors, which would likely prevent that everything becomes your responsibility and beneficiaries end up seeing you as the one who is going to solve all the problems'.

Respondent 1 believes that the corporation for which she works is more advanced than other firms in terms of CSR's long-term impact: 'We know that transformation in society is not immediate, so we permanently, every 3, 4 or 5 years, make [impact] measurements. We have communities with up to 15 years of measurement already ... we can know where these communities are today and what has been the economic impact ... infrastructure issues, growth, housing'. She hopes to extend these efforts to every

community in which the corporation has operations and become an example of long-term impact for other companies.

4.3. CSR Is Unrelated to Core Business Activities

A constant topic mentioned in the interviews was that CSR is still a concept that is primarily related to the firm's foundations or NGOs, instead of being transversally implemented in every area of the corporation. Respondent 3 mentioned, 'There is a disconnection between the foundation and the company, the CSR activities are channelled through the foundation and there is no interest, for example, in making ramps or elevators for people with disabilities in the corporate headquarters'. Respondent 5 believes that companies usually focus on CSR projects that benefit the community instead of minimising the negative impact of their operations: 'I am not interested in companies doing good acts, the important issue is that they do not commit bad actions because they are genuinely concerned with not harming society, the community or the environment'.

There are exceptional cases of companies that have implemented impact measurements throughout their facilities and departments and have methodologies to pursue permanent changes in communities' standards of well-being. Respondent 1 comments: 'In every plant we have a dashboard that seeks to measure the employees' impacts . . . it has a section to calculate, instead of how much money you are donating, how many impacts are you minimising or eliminating, risk mitigation, how are you meeting the stakeholder's expectations and challenges and how are you contributing to a greater culture and strengthening the business reputation'.

4.4. Incipient Efforts to Link CSR to SDGs

One of the questions related to impact measurement sought to explore whether corporations were aligning their CSR initiatives to SDGs. Respondent 15 comments that SDGs 'are an important framework because it provides companies a bit of guidance about what they can do, where can they support this transition to sustainability'. However, he also acknowledges that they, as a company, have not identified the SDGs that they can address with their CSR and circular economy projects.

Respondent 12 describes that their organisation is starting the process of identifying what SDGs are addressed by each CSR programme. She believes that 'to achieve sustainability, the SDGs are a very good tool... if we reached each goal metrics, we would have sustainability on the planet'. She also warns that this effort has just started, as she and her team still need to convince most managers and people on the board of directors to speed up the process towards sustainability in their organisation. The organisation's 2018 GRI report already makes reference to every SDG addressed by each project.

Respondent 8 describes that their corporation has not yet made an effort to publicly commit to specific SDGs. In addition, the entity is still figuring out how to appropriately measure SDGs' indicators. However, respondent 15 recognises that they are still in the first stage of the SDG implementation process. The main challenge has been to add every company that is part of their holdings. He believes that there is still a culture of 'bluffing' in Mexican enterprises as they are not held accountable, so they usually promote CSR activities as a strategy to strengthen their reputation and increase profits. However, he also believes that SDG indicators may provide a stricter framework that deters unethical behaviour, such as corporate greenwashing.

5. Discussion

The results of this qualitative work contribute to a larger conversation about how CSR can genuinely foster better societies and the common good. First, since impact measurement does not carry any punishment or social reward, corporations do not have much interest in measuring it, which is consistent with the evidence found by Cota and Hamasaki (2019) in Mexican SMEs [44]. Second, since some corporations do not know how to measure CSR impact, they usually report outputs in their sustainability reports, which

makes it difficult to assess the firm's real long-term contribution to society. Third, some interviewees pointed out that corporations tend to avoid polemical yet urgent national problems, such as corruption, inequality, discrimination and environmental pollution, and focus on 'safer moves', such as health, poverty or education. This finding is also supported by other authors [49]. Although multinationals generate a wide variety of CSR projects that contribute to improving their reputation, some are occasionally involved in ethical wrongdoing. For instance, Mexico's crackdown on tax evasion in 2019–2020 collected 1.5 billion US dollars from large corporations. The agreement these corporations reached with Mexico's Tax Administration Services included announcing that they did wrong and urging taxpayers not to follow their example [50]. To remedy these three findings, some multinationals have created long-term CSR projects (e.g., Red SumaRSE, Iniciativa Capitalismo Social) in specific communities that emphasize long term impact measurement and target some polemical problems such as inequality and corruption [46,47]. This may constitute a testing field for a more generalised sustainability strategy for multinationals in the future.

The results also suggest a disconnection between CSR and core business activities. Interviewees highlight that CSR projects focus on community well-being instead of being genuinely concerned about not harming society and the environment and minimising the negative impact of their operations. In this sense, CSR mostly targets external stakeholders and rarely focuses on employees or other internal groups; employees were mostly mentioned by respondents as agents to do voluntary corporate social work. The findings are consistent with previous studies which suggested that CSR activities are not linked to the core activity of companies in Mexico [41] and in Chile [51], and also with some reports that denounce tax evasion [50] and pollution of the environment by some large multinationals in Mexico as a direct result of their operations [52]. Finally, the corporations in the sample recognise SDGs as a paramount guide to address the world's more urgent problems and are starting to link their CSR initiatives to such goals. However, such efforts are still incipient [53], meaning only 62% of organizations in Mexico see CSR as an investment, and such initiatives are linked marginally to some SDGs [54]. In this sense, Mexico already has articles of how companies can contribute to specific SDGs, such as good health or reducing inequalities [55], as well as decent work [56].

The four dimensions that emerged in this analysis represent major challenges that companies need to address to generate long-term impact and stakeholder well-being. The lack of knowledge and the social and institutional context constitute barriers that most companies of the sample have not been able to overcome. However, most of the respondents acknowledge that the transition to a strategic CSR that seeks sustainable operations and better stakeholder relations has started, and SDGs are an essential framework to focalize such efforts. In this sense, other recent qualitative studies also confirm this trend in other regions. Nayak et al. (2022) found similar results through an empirical study that included nine interviews with fashion industry enterprises in Vietnam [57]; Somachandra et al. (2022) reached a analogous conclusion through twenty-three semi-structured interviews in the Sri Lankan construction industry [58]; In Brazil, Gimenes and Sousa also found evidence in this regard through 16 in-depth interviews with leaders of Brazilian companies [59]; likewise, Buddu and Scheepers (2022) found that it was urgent to start building collaborative relationships among actors in the South African mining context through 17 semi-structured interviews with 3 stakeholder groups [60]; finally, Adapa and Fisher (2020) highlighted the relation between this trend and business success based on 17 in-depth interviews with owner-managers of accounting firms operating in Australia [61].

How to measure these initiatives' impacts based on SDG indicators remains a major concern. Although organisations are under growing pressure to measure and demonstrate their impact on urgent societal problems [27], they must be cautious about how they evaluate impact. Gugerty and Karlan (2018) warned organisations about frequent problems when conducting effective impact evaluations, such as choosing the right tools and approach, collecting the appropriate data, assessing feasibility, identifying indirect effects and

the readiness of the programme for such evaluations [30]. As some organisations in the sample are still figuring out how to measure impact, some interviewees suggested that they should rely on universities and high-impact laboratories and accelerators to develop the appropriate tools and approaches. In addition, Bapuji et al. (2020) suggested that some current CSR practices may be contributing to the maintenance of inequality [5]; therefore, CSR strategies may need to be rethought or adjusted to achieve what they originally intended.

This article also poses private and public policy concerns in terms of how to better solve societies' more urgent problems and achieve SDGs. If multinationals usually evade polemic societal issues, maybe focalized, long-term partnerships with governments, NGOs and communities can generate enough legitimacy to address problems such as corruption, inequality or environmental pollution. Furthermore, government and society must design new mechanisms to hold companies accountable and prevent corporate greenwashing, as countries such as China currently do [62]. The northern state of Nuevo León has recently proposed green taxation to incentivize more than 280 large factories in Monterrey, one of the most polluted cities in Latin America, to reduce their emissions [63]. Finally, governments at different levels, multinationals and universities should work together to create guidelines and workshops about how to measure impact and design strategies to address SDGs (e.g., sustainable development practices, see Shahzad et al. [64]). Lack of knowledge seems to be preventing some multinationals from improving their CSR programs. For instance, the 16 multinationals that created Iniciativa Capitalismo Social aim to generate applicable knowledge in issues such as decent work, gender equality, inclusive work and how to generate appropriate metrics to achieve better and more just results for stakeholders. They are currently working with three universities towards these goals [47].

6. Conclusions

This article explores how multinationals measure CSR activities in Mexico and their alignment with core business activities and the SDGs. Empirical data suggest multinationals in this sample focus on outputs rather than on impact since impact measurement does not carry any punishment or social reward, and some multinationals do not know how to measure CSR activities. Moreover, results suggest a disconnection between CSR and core business activities, although multinationals recognise SDGs as a paramount guide and are starting to link their core business activities and CSR initiatives toward such goals. This article sheds light on Barnett's [9] suggested gaps in CSR, especially the need to better understand how to motivate multinationals to do good, and the need to explore how they can achieve greater social impact. Likewise, this study contributes to the increasing literature on how multinational's CSR is integrating SDGs to increase social impact.

At the managerial level, these results should lead to a reconsideration of multinationals' social responsibility actions and how to increase their impact. First, multinationals need to define a CSR strategy aligned with their strategy and core business and design financial planning with a long-term vision [65]. They also need to focus on those areas of high social concern, using the SDGs as a guideline [66]. Finally, multinationals must seek collaboration between different social agents to contribute to projects of greater impact, social transformation and eco-efficiencies, especially collaboration that promotes knowledge and learning in such themes [67].

Future avenues for research include how multinationals are aligning core and CSR activities to increase long-term impact in upper middle income countries such as Mexico, as well as how multinationals are complementing SDGs indicators with context-specific metrics to measure such impacts. Further research is needed to better understand the institutional constraints [e.g., legitimacy, culture, level of corruption, regulation, social participation] that these countries pose to CSR projects and how to develop strategies for intersectoral collaboration in such contexts. Exploring these issues in Mexico may constitute a laboratory for analysing multinationals' CSR activities in upper middle income countries.

While these findings cannot be generalized to every multinational and every upper middle income country given the particularities of the context, its documentation is relevant

because scholars such as Barnett [9] have suggested that more empirical studies are needed to explore if and when firms are measuring social impact. This article has limitations that suggest a cautious interpretation of the results; the criteria to select the cases (size and reputation) pose a bias that could indicate, for instance, that those multinationals with higher reputation are also those with more CSR activities or better reporting and communication. In addition, the exploratory nature of this article recommends not to consider the results as incontrovertible but as a call for a broader and urgent dialogue that generates new empirical evidence to build a better understanding of multinationals' CSR activities.

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