

PhD Dissertation

The interlinks between internationalization and sustainability:

Analysis of an emerging market multinational

By: Ana Maria Gomez Trujillo¹

PhD Advisor: Prof. Maria Alejandra Gonzalez-Perez

**Universidad EAFIT
Doctorado en Administración
Medellin, Colombia
March 19th - 2022**

¹ A.M. Gomez-Trujillo. Escuela de Negocios Internacionales, CEIPA Business School. Negociadora Internacional de la Universidad EAFIT, Medellín, Colombia. Magister en Negocios Internacionales de la Universidad EAFIT, Medellín, Colombia. PhD(c). en Administración de la Universidad EAFIT, Medellín, Colombia. Email: ana.gomez@ceipa.edu.co, agomez@eafit.edu.co

PhD Dissertation

The interlinks between internationalization and sustainability:

Analysis of an emerging market multinational

**Universidad EAFIT
Doctorado en Administración
Medellin, Colombia
March 19th - 2022**

© Copyright 2022 by Ana Maria Gomez-Trujillo
All rights reserved.

Table of contents

Abstract of the dissertation	7
Dedication	10
Acknowledgements	11
Chapter 1. Introduction	13
Chapter 2. What do we know about corporate sustainability and international business?	23
2.1. Introduction	24
2.2. Methodology.....	26
2.3. Results	34
2.4. Discussion.....	52
2.5. Conclusions, limitations and recommendations for future research	53
Chapter 3. Integrating sustainability into the corporate strategy and the dynamism in subsidiary response to resolving stakeholders' pressures	55
3.1. Introduction	56
3.2. Theoretical Framework.....	58
3.3. Literature Review	61
3.4. Methods	64
3.5. Findings	77
3.6. Discussion.....	83
3.7. Conclusion, limitations, and recommendations for future research	87
Chapter 4. Raising sustainability flag to overcome liabilities while generating local sustainable development	90
4.1. Introduction	91
4.2. Literature Review	98
4.3. Methodology.....	103
4.4. Findings.....	114
4.5. Discussion	127
4.6. Conclusions, limitations and recommendations for future research	131
Chapter 5. Conclusion	133
List of references	137
VITA	176
APPENDIXES	182

List of tables

Table 1. Articles included in the analysis	28
Table 2. Articles related to internationalization	36
Table 3. Articles related to sustainability	37
Table 4: Score of articles according to their closeness to sustainability	40
Table 5: Score of articles according to their closeness to internationalization	40
Table 6: Classification of articles.....	41
Table 7: Type of relation between internationalization and sustainability	45
Table 8: Journals publishing about internationalization and sustainability in emerging markets .	48
Table 9: Theoretical approaches in the analysis of internationalization and sustainability	49
Table 10: Future research opportunities.....	51
Table 11: Company characteristics	66
Table 12: Questions for the semi-structured interviews.....	72
Table 13: Information on interviews conducted	74
Table 14: Overview of secondary sources of qualitative data and their use	76
Table 15: Representative quotations that support findings	81
Table 16: Interviews conducted by country	107
Table 17: Categories of questions used in interviews	111
Table 18: Secondary sources used in the study.....	112
Table 19: ISA’s 2030 strategic objectives (<i>VIDA for its initials in Spanish</i>) and sustainable value	120
Table 20: ISA Group internationalization.....	121

List of figures

Figure 1: Total Colombian outward foreign direct investment (OFDI) (1996-2021).....	20
Figure 2: Publications per Year.....	49
Figure 3: Institutional duality in MNEs	61
Figure 4: Configuration of Sustainable Value.....	63
Figure 5: Key concepts and empirical basis.....	78
Figure 6: Process of reaching corporate legitimacy and long-term competitive relevance of an EMNE.....	83
Figure 7: Process of overcoming the LOFs and the contribution to sustainable development of EMNES	129

Abstract of the dissertation

The accelerated dynamism of markets and the grand global challenges are forcing companies to devise different strategies to remain competitive while also contributing to the sustainable development of the societies in which they operate. This challenges companies' traditional behaviors and capabilities, especially those from emerging markets that operate in uncertain and volatile environments within these economies, forcing them to find alternatives to gain legitimacy among local and international stakeholders in order to remain competitive.

In this way, this dissertation aims to analyze the adoption of a sustainability strategy by Emerging Market Multinationals (EMNEs) to safeguard long-term corporate competitiveness and contribute to sustainable development. The research is reported into three papers: a systematic literature review and two empirical papers. The three papers complement one another by identifying the interweaves between firms' foreign expansion (internationalization), integration of sustainability into corporate strategy, and how both positively contribute to long-term relevance of EMNEs operating in harsh conditions and turbulent environments.

The first paper aims to identify previously unexplored aspects of the relationship between corporate sustainability and internationalization in the context of emerging markets. Hence, it provides a systematic review of the literature that connects both concepts. The review included 90 articles published in 61 journals indexed in [Web of Science Core Collection, EBSCO, Scopus and Google Scholar] between 1991 and 2021. The articles were coded into the following categories: publication year, paper title, journal, author name, research objectives, theoretical approaches, geographical and sectorial contexts, methodologies for inquiry, and study findings. A category to classify identified avenues for future research was also included in order to help understand the relationship between internationalization and sustainability. In sum, the systematic

literature review concludes that internationalization is a driver for pursuing sustainability initiatives. It also identifies seven broad research streams that connect internationalization and sustainability and suggests avenues for future research. These streams are: (1) Evolution of MNEs and institutional environment in the implementation of sustainability initiatives, (2) Firms' specific resources and capabilities concerning CSR, (3) The role of networks and supply chains in MNEs, (4) Development of competitive advantages, (5) Geographical and sectorial context, (6) Theoretical Frameworks, and (7) Measures and methods.

The second paper presents findings from an empirical study examining the integration of sustainability into an emerging market multinational's corporate strategy. It also considers how such integration might contribute to achieving and maintaining corporate legitimacy and long-term competitive relevance. This study employs a qualitative single case study methodology on a Colombian multinational firm operating in energy transmission, roads, and telecommunication sectors. Primary data were collected using direct observations and 31 technologically mediated face-to-face interviews conducted in five Latin American countries. The study was supported by secondary data such as corporate reports from 2005 to 2021, archival data, and media coverage. The findings suggest that integrating sustainability into corporate strategy enables subsidiaries to respond to internal and external demands successfully. The strategy deployment develops unique firm capabilities that enable subsidiaries to integrate a sustainability focus into the decision-making and initiatives required to overcome the liabilities of operating in volatile, uncertain, and foreign environments. It also allows the firm to gain competitive advantages and safeguard corporate legitimacy.

The third paper explains how a corporate sustainability strategy contributes to sustainable development and how it helps in overcoming the liabilities of foreignness. Interviews with elite and non-elite informants, as well as archival data, were used to collect data for this research.

According to the findings, firms from emerging markets have adopted the sustainability flag in their internationalization process to overcome liabilities of foreignness and build legitimacy among their stakeholders. It also enables companies to give back to society through their contribution to sustainable development and the creation of public value.

Concisely, this dissertation uses a qualitative case study methodology to contribute to the debate on the relationship between internationalization and sustainability in emerging markets by integrating and analyzing previous literature on this field. In addition, we discuss the integration of sustainability into corporate strategy to achieve and maintain corporate legitimacy and long-term competitive relevance. Finally, we analyze the internationalization of EMNEs and the implementation of a sustainability strategy to overcome their liabilities of foreignness and contribute to sustainable development through a single case of a Colombia multinational operating in the energy transmission, roads, and telecommunication sectors.

The findings of this thesis contribute to two growing fields of study within International Business: specific characteristics of emerging market firms and their internationalization process, and the incorporation of corporate sustainability in their operations.

With regard to policy, this dissertation makes two major contributions. From the outward FDI perspective, emerging market economies should promote and facilitate the incorporation of sustainability strategies to improve international competitiveness of their industries and gain legitimacy abroad, especially when the institutional environment of these countries encourages enterprises to seek growth opportunities abroad. From the inward FDI perspective, governments should partner with multinational firms to achieve sustainable development goals and align corporate sustainability goals with national commitments to the SDGs.

These will guarantee the contribution of EMNEs to local and international sustainable development as well as the generation of public value for societies.

Dedication

Firstly, I want to thank God and the Holy Virgin Mary, for always listening to me and for allowing this dream to become true.

I dedicate this achievement to my father, Augusto who always supported me and believed in my capabilities. To my mom, Diana, who remotely encouraged me to keep working on my dreams and to be an empowered woman. To my little sister, Valentina, who was my partner in all this process and inspired me to become her reference in professional life. Finally, to my four-legged son, Bongo, who always accompanied me in the hard and happy moments of these four years.

Acknowledgments

Foremost, I would like to thank my director, Prof. Maria Alejandra Gonzalez-Perez for all her support, patience, and advice during these four years. Thank you, Maria Alejandra, for teaching me, for listening to me and for inspiring me. Without you, this dissertation would not have been possible. Thank you for being my guide and my second mother in my life.

I also want to thank all the teachers from the doctoral program at EAFIT, because each one of them gave me useful advice on previous versions of this dissertation. I want to extend my gratitude to the reviewers of my thesis, professors Maria Andrea de Villa Correa, Elizabeth Moore, Natalia Escobar-Pemberthy and Ivan Montiel, thanks for guiding me with your challenging questions and insights.

I would also like to thank Professor Davide Castellani and Rajneesh Narula for their fascinating masterclasses at Henley Business School. I am also grateful to Jimena Toro and Olga Patricia Castaño for their support on retrieving information from the company and their enthusiasm in scheduling the interviews.

I want to acknowledge the financial support received by CEIPA Business School and Universidad EAFIT and the support of the Administrative Coordinator, Mariano Gentilín, and the leader of internal projects, Giovanni Orozco Orozco.

I also want to extend my gratitude to the organizers and participants of the Doctoral Consortiums in AIB 2019, AIB 2020, AIB 2021, REDAC 2020, AOM 2020 for their suggestions and recommendations to improve this project.

I acknowledge all the support received from Dr Juan Fernando Velez-Ocampo, I appreciate all his suggestions, support and training in this process. You became one of my inspirations as well.

Finally, I would like to thank my colleagues from CEIPA for all their support during this process. Thank you, Victor, Pacho and Ayala for sharing this experience with me and allowing me to learn from you. I also appreciate the conversations with my best friend Jeka, who always makes time to listen to me. Without your support and love none of this could be possible.

Chapter 1. Introduction

Some Latin American multinational companies have become competitive actors in a variety of industries (Cuervo-Cazurra et al., 2018). Latin America is a vast and complex region where environmental, sectorial, and individual firm characteristics influence their international business activities (Gonzalez-Perez et al., 2021; Newburry, Liberman, and Oliveira, 2018; Mohieldin et al., 2022). Due to the region's complex institutional environment, firms internationalize to countries with different corporate social responsibility (CSR) reputation aiming to benefit from said reputation (Dau, Moore & Newburry, 2018; Velez-Ocampo & Gonzalez-Perez, 2021). Understanding companies from emerging markets might serve as a framework to appraise these economies' transformation, development, and growth (Park & Ungson, 2019). Likewise, the positive connotation associated with emerging multinationals is a sign of the reshaping nature of international business (Gammeltoft, Barnard & Madhok, 2010). In this way, key actors in these markets can advance their ethical and stakeholder orientation at a global level (Castrillón-Orrego, 2015).

Outward foreign direct investment (OFDI) data for Colombian companies demonstrates that since 2002, the country's firms have increased their international presence and experienced accelerated growth. However, their expansion, foreign operations and internationalization strategies have not been widely analyzed (De Villa, 2016; Gonzalez-Perez and Velez-Ocampo, 2014; Velez-Ocampo, 2021). According to Park (2018), the relationship between corporate sustainability and firm internationalization is largely unexplored. Additionally, Gonzalez-Perez and Leonard (2015) claim that there is no consensus on the theoretical and practical impacts of companies adopting sustainability.

Similarly, active participation of the private sector and MNEs is required to achieve sustainable development. In this regard, van Zanten and van Tulder (2018) argue that individual firms' role in sustainable development and their societal impacts have received little attention. In a similar vein, Kolk, Kourula, and Pisani (2017) suggest that there is relatively limited research on MNEs and SDGs, which represents an opportunity for international business scholars to contribute essential insights on the issue or, in a more general way, to explain the private sector's contribution to sustainable development (Van Tulder, Rodrigues, Mirza & Sexsmith, 2021; Van Zanten & Van Tulder, 2018).

Therefore, this study aims to characterize the interrelationship between internationalization and sustainability of an emerging market multinational, identify the contribution of EMNS to sustainable development, and answer the following question:

How do EMNEs integrate sustainability into their corporate strategy to both gain legitimacy and contribute to sustainable development in host markets?

This question was also motivated by the serious development challenges facing the world, which call for a binding commitment to accelerate progress.

As expressed by internal stakeholders in foreign and domestic subsidiaries of the company studied, there is a universal language of sustainability that requires joint actions from companies and local governments to contribute to sustainable development. This coordinated effort aids companies to improve their relations with local and international stakeholders. It also legitimates their efforts by addressing their economic, environmental, and social needs, which are becoming increasingly important to international investors. On the other hand, this study highlights the importance of policymakers and multinational companies collaborating to accomplish national commitments towards SDGs and Agenda 2030. It also calls for policies to promote and facilitate the incorporation of sustainability strategies in order to improve international competitiveness of

emerging market firms. Thus, the findings of this dissertation are useful to scholars, practitioners and policymakers in their decision-making processes and research.

Objectives

General

To analyze the process of EMNEs adopting sustainability strategies and their contribution to sustainable development.

Specific objectives

- To identify unexplored aspects of the relationship between corporate sustainability and internationalization in emerging markets.
- To analyze how a Colombian-born company integrates sustainability into its corporate strategy in order to achieve corporate legitimacy and long-term relevance in host markets.
- To contribute to a better understanding of the internationalization of EMNEs and the implementation of a sustainability strategy as a means of overcoming their liabilities of foreignness and contributing to sustainable development in host countries.

As previously stated, this Doctoral dissertation consists of a systematic literature review and two empirical papers. The review paper (Chapter 2) explores the evolution of research in internationalization and sustainability in emerging markets from 1991 to 2021 while discussing past and future research frameworks on the subject. The chapter also reports the findings using Callahan (2014)'s "Six Ws" framework (who, when, where, how, what, and why); and Rosado-Serrano et al.'s (2018) "Five C" (concise, clear, critical, convincing, and contributive).

We identified that the interlinks between sustainability and internationalization in emerging markets have been studied from several theories and perspectives (e.g., institutional, internationalization and resource-based-view theories, sustainability reporting) and that previous studies were conducted in diverse geographies and with a variety of methods. Furthermore, seven areas and 15 questions for future research linking both concepts, ranging from institutional, industry, organizational and network characteristics to theoretical frameworks and measurements. Chapters 3 and 4 were developed based on this chapter's findings. We found a window of opportunity in extending the analysis to other geographies, such as Latin America, while considering specific institutional contexts and firm-specific advantages and capabilities. The research questions for those chapters were motivated by the gaps discovered in the literature. Hence, chapter 3 corresponds to a single multi-business multilatina case study aiming to answer the question: *How does a multinational company achieve corporate legitimacy and maintain long-term relevance by integrating sustainability into its corporate strategy?* To conduct this study, we interviewed 31 corporate leaders in five Latin American countries in the first semester of 2021 and identified contextual elements affecting the company's internationalization and sustainability of this company.

In this regard, as expressed by Marano, Tashman and Kostova (2017), the institutional voids of emerging markets push companies to increase their commitment to sustainability as a strategy to overcome their liabilities and comply with stakeholder's demands in order to gain legitimacy among them. However, little is known about the process of MNEs integrating sustainability into corporate strategy and dynamism in subsidiary response to resolving internal and external institutional pressures (Beddewela, 2019). Hence, from an institutional theory perspective, we study the dynamism in subsidiary responses to resolve institutional duality, which deals with

subsidiaries' confrontation with internal and external pressures, as well as their need to maintain legitimacy with both (Kostova & Roth, 2002).

Drivers, outcomes, and challenges in integrating sustainability into corporate strategy were identified in this study, as well as mechanisms through which the subsidiaries comply with demands by internal and external stakeholders, both domestically and internationally. Demands by external stakeholders were identified as the main driver of this integration, while responding to stakeholder expectations was found to be critical in overcoming corporate liabilities when operating abroad. That is, appealing to sustainability to overcome both liabilities of foreignness (LOF) and of emergingness (LOE) (Madhok & Keyhane, 2012; Zaheer, 2002). Hence, EMNS are pushed to develop and upgrade their capabilities in order to remain competitive; relational capabilities, in particular, have been identified as critical in this case. As a result, sustainability strategy appears to be a mechanism for achieving and maintaining corporate legitimacy and long-term competitive relevance by complying with external legitimacy, overcoming liabilities, upgrading capabilities, and developing competitive advantages.

Internal legitimacy is linked to compliance with headquarters guidelines and requirements (Kostova & Roth, 2002). Internal transfer of practices is institutionalized in this case through an internalization process in which employees give symbolic meaning to the sustainability practice (Kostova, 1999), thus enabling the company's long-term competitive relevance and legitimacy. In this sense, this chapter is focused on the internal relationship between headquarters and subsidiaries and the process of gaining legitimacy through the implementation of a sustainability strategy. It leads to the analysis of EMNEs' contribution to sustainable development, which is covered in Chapter 4. Both chapters contribute to a better understanding of this thesis' overall goal of studying EMNEs' integration of sustainability strategies in order to gain legitimacy

(Chapter 3) and their contribution to local sustainable development in host markets (Chapter 4) while internationalizing.

The third paper (chapter 4) aims to answer the question: *How do EMNEs overcome the liability of foreignness by contributing to sustainable development of host countries?*, which appeared as a gap in the literature regarding MNEs and their contribution to sustainable development. This paper collects data from interviews, company reports, direct observations and third-party reports from five different Latin American countries. The findings suggest that due to the specific conditions of the Colombian context, companies must develop strategic capabilities to succeed in environments of armed conflict and challenging social, political, military, and economic conditions (Arias et al., 2018). Thus, they are primarily motivated to internationalize by escape and learning drivers (Cuervo-Cazurra, 2016). Other drivers found in the study include firm-specific advantages and resource seeking.

Once they enter new markets, they face liabilities of foreignness such as unfamiliarity and relational and discrimination hazards. Unfamiliarity hazards appeared to be the most significant challenge for the company, as it lacks experience and institutional knowledge in international markets (Asmussen et al., 2009; Elango, 2009). Sustainability appears as a mechanism for gaining stakeholder legitimacy and overcoming LOF. Additionally, alignment with global agendas and initiatives such as the Global Compact, Sustainable Development Goals (SDG), combined with good materiality management and active stakeholder involvement, enables the creation of public value and contribution to sustainable development. Thus, sustainability becomes a mechanism for facilitating internationalization, generating legitimacy and contributing to sustainable development.

These three papers contribute to the discussion on the relationship between internationalization and sustainability in the context of emerging markets using evidence from seven Latin American

countries (Colombia, Peru, Bolivia, Chile, Brazil, Argentina, and Panama). Countries from this region, as other emerging markets, have similar characteristics regarding institutional weaknesses, economic and political challenges, and social conflicts. Companies must challenge these unfavorable conditions and develop specific capabilities in order to gain legitimacy locally and internationally, while also promoting development in host countries, as evidenced by the multilatina analyzed. Moreover, the selected case provides fertile ground for analyzing the link between internationalization and sustainability and addressing the general and specific objectives of the study as it exemplifies the specific characteristics of EMNEs' internationalization process and their contribution to sustainable development.

In this sense, the thesis contributes to international business and organizational sustainability theories.

Justification: Colombian context

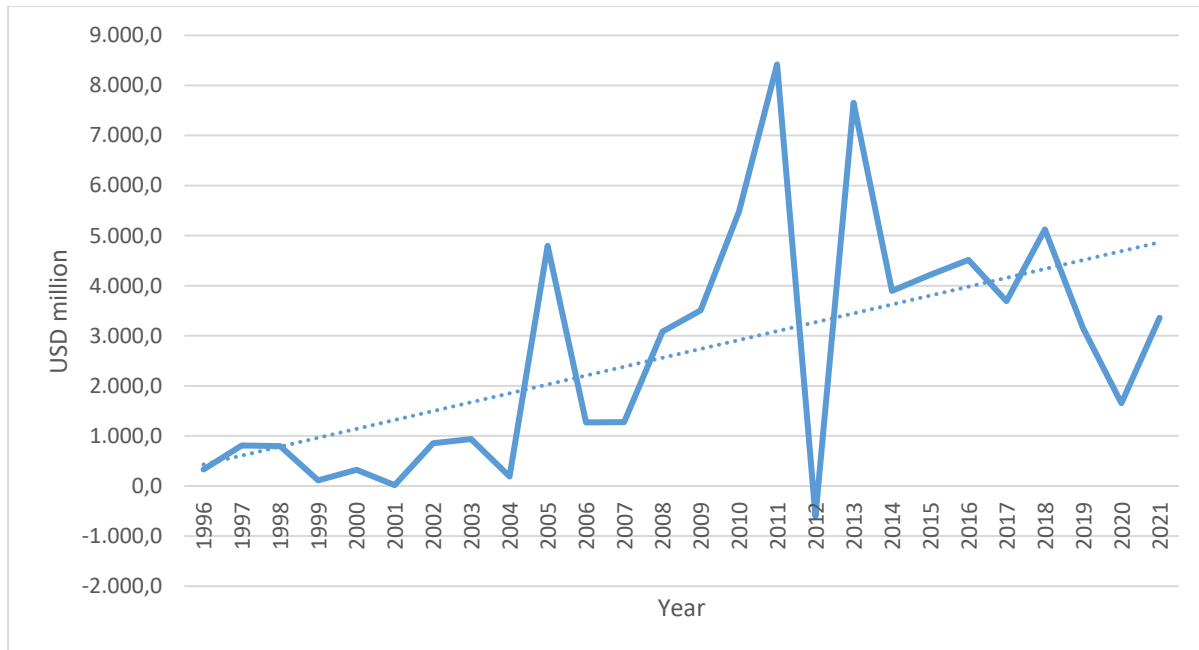
Latin American is a region that can provide insights on the internationalization of firms from emerging markets (Borda Reyes et al., 2019). When compared to the experiences of companies from other parts of the world, the unique characteristics of Latin American countries can generate new ideas about the home country's role in the international expansion of firms (Aguilera, Ciravegna, Cuervo-Cazurra & Gonzalez-Perez, 2017; Gonzalez-Perez et al., 2020).

Since the 1990s, the Latin American region has undergone a series of transformations aimed at stabilizing its economies, allowing the region to become part of the "emerging economies" (Aguilera et al., 2017; Mohieldin et al., 2022).

For the specific case of Colombia, its outward foreign direct investment saw an incremental trend as a response to trade liberalization, market deregulation and access to international capital

markets (See Figure 1). This demonstrates that local companies are increasingly internationalizing to foreign countries, particularly in the Latin American region; moreover, in terms of entry modes, acquisitions were the most preferred entry mode of these companies (Gonzalez-Perez & Velez-Ocampo, 2014).

Figure 1: Total Colombian outward foreign direct investment (OFDI) (1996-2021)



Source: Own elaboration based on Banco de la República (2022)

As observed in Figure 1, Outward Direct Investment of Colombia started in 2005. However, its consolidation began in 2008 (Aguilera et al., 2017). While there was an increase in the OFDI between 2000 and 2011, it decreased in 2012 due to the reduction of Colombia’s mining oil investment in United States.

In 2019 Colombia was ranked as the third-largest investor of the Latin American and Caribbean region after Chile and Mexico, with a total investment of USD 2 billion (UNCTAD, 2021).

Nevertheless, the country's historical background has been marked by political instability and armed conflict (Cuervo-Cazurra, 2016). In this sense, Colombian companies expanding beyond their national borders faced liabilities of newness, expansion and foreignness, as well as liabilities of past, due to the country's historical peculiarities (Cuervo-Cazurra, Maloney, & Manrakhan, 2007; Gonzalez-Perez & Velez- Ocampo, 2014). Colombia has experienced five decades of conflict with different illegal groups such as trade cartels and guerrillas, but the situation changed in 2016, with the peace agreement signed by the government and the FARC guerrilla group. This allowed for a reduction in violence and the demobilization of armed groups, while also challenging the government to develop a post-conflict policy (Aguilera et al., 2017; Arias, Ibáñez & Zambrano, 2018).

Indeed, Colombia is one of the leading countries of Latin America in the design and implementation of the SDGs and Agenda 2030. This was evident at the Rio+20 conference in 2012, where Ms. Paula Caballero, former Director of Economic Affairs of the Colombian Foreign Affairs Ministry, proposed the creation of the SDGs as an expansion of the United Nations' Millennium Development Goals (MDG). Since then, the Colombian government has been developing various mechanisms and strategies for the support of this agenda:

- First country in the world to incorporate the SDGs into its National Development Plan (2014-2018).
- Creation of a high-level inter-institutional commission with the national secretariat and the technical committee for the SDGs to ensure compliance with the 2030 agenda on a national and international level.
- Incorporation of the 2030 agenda into municipal development plans.

- Compatibility of interests between public and private actors towards the accomplishment of SDGs and Agenda 2030.

Colombia's reputation and image have been transformed in this way as a result of its sustainability initiatives. Furthermore, more than 500 Colombian businesses have joined the United Nations Global Compact Initiative, demonstrating their commitment to sustainability . A large number of Colombian multinationals have been included in the Dow Jones Sustainability Index. Their active participation and implementation of the Global Reporting Initiative (GRI) places Colombia as one of the top reporting countries in the world (Ancines, 2019).

For the above reasons, the country provides fertile ground for research into internationalization and sustainability, as its companies had to overcome adverse circumstances and develop strategic capabilities in order to properly manage their local and international operations. In this regard, as an emerging market country, Colombia can offer new insights to existing fundamental theories and literature that analyze the internationalization and organizational sustainability process in emerging economies, which are currently lacking nowadays. Therefore, this analysis could contribute to the fields of International Business, emerging markets and sustainability, as it provides an opportunity to learn about the particularities of the Latin American region and the sustainability issues that their companies face, which distinguishes them from those of other regions.

Chapter 2. What do we know about corporate sustainability and international business?

Abstract

There is evidence of unexplored aspects of the relationship between corporate sustainability and internationalization in the context of emerging markets that require scholars' attention in order to address their research on key social and managerial aspects that are relevant for companies and societies.

In this way, this study aims to identify previously unexplored aspects of the relationship between corporate sustainability and internationalization in the context of emerging markets. To this end, a systematic literature review was conducted. The findings are presented in accordance with Callahan's (2014), who introduced the concept of the "Six Ws" as components of a literature review. After conducting the systematic literature review, we found common characteristics among the studies of internationalization and sustainability in emerging markets firms. The study findings suggest that internationalization is a driver for pursuing sustainability initiatives.

Furthermore, there is increasing evidence of the inclusion of Corporate Social Responsibility initiatives and sustainability-drive practices in International Business. As a result, the present paper can serve as a basis for understanding the internationalization of emerging market multinationals (EMNEs) and the role of sustainability in this process. Finally, we provide guidelines for policymakers to recognize the importance of trade openness and expansion policies in enhancing and encouraging the implementation of sustainability strategies to promote FDI.

Keywords:

Internationalization, sustainability, emerging markets, sustainable development

2.1. Introduction

International Business (IB) research has been called to address the “grand challenges” and respond to “big questions” in order to solve real-world problems in the global economy (Buckley, 2002; Buckley, Doh & Benischke, 2017; Dunning, 2010; Griffith et al., 2008; Peng, 2004).

However, IB research should be redirected towards analyzing critical global phenomena or “grand challenges” , as well as the role of MNEs in development generation (Dunning & Fortanier, 2007). More specifically, IB scholars should analyze these goals in order to advance IB theories and contribute to important debates using a multidisciplinary approach (Buckley et al., 2017).

These grand challenges are “ambitious but achievable objectives that harness science, technology, and innovation to solve important national or global problems and have the potential to capture the public’s imagination” (US Office of Science and Technology Policy, 2014).

Similar to multinational companies, these challenges, and other sustainability initiatives such as the SDGs and Agenda 2030 transcend political, social and economic borders, and are important phenomena of analysis, especially for IB scholars in their study of people and companies’ interactions across borders. In the same line, the effects of sustainability measures on FDI range from the adaptation of various rules and regulations governing sustainability practices to investment opportunities for multinationals that can assist countries in achieving their SDGs (Economist Impact, 2022).

Therefore, in recent years, there has been a growing interest in analyzing the internationalization process of emerging market multinationals (EMNEs), as well as their commitment to sustainability in their pursuit of development and progress generation through the engagement of citizens and governments around the world (Cheung, Kong, Tan & Tang, 2015; Park, 2018).

Looking at both concepts separately, we found that there is an interest in the IB field in analyzing the impact of institutions on firms' internationalization, as well as on their co-evolution. For instance, Cantwell, Dunning and Lundan (2010) propose institutional avoidance, adaptation and co-evolution as a theoretical framework for the study of institutions and MNEs, which is applied to MNEs from both developed and developing countries. Nevertheless, due to the specific characteristics of emerging markets, this relationship between firms and institutions can be of a very different nature. In this way, it has been revealed that regarding inward relationship, the home and host country institutions can influence EMNEs' entry mode choice, R&D, international strategy, partner selection, international human resource management, profitability and even their CSR activities of (Chen, Lim, & Shapiro, 2015; Becker-Ritterspach, Simbeck, & El Ebrashi, 2019; Hitt, 2016).

In the case of the outward relationship, it is noted that home and host country institutions can affect EMNEs' internationalization, governance mode selection and OFDI (Liu, Yang, Li, & Liu, 2021).

Hence, the role of institutions in shaping and/or constraining patterns of actions of EMNEs in their inward and outward dynamics can be highlighted, impacting CSR and sustainability decisions. Thus, institutions establish the rules of the game by defining legitimized social roles that affect firm practices and decisions in terms of their responsibility to improve the social state, well-being and environment of stakeholders, both locally and internationally (Jamali, Jain, Samara & Zoghdbi, 2020).

In this sense, institutions are the connective tissue between internationalization and sustainability, shaping EMNEs identities and prescribing their roles in relation to stakeholder demands and needs.

As this relation has not been extensively explored, the present paper provides a review of the literature that links the concepts of sustainability and internationalization in the context of emerging markets. This study identifies various authors who offer internationalization approaches as well as authors who provide definitions of sustainability, suggesting that sustainability is a complex term with multiple interpretations. It was originally intended to address economic and environmental issues, but has evolved to include socio-cultural aspects (Rao et al., 2017). In a similar vein, the concept of internationalization has evolved from the traditional Uppsala Model to new approaches such as the ones promoting networks as important aspects that enable legitimacy and commitment in the internationalization process (Pervez, Tasavori, & Zaefarian, 2014).

The article is structured as follows: the first section introduces both topics and their emerging market analyses. The second section explains the methodology. The third section provides an overview of the existing literature according to the equations used, followed by the analysis of results for each topic. The discussion section examines the common points of interest and intersection of both issues in the context of emerging markets, which is the focus of the contribution. The final section presents the conclusions, limitations and recommendations for future research.

2.2. Methodology

The purpose of this literature review is to synthesize existing research on the methodology, theoretical frameworks, findings, units of analysis and conceptualizations proposed by academics that integrate the concepts of sustainability and internationalization, which leads to provide recommendations for future research.

In the IB field, a variety of methodologies have been used to accomplish this. For instance, content analysis captures qualitative and quantitative aspects research through codification (Durlauf, Reger, & Pfarrer, 2007); meta-analysis aims to provide a quantitative aspect of the field under research (Steel, Beugelsdijk & Aguinis, 2021); narrative or critical review has an historical focus on a specific topic (Papanastassiou, Pearce, & Zanfei, 2020); and citation or bibliometric analysis uses data visualization analysis to support findings (Alon, Anderson, Munim & Ho, 2018).

The choice of methodological tools should be aligned with the purpose of the literature review. As the aim of this article is to synthesize existing research on the relationship between internationalization and sustainability, a content analysis will be used to classify and analyze the articles. Thus, the methodology of this systematic review is based on Callahan (2014) and Durlauf, Reger, and Pfarrer (2007).

Hence, in line with other reviews (Aguilera, Marano & Haxhi, 2019; Cuypers, Patel, Ertug, Li & Cuypers, 2021), this review follows a three-stage approach that includes planning, collection and analysis.

The initial phase (planning) of the review consisted of identifying the goal of the review and determining its scope. The second phase (collection) included the search of articles on different databases (Web of Science Core Collection, EBSCO, Scopus, and Google Scholar), as conducted by Rosado-Serrano, Paul & Dikova (2018). It included manuscripts published until 2021, which were filtered into the categories of Business, Management, Economics, Environmental Studies, and Green Sustainable Science Technology. The equation was composed by three main parts that integrate internationalization, sustainability, and emerging markets, as shown below:

internationali* AND sustainab* AND “emerging econom*” OR “emerging market*” OR “emerging countr*” OR “developing econom*” OR “developing market*” OR “developing countr*”.

The initial results consisted of 170 articles, which were reduced to 90 after the content analysis, excluding those that were unrelated or had a weak approach to the topics of study. The content analysis allowed the codification of the manuscripts by year, title, journal, authors, objectives, theoretical approaches, geographical and industrial contexts, methodologies, findings, and avenues for future research in order to contribute to the knowledge and research on internationalization and sustainability theories.

The 90 articles were classified according to their closeness to each topic independently on a scale of 1 to 5 to facilitate the analysis.

In the final stage (analysis), the results are presented in accordance with Callahan’s (2014) recommendations., who introduced the concept of the “Six W” as components of a Literature Review article. This concept can be summarized as asking: who, when, where, how, what and why, while also adhering to Rosado-Serrano et al.’s (2018) Five C”, which are characteristics of rigorous literature reviews: concise, clear, critical, convincing, and contributive.

Overview

The 90 articles are presented in Table 1 below:

Table 1. Articles included in the analysis

Year	Title	Journal
1991	Marketing Standardization by Multinationals in an Emerging Market	European Journal of Marketing
1997	Chocolates El Rey: Industrial modernization and export strategy	Journal of Business Research
2000	Inflation targeting in emerging-market countries	The American Economic Review

2000	A Comparative Report on the Profiles of Retailing in the Emerging Markets of Europe: Turkey, Poland, Hungary, Portugal, and Greece	Journal of Euromarketing
2002	Developing Market Specific Supply Chain Strategies	The International Journal of Logistics Management
2003	Business Cycles and Macroeconomic Policy in Emerging Market Economies	International Finance
2003	Do Emerging Market Firms Follow Different Dividend Policies from U.S. Firms?	The Journal of Financial Research
2004	New frontiers in international strategy	Journal of International Business Studies
2006	Global Factors and Emerging Markets Spreads	The Economic Journal
2006	Higher education for sustainability by means of transdisciplinary case studies: an innovative approach for solving complex, real-world problems	Journal of Cleaner Production
2006	Corporate Responsibility in Emerging Markets	Journal of Corporate Citizenship
2007	Is Corporate Sustainability a Value- Increasing Strategy for Business?	Corporate Governance. An International Review
2007	The changing dynamics of Thai multinationals after the Asian economic crisis	Journal of International Management
2007	International Evidence on Fiscal Solvency: Is Fiscal Policy “Responsible”?	Journal of Monetary Economics
2007	Primary Surplus Behavior and Risks to Fiscal Sustainability in Emerging Market Countries: A “Fan-Chart” Approach	IMF Working Papers
2008	Corporate Social Responsibility reporting in South Africa	International Journal of Business Communication
2009	The Emergence of Corporate Social Responsibility in Chile: The Importance of Authenticity and Social Networks	Journal of Business Ethics
2009	Sustainability Innovation Cube – A framework to evaluate sustainability of product innovations	SSRN Electronic Journal
2009	Early Childhood Education and learning for Sustainable Development and Citizenship	International Journal of Early Childhood
2010	International Business, Corporate Social Responsibility and Sustainable Development	International Business Review
2010	From blind spots to hotspots: How knowledge services clusters develop and attract foreign investment	Journal of International Management
2010	Corporate Social Responsibility in China: an Analysis of Domestic and Foreign Retailers’ Sustainability Dimensions	Business Strategy and the Environment
2010	CSR, Sustainability and the Meaning of Global Reporting for Latin American Corporations	Journal of Business Ethics

2010	The determinate effects of competences and decision process factors on firms' internationalisation	The Service Industries Journal
2010	How Credible are Mining Corporations' Sustainability Reports? A Critical Analysis of External Assurance under the Requirements of the International Council on Mining and Metals	Corporate Social Responsibility and Environmental Management
2011	Cities, mobility and climate change	Journal of Transport Geography
2011	Eco-efficiency, self-sufficiency and sustainability in transport: The limits for Brazilian sugarcane ethanol policy	Natural Resources Forum
2011	Industrias Lácteas Asturianas, S.A. (ILAS): Un ejemplo de internacionalización discriminadora	Universia Business Review
2011	Evidence in Development of Sustainability Reporting: a Case of a Developing Country	Business Strategy and the Environment
2012	Cooperation in coffee markets: the case of Vietnam and Colombia	Journal of Agribusiness in Developing and Emerging Economies
2012	Corporate environmental responsiveness in India: lessons from a developing country	Journal of Cleaner Production
2012	Do Investors Value Sustainability Reports? A Canadian Study	Corporate Social Responsibility and Environmental Management
2012	What is really different about emerging market multinationals?	Global Strategy Journal
2012	What Motivates Firms from Emerging Economies to go Internationalization?	Technological and Economic Development of Economy
2013	A Taxonomy and Results from a Comprehensive Review of 28 Maternal Health Voucher Programmes	Journal of Health, Population, and Nutrition
2013	Collaborative business modelling for systemic and sustainable innovations	International Journal of Technology Management
2013	Desarrollo rural e internacionalización mediante redes de Comercio Justo del café. Un estudio del caso	Cuadernos de Desarrollo Rural
2013	Transdisciplinarity in Corporate Sustainability: Mapping the Field	Business Strategy and the Environment
2013	Sustainable Development and Assurance of Corporate Social Responsibility Reports Published by Ibex-35 Companies	Corporate Social Responsibility and Environmental Management
2013	Financial Incentives and Maternal Health: Where Do We Go from Here?	Journal of Health, Population, and Nutrition
2014	A Social Disclosure Index for Assessing Social Programs in Brazilian Listed Firms	SSRN Electronic Journal
2014	Alpha Tech: a Brazilian software firm goes international	Management Decision

2014	Determinants of Export Performance of Small and Medium-sized Manufacturing Brazilian Enterprises from the Perspective of Resource-based View and Uppsala Model	Revista Brasileira de Gestão de Negócios
2014	Entry Mode Selection, Location Choice and the Sequence of Internationalization: A Case Study on Ranbaxy Laboratories Ltd	Asian Social Science
2014	Internationalisation of service firms through corporate social entrepreneurship and networking	International Marketing Review
2014	Institutional change and regional development in China: the case of commodity trading markets	Environment and Planning C: Government and Policy
2014	The influence of political risk on the scope of internationalization of regulated companies: Insights from a Spanish sample	Journal of World Business
2015	A Review of the Regional Agreements in Multilateral Perspective	Scholedge International Journal of Multidisciplinary & Allied Studies
2015	Online corporate social responsibility (CSR) disclosure in the banking industry: Evidence from Turkey	International Journal of Bank Marketing
2015	The Role of the State in Explaining the Internationalization of Emerging Market Enterprises	British Journal of Management
2016	City clusters and break-out in corporate competitiveness: Patterns and perspectives focusing on innovation capabilities and India	Competitiveness Review
2016	Enhanced development through internationalisation in emerging Europe: the role of FDI in Slovenia	Transnational Corporations Review
2016	What Drives International Competitiveness? An Empirical Test in Emerging Indonesian Market	Journal of Competitiveness
2017	Building Energy, Environment and Sustainability Linkages in Management Education in India—An Innovative Curriculum Based Approach	Curricula for Sustainability in Higher Education
2017	Building international business bridges in geographically isolated areas: The role of foreign market focus and outward looking competences in Latin American SMEs	Journal of World Business
2017	SME export performance, capabilities and emerging markets: the impact of institutional voids	European Journal of International Management
2017	Global Interdependence of Collaborative R&D-Typology and Association of International Co-Patenting	Sustainability
2018	Barriers to the Internationalization of Czech SMEs	European Research Studies Journal
2018	Can Talent Management Practices Be Considered as a Basis for Sustainable Competitive Advantages in Emerging-Market Firms? Evidence from Russia	Thunderbird International Business Review
2018	Cluster strategy and supply chain management: The road to competitiveness for emerging economies	Benchmarking: An international Journal

2018	Electromobility research in Germany and China: structural differences	Scientometrics
2018	Emerging market multinationals and the concept of ownership advantages	International Journal of Emerging Markets
2018	Role of Domestic Financial Reforms and Internationalization of Non-Financial Transnational Firms: Evidence from the Chinese Market Muhammad	Sustainability
2018	Multinationals and sustainable development: Does internationalization develop corporate sustainability of emerging market multinationals?	Business Strategy and the Environment
2018	Unrelated diversification in latecomer contexts: Emergence of the Chinese solar photovoltaics industry	Environmental Innovation and Societal Transitions
2018	Global Consumer Culture and Advertising Research	International Journal of Advertising
2019	Best practice example of CSR and S&E engagement in emerging economies: analysis of a case study based in China	Journal of Asia Business Studies
2019	Corporate social responsibility and competitive advantage: A developing country perspective	Thunderbird International Business Review
2019	The Factors Affecting the Environmental Practices of Companies: The Case of Serbia	Sustainability
2019	Green innovation: Unfolding the relation with environmental regulations and competitiveness	Resources, Conservation & Recycling
2019	Relationship Between the Degree of Internationalization and Performance in Manufacturing Enterprises of the Yangtze River Delta Region	Emerging Markets Finance and Trade
2019	Imperatives of Sustainable University Excellence: A Conceptual Framework	Sustainability
2019	Moderating and mediating role of renewable energy consumption, FDI inflows, and economic growth on carbon dioxide emissions: evidence from robust least square estimator	Environmental Science and Pollution Research
2020	How an international ambidexterity strategy can address the paradox perspective on corporate sustainability: Evidence from Chinese emerging market multinationals	Business Strategy and the Environment
2020	Development of Business Schools in Emerging Markets: Learning through Adoption and Adaptation	Sustainability
2020	Does the Choice of IJV under Institutional Duality Promote the Innovation Performance of Chinese Manufacturing Firms? Evidence from Listed Chinese Manufacturing Companies	Sustainability
2020	Can proactive environmental strategy improve Multinationals' level of internationalization? The moderating role of board independence	Business Strategy and the Environment
2020	The impact of institutional distance on sustainable investment: evidence from China's Belt and Road Initiative	Nankai Business Review International

2020	Disentangling the influence of internationalization on sustainability development: Evidence from the energy sector	Business Strategy and the Environment
2020	Impact of Education on Sustainable Economic Development in Emerging Markets-The Case of Namibia's Tertiary Education System and its Economy	Sustainability
2020	Corporate innovation and environmental investment: The moderating role of institutional environment	Advances in Climate Change Research
2020	Environmental sustainability practices and exports: The interplay of strategy and institutions in Latin America	Journal of World Business
2020	Linking governance structure and sustainable operations of Chinese manufacturing firms: The moderating effect of internationalization	Journal of Cleaner Production
2020	The grass is always greener: The impact of home and host country CSR reputation signaling on cross-country investments	Journal of International Business Policy
2020	The Role of Networks in Improving International Performance and Competitiveness: Perspective View of Open Innovation	Sustainability
2021	Adoption of social sustainability practices in an emerging economy: Insights from Vietnamese handicraft organizations	Sustainable Production and Consumption
2021	Environmental sustainability practices and offshoring activities of multinational corporations across emerging and developed markets	International Business Review
2021	The Fast Lane of Internationalization of Latin American SMEs: A Location-Based Approach	Sustainability
2021	Drivers for adoption of sustainability initiatives in supply chains of large Russian firms under environmental uncertainty	Corporate Governance
2021	Online conferencing in the midst of COVID-19: an "already existing experiment" in academic internationalization without air travel	Sustainability: Science, Practice, and Policy

Source: Own construction

The articles have a total of 8276 Google Scholar citations and were written by 270 different authors between 1991 and 2021. This period coincides with the economic liberalization of many countries, as well as a growing interest in non-financial impacts of companies' actions, such as sustainable practices.

The next sections of this study will provide a detailed analysis of the findings based on Callahan's (2014) recommendations.

2.3. Results

What do we know about internationalization and sustainability in the context of emerging markets?

To answer the question of what we know about the intersection between internationalization and sustainability in the context of emerging markets, different approaches were observed in the articles, as presented in Tables 2 and 3.

With respect to internationalization, there are various definitions, as it “means different things to different people and is thus used in a variety of ways” (Knight, 2014, p. 5).

In the first place, when the Journal of International Business Studies was founded in the 1970s, the themes that fell into the field were related to firm-level activities conducted in foreign locations, different from home country’s activities and the interrelationships between them (Kolk, 2016).

More specifically, Buckley (2002) proposed that international business research focuses on three specific characteristics: foreign direct investment flows, multinational enterprises’ strategies and firm internationalization prediction.

From an institutional perspective, Knight (2014) argues that internationalization can be defined as a process that integrates “an international, intercultural or global dimension into the purpose and functions” of companies (p. 11). This definition implies that internationalization is not a static condition of firms, but rather an ongoing condition. Moreover, internationalization is regarded as a dynamic organizational status related to a firm’s expansion into foreign markets. Thus, it is viewed as a continuous rather than a static phenomenon (Park, 2018), implying an expansion process of company operations that increase their level of commitment until they become involved in foreign direct investment.

From these perspectives, internationalization suggests an implicit relationship between different actors or stakeholders located in different geographies, with different drivers and outcomes. In this scenario, MNEs emerge as a result of a growth process that expands the boundaries of the firm beyond national borders (Dunning & Lundan, 2008). Similarly, they can gain competitive advantages by combining assets in different countries and cultures (Dunning, 1989).

In terms of internationalization strategies of EMNEs, Cuervo-Cazurra and Genc (2008) argue that these companies face some disadvantages compared to developed-country MNEs because they are less competitive due to their home country's institutional voids. However, this condition may change if both types of MNEs operate in countries with these difficult conditions. In a similar vein, Luo and Tung (2007) describe the springboard perspective, in which EMNEs view internationalization as a springboard for resource acquisition and as a means of reducing the institutional difficulties faced in their home countries.

A total of 33 authors presented different views of internationalization in the context of emerging markets in this study. This was the case of Moraes & Rocha's (2014) analysis, who revealed that entrepreneurial firms in Brazil internationalize following the Uppsala Model process proposed by Johanson and Vahlne in 1977. Internationalization in this case is a gradual and step-by-step process, in contrast to recent literature on international entrepreneurship. This internationalization process is divided into four stages, going from sporadic export, to exports via agents, to subsidiaries, to production in foreign locations (Torrens, Amal, & Tontini, 2014). Furthermore, according to Pavlák (2018), entrepreneurial firms are able to enter international markets and gain access to foreign knowhow due to cross-border regional cooperation, facilitated by the interconnection of economies.

The eclectic paradigm (OLI) proposes that different conditions such as asset, market, and efficiency-seeking motivate these international activities (Hoque, Uddin, & Mamum, 2014).

Finally, networks appear to be an important aspect that provides legitimacy and commitment in the internationalization process (Pervez, Tasavori, & Zaefarian, 2014).

Therefore, internationalization involves businesses operating in different geographies and within different institutional environments, with EMNEs being particularly motivated by the harsh institutional conditions that force them to seek new opportunities abroad. They also implement a variety of strategies to promote and strengthen their legitimacy among local and international stakeholders, as well as to facilitate their international expansion.

Table 2. Articles related to internationalization

Year	Title	Journal
2006	Corporate Responsibility in Emerging Markets	Journal of Corporate Citizenship
2007	The changing dynamics of Thai multinationals after the Asian economic crisis	Journal of International Management
2010	Corporate Social Responsibility in China: an Analysis of Domestic and Foreign Retailers' Sustainability Dimensions	Business Strategy and the Environment
2010	CSR, Sustainability and the Meaning of Global Reporting for Latin American Corporations	Journal of Business Ethics
2011	Cities, mobility and climate change	Journal of Transport Geography
2011	Eco-efficiency, self-sufficiency and sustainability in transport: The limits for Brazilian sugarcane ethanol policy	Natural Resources Forum
2011	Evidence in Development of Sustainability Reporting: a Case of a Developing Country	Business Strategy and the Environment
2012	Cooperation in coffee markets: the case of Vietnam and Colombia	Journal of Agribusiness in Developing and Emerging Economies
2012	Corporate environmental responsiveness in India: lessons from a developing country	Journal of Cleaner Production
2014	Alpha Tech: a Brazilian software firm goes international	Management Decision
2014	Determinants of Export Performance of Small and Medium-sized Manufacturing Brazilian Enterprises from the Perspective of Resource-based View and Uppsala Model	Revista Brasileira de Gestão de Negócios
2014	Entry Mode Selection, Location Choice and the Sequence of Internationalization: A Case Study on Ranbaxy Laboratories Ltd	Asian Social Science
2014	Internationalisation of service firms through corporate social entrepreneurship and networking	International Marketing Review
2018	Barriers to the Internationalization of Czech SMEs	European Research Studies Journal

2018	Can Talent Management Practices Be Considered as a Basis for Sustainable Competitive Advantages in Emerging-Market Firms? Evidence from Russia	Thunderbird International Business Review
2021	Drivers for adoption of sustainability initiatives in supply chains of large Russian firms under environmental uncertainty	Corporate Governance

Source: Own construction

Regarding sustainability, a total of 49 authors analyzed some definitions of sustainability, which were related to topics such as corporate sustainability, a concept that includes issues such as environmental protection, social equity and community inclusion, with the goal of creating long-term shareholder value (Lo & Sheu, 2007); or corporate environmentalism, which recognizes the importance of the natural environment and its integration into strategic decision making (Sandhu et al., 2012). Such programs should be incorporated into the corporate strategic planning in order to prevent social responsibility and sustainability practices from being treated as isolated interests and to measure externalities produced by firms on societies (De Souza, Jreige, & Niyama, 2014). Other authors argue that sustainability is a complex term that can be interpreted in a variety of ways; it was originally applied to economic and environmental issues, but has evolved to include sociocultural aspects as well (Rao et al., 2017) (See Table 3).

Table 3. Articles related to Sustainability

Year	Title	Journal
2006	Corporate Responsibility in Emerging Markets	Journal of Corporate Citizenship
2007	Is Corporate Sustainability a Value- Increasing Strategy for Business?	Corporate Governance An International Review
2008	Corporate Social Responsibility reporting in South Africa	International Journal of Business Communication
2010	Corporate Social Responsibility in China: an Analysis of Domestic and Foreign Retailers' Sustainability Dimensions	Business Strategy and the Environment
2010	CSR, Sustainability and the Meaning of Global Reporting for Latin American Corporations	Journal of Business Ethics
2011	Cities, mobility and climate change	Journal of Transport Geography
2011	Eco-efficiency, self-sufficiency and sustainability in transport: The limits for Brazilian sugarcane ethanol policy	Natural Resources Forum

2011	Evidence in Development of Sustainability Reporting: a Case of a Developing Country	Business Strategy and the Environment
2012	Cooperation in coffee markets: the case of Vietnam and Colombia	Journal of Agribusiness in Developing and Emerging Economies
2012	Corporate environmental responsiveness in India: lessons from a developing country	Journal of Cleaner Production
2012	Do Investors Value Sustainability Reports? A Canadian Study	Corporate Social Responsibility and Environmental Management
2013	Desarrollo rural e internacionalización mediante redes de Comercio Justo del café. Un estudio del caso	Cuadernos de Desarrollo Rural
2014	A Social Disclosure Index for Assessing Social Programs in Brazilian Listed Firms	SSRN Electronic Journal
2014	Internationalisation of service firms through corporate social entrepreneurship and networking	International Marketing Review
2017	Building Energy, Environment and Sustainability Linkages in Management Education in India—An Innovative Curriculum Based Approach	Curricula for Sustainability in Higher Education
2019	Best practice example of CSR and S&E engagement in emerging economies: analysis of a case study based in China	Journal of Asia Business Studies
2021	Adoption of social sustainability practices in an emerging economy: Insights from Vietnamese handicraft organizations	Sustainable Production and Consumption
2021	Drivers for adoption of sustainability initiatives in supply chains of large Russian firms under environmental uncertainty	Corporate Governance

Source: Own construction

However, it must be noted that the term sustainability has different connotations in different fields, such as sustainable competitive advantage in strategic management or sustainable development in corporate sustainability. However; there is a consensus on its economic, social and environmental implications (Park, 2018).

It is important to differentiate between sustainability and Corporate Social Responsibility (CSR) or environmental CSR, which can be understood as a set of environmental actions aimed at reducing businesses' environmental impact on their stakeholders (Xu, Zeng & Chen, 2018).

The concept of CSR “is not associated with a specific author or a specific date” (Gonzalez-Perez, 2013, p. 3) because, since the emergence of the concept, companies have always been concerned for society. However, since the 1990s, there has been a notable increase in attention paid to this

topic from, which is characterized by a diversity of definitions and interpretations, that can be grouped under three specific theoretical perspectives: responsibilities within society, profit maximization and stakeholders' role (Gonzalez-Perez, 2013).

In a literature review, Zhao, Zhang and Kwon (2018) identify two trends that expand the CSR concept. One is the categorization of the topic into four types of responsibilities (philanthropic, legal, economic, and ethical); the other is the emphasis on stakeholders, who are divided into primary and secondary stakeholders.

On the other hand, sustainable development “implies the adoption of strategies and activities that meet both companies' needs and current and future societal expectations” (Ayuso & Navarrete-Báez, 2017, p. 171). The authors also propose that CSR is applied to a company's economic, environmental and social contributions, and that a socially responsible company should act in accordance with its stakeholders' demands and concerns.

For Kolk (2016), the notions of CSR, sustainable development or sustainability have their own frames, debates and traditions, and even different theoretical lenses. However, it is preferable to “approach social responsibility from the perspective of the issues, whether regulated or not, and pressures, from whatever origin and regardless of the specific label or concept, with which MNEs are confronted” (Kolk, 2016, p. 24). This proposition highlights the environmental, ethical and social challenges that multinationals face when connecting with their stakeholders.

In this way, it is possible to differentiate sustainability and CSR by the fact that the former has its origin in system sciences, whereas the latter is rooted in normative, economics and ethics (Bansal and Song, 2017). Furthermore, CSR can be related to voluntary actions with social and environmental commitment, while sustainability is formed by three specific dimensions that analyze opportunities for future growth.

However, this study follows Kolk's (2016) recommendation to treat sustainability, sustainable development and CSR as labels that account for the issues that companies face in terms of economic, social, environmental, and ethical aspects in their interaction with internal and external stakeholders.

Now, regarding our understanding of sustainability and international business, it is important to analyze the selected publications according to their closeness with sustainability and internationalization. After reading the findings of the 90 articles, they were classified independently on a scale of one (lowest) to five (highest) according to their closeness with these topics as shown in Tables 4 and 5.

In this regard, Table 4 was built using the criterion of closeness to the "sustainability" construct, considering that the paper directly relates to its characteristics or dimensions (environmental, social, economic and governance). On the other hand, in Table 5 the same method was used to determine closeness to internationalization. In this case, the scoring was calculated considering the proximity of the paper regarding aspects of internationalization, foreign expansion and foreign investment, as well as entry modes. The closer the contribution in each of these topics, the higher the score; and the more distant, the lower the score.

Table 4: Score of articles according to their closeness to sustainability

Score	No	%
1	24	26,7
2	11	12,2
3	6	6,7
4	9	10
5	40	44,4
Total	90	100

Table 5: Score of articles according to their closeness to internationalization

Score	No	%
1	24	26,7

2	11	12,2
3	8	8,9
4	19	21,1
5	28	31,1
Total	90	100

All the manuscripts in this study comply with the inclusion criteria regarding their focus on internationalization and sustainability. However, their scoring (from 1 to 5) exposed the different levels of emphasis that the studies demonstrate on these two constructs. Consequently, Table 6 was constructed with the data extracted from closeness to the above-mentioned constructs of "sustainability" and "internationalization", allowing their classification on each of the four quadrangles (See Table 6).

Table 6: Classification of articles

Emphasis on internationalization	Strong	III. (Aries, 2016; Asturianas & Un, 2011; Balboni et al., n.d.; Dominguez & Cirigliano, 1997; Feng et al., 2019; Gil-Barragan & Lopez-Sanchez 2021; Hong et al., 2015; Jiménez et al., 2014; Momaya, 2016; Mowla et al., 2014; Pananond, 2007; Ramamurti, 2012; Shih, 2010; Torrens et al., 2014; Vendrell-Herrero et al., 2017; Wu et al., 2020; Yoon et al., 2020) (17 publications)	IV. (Aray, Veselova, Knatko & Levchenko, 2021; Arora & De, 2020; Baloch et al., 2018; Beckman et al., 2009; Berthelot et al., 2012; Borsatto & Amui, 2019; Ciasullo et al., 2020; Dau et al., 2020; Dawkins & Ngunjiri, 2008; Duque-Grisales et al., 2019; Ferro-Soto & Mili, 2013; Fonseca, 2010; Ghauri et al., 2014; Gómez-Bolaños et al., 2020; Gonzalez-Perez & Gutierrez-Viana, 2012; Hussain et al., 2019; Jaklič, 2016; Kankanam Pathiranage et al., 2020; Kılıç, 2016; Kolk et al., 2008; Kolk & van Tulder, 2010; Lartey, Amankwah-Amoah, Danso, Adomako, Khan & Tarba, 2021; Liu et al., 2020; S. F. Lo & Sheu, 2007; Mijatovic et al., 2019; Moraes & da Rocha, 2014; Nyuur et al., 2019; Park, 2018; Pavlák, 2018; Ricart et al., 2004; Sandhu et al., 2012; Wells & Faro, 2011; Williamson & Wan, 2018; Zeng et al., 2012) (36 publications)
	Weak		

		I. (Binz & Anadon, 2018; Celasun et al., 2006; Christopher & Towill, 2010; Crescenzi et al., 2014; Europe, 1990; González-rozada & Yeyati, 2008; Ikram et al., 2018; Ilie et al., 2020; Lane, 2003; Manning et al., 2010; Mendoza & Ostry, 2008; Ozsomer et al., 1991; Su, 2017; Taylor, 2018; Tokatli, 1999; Zhao, 2018) (18 publications)	II (Azlan & Roszaini, 2011; Banister, 2007; Baskin, 2014; Bellows et al., 2013; Hansen et al., 2009; Jack & Glover, 2021; Jellenz et al., 2020; Morgan et al., 2013; Naz et al., 2019; Rao et al., 2017; Rohrbeck et al., 2013; Samuelsson & Hagglund, 2009; Schaltegger et al., 2013; Sierra et al., 2013; Steiner & Posch, 2006; Tran, Lau, & Ong, 2021; Tian et al., 2020; Wang & Gooderham, 2014) (19 publications)
	Weak	Weak	Strong
Emphasis on Sustainability			

Source: Own construction

Quadrant I presents 18 publications with a weak emphasis on internationalization and sustainability. However, the studies in this quadrant have a slight approximation to both issues, and they differ from the 73 articles that were discarded after the initial content analysis.

The 19 studies included in Quadrant II place a clear emphasis on sustainability, but they do not stress internationalization.

Quadrant III contains 17 publications with high emphasis on internationalization, but a low emphasis on sustainability.

Finally, Quadrant IV includes 36 manuscripts with high emphasis and closeness to both constructs, representing key insights on previous knowledge regarding sustainability and internationalization jointly.

For instance, Kolk and Van Tulder, (2010) argue that MNEs play a key role in sustainability due to their global influence and their interactions with various stakeholders and institutional contexts in both home and host countries. The authors call for more research on IB that include CSR and sustainability due to the challenges of globalization and the quality of institutions in which MNEs must comply with the economic, social and environmental dimensions of sustainability while

operating in different contexts. These can lead to specific implications for different stakeholders and for the sustainable development of societies. Hence, CSR and sustainable development are fertile ground for testing international business theories and gaining new insights into MNEs dynamics in national and international scenarios (Jaklic, 2016).

One example of the IB-sustainability linkage is the analysis of Slovenian companies and the dynamics of their internationalization and their contribution to sustainable development. In this study, Jaklic (2016) found that a company's internationalization and FDI flows positively affects sales, employment, job creation, the country's domestic structure and market structure. This is also the case for Chinese firms, whose internationalization process contributes to the country's sustainable economic development.

Comparably, Ciasullo, Montera, Cucari and Polese (2020) examine the relationship between internationalization and corporate sustainability (CS) in 300 Chinese EMNEs. The authors analyze an international ambidexterity strategy for internationalization and CS in an emerging market context. Their findings suggest that strategic ambidexterity, which considers exploitation and exploration as different but complementary options for building capabilities and competitive advantages that reinforce long-term survival, is a driver of corporate sustainability. This means that internationalization plays the role of antecedent of EMNEs' sustainability goals, allowing for the achievement of economic, social and environmental goals in the context of emerging markets. Gómez-Bolaños, Hurtado-Torres, and Delgado-Marquez (2019) found similar results in their study of 287 publicly traded firms in the energy sector from around the world. Their research suggests that the firm's level of internationalization had a positive effect on their environmental management, especially when internationalizing to developing countries. This can be used to gain international legitimacy as well as social license to operate in complex institutional environments.

Furthermore, Perez-Batres, Miller and Pisani (2010) investigate the impact of institutional pressures on the adoption of GRI standards and adherence to the United Nations Global Compact by 207 firms from six Latin American countries. The study findings suggest that normative and mimetic pillars of institutional theory are significant factors in Latin American companies' adoption of sustainability initiatives. In this sense, institutional theory demonstrates its potential to explain firms' strategic choices regarding sustainability strategies.

Sandhu, Smallman, Ozanne and Cullen (2012) examine corporate environmental responsiveness of companies in India, in which environmental responsiveness is classified into three different levels: pollution prevention (level one), product stewardship (level two), and sustainable development (level three). For the case of India, there was evidence of a higher number of companies at level one, indicating an initial phase on sustainability adoption. These firms' nascent interest in sustainability factors was found to be driven by international linkages with their foreign customers as well as institutional pressures when setting up global subsidiaries, particularly in developed countries. This reveals that even under conditions of institutional failure in the home country, customer demands from developed regions, as well as institutional pressures for legitimacy due to companies' liabilities of foreignness, can lead companies to comply with at least one level of sustainability. This level of adoption can be reflected through the adoption of pollution prevention programs, the existence of an environment division, environmental policies, sustainability reports and ISO 14001 certification.

Similarly, internationalization appeared as a determining factor for an increase in the level of social disclosure in a sample of 83 Brazilian firms (De Souza, De Medeiros, Jreige, & Katsumi, 2014). The social disclosure index is presented as a tool for evaluating external social programs in terms of the social dimension of sustainability. Thus, as companies expand internationally,

they demonstrate a higher interest in communicating their sustainability commitments to internal and external stakeholders.

From an opposite perspective, Duque-Grisales, Aguilera-Caracuel, Guerrero-Villegas and García-Sánchez (2019) argue that Multilatinas with more proactive environmental strategy exhibit higher levels of internationalization. In their sample of 86 listed firms of Multilatinas, the authors found that the adoption of sustainability initiatives is conditioned by institutional pressures to meet stakeholder expectations. In this way, companies that implement advanced environmental and sustainability strategies will have a strong international presence. This supports the argument that companies that demonstrate greater commitment towards sustainability become more visible and recognized in foreign markets, leading them to expand their operations more easily in different countries with varying institutional environments.

In a similar vein, Arora and De (2020) explain that SMEs in Latin America engage in environmental sustainability practices (ESP) to succeed in export markets, especially when they also adopt strategies to build credibility among stakeholders.

As previously stated, there is a lack of consensus on the impacts of adopting sustainability strategies in companies and their relationship with the internationalization process. In this regard, a second classification of articles was made, based on the connection between internationalization and sustainability. Those manuscripts that support the idea that internationalization is the driver for sustainability were classified with an "A". Manuscripts presenting sustainability as a forerunner of internationalization were assigned the "B" code. Finally, "C" corresponds to those articles that showed a mutual or unclear relationship between these two concepts (See Table 7).

Table 7: Type of relationship between internationalization and sustainability

Type of Relation	Classification	No	%	Authors
------------------	----------------	----	---	---------

Internationalization as a driver of sustainability	A	44	48.9	(Aray, Veselova, Knatko & Levchenko, 2021; Aries, 2016; Asturianas & Un, 2011; Azlan & Roszaini, 2011; Baloch et al., 2018; Beckman et al., 2009; Berthelot et al., 2012; Borsatto & Amui, 2019; Ciasullo et al., 2020; Dominguez & Cirigliano, 1997; Ferro-Soto & Mili, 2013; Fonseca, 2010; Gómez-Bolaños et al., 2020; Gonzalez-Perez & Gutierrez-Viana, 2012; Hussain et al., 2019; Ikram et al., 2018; Jack & Glover, 2021; Jaklič, 2016; Jiménez et al., 2014; Kankanam Pathiranage et al., 2020; Kılıç, 2016; Kolk et al., 2008; Kolk & van Tulder, 2010; Liu et al., 2020; Manning et al., 2010; Mijatovic et al., 2019; Momaya, 2016; Moraes & da Rocha, 2014; Mowla et al., 2014; Naz et al., 2019; Nyuur et al., 2019; Park, 2018; Pavlák, 2018; Ricart et al., 2004; Sandhu et al., 2012; Shih, 2010; Steiner & Posch, 2006; Tokatli, 1999; Tran, Lau & Ong, 2021; Williamson & Wan, 2018; Zeng et al., 2012)
Sustainability as a driver of internationalization	B	12	13.3	(Arora & De, 2020; Dau et al., 2020; Dawkins & Ngunjiri, 2008; Duque-Grisales et al., 2019; Ghauri et al., 2014; Hansen et al., 2009; Jellenz et al., 2020; S. F. Lo & Sheu, 2007; Lartey, Amankwah-Amoah, Danso, Adomako, Khan & Tarba, 2021; Pananond, 2007; Wells & Faro, 2011)
There is no clear relationship, or there is a mutual relation between sustainability and internationalization	C	34	37.8	(Balboni et al., n.d.; Banister, 2007; Baskin, 2014; Bellows et al., 2013; Binz & Anadon, 2018; Celasun et al., 2006; Christopher & Towill, 2010; Europe, 1990; Feng et al., 2019; González-rozada & Yeyati, 2008; Hong et al., 2015; Ilie et al., 2020; Lane, 2003; Mendoza & Ostry, 2008; Morgan et al., 2013; Ozsomer et al., 1991; Ramamurti, 2012; Rao et al., 2017; Rohrbeck et al., 2013; Samuelsson & Hagglund, 2009; Schaltegger et al., 2013; Sierra et al., 2013; Su, 2017; Taylor, 2018; Tian et al., 2020; Torrens et al., 2014; Vendrell-Herrero et al., 2017; Wang & Gooderham, 2014; Wu et al., 2020; Yoon et al., 2020; Zhao, 2018)

Source: Own construction

As exhibited in Table 7, the majority of studies suggest that internationalization is considered a driver of sustainability. In this way, it is possible to affirm that the private sector and MNEs must play an active role in achieving sustainable development.

In this sense, the present study fills this gap in a novel way by analyzing the co-dependency between internationalization and sustainability of Colombian multinationals and their contribution to sustainable development within this stream. This study will consider institutional, industry, and organizational aspects of the internationalization-sustainability linkage to shed light on further research in the International Business and Corporate Sustainability domains. Furthermore, this analysis supports the assumption that internationalization leads to sustainability, as previously stated. Moreover, unlike companies operating in developed and stable markets and institutions, the specific context of an emerging market offers the possibility to explain institutional voids' influence, particularly of these types of markets and companies' operations in such turbulent environments.

Where does the analysis of internationalization and sustainability take place?

To answer this question, the articles had to be classified according to their geographical and industrial context. In geographical terms, the findings show that the empirical evidence gathered by the various authors were obtained from regions such as East Asia, Latin America and the Caribbean, Africa, Eastern Europe, or from areas simply described as emerging countries or emerging markets. In this regard, the papers include analysis in countries such as Argentina, Brazil, Mexico, Colombia, South Africa, Turkey, Canada, Chile, China, Czech Republic, Germany, India, Indonesia, Italy, Korea, Malaysia, Peru, Ethiopia, Pakistan, Russia, Slovenia, South Africa, Spain, Sweden, Taiwan, Thailand, Poland, Hungary, Portugal, Greece, United States, Venezuela and Vietnam.

The industries examined in the selected articles include banking, agroindustry, education, energy, stock exchange, services, mining, textile, public and manufacturing industries. This shows a

diversity in the analysis that covers companies from all regions of the world as well as a wide range of industries.

Who is publishing about internationalization and sustainability in the context of emerging markets?

This question is analyzed in light of the journals that publish these types of research, as they are the ones that make the final decision about their dissemination. As a result, there are 61 journals that publish articles related to these topics (See table 8).

Table 8: Journals with two or more two publications about internationalization and sustainability in emerging markets

Journal	Quantity
Sustainability	8
Business Strategy and the Environment	7
Corporate Social Responsibility and Environmental Management	3
Journal of Cleaner Production	3
Journal of World Business	3
Journal of Business Ethics	2
Journal of Health, Population, and Nutrition	2
Journal of International Management	2
SSRN Electronic Journal	2
Thunderbird International Business Review	2

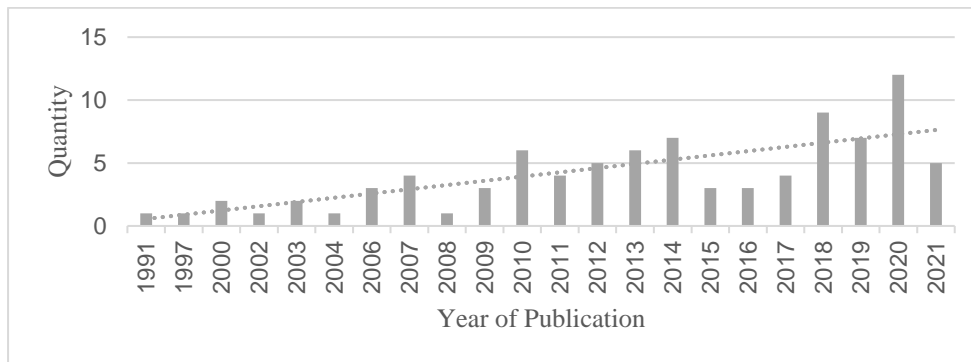
Source: Own construction

The journals with the highest participation are Sustainability (Switzerland) with nine publications, Business Strategy and the Environment (United States) with 7 articles, followed by Corporate Social Responsibility and Environmental Management (United States), Journal of Cleaner Production (Netherlands) and Journal of World Business (United Kingdom) with three articles each.

When did we learn about studies of internationalization and sustainability in the context of emerging markets?

The results of the years of publication of the selected articles can be used to answer this question. These years, as previously mentioned, range from 1991 to 2021. It is important to note that the articles were searched until 2021 in order to avoid any biases for the year 2022. Furthermore, both topics (internationalization and sustainability) began to gain relevance in the last decade of the past century, coinciding with the openness of markets worldwide (See Figure 2).

Figure 2: Publications per Year



How is the study of sustainability and internationalization done?

The question about “how” can be answered based on the theories and methodologies used in the study of both phenomena.

In the first place, the literature revealed a total of 37 different theoretical approaches (See table 9), with an outstanding use of institutional, internationalization and resource based-view theories, as well as sustainability reporting.

Table 9: Theoretical approaches in the analysis of internationalization and sustainability

Theoretical Approach
Actor-based comparison of knowledge production
Attention-based view and institutional theory
Catching-up and diversification theories

Comercio Justo
Competitive advantage
Corporate Social Responsibility
Corporate sustainability (CS), corporate social responsibility (CSR), ethical investment and firm value.
CSR and network theory
Debt sustainability analysis (DSA)
Development of knowledge services from a co-evolutionary perspective
Existing theories of FDI like 'OLI framework' and the 'Uppsala Stage Model'
FDI inflows, air quality indicators and economic growth
Financial Incentives
Government Policy and retailer structure
Impression management theory
Stakeholder theory, resource dependence theory, institutional theory and resource-based theory
Industrial Cluster theory
Institutional theory
Internationalization Theories
Internationalization theories
Literature on 'third-world' multinationals
Locational advantages
Macroeconomic Policy in Industrial and Emerging Market Economies
Monetary policy strategy
Quick Response
RBV and Uppsala Model
Reporting in sustainability
Resource-based view
Risk analysis
Social Disclosure
Social Entrepreneurship Theory and Network Theory
Standardisation of marketing processes
Strategy and Competitiveness
Sustainability reports
Sustainable development in education
Talent Management
The collaborative business modelling approach

Source: Own Construction

The methodology used in the literature is mainly qualitative, with 42 articles employing this methodology; while 37 implement quantitative methodology, 5 use both methods, and a total of six articles do not relate to either methodology. It can also be noted that case studies are the most

common method, with 16 articles applying it (Binz & Diaz, 2018; Dominguez, 1997; Fernandez-mendez, 2014; Ferro-soto & Mili, 2013; Fornes et al., 2019; Hoque, N., Uddin, M., Mamum, 2014; Ikram et al., 2018; Kirankumar, 2016; Manning et al., 2010; Moraes & da Rocha, 2014; Pananond, 2007; Pervez, G., Tasavori, M., Zaefarian, 2014; Rao et al., 2017; Sandhu et al., 2012; Sciences & Allé, n.d.; Wang & Gooderham, 2014)

Why is it important to study previous literature on internationalization and sustainability in the context of emerging markets?

The answer to this question is related to the recommendations for future research sections of the articles of analysis. These guidelines are important as they serve as the foundation for current and future research on the topic. They can also help academics conducting research on these phenomena identify gaps in the literature that need to be filled.

According to the codification of articles, there were 46 articles that give recommendations for future research, and there are 13 key articles that provide specific suggestions for future research linking both concepts.

Table 10 lists 15 research questions based on key articles that provide recommendations for future research on the linkages between internationalization and sustainability. Unanswered questions were classified into seven areas: Evolution of MNEs and institutional environment in the implementation of sustainability initiatives, firms’ specific resources and capabilities in relation to CSR, the role of networks and supply chains in MNEs, development of competitive advantages, geographical and industrial context, theoretical frameworks and measurements.

Table 10: Future research opportunities

Areas	Suggested future research questions by authors	Representative authors
-------	--	------------------------

Evolution of MNEs and institutional environment in the implementation of sustainability initiatives	<ol style="list-style-type: none"> 1. How the country's institutions affect MNEs CSR strategies in either a positive or a negative sense? 2. How does institutional pressures influence companies' adoption of sustainability initiatives? 3. What is the role of the business environment in stimulating growth and development led by companies? 4. What are the trends in the evolution of MNEs in the adoption of sustainability initiatives? 	(Arora & De, 2020; Gómez-Bolaños et al., 2020; Jaklič, 2016; Kolk & Van Tulder, 2010; Park, 2018)
Firms' specific resources and capabilities in relation to CSR	<ol style="list-style-type: none"> 5. What are the firm resources and capabilities in the implementation process of a sustainability strategy in overseas markets? 6. How can the internationalization process and sustainability initiatives fail and which strategies should firms adopt to make them more successful? 	(Baloch et al., 2018; Kolk & Van Tulder, 2010)
The role of networks and supply chains in MNEs	<ol style="list-style-type: none"> 7. What is the role of networks for sustainable development? 	(Kolk & Van Tulder, 2010)
Development of competitive advantages	<ol style="list-style-type: none"> 8. Under what circumstances can MNEs gain a sustainable competitive advantage and play a role in furthering sustainable development? 	(Kolk & Van Tulder, 2010)
Geographical and industrial context	<ol style="list-style-type: none"> 9. What are the similarities and differences in CSR-sustainable Development actions of companies from different regional contexts? 10. What drives sustainability adoption initiatives in developing and developed countries? 11. What motivates internationalization and sustainability in different industrial sectors? 12. What are the sector specific peculiarities in the corporate sustainability adoption? 	(Ciasullo et al., 2020; Duque-Grisales et al., 2019; Kolk & van Tulder, 2010; Park, 2018; Perez-Batres et al., 2010; Sandhu et al., 2012; Zeng et al., 2012)
Theoretical Frameworks	<ol style="list-style-type: none"> 13. How does the combination of theories explain sustainability and firm performance? 	(Perez-Batres et al., 2010)
Measurements	<ol style="list-style-type: none"> 14. How can investors measure the contribution of companies to sustainable development? 15. How might sustainable development goals be adopted to measure corporate sustainability? 	(Ciasullo et al., 2020; De Souza et al., 2014; Duque-Grisales et al., 2019)

In summary, these areas represent an opportunity to deepen the knowledge on sustainability and internationalization and their potential to characterize this linkage at various levels, covering institutions, the industry and firm level characteristics, as well as other aspects such as the geographical, theoretical frameworks and the measurements of both constructs.

2.4. Discussion

It can be noted that there are common characteristics in the study of internationalization and sustainability. It was identified that qualitative methodology and specific case study method were the most commonly used methodologies. Furthermore, the articles suggest a preference for approaches such as the resource based-view, internationalization theories and institutional theories and sustainability reporting. This may provide insight into how to investigate these phenomena. However, the critical contributions are the suggestions for future research found in the analyzed articles. Thus, a research framework that considers internationalization as an explanatory variable for the pursuit of sustainable development initiatives can be proposed (Perez-batres et al., 2010). Additionally, it can also be of interest to focus on specific industries and to analyze the specific circumstances under which the relation of sustainability and internationalization is weakened or strengthened due to the influence of home country institutions (Park, 2018). Finally, the circumstances under which multinational enterprises can gain a sustainable competitive advantage related to organization, industry, institution and supply and demand as drivers of sustainable development and internationalization must be examined (Kolk & Tulder, 2010) as exposed in Table 10.

2.5. Conclusions, limitations and recommendations for future research

In general terms, a growing interest in studying the relationship between internationalization and corporate sustainability in the context of emerging market firms can be evidenced, including control variables such as firm size, age, industry, ownership and performance. This provides avenues for future research, which can be complemented by examining “when and under what circumstances the relationship between internationalization and CS, whether strengths or concerns, is strengthened or weakened” (Park, 2018, p. 8). The increasing trend of including corporate sustainability issues into IB research is highlighted as a source for publication

opportunities. Additionally, there is a debate on the reciprocal involvement of these variables in companies from different regions of the world, and a generalized call for studies that include sustainability analysis in emerging countries and in foreign investment decisions to fill this gap (Shapiro et al., 2018; Zhao et al., 2018).

It is possible to conclude that the queries solved in the selected articles relate to questions such as: “Can the high-level internationalization of emerging market multinational enterprises (EMNEs) lead to superior corporate sustainability (CS), which encompasses various social issues such as stakeholder well-being and environmental protection (Chang, 2016)?” (Park, 2018). Therefore, future studies should continue creating knowledge in the seven areas identified in Table 10, using quantitative methodologies and considering the analysis of specific industries and geographies. This appears to be one of the main limitations of this paper, which is related to the heterogeneity of the findings, making it difficult to classify the analysis according to a specific industry or country.

Acknowledgements

A preliminary version of this article was published in *Management of Environmental Quality* in March 2020. <https://doi.org/10.1108/MEQ-08-2019-0173>

Chapter 3. Integrating sustainability into corporate strategy and dynamism in subsidiary response to resolving stakeholder pressures

Abstract

Everyday more companies are implementing different sustainability initiatives looking for economic and non-economic benefits in home and host countries. However, little is known about the dynamic process of integrating these practices between headquarters and subsidiaries. Thus, this study analyzes the integration of sustainability into the corporate strategy of an emerging market multinational in order to achieve and maintain corporate legitimacy in host markets. It explains how the deployment of the corporate sustainability strategy enhances the likelihood of long-term competitive relevance through intra-firm practice transfers. We used a qualitative single-case design of a corporate services group operating in volatile, uncertain and turbulent environments. The findings suggest that integrating sustainability into corporate strategy enables subsidiaries to successfully respond to internal and external demands. Similarly, such integration develops unique capabilities and internalizes the decisions and initiatives required to overcome their liabilities in foreign markets, gain competitive advantage, and safeguard corporate legitimacy amongst their stakeholders.

This study's findings contribute to international business and strategy scholarship, particularly in terms of understanding strategy building and its deployment in multinationals from emerging markets. Our findings can also guide companies from emerging markets to develop a sustainability strategy and its intra-firm transfer to the different subsidiaries operating in complex institutional environments. For governments, it provides a rationale on why firms' commitment to sustainability, CSR and sustainable development enhances the competitiveness of companies.

It explains how incorporating a sustainability-driven strategy in home and host countries can help develop competitive advantages and safeguard their national companies' survival abroad.

Keywords

Institutional duality; sustainable development; internalization; corporate strategy; intra-firm transfers; subsidiary management; corporate legitimacy; emerging markets

3.1. Introduction

Since the end of the 20th century, the growing importance of emerging markets multinationals (EMNEs) has drawn scholars' attention to the uncertain and volatile specific behaviors of these companies as compared to the well-studied MNEs from developed countries. More specifically, Corporate Social Responsibility (CSR) and sustainability practices in emerging markets are topics that have recently gained relevance in International Business literature (Bu & Wagner, 2016; Doh, Husted & Yang, 2016; Doh, Budhwar & Wood, 2021; Montiel, Cuervo-Cazurra, Park, Antolín-López & Husted, 2021; Narula, 2019; Tashman, Marano & Kostova, 2019).

The institutional voids of these emerging markets encourage companies to diversify their social and environmental portfolio as a strategy to overcome their liabilities when internationalizing and to meet stakeholder expectations to gain legitimacy among them (Marano, Tashman & Kostova, 2017).

By the third decade of the 21st century, companies are compelled to comply with stakeholders' demands in the evolution of their social responsibility; they are also challenged to create value for societies and think about future generations (Fink, 2022; Oertwig et al., 2017). The pressure to contribute to local development and balance financial, social, and environmental responsibilities poses unique challenges for companies. This endeavor can represent a source of internal or

external conflicts in the pursuit of corporate objectives. In this way, companies must incorporate sustainability into their corporate strategies to comply with this triple bottom line (Dyllick & Hockerts, 2002). Moreover, MNEs are expected to contribute to sustainable development and to create value in the regions and countries where they operate (van Zanten & van Tulder, 2018). However, little is known about the process of MNEs integrating sustainable development into their corporate strategy of and the dynamism in subsidiary response to internal and external institutional pressures (Beddewela, 2019).

Latin America's features, in particular, make this region an appealing laboratory for research on these topics. For instance, Latin America, as other emerging market regions, is characterized by unstable markets, poor infrastructure, institutional voids and weak international credibility (Madhok and Keyhani, 2012). Nevertheless, companies from this region are becoming significant investors in international markets, resulting in higher international competitiveness and their transformation from local to global players (Cuervo-Cazurra, 2008, Economist Impact, 2022). This is also the case for Colombia multinationals, which have seen a surge in outward FDI since 2002 (Gonzalez-Perez & Velez- Ocampo, 2014). Colombian firms must overcome liabilities of foreignness, as do other multinational firms, and liabilities of emergingness, as do other EMNEs (Madhok & Keyhani. 2012), due to the country's adverse circumstances related to drug trafficking, armed conflict and institutional instability They must also deal with liabilities of newness and a dark past while reaching international markets (Gonzalez-Perez & Velez-Ocampo, 2014; Velez-Ocampo & Gonzalez-Perez, 2022).

Colombian companies have used a "sustainability flag" to overcome these adverse circumstances. Hence, studying them can contribute to understanding the interrelation between international expansion and corporate sustainability in the context of emerging market economies, which are underrepresented in the field of International Business scholarship.

In this sense, this paper aims to answer the question: *How does a multinational company achieve corporate legitimacy and maintain long-term relevance by integrating sustainability into its corporate strategy?*

Through a single case study, this paper explores the integration of sustainability into the corporate strategy of an emerging market multinational company to achieve corporate legitimacy and maintain long-term competitive relevance through. Internal and external pressures that influence subsidiaries' implementation of a sustainability strategy can be identified here. Once they are properly handled, they become a source of competitive advantage and trust generation among stakeholders, as well as foundations of corporate legitimacy and long-term competitive relevance. In this sense, this study adds to the body of knowledge about corporate sustainability and international business using a framework built from a single case study of a multinational company from an emerging economy. It also advances knowledge on institutional and resource-based theories as it integrates both frameworks into the context of emerging markets. In doing so, this study fills a gap in the IB literature.

The following section presents the theoretical framework and a literature review on integrating sustainability into corporate strategy. Then, the methodology and approach of the study is explained. Next, the first-order themes, second-order categories, and overarching concepts are presented in the findings section. The discussion is based on the institutional duality and subsidiaries' responses to integrating a sustainability strategy in order to achieve and maintain corporate legitimacy and long-term relevance. Finally, some conclusions, limitations, and recommendations for future studies are highlighted.

3.2. Theoretical Framework

Institutional Theory and Sustainability

Companies' behaviors are influenced by institutions, which are referred to as the "rule of the game" (North, 1990, p. 3). This pressure is exerted at the macro, micro, and organizational levels to enable or constrain corporate activities (Campbell, 2004; Campbell 2007). Therefore, companies' socially responsible or irresponsible behavior is influenced by specific institutional conditions shaped by public and private regulations. Campbell (2007) argues that corporate engagement in environmental and socially responsible initiatives depends on economic conditions. Therefore, companies are less likely to engage in these initiatives when they experience unhealthy economic conditions or weak financial performance (idem). Furthermore, companies might engage in social responsibility activities to overcome institutional constraints, thus enhancing their socially responsible behavior through strong state regulations and with the inclusion of private and public stakeholders to monitor their behaviors. This rationale makes institutional theory relevant to understanding corporate sustainability because of the increasing institutionalization of sustainability initiatives (Bansal, 2005).

Blowfield (2012) stated that companies have served as development agents showing more significant involvement in sustainability issues in the last decades. Hence, MNEs, as private actors, become responsible for creating resources, leadership, capabilities, and innovation for institutional frameworks related to sustainable development issues (Scheyvens, Banks, & Hughes, 2016) both in home and host countries. In this way, they participate in creating an institution that guides and enforces their sustainability operations. Since MNEs are forced to deal with complex and diverse institutional environments, these economic and political institutions regulate corporate behavior in terms of sustainability efforts and internationalization processes (Marano, Tashman & Kostova, 2017).

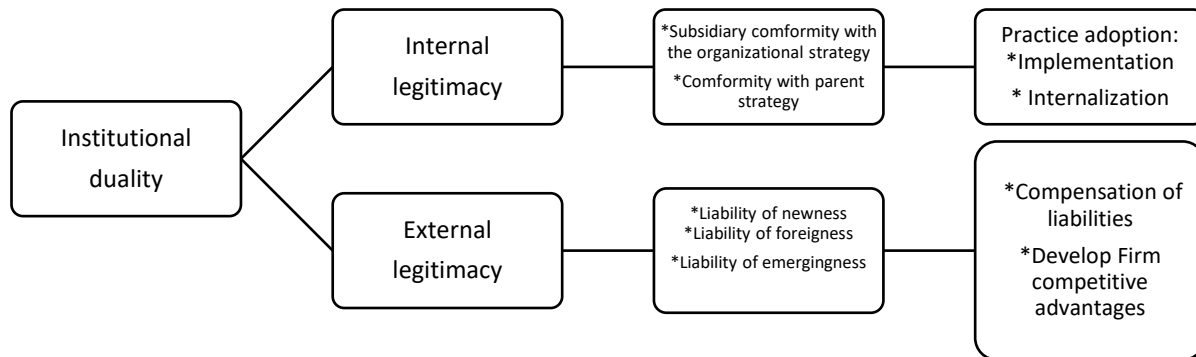
EMNEs, in particular, have the disadvantage of operating in countries with underdeveloped institutions, as opposed to MNEs from developed countries. However, this disadvantage becomes an advantage for EMNEs when MNEs from developed and emerging markets operate in complex and harsh governance conditions, as they are used to operating within these complex institutional environments (Cuervo-Cazurra & Genc, 2008). Consequently, institutions can be considered a critical driver of MNE engagement in sustainable development initiatives.

In this way, institutional duality appears to analyze the confrontation of subsidiaries with two different pressures and their need to maintain legitimacy with both. The first one is the host country and its own institutional patterns. The second is the obligation of subsidiaries to comply with parent mandates as they are not independent entities (Kostova & Roth, 2002). This dynamic is shown in Figure 3.

When practices are institutionalized, they gain legitimacy, and when organizations achieve legitimacy, they increase their prospects of success and survival (Kostova & Roth, 2002).

In this way, MNEs can achieve corporate social responsibility and sustainable development initiatives, referring to the implementation in subsidiaries of the formal rules proposed by headquarters. Alternatively, practices can be internalized when the employees of the subsidiaries give them symbolic meaning, and they become part of their organizational identity.

Figure 3: Institutional duality in MNEs



Source: Adapted from Kostova, 2008, p.996.

In this regard, this study aims to analyze the integration of sustainability into the corporate strategy of a multinational company to achieve corporate validity and permanence.

3.3. Literature Review

This section aims to synthesize existing research regarding the integration of sustainability into the corporate strategy of a multinational company from an emerging market to achieve corporate validity and permanence.

The review results shed light on the increasing relevance of incorporating sustainability into corporate strategy. For instance, Dhanda & Shrotryia (2021) argue that companies are pursuing corporate sustainability and longevity more than ever before, and that the context of organizational sustainability has changed over time. This path to corporate sustainability began

with the inclusion of philanthropy into corporate strategy in order to obtain a social license to operate and, in the form of charity, put profitability at the service of social problems (Lazlo & Zhexembayeva, 2011). Then came a transition from philanthropy to sustainability, which was characterized by considering corporate governance as a key factor in management, accompanied by social and environmental issues, with the purpose of creating sustainable value with long-term benefits (Aguilera, Marano & Haxhi, 2019; Sethi, 2002). In this new scenario in which sustainability appeared as a core element of corporate strategy, different initiatives such as the Global Reporting Initiative (GRI), The Global Compact and the Sustainable Development Goals (SDGs) were created in order to bring transparency and serve as a framework for building trust among stakeholders.

By incorporating financial and non-financial dimensions (social, and environmental aspects), the adoption of sustainability into corporate strategy allows to monitor companies' efficiency, performance, competitiveness, and growth (Rodrigues and Franco, 2019). Nowadays, companies are continually re-examining their sustainability strategies to reflect the new social realities. This dynamic includes the integration of different actors with the purpose not only of achieving sustainability but also of gaining trust among their stakeholders (Dhanda & Shrotryia, 2021).

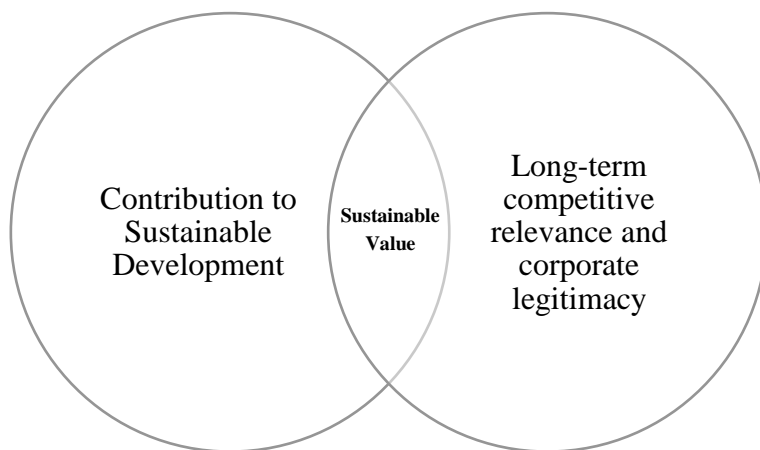
This new managerial mindset moves from the assumption of profit maximization to a mindset of long-term value and relationship generation.

In this line, Apte and Shet (2019) view sustainability as having "long-lasting and self-sustaining" qualities that help businesses succeed. There is also evidence of the intangible outcomes of incorporating sustainable practices, such as improving brand image in the eyes of stakeholders, customer satisfaction and loyalty, and enhanced publicity and marketing opportunities (Rao, 2002).

To summarize sustainability evolved from an initial inclusion of philanthropy into corporate strategy to the commitment to create sustainable value and long-term benefits to all stakeholders. As a result, different actions and initiatives are incorporated into firms' operations to generate trust and legitimate their actions, which serve as a framework to improve their relationship capabilities and safeguard long-term competitive advantage, while contributing to sustainable development.

Accordingly, this study proposes that the intersection between companies' contribution to sustainable development and their corporate legitimacy and long-term competitive relevance creates sustainable value (See Figure 4). Therefore, as the process of inclusion of sustainability into corporate strategy is largely unexplored in the context of emerging markets, this study provides empirical evidence on the achievement of corporate legitimacy and long-term relevance through the incorporation of a sustainability strategy as one of the sides and ingredients in the sustainable value recipe.

Figure 4: Configuration of Sustainable Value



Source: Own construction

3.4. Methods

Type of Study

To understand *how* a multinational company achieves corporate legitimacy and long-term relevance when integrating sustainability into its corporate strategy, we studied an EMNE using a qualitative case study and a variance approach.

Scholars have different views and proposals for conducting research on organizational change. In this regard, variance or process methods appear to focus on different questions and provide different understandings of a specific phenomenon (Van de Ven & Poole, 2005).

For instance, the variance approach proposes that change is an observed difference on selected dimensions of an organizational entity over time; whereas the process approach suggests that change is a narrative that describes how the phenomenon unfolds over time and includes temporal connections among events, different time scales and a dynamic nature of processes (Poole, Van de Ven, Dooley & Holmes, 2000).

More specifically, variance methods explain change in terms of relationships between dependent and independent variables. In this model, explanations take the form of causal statements that incorporate these variables. Its goal is to predict the occurrence of change or the effects of change in other variables.

In this respect, this study relies on the variance approach as it aims to analyze how the integration of sustainability into the corporate strategy of a multinational company allows it to achieve corporate legitimacy and long-term relevance. Herein, corporate legitimacy and long-term relevance are an outcome predicted by the internal and external legitimacy of subsidiaries when implementing a sustainability strategy. Thus, it becomes a conceptualization of a process problem in variance terms (Poole et al., 2000).

Furthermore, as suggested by Birkinshaw, Brannen & Tung (2011) and to justify the methodology selection, the single case approach allows an in-depth investigation of a phenomenon in its real-life context (Kriz & Welch, 2018; Verbeke, 2022; Welch & Piekkari 2017; Yin, 2003). In this way, single case studies are valuable when the selected case has the characteristic of being critical, typical, revelatory, extreme, unusual, or longitudinal (Yin, 2018). *Interconexión Eléctrica S.A. (ISA)*, a Colombian multinational for the energy sector, is a critical case for testing existing theories of International Business and Corporate Sustainability. Hence, the case can be used to confirm, challenge, or extend theory in order to determine whether these theory's propositions are correct or whether alternate explanations can be more relevant. This single case can thus represent a contribution to knowledge and theory building (Yin, 2009). In this regard, the chosen company must guarantee a standing leadership in sustainability in all the markets where it operates. Furthermore, due Colombia's unique qualities, a company from this country is the ideal actor for analyzing the relationship between internationalization and sustainability in an emerging market context. *Interconexión Eléctrica S.A. (ISA)* appears as the most suitable company to conduct this analysis as it meets the criteria of exceptional financial performance, geographical diversification, and recognition for sustainability initiatives worldwide. Therefore, the case can contribute to knowledge in the fields IB and sustainability in emerging market contexts

The Case

- ***Company Profile***

ISA is a Colombian multilatina (multinational company from Latin America) that operates in the energy transmission, road concessions, telecommunications, and ICT business. It has 51

companies located in seven countries located in Central and South America (Colombia, Peru, Chile, Brazil, Bolivia, Panama, and Argentina) and 4352 employees with women accounting for 29% of its executive team.

Due to its mixed ownership, the Colombian State (Ministry of Finance and Public Credit) is the major shareholder owning 51.41% of the company, while Empresas Públicas de Medellín (EPM) owns 8.8%, and the remaining 39.77% is owned by private investors (ISA, 2020).

On August 20th, 2021, Ecopetrol bought the 569.472.561 shares that the Colombian State has on ISA, a transaction closed on around USD 3600 million, and expected to support climate change risk mitigation and help the country become carbon-neutral country by 2050 (La opinion, 2021).

- **Financial Results**

The company's ROE in 2021 was 11.6%, while its EBITDA was USD 1789 million, 8.4% higher than the previous year. The company's operating revenues totaled USD 2.8 billion, with a net income of USD 418 million (ISA, 2022). Table 11 displays more specific company figures.

Table 11: Company characteristics

	Year of creation	2021				
		Number of employees	EBITDA COP millions	Net income COP	Revenues by country	Revenues by business unit
ISA	1967	4352	7.123	COP 1 665 536	Brazil: 32,3% Colombia: 29.3% Peru 16.4% Chile: 18.3% Other: 3.7%	Electric power: 78.3% Roads: 17.3% ICT: 4.4%

Data in COP. Exchange rate: 1 USD equals 3.981 COP as of December 2021

Source: Own construction based on ISA financial results 2021

- **The Strategy**

ISA's 2030 strategy, "Our future inspired by sustainable value," was launched in 2018 and ratified in 2020, confirming the robustness of this strategy to face new global dynamics.

This strategy aims to generate shareholder value, make a positive social and environmental impact, and ensure corporate long-term competitiveness. It is also supported in four pillars with the acronym "VIDA" which stands for green (*verde*) initiatives, innovation (*innovación*), development (*desarrollo*), and articulation (*articulación*) in Spanish.

For 2030, the company defined specific objectives within the three key elements of its strategy. First, for shareholder value generation, the company aims to raise its EBITDA by 70% compared to 2018 results and invest USD 10,500 million in current and new business and geographies. Second, ISA plans to offset 11 million tons of CO₂ to the planet to make a positive social and environmental impact. Third, to ensure its corporate long-term competitive relevance, ISA will invest USD 2,000 million in new energy business and USD 150 million in entrepreneurship by 2030.

In addition to its 2030 goals, the company defined some mid-term goals to monitor and carry out the actions required to achieve future results in 2022 and 2026.

Moreover, the company identified nine organizational capabilities that are required to make progress in its strategy: customer orientation, digital transformation, adaptability, operational excellence, networking, innovation and entrepreneurship, environmental and social management, ethics, and co-responsibility. Besides, 46% of initiatives to mobilize its objectives are leveraged on innovation and 71% on digitization.

ISA and its subsidiaries have a robust risk management system in place to ensure the integrity of corporate resources and the continuity of business units. To supplement its quarterly risk assessment, the company identified 18 risks categories and eight emerging risks: instability of governments, economies, institutions, or government relations; reconfiguration of the energy

sector's value chain; deep social instability in target countries; legal and regulatory uncertainty and new revenue schemes; climate turning points and catastrophic external events; cyber-vulnerability and critical information fraud; acceleration of new technologies; and changes in user preferences or technologies that affect the use of current road infrastructure.

For its materiality analysis, ISA identified internal and external issues that are relevant to the achievement of its strategy, not only for the business but also for its stakeholders. Therefore, the materiality matrix revealed issues of medium, high, and critical relevance. The nine critical issues are: commitment fulfillment; ability to meet financial and business objectives; appropriate growth strategy, fulfilling the value proposition with excellence; leadership in ecosystems and biodiversity protection initiatives ; closeness and dialogue with stakeholders; environmental impact management; identification of and adaptation to challenges and trends; and employee occupational health and safety (ISA, 2020).

This materiality analysis is also aligned with the SDGs that are relevant for the organization (SDG 4 – Quality education, SDG 7 – Affordable and clean energy, SDG 9 – Industry, innovation and infrastructure, SDG 13 – Climate Action, SDG 15 – Life on land, SDG 16 – Peace, justice and strong institutions, and SDG 17 – Partnerships).

In this connection, ISA recognizes and values its different stakeholders classified as employees, the State, investors, suppliers, clients/users, and society. Therefore, the company incorporates them into its strategic model and formulate commitments with each one of them.

Finally, this strategy is based on the ability to reach financial benefits, seizing opportunities, and ensuring corporate legitimacy and long-term competitive relevance through the development of organizational capabilities and sustainable value creation.

Data Gathering

This study relies on multiple sources of information. Semi-structured interviews were the main primary data source; however, following Kotlar, and De Massis (2013), interviews were combined with direct observation in order to mitigate bias in information. Secondary sources of information, such as company reports, archival documents, company presentations, news, and strategy documents, were also included. These diverse data sources allowed to analyze the phenomenon from different angles and the triangulation of information to the accuracy of the research (Cuervo-Cazurra, Andersson, Brannen, Nielsen & Reuber, 2016; Yin, 1984).

- ***Primary Data: Interviews***

31 interviews were conducted in five Latin American countries (Colombia, Chile, Peru, Brazil and Bolivia) in the first semester of 2021. To secure diverse viewpoints, informants from different organizational levels and located in different geographical areas were chosen, with the requirement of being involved in sustainability issues of the organization.

The questions for the semi-structured interviews are classified into three categories:

1. Sustainability initiatives
2. Drivers of sustainability inclusion into corporate strategy
3. sustainability outcomes

The creation of these categories was based on some theoretical assumptions that were later combined with observations in a process known as “systematic combining”. The theoretical framework is presented below:

- **MNEs’ sustainability initiatives**

The sustainability management framework requires a connection between environmental and social aspects for firms’ competitive strategy and their reporting, as a supporting tool for strategic management (Schaltegger & Wagner, 2006). In this regard, Lozano (2012) argues that

organizations and their leaders are aware of their role in the achievement of sustainability and implement different strategies to engage in this global issue. Similarly, Kolk (2003) suggests that the reporting of sustainability practices is used as a tool to prevent criticism of their social and environmental commitments, which could affect their trade and production worldwide.

Another stream of literature highlights the influence of mandatory corporate sustainability reporting, such as Dumay & Hossain's (2019) analysis, who claim that mandatory guidelines will help to regulate the disclosure of firms' social, economic and environmental risks. Similarly, according to Manning, Braam & Reimsbach (2018), the absence of mandatory regulations leads to a variety of corporate sustainability reporting and performance options.

This mandatory view is related to enforced self-regulation and innovative legislation, with a legally binding character in which the role of government becomes a crucial aspect (Gonzalez-Perez, 2013).

➤ **Sustainability drivers**

Lozano & Von Haartman (2018) propose that corporate sustainability drivers can be categorized into internal, connecting and external drivers. Internal drivers are grouped into economic, culture, and leadership categories. Connecting drivers are divided into crises, market and reputation and reported dimensions. The external drivers' categories are stakeholder pressure, collaboration and awareness, and regulation and policies dimensions.

In the same line, Yadav, Gupta, Rani & Rawat (2018) identify the main external and internal drivers for including sustainability into corporate practices. Governments, customers, networks and alliances, suppliers, community surrounding, competitors, and the tangibility aspect of the business sector are among the external drivers identified in their analysis. Internal drivers, on the

other hand, include employees, organizational culture, brand image and reputation, competitive advantage and strategic intent, environmental management capability, and firm size.

Porter and Kramer (2006) argue that there are four main justifications for establishing social responsibility activities. These are “moral obligation, sustainability, license to operate, and reputation” (p.3).

➤ **Sustainability outcomes**

In regard to sustainability outcomes, Cortesi & Vena (2019) suggest that the Voluntary Integrated Reporting: “(1) enhances corporate disclosure and reduces information asymmetries; (2) increases the quality of reported earnings per share; (3) does not positively influence the value relevance of book value; and (4) has marginally decreasing benefit” (p. 745).

In turn, Cuervo-Cazurra et al. (2018) state that EMNEs compete with undifferentiated, low quality and low-price products due to their home country characteristics. In their analysis of 18 firms in six Latin American countries, the authors found that these companies can develop competitive advantages and upgrade their international capabilities through the implementation of differentiation strategies (tropicalized innovation), improving product’s quality (global efficiency) and expanding into high valued-added parts of global chains (coordinated control). This shows the need for companies to respond to customer demands, which can affect the type of sustainability practices they adopt and the role of sustainability practices as a driver of competitive advantages creation (Hult et al., 2018; Sharma & Henriques, 2005)

Finally, according to Windolph, Harms and Schaltegger (2013) Multinational companies generate different sustainability reports nationally and internationally in order to achieve legitimacy, success and internal improvement. In this way, the combination of profit generation and social impact can provide opportunities for innovation (Lashitew, Bals, & Van Tulder, 2020).

In this sense, these three categories would lead us to address the research question: How does a multinational company achieve corporate legitimacy and maintain long-term relevance by integrating sustainability into its corporate strategy?, since they facilitate the understanding of the implementation of a sustainability strategy that considers both internal and external drivers, as well as financial and non-financial outcomes related to long-term relevance of the firm. Table 12 lists the questions used for interviews.

Table 12: Questions for the semi-structured interviews

Group	Questions
Sustainability Initiatives	How does the company define sustainability?
	When did the company/subsidiary start implementing sustainability initiatives into its strategy?
	HQ. What is the sustainability strategy and model of the firm?
	HQ. Are all sustainability initiatives the same in subsidiaries and in headquarters?
	HQ. How has the process of incorporating the sustainability strategy into the corporate strategy been? How does it differ between the businesses and between the various countries of operation?
	How do the international subsidiaries respond to the proposed sustainability strategy?
	How does the context both in Colombia and in the target countries influence strategic decision-making?
	How is the culture of contributing to sustainable development transmitted to subsidiaries abroad?
	How do you strengthen the relationship with your local and international stakeholders?
	How do you relate to government entities in the countries where you have operations?
Sustainability Drivers	What are the boosters of the inclusion of sustainability into the corporate strategy?
	What motivates the company/subsidiary to include sustainability issues into its corporate strategy?
	What are the biggest sustainability challenges in your company?
	Why can sustainability be seen as a flag for international expansion? Or is it the other way around?
	What are the capacities that the company has or develops in establishing a sustainability strategy?
Sustainability Outcomes	What are the results of the inclusion of sustainability into the company/subsidiary?

	What are the results of implementing sustainability into the company/subsidiary beyond the financial ones?
	How does the company contribute to the sustainable development of the countries where it has a presence?
	What is the market impact of the initiatives that contribute to the sustainable development of the countries where you have operations?

Source: Own construction

Questions marked with HQ were asked to people at corporate headquarters, whereas questions without marks were asked at both headquarters and subsidiaries. Informant responses were motivated by highlighting the usefulness of the research. The questions were intended to capture different perspectives and views on the integration of sustainability into corporate strategy to achieve and maintain corporate legitimacy, considering the internal dynamism in subsidiaries in relation to headquarters mandates, and the external pressures imposed by stakeholders in the host markets.

These questions arose after an initial pilot study with another Colombian multilatinas conducted between January and April 2021, including three pilot interviews with the president, financial vice-president, and sustainability director of a Latin American service company with more than 70 years of experience in 11 countries and which has been awarded locally and internationally for its commitment to sustainability and development in the regions where it operates.

The pilot interviews allowed us to adjust the interview protocol as shown in Appendix 1, which highlights the changes made in contrast to the original version after conducting the pilot study.

The interviews lasted a total of 34 hours and included 7 people from headquarters and 24 people from subsidiaries, having at least two interviews from each subsidiary. They allowed identifying different perspectives, issues, strategies, and outcomes in relation to the sustainability strategy as well as the handling of stakeholder's demands in each country. The interviewees did not require confidential agreements, and they were recorded and transcribed in a no-verbatim manner. Table 13 summarizes the interviews.

Table 13: Information on the interviews conducted

Interviewee	Company	Date of interview (s)	Language used in the interview	Minutes
Corporate Sustainability Director	ISA (Headquarters)	April 20th- 2021 and April 30th-2021	Spanish	145
Sustainability Specialist	ISA (Headquarters)	April 20th- 2021 and April 30th-2021	Spanish	145
Sustainability Specialist	ISA (Headquarters)	April 20th- 2021	Spanish	85
Sustainability Manager	ISA INTERCHILE (Subsidiary in Chile)	April 29th- 2021	Spanish	90
Communications Specialist	ISA (Headquarters)	April 30th- 2021	Spanish	60
Sustainability Manager	ISA INTERCOLOMBIA (Subsidiary in Colombia)	May 4th-2021	Spanish	60
Sustainability Analyst and Coordinator of the sustainability team of the institutional pillar	ISA INTERCOLOMBIA (Subsidiary in Colombia)	May 20th- 2021	Spanish	60
Sustainability Analyst	ISA INTERCOLOMBIA (Subsidiary in Colombia)	May 20th- 2021	Spanish	60
Leader of the environmental, legal and guild management system	ISA INTERCOLOMBIA (Subsidiary in Colombia)	May 20th- 2021	Spanish	60
Communications Director	ISA INTERCOLOMBIA (Subsidiary in Colombia)	May 20th- 2021	Spanish	60
Communications and sustainability Manager	ISA INTERVIAL (Subsidiary in Chile)	June 8th- 2021	Spanish	72
Manager of territorial relations	ISA INTERCHILE (Subsidiary in Chile)	June 9th-2021	Spanish	68
Director of Strategic communications and Ambassador of Women In Energy WEC	ISA INTERCHILE (Subsidiary in Chile)	June 9th-2021	Spanish	68
Strategy Manager	ISA INTERCOLOMBIA (Subsidiary in Colombia)	June 9th - 2021 and July 9th - 2021	Spanish	137

Communications and sustainability Manager	ISA REP (Subsidiary in Peru)	June 10th - 2021	Spanish	92
Sustainability Analyst	ISA TRANSELCA (Subsidiary in Colombia)	June 10th - 2021	Spanish	68
Director of Corporate Planning	ISA TRANSELCA (Subsidiary in Colombia)	June 10th - 2021	Spanish	68
Communications and sustainability Manager	ISA CTEEP (Subsidiary in Brazil)	June 15th-2021	English	68
Financial Director	ISA TRANSELCA (Subsidiary in Colombia)	June 15th - 2021	Spanish	30
Sustainability Analyst	ISA CTEEP (Subsidiary in Brazil)	June 15th-2021 and June 16th- 2021	English	118
Finance and Administration Director	ISA BOLIVIA (Subsidiary in Bolivia)	June 16th- 2021	Spanish	60
Administrative Manager	ISA REP (Subsidiary in Peru)	June 16th-2021	Spanish	65
Strategy Manager	ISA CTEEP (Subsidiary in Brazil)	June 16th-2021	English	83
Innovation Analyst	XM (Subsidiary in Colombia)	June 21st- 2021	Spanish	68
Innovation Analyst	XM (Subsidiary in Colombia)	June 21st- 2021	Spanish	68
Innovation Analyst	XM (Subsidiary in Colombia)	June 21st- 2021	Spanish	68
Communications Analyst	XM (Subsidiary in Colombia)	June 24th- 2021	Spanish	43
Communications Analyst	XM (Subsidiary in Colombia)	June 24th- 2021	Spanish	43
Former President 1992-2007	ISA (Headquarters)	June 28th- 2021	Spanish	90
Corporate Sustainability Specialist	ISA (Headquarters)	July 15th - 2021	Spanish	67
Corporate Sustainability Specialist	ISA (Headquarters)	July 15th - 2021	Spanish	67
TOTALS:	Colombia Chile Peru Brazil Bolivia	April 20th 2021 – July 15th 2021	Spanish/English	2269

- **Secondary data: Documents and archival data**

Information was also sourced from 74 newspaper news, 12 direct observations, and corporate reports from 2005 to 2021 as summarized in Table 14

Table 14: Overview of secondary sources of qualitative data and their use

Data Source	Type of data	Use in analysis	Quantity
Corporate reports	Sustainability reports from 2005 to 2021	Provide information about the strategy of the firm, related to sustainability strategy at corporate and subsidiary level. Used to support and triangulate the interview data	17
Observations	Attendance to corporate events such as annual general meetings (AGM) with shareholders, and quarterly reports. Also, informal conversations with managers and employees located in different geographical areas	Provide insights on events that could be probed in interviews. Provide access to informants at different organizational levels. Used to support and triangulate the interview data	12
Media	Newspaper articles of local and international media	Facilitate the creation of an events timeline. Used to support and triangulate the interview data	74
TOTAL			103

A database was created with all the records and transcripts of interviews as well as the corporate reports, observations transcripts and notes, and newspaper news. These facilitate the coding and tracing of evidence in accordance with the research question (Yin, 2009).

Data Analysis

Following our abductive case study methodology, we moved from the empirical to the theoretical world in the process of systematic combining (Grøgaard, Colman, & Stensaker, 2019).

“Systematic combining is a process where theoretical framework, empirical fieldwork, and case analysis evolve simultaneously” (Dubbois & Gade, 2002, p .554).

Empirical evidence was systematically combined with previous theories to understand the integration of sustainability into the corporate strategy in a multinational company in order to achieve corporate legitimacy and long-term competitive relevance.

As the data analysis should fit the data itself, the correct identification of labels become a critical aspect in this step to avoid any misfit (Howard-Greenville, Nelson, Vough & Zilber, 2021)

Atlas.ti. was used for this purpose, and to ensure rigor, the analysis was structured following different steps (Van Maanen, 1998). In the first phase, key themes were identified in the data from primary and secondary sources in order to code common expressions regarding ISA's sustainability strategy, yielding 142 codes and 1046 quotes. The triangulation of data and researchers improved trustworthiness as it incorporated different perspectives, experiences and meanings (Singh, Benmamoun, Meyr, & Arikan, 2021; Welch & Piekkari, 2017).

In the second phase, these codes were abstracted into categories, creating an iteration between theory and data. The use of formalized steps for organizing the topics through the codification with Atlas.ti provided internal validity and traceability to the analysis (Cuervo-Cazurra, Anderson, Brannen, Nielsen & Reuber, 2020; Sinkovics, Penz & Ghauri, 2008).

In the final step, overarching concepts were developed, based on first-order themes and second-order categories, fitting interpretations with theory, thus demonstrating the accuracy of the findings and transcending description to reveal new theoretical constructs (Sinkovics et al., 2008).

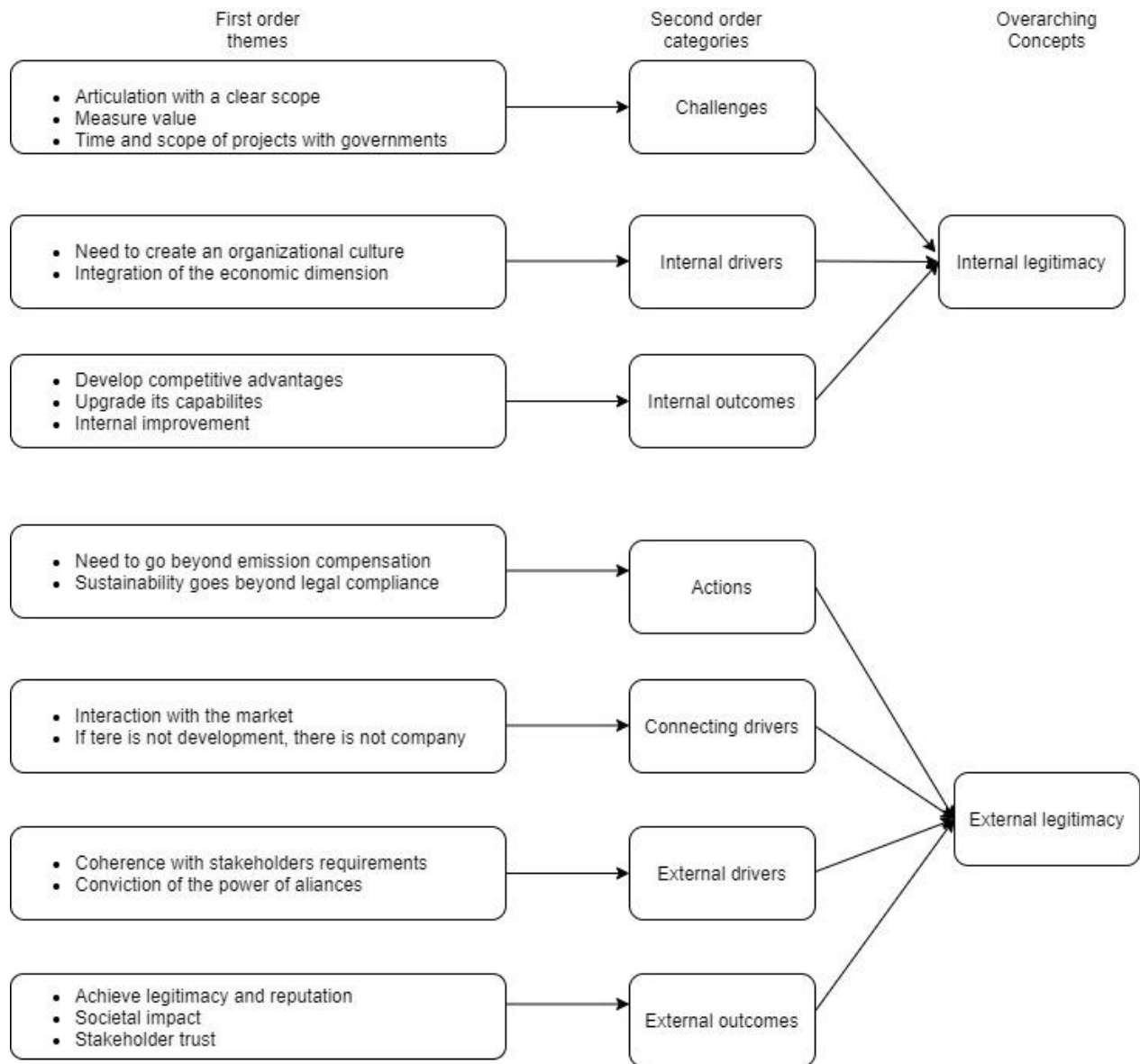
3.5. Findings

Throughout the study, different initiatives, drivers, outcomes, challenges, capabilities, and risks of sustainability inclusion at headquarters and subsidiaries were documented and extracted from the interviews with the informants and through the analysis of secondary material.

This section presents the findings in narrative form, integrating quotes to exemplify the key concepts. The narrative style of theorizing specifies a process that lays out a set of mechanisms that explain events and outcomes, as opposed to the proposition-based style (Cornelissen, 2016). To examine the *how* question of this study, the qualitative data should be accurately analyzed (Nielsen, Eden, & Verbeke, 2020). To achieve this, the “data structure” is built by progressively abstracting first-order themes from informant and building second-order categories and overarching concepts (Langley & Abdallah, 2011)

For the construction of the hierarchical data structure as suggested by Corley & Gioia (2014), in vivo codes were first developed through “open coding” of data using participants’ perspectives and words, which became the first-order themes. Then, a higher level of abstraction is reached through “axial coding”, allowing for the creation of “second order categories” through further data comparison. Finally, the overarching concepts or “core categories” form the core of the theoretical contribution. Figure 5 summarizes the empirical basis of the key concepts in implementing and deploying a sustainability strategy in the company to achieve corporate legitimacy and long-term competitive relevance.

Figure 5: Key concepts and empirical basis



Source: Own construction

In the first place, it can be noted in the analysis that ISA integrates sustainability actions and initiatives with voluntary and non- mandatory actions. These actions are intended to build trust among the company’s various stakeholders and to support the SDGs. This supports the argument that internal and external stakeholders are exerting increased pressure on companies to implement sustainability and that stakeholder engagement is lacking nowadays (Naidoo & Gasparatos,

2018). Although the company complies with all the mandatory regulations of the countries where it operates, its sustainability initiatives bring a genuine interest in contributing to sustainable development, building trust relationships with internal and external stakeholders, and creating shared value among them. This is of special importance as there is evidence of the challenges companies face in their communication with stakeholders due to lack of trust, different goals and unacknowledged incentives between them (Turner, Behm, Philips, Ramirez & Helmus, 2022).

Moreover, the sustainability initiatives are different in headquarters and subsidiaries, as they have their own strategy deployment activities, and different specific objectives according to their capabilities and budget. Nevertheless, all of them contribute to a certain extent to the company's general objective and higher purpose, "Connections that inspire". This represents a call to move from the typical "home" country analysis to a "host" country perspective of the sustainability framework with applicability in emerging markets, which challenges the traditional focus on developed economies (Linnenluecke, 2022).

Although the drivers or boosters of the company's sustainability strategy include internal, connecting, and external drivers, the main driver of ISA's 2030 sustainability strategy is stakeholder's pressure as manifested by different members of the sustainability teams.

This responds to Lozano's (2013) call for companies to include external stakeholders as drivers for proactivity in their journey to become more sustainable.

Other drivers of ISA's sustainability initiatives include organizational culture, environmental management capability, license to operate, leadership, and moral obligation.

Regarding the main driver of the sustainability strategy, the primary outcomes of its strategy are stakeholder's trust and increased reputation.

Concerning reputation, sustainability has been shown to be an antecedent of corporate reputation and a tool for enhancing stakeholders' trust and acceptance (Gomez Trujillo, Velez-Ocampo & Gonzalez-Perez, 2020), and this is also the case for ISA.

Other sustainability outcomes include value generation, talent attraction, environmental benefits, sustainable development, influence capability, competitive advantage, public value, and economic benefits. This evinces the inconclusive research on the relation between sustainability and financial outcomes (Grewal & Serafeim, 2020).

It is also worth highlighting that the main challenges for ISA in adopting sustainability into its corporate strategy are primarily articulation with stakeholders, governmental relations, environmental management, creation of a sustainability culture, team consolidation, and strategy materialization. Other challenges include the understanding of the economic dimension of sustainability, budget, and alignment between headquarters and subsidiaries.

These challenges also include some risks such as political instability, the politicization of resources, communicational conflicts, expropriation, and nationalization, as well as stakeholder mistrust, social unrest, exchange rate fluctuations, and fines.

Therefore, ISA must develop some specific capabilities in order to materialize and implement its strategy, its key capability being its relationship with different stakeholders, followed by its political capabilities and innovation. Thus, collaboration with partners-suppliers appears as an organizational capability that needs to be studied in order to establish a link between sustainability practices and organizational performance (Annunziata, Pucci, Frey & Zanni, 2018).

Table 15 exemplifies data supporting this interpretation.

Table 15: Representative quotations that support the findings

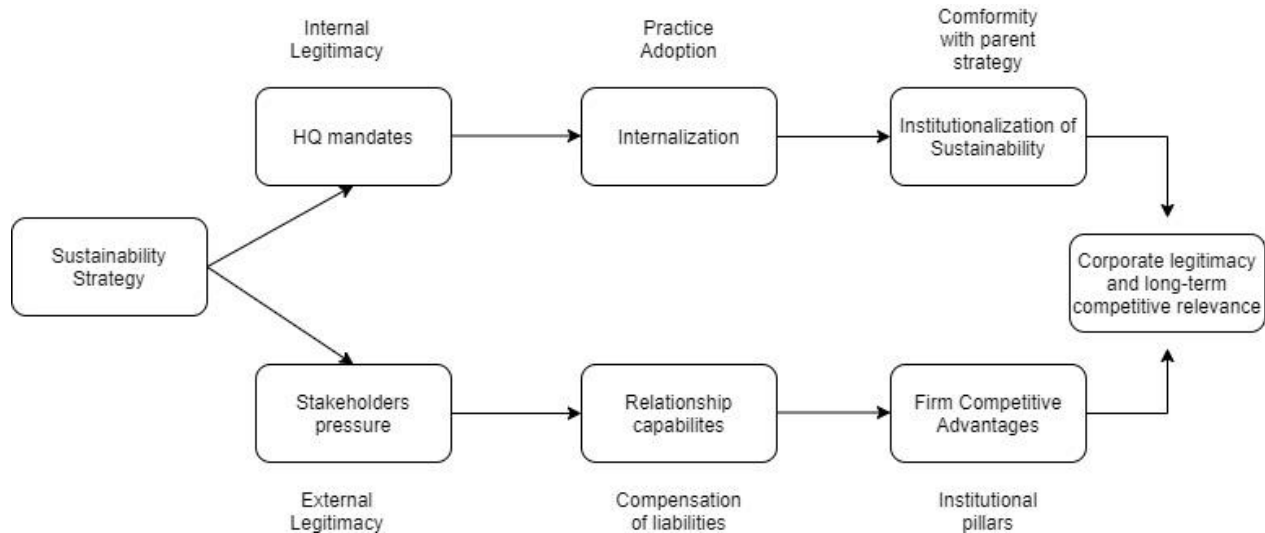
Theme	Quotations
Internal legitimacy	

Challenges	<p>“Sustainability is seen as the way to legitimate the business and to remain viable in the future” (Manager of territorial relations at foreign subsidiary).</p> <p>“This strategy allows the group to keep its financial solidity and to maintain its validity even in times of crisis” (Vice President of Corporate Strategy).</p>
Internal drivers	<p>“The role is to come from strategy to practice, go down to the integrated system of all the processes until we reach the strategic objectives” (Strategy manager of a subsidiary).</p>
Internal outcomes	<p>“The no written role is the articulation we make to everyone in order to have a clear focus. What we want and do not want to do. We articulate the strategy” (Strategy manager of a subsidiary).</p>
External legitimacy	
Actions	<p>“These activities become your “presentation letter,” and they erase the limits between voluntary and mandatory actions, as is the case with the “Jaguar” program of the company” (Corporate Sustainability Director).</p> <p>“We define a social investment budget associated with trustworthy works, we define with the community what we can improve in small formats, but that make us work together, local government, business, community, academia and NGOs” (Sustainability manager of a subsidiary).</p> <p>“Likewise, the company supports the country’s goals on biodiversity and climate change, and it guarantees human development of its employees with inclusion, diversity and decent work” (Sustainability manager of a subsidiary).</p>
Connecting drivers	<p>“So, I would say that the strategy is a channel; another channel is permanent work and dissemination. I believe that these issues require dissemination, they require communication, and they require endless training” (Sustainability Specialist at the corporate headquarters).</p>
External drivers	<p>“These interest groups demand more coherence between what companies say and make [...] In this line, ISA also participates in different global initiatives in coherence with its stakeholders’ requirements...So, it was an exercise framed in stakeholders with gap-closing plans” (Communications specialist at the corporate headquarters).</p> <p>“I manage what is important for my stakeholders” (Strategy Manager of a subsidiary).</p>
External outcomes	<p>“The strategy is the path for the companies to hold down the big global challenges” (Sustainability Analyst at the corporate headquarters).</p> <p>“One of the main benefits of sustainability is that it generates stakeholder’s trust: “Because you are more credible for the other actors” (Sustainability director at the corporate headquarters).</p> <p>“Our contribution to sustainable development is synthesized in just one word: trust. If there is not trust with our stakeholders, we will not be able to move along” (Communications Director at the corporate headquarters).</p> <p>“For ISA, the value of intangibles is covered within the value of trust” (Communications Specialist at the corporate headquarters).</p> <p>“Moreover, sustainability gives the company the capability to inspire and influence other actors such as governments and clusters, it gives advocacy capability in all the territories, and it allows the company to become a referent of the industry as well as to strengthen its reputation” (Sustainability Manager at the corporate headquarters).</p>

Source: Own construction

After external and internal legitimacy is achieved and practices are institutionalized, the company can increase its chances of survival and, therefore, its corporate legitimacy and long-term competitive relevance (See Figure 6).

Figure 6: Process of reaching corporate legitimacy and long-term competitive relevance of an EMNE



Source: Own construction

3.6. Discussion

The study aims to provide an understanding of the process of integrating sustainability into the corporate strategy of an emerging market multinational company to achieve corporate legitimacy and long-term competitive relevance. Our findings suggest that subsidiaries are under a lot of pressure to accomplish internal and external legitimacy while integrating the sustainability strategy. However, the main driver of this integration process is external legitimacy, represented in stakeholders' pressure to comply with sustainability issues in the economic, social, and environmental dimensions. This challenges the assumption of internal drivers having greater impact and influence on sustainability practices of EMNEs (Lozano 2013; Zhu & Zhang, 2015).

It also reflects the testing of external actors who look for positive signals regarding the organization's capabilities (Hannan & Freeman, 1984). Additionally, as shown in Figure 3, the pressures for external legitimacy of subsidiaries are mainly due to their liability of newness, foreignness, and emergingness when entering new markets.

The liability of newness focuses not only on why or how the business emerges. It also explains how firms fail due to a lack of learning experience (Stinchcombe, 1965). In turn, the liability of foreignness (LOF) is composed of the different barriers firms face when entering new markets. The concept was introduced by Hymer (1960), arguing that entrant firms are at a disadvantage to local companies due to their unfamiliarity with the business conditions. Zaheer (2002) suggests that these types of liabilities are closely related to the costs of doing business abroad (CDBA), focused on market-driven costs. These costs are complemented with the structural/relational and institutional costs of doing business abroad, which are associated with the firm's network position in the host country. This idea has evolved into the concept of liability of outsidership, which states that the business environment is a network, and the liability arises when a company is out of that network (Johanson & Vahlne, 2009).

The liability of emergingness (LOE) indicates that companies from emerging markets face additional challenges compared to companies from developed economies merely for being from emerging markets (Madhok & Keyhani, 2012; Velez-Ocampo & Gonzalez-Perez, 2021). Other authors present the liabilities of origin as the negative perception in host countries of the firm's ability to conduct legitimate business due to the negative stereotyping of the firm's origin (Marano, Tashman, & Kostova, 2017; Ritvala, Granqvist and Piekkari, 2021).

In this view, external legitimacy can be attained when companies surpass these liabilities by developing and upgrading firm-specific capabilities and complying with regulatory (laws and rules), normative (values, beliefs, norms), and cognitive pillars (shared social knowledge)

(Kostova & Roth, 2002). Companies can also work around these liabilities by aligning themselves with institutions that promote guidelines for global MNEs behaviors, such as sustainability practices that reduce their negative impact (Kostova, Roth & Dacin, 2008; Marano, Tashman & Kostova, 2017).

Hence, this study advances theory regarding compensation of liabilities through the implementation of sustainability practices as a strategy to gain legitimacy in emerging market contexts, which is lacking nowadays (DasGupta, Kumar & Pathak, 2022). Similarly, from a managerial perspective, it highlights the importance for managers to address stakeholder demands and institutional conditions of host countries in order to gain legitimacy among them. Consequently, companies are pushed to develop or adopt specific capabilities to remain competitive both locally and internationally. Different capabilities such as brand recognition, superior technology, or the ability to exploit economies of scale have been analyzed in the literature as a mechanism to compensate for these disadvantages (Zaheer & Mosakowski, 1997). However, in this study, relationship capabilities appear to be an essential tool for gaining external legitimacy and developing competitive advantages when incorporating a sustainability strategy. On the other hand, internal legitimacy is associated with the pressures on subsidiaries to comply with parent mandates as they are not independent entities (Kostova & Roth, 2002).

These organizational practices are “particular ways of conducting organizational functions which have evolved over time under the influence of an organization’s history, people, interests, and actions and have become institutionalized in the organization.” (Kostova, 1999, p. 309).

In this regard, Kostova (1999) argues that three factors at three different levels affect the intra-firm transfer of strategic organizational practices in multinational companies, namely, country, organizational and individual factors can affect this transfer at social, organizational, and relational levels.

Moreover, the institutionalization of a practice can be conceptualized at two levels: implementation and internalization. Implementation is linked to the extent to which the subsidiary follows the formal rules implied by practice. In contrast, internalization is reached when employees attach symbolic meaning to practice and recognize its value (Kostova, 1999). In this study, sustainability practices gain legitimacy mainly through internalization as subsidiaries adopt it as a way of acting and implement various initiatives and actions for strategy deployment at all the levels of the organization. As a result, there is commitment, satisfaction, and psychological ownership in these practices.

Hence, the study tests knowledge on practice institutionalization, considering sustainability as a practice that is transferred from headquarters to subsidiaries, and demonstrating the meaning of these practices among different teams. This indicates that sustainability is not a formal rule or mandate, but rather a useful practice that, when included as a core component of the corporate strategy, allows the alignment with headquarters and the firm's long-term competitive relevance. This is in contrast with the empirical evidence of a higher quality of sustainability reports when there is a mandatory imposition by internal or external agents, as has been widely known in the literature (Mion & Loza, 2019).

Finally, the company achieves long-term competitive relevance after overcoming internal and external pressure, ensuring legitimization of the sustainability strategy. This is a response to the need for conducting research on the sustainability learning curve and its relation to firm competitiveness (Aigner & Lloret, 2013), as shown in Figure 6 above.

This has practical implications for managers and policy-makers because it highlights the importance of addressing institutional pillars, particularly the regulatory pillar influenced by governments, which should facilitate and enhance sustainability adoption by companies in order to improve their international competitiveness. Furthermore, managers should have an internal

commitment to sustainability in order to overcome liabilities and develop firm specific advantages (FSAs) to safeguard the firm's long-term competitive relevance and legitimacy.

3.7. Conclusions, limitations, and recommendations for future research

This study concludes that internal, connecting, and external drivers help integrate a sustainability perspective into the corporate strategy. Corporate stakeholder's pressures are the main driver of this implementation (external legitimacy). In a similar vein, the outcomes of this implementation are highlighted as trust generation of stakeholders and corporate legitimacy, and firms' long-term competitive relevance. Furthermore, progressing through the process of relationship capabilities gives the company a competitive advantage in international markets.

Subsidiaries deal with internal pressures to implement the sustainability strategy and localize initiatives relevant to local stakeholders. In this sense, internalization directs the adaptation of the sustainability strategy to the local context, and internal stakeholders (employees) attach symbolic meaning to sustainability initiatives and regard them as a value or way of acting. After the sustainability strategy is internalized, all sustainability initiatives become institutionalized, and contribute to the EMNEs' corporate legitimacy and long-term competitive relevance.

As suggested by Bello & Kostova (2012), there is a need to specify and situate the contributions within a specific literature field. In this regard, this study advances knowledge in the fields of corporate sustainability and international business through an integrative framework derived from a case study (Byron & Thatcher, 2015; MacInnis, 2011). It also contributes to institutional theory and resource-based view as compatible theories in management to advance the understanding of emerging market companies and their internationalizing behaviors (Okhuysen & Bonardi, 2011).

This study specifically analyzes the institutional dynamics of subsidiaries when implementing a

sustainability strategy and the development and upgrading of capabilities to reach competitive advantages in international markets, safeguarding corporate legitimacy and long-term competitive relevance.

Another significant contribution of this study concerns the context of analysis (Plakoyiannaki, Wei & Prashantham, 2019; Thomas, Cuervo-Cazurra & Brannen, 2011; Welch, Piekkari, Plakoyiannaki & Paavilainen-Mäntymäki, 2011) as context differentiates IB from traditional Business research (Teagarden, Von Glinow & Mellahi, 2018). This study is situated within the specific context of Latin American countries as a region that can provide insights into the internationalization of firms from emerging markets (Borda Reyes, Newburry, Carneiro & Cordova, 2019). The unique characteristics of these countries can generate new ideas about the home country's role in the international expansion and adoption of sustainability practices of firms, when compared to the experience of companies from other regions of the world (Aguilera, Ciravegna, Cuervo-Cazurra & Gonzalez-Perez, 2017).

Colombia and this specific case can be used to enrich research on emerging market multinationals and their particular characteristics for intra-firm transfer of processes and, more specifically, the implementation of a sustainability strategy in various contexts. This also allows for assessing and transferring the findings outside and beyond the specific scope of this particular study (Yin, 2014).

Nevertheless, this study has some limitations. In the first place, the findings are presented in the context of heavily regulated service firms in emerging markets. Future studies could test these results by analyzing companies from different industries in developed countries. Additionally, researchers who intend to continue this research should complement the qualitative approach of this research with quantitative analysis to expand the scope of this research.

Acknowledgements

The authors appreciate the time and insights of ISA's executives in the corporate headquarters and the foreign subsidiaries who participated in the study.

Chapter 4. Raising sustainability flag to overcome liabilities while generating local sustainable development

Abstract:

Multinational companies are called to contribute to development goals and societal grand challenges more than ever. However, little is known about the implication of their international operations and their contribution to sustainable development in host countries, especially for companies from emerging economies, which face different liabilities when entering new markets. Hence, this study aims to provide an understanding of how a sustainability strategy contributes to sustainable development and how it can help EMNEs to overcome their liabilities of foreignness. The paper is based on a single case study of a Latin American multibusiness multinational company (*multilatina*) operating in energy transmission, roads, and telecommunication sectors. Data were drawn from 31 in-depth interviews, company reports, and third-party communications. This study found that firms from emerging markets raised the sustainability flag in their internationalization to overcome liabilities of foreignness and build legitimacy among their stakeholders. It also enables the companies' contribution to sustainable development and the creation of public value.

This case demonstrates how a sustainability strategy can assist emerging market companies in overcoming obstacles in their internationalization process and gaining legitimacy as a result of their contribution to the sustainable development of host countries. The findings of this single case study contribute to the scholarly debate on the relationship between sustainability, internationalization, diversification, and corporate reputation in the challenging context of emerging markets. In relation to policy, this dissertation makes two major contributions. First, from the outward FDI perspective, emerging market economies should promote and facilitate the

incorporation of sustainability strategies in order to improve their industries' international competitiveness and gain legitimacy abroad, particularly when their institutional environment encourages businesses to seek growth opportunities outside. Second, from the inward FDI perspective, governments should partner with multinational firms to achieve their sustainable development goals and align corporate sustainability goals with national commitments to the SDGs.

Keywords:

Corporate strategy; emerging markets multinationals, internationalization, sustainability, liabilities, sustainable development; sustainability flag

4.1. Introduction

Do companies embrace environmental and social sustainability because they are financially successful, or do they become financially successful as a result of their commitment to environmental and social sustainability? We can certainly assert that financial performance also depends on non-financial variables such as social and environmental responsibility, which are related to a company's internationalization process and impact its strategic decisions (Gomez-Trujillo and Gonzalez-Perez, 2020). Thus, both corporate social responsibility (CSR) and corporate sustainability include non-financial risks (social and environmental) that may have financial implications (Pisani, Kourula, Kolk, and Meijer, 2017). Furthermore, the disclosure of sustainability and CSR reports is associated with market and reputation opportunities derived from competitive advantages (related to social and environmental performance) that can be eventually exploited financially (Odriozola and Baraibar-Diez, 2017).

What then differentiates CSR from corporate sustainability? In a study aimed at identifying the differences between corporate sustainability and CSR in academic literature, Bansal and Song (2017) found that research in CSR has tended to focus on business ethics and morality, whereas sustainability assumes a systems perspective that considers growth limits. In addition, CSR implies voluntary actions (beyond what is required by law) in which interest groups' commitment and management in social and environmental aspects are expected (Gonzalez-Perez and Leonard, 2013). According to Basal (2004), there are three conditions for sustainable corporate development: (1) environmental integrity, (2) economic prosperity, and (3) social equity. It can also be deduced that CSR connects past behavior and present reputation and compliance. At the same time, corporate sustainability is at the heart of corporate strategy, looking for opportunities (as well as limitations and liabilities) for future growth.

“All firms have a responsibility to explore how their core business model can be tuned to create a positive societal impact as well as outperform on traditional levers of shareholder value creation” David Lesser, President of Boston Consulting Group (Beal et al., 2017: 5). Therefore, while social impact and shareholder returns are pursued separately in the CSR model, within the total societal impact lens, the pursuit of societal impact is integral to strategy and value creation. In other words, the total societal impact (TSI) cannot be separated from the business (Beal et al., 2017).

Sustainability as a corporate strategy has been studied in several locations. However, studies covering either foreign multinational enterprise (MNEs) operating within Latin America or local companies with regional presence are still limited. This region encompasses several conditions that make it particularly relevant. For instance, the economic liberalization of the 1990s contributed both to the attraction of international firms and foreign expansion of local companies (Cuervo-Cazurra, 2008, Hennart et al., 2017). This liberalization increased the competitive

landscape in the region. Countries and firms had to upgrade their capacities and move away from commoditized business to become global or regional leaders in their sectors (Ciravegna et al., 2016; Cuervo-Cazurra et al., 2019). However, Latin America, like other emerging regions, is also characterized by institutional voids, poor infrastructure, unsophisticated local markets, and weak credibility in international markets, undermining competitiveness and imposing additional burdens and liabilities (Madhok and Keyhani, 2012). As regional companies are aware of the unique conditions of their countries of origin, they frequently adopt sustainability practices to gain legitimacy and a positive reputation, which ultimately contributes to increased long-term survival rates (Fiaschi et al., 2017).

This paper zooms-in and describes the strategy path of a Colombian multinational business group and its process of establishing its sustainability leadership in the Latin American region. This study aims to contribute to the understanding of EMNEs' internationalization and the implementation of a sustainability strategy to overcome their liabilities of foreignness and contribute to sustainable development. The research question that guides the analysis is:

How do EMNEs overcome the liability of foreignness by contributing to sustainable development of host countries?

Using a single case study methodology of a Multinational company from Latin America, this study finds that a clear commitment to sustainability reduces emerging market companies' liability of foreignness when entering new markets. This commitment to sustainability serves as a legitimization strategy among local and international stakeholders and guarantees the contribution to sustainable development and the creation of public value in host countries. Hence, this paper contributes to the international business and corporate sustainability fields by proposing a framework for reducing the liability of foreignness through the implementation of corporate sustainability practices in an emerging market context, a current gap in the literature. It

also advances stakeholder theory by considering sustainability as a legitimizer of operations among local and international stakeholders.

This manuscript is structured as follows. The next session provides the background and context for the case, followed by the literature review. The case study methodology is then explained. Subsequently, the results of the corporate case study selected (an emerging economy multinational, (Interconexión Eléctrica SA -ISA-) are presented. Afterwards, a descriptive analysis of the company's strategies and sustainability leadership is provided. Next, the discussion explains the process of overcoming liabilities of foreignness when internationalizing and the contributions of EMNEs to sustainable development. Finally, conclusions, limitations and recommendations for future research are formulated.

Background and context: From conflict and critical risk to transformation and transcendence

During the 1990s and 2000s, Latin America experienced economic growth and reductions in income inequality (Aguilera et al., 2017; Cord et al., 2016). However, the financial and economic slowdown since 2012 poses significant challenges for the region to continue progressing in the areas of productivity and sustainability (Bárcena Ibarra, 2016; Gonzalez-Perez et al., 2021; Mohieldin et al., 2022). According to the Economic Commission for Latin America and the Caribbean (ECLAC) and its Horizons 2030 Report (2016), the region needs to undergo another structural change to ensure sustainable development. The in-depth study of a Latin American firm, specifically Colombian, serves as a laboratory for analyzing the role of firms in societal transformation and reconfiguration (Cuervo-Cazurra, 2016).

The internationalization of Colombian *multilatinas* is a recent trend; in the last decade, companies such as Grupo Nutresa, Empresas Públicas de Medellín (EPM), Grupo Argos, Grupo Sura, Bancolombia, Carvajal, and ISA group have increased their international presence through

mergers and acquisitions (M&A). Most of these companies increased their presence in the Latin American and the Caribbean markets by initially relying on consultancy and investment banks; however, as they gained experience, they developed internal capabilities that allowed them to critically identify and assess international opportunities (Velez-Ocampo and Gonzalez-Perez, 2015). As occurred with several other *multilatinas*, the international expansion of Colombian firms was also driven by both political uncertainty and violence in the home country (Cuervo-Cazurra, 2016). As ISA group develops geographically spread-out projects involving multiple stakeholders, its operations are particularly sensitive to both factors. However, the company has learned from its home country's institutional weaknesses, social conflicts, and numerous economic and political challenges, which represents an advantage when operating in markets with similar social and political conditions.

From the beginning of the 1980s to early 2000s, inward foreign direct investment (FDI) to Colombia was low and largely concentrated in the mining and oil industries. Local and foreign firms were wary of the risk of operating and investing in a country with an unstable business and political environment, weakened by decades of armed conflict involving left-wing guerrillas, right-wing paramilitary groups, and drug trade cartels. Colombian MNEs (*multilatinas*) operating abroad suffered from the negative reputational impact of illegal drug production and trafficking, although both peacebuilding initiatives and CSR policies and practices supported by large MNEs contributed to reducing the negative reputational impact (Andonova and García, 2018; Reade, Mckenna, and Oetzel, 2019; Velez-Ocampo et al., 2021). Therefore, Colombian MNEs face liabilities of foreignness (LOF) and emergingness (LOE), plus the liabilities generated by the negative reputation of Colombia's past (LOP) (Aguilera et al., 2017; Cuervo-Cazurra et al., 2019; Gonzalez-Perez and Velez-Ocampo, 2014; Velez-Ocampo et al., 2021). Colombia and its population were internationally associated with violence, crime, drug cartels, and armed conflict;

and to a lesser extent, with its natural resources and agricultural products. In addition, armed groups in Colombia established systems changes in production, such as illegal crops (Arias et al., 2018).

Owing to these unfavorable circumstances, Colombian companies operating abroad had to develop strategic capabilities to succeed in armed conflict environments and challenging social, political, military, and economic conditions in order to survive. In addition to this, due to the adverse conditions to operate businesses, very few international players chose to compete in Colombia. These developed strategic capabilities arise from the need to survive in hostile and harsh environments. Colombian companies, especially those operating in strategic sectors (and rural areas), used these capabilities as an advantage in their internationalization; the ability to adapt and operate in adverse conditions became a competitive advantage for them both in Colombia and abroad. In addition to this, by seeking to grow within and beyond national borders, large Colombian companies in strategic sectors adopted a "sustainability flag" for their international conquests and for protecting their domestic business activities. This international and domestic growth strategy is aligned with the Colombian government's commitment to the sustainable development agenda and peacebuilding. In other words, Colombian companies managed to transform critical risks and environmental disadvantages into competitive advantages.

That is how and why, in recent years, Colombia's international image and reputation have been transformed. A large number of Colombian multinationals have been included in the Dow Jones Sustainability Index (DJSI): Bancolombia (banking), Grupo Argos (cement), Ecopetrol (oil), Grupo de Inversiones Suramericana S.A. (Grupo Sura) (pensions and financial services), Grupo Nutresa (food), Almacenes Éxito (retail), Banco Davivienda (banking), Empresa de Energía de Bogotá (energy), Avianca (air transport), and Interconexión Eléctrica S.A. (ISA) (energy, roads,

and telecommunications). Furthermore, by 2020, over 500 Colombian companies had signed the United Nations Global Compact Initiative, which shows that many of the largest Colombian companies with direct foreign operations are recognized for their commitment to environmental, social, and financial sustainability. Colombia is among the top five countries in the world with the highest number of companies reporting sustainability, which is an irrefutable proof of the country's business sector to sustainability in the (Ancines, 2019). This is particularly crucial in the post-pandemic recovery period in which sustainability can be considered a new driver of foreign direct investment as SDG policies and sustainability factors in host countries become relevant in assessing the merits of a particular country (Economist Impact, 2022).

Colombia's success in revitalizing itself is due in part to the country's commitment to peacebuilding (Sustainable Development Goal 16) as the heart of their efforts towards the 2030 universal agenda. Colombia has held the longest-running conflict in the Western Hemisphere. More than five decades of armed conflict in the country cost the lives of over 220,000 people and displaced another 8 million, after over three decades of trial-and-error strategies of peace-war negotiations and processes to disband illegal armed groups. In 2016 the Colombian government finally reached a historical truce for a peace agreement with the FARC (Revolutionary Armed Forces) guerrilla (Angelo, 2017; López Hernández, 2016).

Colombia indeed constitutes a fertile ground for the sound implementation of the SDGs. Beyond the increasingly favorable socio-political dynamics, the country has demonstrated a genuine commitment to becoming an environmental super-power (leveraging its biodiversity, resources endowment, privileged geopolitical position, etc.).

Furthermore, this compatibility of interests nurtures a stable ground for businesses, where a stable route map can be established and developed, both at the formal and informal levels. In other words, while official agendas are drafted and convened, all societal actors can take

advantage of the legitimized opportunity to enact business strategies, policies, and initiatives embedded within the context of sustainability. In practical terms, these circumstances foster unique opportunities for multinational enterprises (MNEs) to engage in long term planning around the challenges inherent in the SDGs. Satisfying market demands, untapped environmental and economic needs, and business opportunities that might contribute to achieving a more sustainable society, will be highly rewarded by the market and the country.

4.2. Literature review

This section aims to synthesize existing research on the internationalization characteristics of EMNEs and their process of overcoming the liability of foreignness to contribute to the sustainable development of host countries.

Internationalization of EMNEs

International business studies initially relied on classical theories of internationalization originated from developed countries and industrial organization approaches. Hence, they might be inadequate to explain the specific characteristics and dynamics of internationalization of companies from emerging markets (Axinn & Matthyssens, 2002). The new complexity of the global economy requires new theoretical insights or an extension of them (Cuervo-Cazurra & Ramamurti, 2014; Luo & Tung, 2007; Mathews, 2006; Ramamurti, 2009).

Because multinationals from emerging markets differ from multinationals from developed countries in their internationalization process and decisions, they constitute a phenomenon that is gaining attention from scholars around the world (Gammeltoft, Pradhan, & Goldstein, 2010).

In this regard, Cuervo-Cazurra and Genc (2008) state that these companies face some disadvantages when compared to MNEs from advanced economies, arguing that EMNEs are less competitive due to their home country institutional voids. However, this condition can change if both types of MNEs operate in countries with these challenging conditions. In the same line, Luo and Tung (2007) explain the springboard perspective. EMNEs view internationalization as a springboard for resource acquisition and as a manner to reduce the institutional difficulties faced in their home countries. Furthermore, Mathews (2006) proposes that companies from peripheral areas internationalize driven by resource linkage, leverage, and learning.

In this way, Cuervo-Cazurra (2016) proposes that the escape and learning drivers of internationalization result from four categories of home country environment: violence, pro-market reforms and reversals, geographical isolation, and political uncertainty, which cause Latin American companies to seek new markets.

Regarding political uncertainty and violence, which are linked to political and social environments, respectively, the learning driver can be explained by the managerial capacity to deal with political constraints and violence in the home country, which facilitates the management of these situations in foreign locations. The escape driver, in this case, indicates that political uncertainty and violence makes managers relocate their operations in more stable and safer countries (Cuervo-Cazurra, 2016).

On the other hand, pro-market reforms and reversals and isolation characteristics, related to economic and geographic environments, cause managers to develop advantages that allow them to deal with reforms and geographic distance (learning driver), and to invest in locations with more technology and with access to diverse markets (escape driver), which will facilitate foreign expansion in the end (Cuervo-Cazurra, 2016).

In this vein, Cuervo- Cazorra and Narula (2015) update Dunning's nine classic market propositions from 1993: efficiency, strategic asset, and resources seeking; as well as the secondary motives he classified as escape, trade-supportive, finance-supportive, management supportive and passive investment, which are gaining particular relevance among academics. Dunning's motives of internationalization are updated to drivers of firm specific advantages and their relationship with locational advantages: the "four conceptually- driven envelopes –buy better, sell more, upgrade and escape"; intra and inter-firm relationships; and developmental implications (Cuervo-Cazorra & Narula, 2015).

EMNEs liabilities of foreignness

Although there is evidence of the benefits of internationalization, it can also generate a competitive disadvantage for emerging market companies. Hymer (1976) introduced the "cost of doing business abroad" concept that multinationals experience when operating internationally. Later, Zaheer (1995) introduced this phenomenon under the name of "liability of foreignness" (LOFs), arguing that they represent additional tacit and social costs that firms face when entering a particular country. LOFs can be categorized into three groups: unfamiliarity hazards, relational hazards, and discrimination hazards.

Concerning unfamiliarity hazards, they occur due to the firm's lack of embeddedness in networks, international experience, and local business and institutional knowledge (Asmussen, Pedersen & Dhanarai, 2009; Elango, 2009; Rangan & Drummond, 2004). In turn, relational hazards are driven by the degree of rivalry, spatial distance, ownership structures and lack of trust (Elango, 2009; Li, Poppo & Zhou, 2008). Finally, discrimination hazards arise when there is a lack of legitimacy, resulting in foreign firm adverse treatment by different stakeholders (Newbury, 2006).

As firms become more embedded in local networks, this liability declines (Zaheer & Mosakowski, 1997). However, other scholars argue that MNEs' ability to analyze foreign market characteristics helps them overcome the LOFs from a resource-based perspective (Sethi & Guisinger, 2002). In addition, according to organizational learning theory, companies' learning and international experience can mitigate LOFs (Peterson & Pederson, 2002), and according to Denk, Kaufmann and Roesch (2012), other theories such as social network theory, international expansion, ecology perspective and institutional theory began to gain importance to the LOF analysis.

From a legitimacy perspective, companies can overcome LOFs by improving their legitimacy among stakeholders in host countries (Luo, Shenkar & Nyaw, 2002). This legitimacy can be improved by being responsive and giving back to society (Wood, 1991). Hence, by implementing CSR and sustainability initiatives, companies can enhance their acceptance among stakeholders in host countries and overcome their LOFs (Maruyama & Wu, 2015).

EMNEs and sustainable development

Sustainability initiatives by multinational companies draw the attention of scholars seeking to explain the drivers and motives for their implementation. For instance, in their systematic literature review, Gomez-Trujillo, and Gonzalez-Perez (2020) identified internationalization as a driver for the pursuit of sustainability initiatives. Sustainability can also serve as a tool to enhance stakeholders' acceptance and corporate reputation at an international level (Gomez-Trujillo et al., 2020). Moreover, reputation and internationalization can influence strategic decisions, international marketing, and international trade (Velez-Ocampo and Gonzalez-Perez, 2019).

In view of the above, the relationship between business and development has been studied with a particular emphasis on the role of multinational enterprises (MNEs) as sustainability drivers and,

specifically, on their role on the Sustainable Development Goals (SDGs) proposed by the United Nations (Berning, 2019; Kolk et al., 2017; Van Zanten and Van Tulder, 2018).

This is of special relevance because there is evidence of potential negative impacts of MNE investment in developing countries (Brandl, Moore, Meyer & Doh, 2021).

Hence, Agenda 2030 cannot be achieved without the active and committed participation of MNEs (van Zanten and van Tulder, 2018). MNEs' engagement in sustainable development has been shown to be more influential than ethical perspectives based on "prevent harm" or "doing good". Moreover, MNEs are more willing to contribute to the SDGs that are directly relevant to their operation. MNEs interest in SDGs varies depending on the home and host country environments, as well as on their industrial sectors (van Zanten and van Tulder, 2018).

Hence, embarking on the sustainable development path requires companies to implement specific processes and tools into their corporate strategy to advance in their sustainability approach (Fleaca et al., 2018). SDGs become a long-term corporate strategy driver in this case, and can be compared to a crystal ball for business to look into the future, allowing them to identify business opportunities and providing long-term guidance in operation decisions (Pedersen, 2018). This should be used as an opportunity to comply with the increasing sustainability concerns of countries, companies, and customers both at macro and micro levels. There is evidence of the positive effects of sustainability on companies and countries' performance (Hult et al., 2018). Therefore, this study involves the analysis of the internationalization process of an EMNE and its particularities in comparison with MNEs from developed economies to reinforce the need for new theoretical perspectives or an extension of classic theories adapted to the emerging market context and the liabilities they face when internationalizing, due to institutional voids in home countries. Consequently, the mitigation of the LOFs is associated with their embeddedness in networks as well as with their capability to learn from international markets. However, little is

known about the enhancement of their acceptance among stakeholders by implementing CSR and sustainability initiatives to overcome those liabilities and the consequences of this legitimization strategy for sustainable development generation in host countries. Thus, through a qualitative case study, this paper analyzes the implementation of a sustainability strategy in an EMNE to overcome its liabilities of foreignness and contribute to the sustainable development of host countries.

4.3.Methodology

Aiming to contribute to the understanding of EMNEs' internationalization and the implementation of a sustainability strategy as a tool to overcome their liabilities of foreignness and to contribute to sustainable development, a single in-depth qualitative case study methodology was conducted (Ghauri, 2004; Stake, 1994). Case studies are the preferred method when "how" and "why" questions are to be answered and the researcher has limited control over the events or when the focus is on a real-life phenomenon and there is little knowledge on the context (Doz, 2011; Yin, 1994). Besides, the interplay among a phenomenon and its context is better understood through in-depth single case studies (Dubois and Gadde, 2002). Moreover, case studies are exceptionally well-suited to new research for which existing theory seems insufficient (Eisenhardt, 1989, Verbeke, 2022).

Case study selection

Aiming to provide answers to our research question, the available population of companies was assessed (Cooper, 1984). Since it was decided to study multinational firms from emerging markets, their internationalization process, and their contribution to sustainable development, in

order to correspond to our theoretical framework (Ghauri, 2004), firm from an emerging market with foreign direct investments and recognized for its sustainability initiatives in the international business ecosystem had to be selected (Hult et al., 2020). Additionally, the institutional conditions of these economies provide revealing scenarios for companies, which facilitates the refinement and extension of existing theories.

Hence, Colombia serves as the laboratory of analysis of these phenomena due to its institutional environment and its unique history of conflict (Nieto-Aleman, Garcia-Alvarez-Coque, Roig-Tierno & Mas-Verdú, 2019) and ISA was selected for the analysis due to its international operations in seven Latin American countries and its commitments towards sustainability locally and internationally, which is reflected on its exceptional financial results and recognition worldwide.

Our case: ISA group

ISA is a Colombian multilatin founded in 1967. It is a mix-owned company, 60,23 % state-owned (51.41% owned by the Colombia national government and 8.8% by the subnational government of Medellin), and 39.77 % owned by private investors (ISA, 2020).

By December 2020, it had 4,352 direct employees, 38% of whom were trade union members, while 29 % of its top management team were women. ISA is a USD 14 billion multinational; its operating revenues were USD 2,7 billion; the net income reached USD 550 million; the ROE closed at 15.6%; and the EBITDA was USD 1729 million (ISA, 2020).

ISA owns 51 companies and subsidiaries, with multi-business operations in (1) Electric energy transportation; (2) Roads and motorways; (3) information technology and telecommunications; (4) Management of real-time systems; and (5) investment. In addition, it has direct operations in 7 Latin American countries (Colombia, Peru, Bolivia, Chile, Brazil, Argentina, and Panama).

Corporate strategy, stakeholder dialogues, integrated risk management and business trends and innovation are the four inputs to ISA's sustainability management.

To assist in the implementation of the sustainability strategy across its subsidiaries and firms, ISA has two transversal corporate programs: Conexión Jaguar and Connections for Development. Conexión Jaguar aims to offset greenhouse emissions, conserve biodiversity and ecological connectivity in Latin America, improve living conditions of surrounding rural communities, contribute to the improvement of exosystemic services and water supply, raise public awareness of biodiversity loss, and increase benefits for allies and donors. Conexión Jaguar is implemented in Colombia, Brazil, Peru, and Chile, and aims to protect by 2021 nearly 800,000 hectares of forest, the ecosystem of 167 wild species. The program has the potential of reducing over six million tonnes of CO2 emission in forestry projects. In 2020, ISA sold 35,000 internationally certified carbon credits. In addition, Conexión Jaguar received the "Best Corporate Offsetting Project" award by the Environmental Finance Awards 2020.

In 2020, DJSI named ISA as one of the world's 10 top energy utility companies in sustainability. In addition to being a member of the DJSI, ISA's commitment to sustainability is directly linked to global initiatives such as the 17 Sustainable Development Goals (SDGs), the United Nations Global Compact and its ten principles; and the Global Reporting Initiative (GRI).

During the first year of the COVID-19 pandemic, ISA prioritized actions on three fronts: caring for employees, business continuity, and philanthropy and solidarity with the local communities. Regarding its corporate governance, 78% of board members are independent. During 2020, the board held 13 meetings with 99% attendance. It handled 50 ethical cases, 0 corruption cases, 0 cases of human rights violation, and 0 confirmed information mismanagement cases (ISA, 2020).

ISA was awarded as one of the most sustainable companies in the world by Standard and Poor (S&P) and awarded the bronze medal in the sustainability Yearbook 2021. It was also included in the FTSE4Good for its corporate investment and best corporate sustainability practices.

In order to maintain a balanced portfolio in the future, ISA made strategic decisions to focus on electric power, roads, information and communications technologies, and the company's future. Sustainability goals for the year 2030 include shareholder value (70% in EBITDA in comparison with 2018; USD 10,500 million investment in current business and new geographies); positive social and environmental impact (offset to the planet 11 million tonnes of CO₂); and corporate longevity (USD 2000 million investment in the new energy business; and USD 150 million investment in entrepreneurship).

In August 2021, 51,4% of the company's total shares were sold to Ecopetrol, for a total of USD 3.6 billion. The closing of this acquisition marks a milestone in developing the Ecopetrol Group's energy transition strategy, which seeks to maximize the life and value of the hydrocarbon portfolio while progressing in decarbonization and diversification into low emission businesses (Semana, 2021).

Data collection

To ensure validation, mitigating bias, and enhance reaching data saturation, multiple sources of data were triangulated (Creswell, 2003; Denzin, 2012; Fusch et al., 2018; Velez-Ocampo & Gonzalez-Perez, 2021) such as personal interviews, direct observations, and written reports (archives, sustainability reports, annual corporate reports, institutional websites, media coverage, corporate statements). Primary data was collected through 31 in-depth interviews conducted between April and July 2021. A former president, a vice-president of strategy, subsidiary managers, directors, analysts, and specialists were interviewed in five different Latin American

countries. New participants were added until reaching theoretical saturation when every additional interview provided little new information. Regarding ethical concerns, the interviews were based on the principles of neutrality, flexibility, and early feedback (Myers & Newman, 2007; Solarino & Aguinis, 2020). Participants did not require confidential agreements. Table 16 provides information on the interviews.

Table 16: Interviews conducted by country

Country	Colombia	Peru	Brazil	Chile	Bolivia	Total
Senior executives	9	2	2	4	1	18
Mid-level managers/ specialists	12	0	1	0	0	13
Length (hours)	1411.8	118.2	229.8	262.8	60	1819.8

The criteria for selecting participants was based on their knowledge and experience on the company's internationalization and their involvement in sustainability issues. According to Solarino and Aguinis (2020), the mix of roles between senior executives and mid-level managers or specialists allows interviewing elite and non-elite informants that challenge the researcher's assumptions and preconceptions. It also allows having a better understanding of the company's internationalization process and its contribution to sustainable development from different perspectives.

The interview protocol included open-ended questions aimed at knowing the company's internationalization details and its contribution to sustainable development. They were classified into two different categories: internationalization process and contribution to sustainable development.

The creation of these categories was based on the following theoretical assumptions:

➤ **Internationalization Process**

This section is comprised of internationalization strategies, drivers and outcomes

- **Internationalization Strategies**

There are diverse internationalization strategies that offer different explanations to international expansion and growth into overseas markets (Gümüs & Apak, 2011).

In this regard, several theories explain the international expansion of companies: Product life cycle (Vernon, 1966), Internationalization process model – Uppsala (Johanson and Vahlne, 1977), Internationalization as gradual innovation (Cavusgil, 1980), Internalisation theory (Buckley and Casson, 1976), Eclectic – OLI Paradigm (Dunning, 1977), Transfer and recombination of knowledge (Kogut and Zander, 1993), Theory of International New Ventures (Oviatt and McDougall, 1994), Theory of Control (Hymer, 1960).

Zhang, Toppinen and Uusivuori (2014) classify Internationalization strategies into four different categories: Internalization and transaction cost, resource-based view, industrial organization, and managerial incentives theory.

Additionally, Johanson and Vahlne (2009) present a revisited version of the Uppsala Model, in which they recognize relationship networks of business environments, beyond the neoclassical market analyzed in the first version of their theory in 1977. In this new version, the authors argue that since markets are networks, insiders into those networks are “necessary for successful internationalization, and so by the same token there is a liability of outsidership” (p. 141).

Other perspectives propose different internationalization strategies for the specific case of EMNEs. In this regard, Cuervo-Cazurra and Genc (2008) remark the unfavorable institutional conditions faced by EMNEs, causing them to be less competitive in international settings, such as the springboard perspective, in which companies internationalize in the search for resources and as a strategy to reduce institutional instability in home markets (Luo & Tung, 2007).

- **Internationalization Drivers**

Latin American Multinationals, according to Cuervo-Cazurra (2016), can be used as a laboratory to analyze the specific internationalization characteristics and behaviors of these firms, an underrepresented topic in the literature.

Regarding firms' internationalization boosters and drivers in particular, Cuervo-Cazurra (2016) analyzes two specific drivers: escape and learning. The social, geographical, political, and economic environment of operation of Latin American companies encourages their managers either to apply their acquired knowledge and learn in host countries or to take their companies abroad, owing to the home country's characteristics.

- **Internationalization Outcomes**

From a firm perspective, Sapienza, Autio & Gerard (2006) argue that internationalization has different effects on the survival and growth of companies. These effects are moderated by resources, experience, and age.

There is also evidence of the positive effect of internationalization over firm performance.

However, these positive effects are not seen when launching the first foreign direct investment (FDI) activity, as profitability decreases at this stage. Over time, higher levels of FDI improve profitability, which is moderated by exporting (Lu & Beamish, 2001).

Finally, Zhou, Wu & Barnes (2012) found that internationalization improves the firm's capabilities and suggest that an early marketing entry into a foreign country enhances the marketing capabilities of firms, which will result in international growth and capabilities development.

- **Contribution to Sustainable Development**

There is evidence on the role of EMNEs in the contribution to sustainable development and the accomplishment of Agenda 2030. In this regard, Berning (2019) analyses the case of Huawei and its application of SDGs. The author found that the multinational enterprise was able to promote sustainability in three different levels: products and services, operations, and social contributions. Although MNEs can contribute to the SDGs in this way since their managerial and strategic decisions have economic, social, and environmental implications locally and internationally, this can be translated into a demand for the MNE to act responsibly in all these three aspects (Berning, 2019).

In the same line, Kolk, Kourula, and Pisani (2017) argue that MNEs play an essential role in implementing SDGs. In their review of how International Business Research incorporates the SDGs, 61 studies are identified and analyzed in terms of firms' positive and negative impacts on the planet, prosperity, people, and peace. The authors subsequently analyze the link of these studies with the fifth "P", namely, partnerships, which can help define a joint agenda for achieving the 17 SDGs in 2030. The role of MNEs can be grouped into poverty and equality (people and prosperity), energy and climate change (planet), and peace (peace), seeking to form partnerships to achieve the goals and agenda 2030 (Kolk et al., 2017).

Therefore, multinational companies appear as a key factor in the generation of sustainable development of the countries where they operate.

In this sense, these two categories lead us to address the research question: How do EMNEs overcome the liability of foreignness by contributing to sustainable development of host countries? since the two categories analyze the internationalization process considering initiatives, drivers, and outcomes as well as challenges and strategies to overcome liabilities, and the commitment of the EMNE in terms of economic, social and environmental impacts in host countries.

The protocol was tested using two interviews with two elite informants and one mid-level manager of a service company headquartered at Medellin and with an extensive geographical presence in more than 11 countries.

The pilot interviews allowed us to modify the interview protocol as shown in Appendix 2. Table 17 details the questions used in interviews.

Table 17: Interview question categories

Category	Description	Questions
Internationalization process	The purpose is to know specific decisions regarding drivers, entry modes, market selection, speed, and outcome of the process in the context of the understudied internationalization process of EMNEs.	<p>What was the internationalization process like?</p> <p>What were the reasons for the company to internationalize?</p> <p>How do you select the countries of operation?</p> <p>How do you overcome obstacles while internationalizing?</p> <p>What do you consider are the main capabilities of the company for internationalization processes?</p> <p>What are the main achievements once you get into a new country?</p> <p>What are the main challenges in the internationalization process?</p> <p>How does the context both in Colombia and in the host countries influence strategic decision-making?</p> <p>What are the financial and non-financial outcomes of the internationalization process?</p> <p>How do you relate to government entities in the countries where you have operations?</p> <p>How do you strengthen the relationship with your international stakeholders?</p> <p>Why can sustainability be seen as a banner for international expansion? Or is it the other way around?</p>
Contribution to sustainable development	The purpose is to know how EMNEs contribute to the sustainable development of countries while dealing with their liabilities of origin to maintain their corporate relevance in turbulent environments.	<p>What is the main motivation to get involved in sustainability issues?</p> <p>What are the outcomes of your sustainability strategy in each country of operations?</p> <p>How do you contribute to sustainable development in different markets?</p> <p>What are the main capabilities you have for implementing sustainability initiatives in overseas markets?</p> <p>How do the internationalization process and organizational sustainability relate to each other?</p> <p>How is the culture of contributing to sustainable development transmitted to subsidiaries abroad?</p>

For secondary sources, we collected archival data on the entire life of ISA since 1967. This was done before and after primary data collection. We participated in 14 corporate meetings with different stakeholder groups. Written reports were especially useful both pre-interview and post interview and consisted of company sustainability reports since 2005 and 86 media news (Ghauri, 2004). Table 18 summarizes the secondary sources used in the study.

Table 18: Secondary sources used in the study

Data Source	Description
Observations	Access to corporate meetings at headquarters and subsidiaries with the participation of different stakeholders. This provided information on relationship capabilities and handling of local needs in different countries
Corporate reports	They facilitate the construction of a timeline on the internationalization process of the company and the sustainability strategies implemented in host markets
Media news	They provide information regarding internationalization process, obstacles, and contribution to sustainable development. Although we found 86 different news regarding the operations of ISA in different countries, there were 13 key news on this aspect that linked these operations with sustainable development
Total documents	117

Source: Own construction

This secondary data was used to contextualize, validate, and triangulate or cross-check information (Miles, Huberman, & Saldana, 2014). The use of multiple sources of information increases the credibility, replication, and trustworthiness of findings (Eisenhardt & Graebner, 2007).

Data analysis

The data analysis consisted of several steps. First, as Miles and Huberman (1984) recommend, data collection and data analysis were interweaved from the first observation and interview. First

and second-order analysis was employed to synthesize data and contrast it with existing theoretical frameworks. The overlapping of these processes allows to identify new categories for the study, as suggested by De Massis and Kotlar (2014).

Step 1: Construction of a case description and explanation to conduct a first-order analysis. An initial thematic structure was built based on the literature review, the interviews, and the secondary data. At this step, interviews were transcribed non verbatim and field notes were reduced. Next, data was manually categorized in order to identify trends. Four leading themes were identified: history, strategic cycles, internationalization, and contribution to sustainable development of the company. This allowed us to build chronologies based on the triangulation of data to reconstruct the timeline of each one of these events through time-ordered analysis as suggested by Miles and Huberman (1984).

Step 2: Data classification. In this stage, data was manually coded to relate the data to the research question “*How do EMNEs overcome the liability of foreignness by contributing to sustainable development of host countries?*” Interviews, observations and archival data were independently read to systematically code and organize the data. This allowed us to develop categories and trace linkages between the concepts of internationalization, liability of foreignness and contribution to sustainable development, as suggested by De Massis and Kotlar (2014).

During this stage, gaps in the data were detected.

Step 3: Iteration process. During this step, codes and categories were refined, contrasting them with existing literature and empirical evidence (Eisenhardt, 1989). This comparison between data and theory allowed us to develop two theoretical propositions regarding firms’ internationalization and its contribution to sustainable development. These propositions support the findings and increase their testability, bridging qualitative evidence and theory testing in a process of pattern matching (De Massis & Kotlar, 2014).

Step 4: Second-order analysis. Relationships among first-order codes and categories were identified (Aguinis & Solarino, 2019). In this step, applicability and relevance of the findings were established, as illustrated in Figure 7, which depicts the process of overcoming LOFs and the contribution to the sustainable development of EMNES. Figures help to interpret concepts and relationships in qualitative data and are an effective way of capturing the chain of evidence summarizing the main findings of the research (De Massis & Kotlar, 2014).

As Welch, Piekkari, Plakoyiannaki & Paavilainen-Mäntymäki (2011) suggested, to increase internal validity, dominant patterns were identified and multiple perspectives and explanations were adopted. Regarding external validity, and following recently published case studies (Plakoyiannaki Thanos, & Förbom, 2014; Grøgaard, Colman, & Stensaker, 2019), this case study proposes a theoretical contribution to be tested in future studies, and thus it claims for an analytical generalization to the existing body of knowledge rather than a statistical generalization (Yin, 2003).

4.4. Findings

This study documented the milestones of the company's history, the evolution of its strategic cycles, its internationalization process, and its contribution to sustainable development. This section describes the case and narratively presents the findings, explaining the evolution of the company and its strategic cycles, its internationalization process, and the implementation of a sustainability strategy as a tool to overcome its liabilities and to contribute to sustainable development.

ISA's history path

"At ISA, we learn from the past and prepare ourselves for the future. Thus, upon reaching five decades, we have begun a profound period of reflection that will help us transcend and move away from the obsolescence that is becoming increasingly close in today's connected world. We trust that with the actions that result from there, we can continue for another 50 or 100 more years (Vargas Gibson, 2017).

Interconexión Eléctrica S.A. (ISA) was founded on September 14th, 1967, in Bogotá (Colombia) (ISA, 2019) with the initiative of the then President of the Republic of Colombia, Mr Carlos Lleras Restrepo (1966-1970), to respond to the pressing need to develop a Colombian electricity system. For this, it was urgently required to develop additional sources of energy and interconnect the energy isolated networks of the three largest cities of the country at that time (Bogotá, Medellín, and Cali), and the region of the department of Caldas in the center of Colombia (Rojas, 2017). As a result, in 1971, the first electric integration system between Colombian regions was established, as well as the Central Electricity Network (ISA, 2018). In 1977, ISA began operations in the power generation business in Colombia, and in the 1980s, it evolved to develop and operate hydroelectric plants in different parts of the national territory (Idem). In 1991, the Colombian State acquired 51% of ISA's property, and in 1992 the company started operating the electric connection between Colombia and Venezuela (Idem).

In 1994, ISA's General Assembly approved the separation of the energy generation and transmission business part of ISA, and ISAGEN was created. In 1998, ISA ventured into the telecommunications market. Later in 2000, ISA launched the first democratization program, "ISA actions for all" through which 62,000 new shareholders acquired 115 million shares. In 2001, ISA entered the international market by winning a public tender in Peru to build 373 km of electricity lines. Additionally, in 2003, ISA began its operation in Bolivia, building and operating five energy substations and 604 kilometers of electric lines. In 2005, XM was created to operate

the National Interconnected System and manage the wholesale energy market. In 2006, ISA entered the Brazilian market with the acquisition of 50.1% of the ordinary shares of CTEEP. In 2010, the business group acquired a company that operates road concessions in Chile. Two years later, in 2012, ISA entered the Chilean energy transport market, and INTERCHILE was created. INTERCOLOMBIA was born in 2013 as part of ISA's process of strategic updating, separating the corporate role of the operation from the role of holding.

In 2015, ISA was listed in the Dow Jones Sustainability Index for the first time. In 2016, the company was included in RobecoSAM's Sustainability Yearbook, and the same year, ISA became carbon-neutral by offsetting 100% of its greenhouse gases through carbon credits. In 2017, ISA acquired 41.6% of the shares of the TAESA control block in Brazil for an amount of USD 309 million. In the same year, ISA was included in the FTSE4Good Index for its good sustainability practices.

After six consecutive years of exceeding annual financial goals, in 2018, the ISA group launched its 2030 strategy.

Then, in April 2019, the Colombian national government announced its plans to sell some or all of its 51% stakes in the company (Fiezer, Medina, 2019). In May 2019, Ecoregistry was launched. Ecoregistry is the pioneer platform in Colombia and Latin America to register projects for carbon market emission reduction certificates. Furthermore, in December 2019, ISA announced its entry into road-building in Colombia with the 100% acquisition of a concession on the Caribbean coast.

Finally, in 2021, the company sold 51,4% of its total shares to Ecopetrol, in a US 3.6 billion transaction.

ISA's strategic cycles

According to Ms Olga Patricia Castaño, Vice President of Strategy, the nature of the industries and markets in which ISA has presence requires to plan not only a long-term strategy but also shorter strategic cycles to track and condense the goals in value generation, social and environmental impact, and corporate longevity. Each strategic cycle is constantly evaluated to adapt it to emerging conditions and trends, and once the defined targets and goals are achieved, the strategic cycle is either refreshed or wholly reconfigured into a new cycle. These cycles are "duck-type" in the words of Olga Patricia Castaño, meaning that, like ducks, which can walk, swim and fly, ISA strategic cycles need to be adaptable to both anticipated and emerging trends and conditions. ISA's internationalization was the strategy from 2000 to 2006 supported by financing mechanisms and followed by a strategy of growth and diversification of countries and sectors that lasted from 2006 to 2012. In 2017, the profitability strategy was introduced based on better business, and the sustainable value strategy was launched for the period 2017 to 2030, which has been characterized by continuous growth in the consolidated income of the group.

- **Strategy 2000- 2006: Internationalization**

To begin the process of internationalization, ISA launched its program: ISA shares for all; the company was ISO certified, has access to international financial markets and participates in the bidding process in Peru. This period ends in 2006 with the entry to Brazil.

- **MEGA 2006 – 2016: Growth and Diversification**

This ten-year strategy included an interest to establish a significant international presence to start the path of accelerated growth and diversification to other sectors, become a regional leader in

energy transmission; de-verticalize the productive chain activities and create the energy exchange market. The strategy aimed to add USD 3500 million to the group's revenue, 80% from outside Colombia; 20% of revenue coming from sources *other* than energy transmission; achieve business diversification; and lead data transportation via optical fiber in the region. This strategy achieved its objectives by 2012.

- **ISA 2020 Strategy: Profitability**

It began in 2012 with a focus on profitability (multiply its profits by 3). ISA 2020 strategy had three central axes (i) capturing the most profitable growth opportunities; (ii) improving profitability of its current businesses in Latin America and boosting operational efficiency; and (iii) optimizing its business portfolio. ISA achieved its 2020 strategy three years earlier than initially expected.

- **ISA 2030 Strategy (2018-2030): "Our future inspired by sustainable value"**

With the goal of ensuring a long-term future, , ISA adopted a new visual identity (logo) in 2017 and defined a corporate manifesto consisting of ISA's higher purpose and its new mission and vision. This strategy was summarized in a single phrase, "we build Connections that inspire" (Vargas Gibsone, 2017). By the year 2017, the company had turned 50 years old, had met the 2020 strategy, and was witnessing a transition in the energy sector. It was also facing increasing competition in its region with players from outside the region (China and India), which created a complex environment in which to operate and maintain its growth levels. It was also confronted with the expiration of key concessions. As a result, the corporation would have to either replace or re-enter the bidding process.

It was with the help of technical experts from around the world that ISA group reviewed the long-term trends in the sectors of energy, telecommunications, and roads, evaluating the risks and opportunities to make choices consistent with its higher purpose. This was validated by Boston Consulting Group, who also supported the company with the definition of the 2030 strategy and its specific goals for the year 2025, involving an annual review of the corporate strategy (Vargas Gibsone, 2019). ISA's 2018-2030 strategy is called "our future inspired by sustainable value" (ISA, 2019).

ISA's 2030 strategy consists of three premises:

- Sustainable value has three main subcomponents: shareholder value, social and environmental positive impact, and corporate durability (which includes continuous innovation).
- ISA needs a diversified and balanced portfolio (in sectors and geography). Bernardo Vargas Gibsone, CEO of the business group, expressed at a meeting with ISA's stakeholders in Colombia, "The balanced business portfolio seeks to achieve a diversification in geography and business, which has been very useful in times of higher risk. This distribution has allowed us to be more profitable and efficient. Our main business will continue to be energy transport, in which we are regional champions, and with which we manage to have a focus, but without neglecting opportunities that allow us to grow. In addition to this, the energy sector is moving from being consumers to prosumers of sustainable and reliable energy. Therefore, we're seeking to have a balanced portfolio characterized by an integrated long-term vision".
- ISA commits to green (environmentally conscious and commitment with the planet), innovation (growing with new and disruptive technologies), development (maintaining its

profitability with new entrepreneurial projects, in new business and new geographical locations), and articulation (new mechanisms for collaborations and alliances). The acronym of "VIDA²", which means "life" in the Spanish language and whose initials (also in Spanish) stand for green, innovation, development, and articulation, summarizes this premise. (See Table 19).

Table 19: ISA's 2030 strategic objectives (*VIDA for its initials in Spanish*) and sustainable value

	Green (Verde)	Innovation	Development	Articulation
Generate value to shareholders	USD 8300 million invested in businesses and current operating geographies . Achieve efficiencies of USD 100 million in TOREX core processes and support.		Invest USD 2200 in new geographic areas . Achieve a minimum increase of 70% in EBITDA .	Incorporate strategic partners for growth.
Create social and environmental impact	Compensate for 11 million tons of CO2 emissions .	Invest USD 15 in entrepreneurial projects .	Generate benefits with high impact social programs . Ensure operational excellence by meeting 100% of service standards.	Establish alliances to develop social and environmental programs.
Corporate longevity	Invest USD 2000 million in new electric power businesses.		Achieve in 90% of employees a superior performance and cover 70% of critical positions with internal staff. Intensify the digitization of core processes	Establish alliances to improve competitiveness and develop capabilities.

² In English, the acronym would be GIDA.

		and support and incorporate it into new value offers.	
--	--	---	--

Source: Based on ISA (2020)

ISA 2030 strategy includes comprehensive risk management. ISA has extensive risk management in place to ensure integrity of corporate resources, continuity, and sustainability of business units. This entails a systematic identification, analysis, evaluation, monitoring, and communication of risks to which companies are exposed.

ISA's internationalization

ISA's internationalization process started in 1992 and evolved over the years with a boost in 2000. Table 20 ISA's internationalization process.

Table 20: ISA Group internationalization

1992	• First international interconnection between Colombia and Venezuela.
1998	• Interconnection between Colombia and Ecuador.
2000	• Entry to international markets. Concession in Peru.
2001	• Creation of ISA Peru. • Arcos submarine cable: ISA connected Colombia's telecommunication system to those of the United States, Venezuela, Mexico and 12 countries of Central America and the Caribbean.
2002	• Red de Energía del Perú (REP) is born.
2003	• International Electricity Transactions between Colombia and Ecuador. • ISA entered Bolivia's energy market. ISA Bolivia is born.
2005	• ISA joined the Global Compact • Fiber-optic Connection between Colombia and Venezuela. • Partial acquisition in Central America.
2006	• ISA entered the Brazilian Market by purchasing 50.1% of CTEEP. • ISA partially acquired the Consorcio TransMantaro (CTM) in Peru.
2007	• Incorporated the PDI Company in Peru
2009	• Started Operations in Panama. Interconexión Eléctrica Colombia Panamá S.A. (ICP).
2010	• ISA entered the road-concessions business in Chile. Acquisition of 60% of the shares of the Spanish company held in Cintra Chile Ltda.

2012	<ul style="list-style-type: none"> • ISA Entered Chile’s Energy Market
2017	<ul style="list-style-type: none"> • Partial acquisition of TAESA and IENNE in Brazil.
2018	<ul style="list-style-type: none"> • Acquisition of the remaining 50 per cent of IESUL in Brazil. ISA owns 100% of ISA CTEEP in Brazil. • Permissions by the Guna Yala indigenous community in Panama to interconnect Colombia with Panama. • Conexión Jaguar® had its first biodiversity and climate change mitigation project in Peru.
2019	<ul style="list-style-type: none"> • Contract subscription of a full (100%) acquisition of the road concession in the Colombian Caribbean coast.
2020	<ul style="list-style-type: none"> • Creation of Interconexiones Viales in alliance with the building company Construcciones El Cóndor to provide road infrastructure in Peru and Colombia. • Creation of the program “Conexión Puma” in Chile as a simile of the program Conexión Jaguar in other Latin American countries
2021	<ul style="list-style-type: none"> • ISA INTERCHILE launches the program “Connections for Development” • Acquisition of 100% shares of Piratininga-Bandeirantes Transmissora de Energia (PBTE) in Brazil through CTEEP • Ecopetrol acquired 51,4% of ISA’s shares
2022	<ul style="list-style-type: none"> • ISA received recognition for the placement of a green bond from its subsidiary ISA INTERCHILE • The S&P Global Sustainability Yearbook 2022 rates ISA as one of the most sustainable companies in the world

Source: Authors’ creation.

As expressed by a former president of the company, who led the first internationalization strategy of the company:

“We started to have the idea of a half moon, one point in Guatemala and another point in Chile”. And “As opportunities in Colombia were closing, we had to look for opportunities internationally”.

In this way, the internationalization of the company was driven by a growth wish. This wish included new opportunities abroad. Additionally, it was also a motive to “buy better” that led the company to search for international resources.

“The internationalization was motivated by a technical issue, to use the energetic Latin American resources to get lower costs for final users” (Strategy manager of a subsidiary).

Other drivers of this process included “escape”, “learning”, “upgrade”, “locational advantages” and “firm specific advantages” as previously analyzed by Cuervo-Cazurra, Narula and Un (2015).

Accordingly, this reveals the influence of home country conditions on internationalization decisions and responds to the call on challenging traditional internationalization theories focused on host-country characteristics, especially in Latin American contexts (Cuervo-Cazurra, Luo, Ramamurti & Ang, 2018). In the words of different participants:

“We need to move to other markets if we want to grow”. Or “Our referrer was the National Grid Company of the United Kingdom, we wanted to learn from them”.

For upgrading, a former president of the company indicated

“I had to stand on the shoulders of giants and be like them”.

Surprisingly, while analyzing the drivers of this internationalization process, sustainability appeared as one of them:

“The internationalization was a motor to take good practices abroad” (Corporate Sustainability Director).

“The success of the internationalization depends on the sustainability teams” (Sustainability manager of subsidiary).

“It is not enough to internationalize without considering sustainability issues. Even the international investment community includes sustainability in core decision-making aspects” (Corporate Sustainability Director).

This adds a new dimension to the analysis and research of internationalization drivers in EMNEs.

On the other hand, there is also evidence of firm-specific advantages (FSAs) prior to the internationalization process:

“What ISA has managed to do is in its very origins. The way of doing things well, austerity, efficiency, the quality of the people, were the real bases of the culture that ISA represented” (Former president of the company, 1992-2007).

These FSAs are related to knowledge, technology, managerial capabilities, and coordination skills (Wei & Nguyen, 2020).

From a different perspective, the main challenges had to do with the relationship between headquarters and subsidiaries, team consolidation, corporate governance, and language. Here, the relation with governments was also an important aspect.

“One challenge was to reach alignment between headquarters and the subsidiaries, to create synergies and share good practices. You have to go deeper into people and into their cultures” (Former president of the company, 1992-2007).

“In Brazil, Portuguese played a big role, and it was a challenge for us”. (Former president of the company, 1992-2007).

“Another challenge was the consolidation of a team capable of transmitting a message of trust and commitment in subsidiaries” (Former president of the company, 1992-2007).

“As ISA belongs to the energy-mining sector, and for that reason, environmental authorities and some ministries have much higher expectations than the company can meet” (Sustainability manager of subsidiary).

“Relations with governments is a complex issue, to achieve a balanced and serious relationship, without resorting to favors”. (Former president of the company, 1992-2007).

This shows the specific circumstances the company faced when entering international markets and the liabilities it encountered and overcame in order to achieve international success (Yamin & Kurt, 2018; Zaheer, 1995).

In this way, internationalization drivers become a key factor, driving companies to expand internationally, making them vulnerable in host countries where they face different liabilities.

This is the starting point for the later search for mechanisms to overcome those liabilities. Hence:

Proposition 1: EMNEs operating in harsh environments are driven by escape and learning motives, resource seeking and FSAs, to enter new markets looking to buy better and sell more overseas.

Contribution to sustainable development

The contribution of ISA to sustainable development is framed into the generation of economic, social, and environmental value as expressed by some participants:

“We provide the country with an essential public service of energy transport, so we contribute to the development of regions on social issues and the boost of the economy” (Sustainability manager of subsidiary).

“We contribute to the transformation of the electrical matrix of the country, we also provide environmental education programs to protect the native flora.

Additionally, we are a company that involves communities in projects and in compensation measures” (Manager of territorial relations of subsidiary).

“Our good values allow us to understand the society, the environmental challenges and all the SDGs” (Director of Strategic Communications at subsidiary).

“You are not only bringing energy, but you are also bringing social transformations” (Communications and sustainability manager of subsidiary).

In this way, ISA shows a genuine interest in contributing to sustainable development by taking into account various stakeholders and aiming to generate trust among them, as seen in other multinationals (Topple, Donovan, Masli & Borgert, 2017). However, the company goes further in

its commitment to create “public value”, going beyond its legal obligations with the purpose of leaving a positive legacy for societies.

“There is no equilibrium in the distribution of wealth, we can contribute to align the different societal estates and from here, the concept of public value arises”. (Strategy manager of subsidiary).

“Our previous slogan was ISA advances. And when ISA advances, communities advance” (Strategy manager of subsidiary).

The philosophy of the company is supported in the “building principle” of countries where it operates, as expressed:

“We have a profound conviction that we need to be present contributing to the development of societies” (Communications and sustainability manager of subsidiary).

“We manage assets that ensure long-term development of the country, generate reliability, and development of professionals” (Administrative manager of subsidiary).

“What each company makes in the territory is what contributes to the construction of the country” (Strategy manager of subsidiary).

“We contribute to the development of countries in the way that we work with others. We are coherent and we participate in associations and networks of host countries” (Former president of the company, 1992-2007).

This commitment of the company towards sustainable development is reflected on its premise “organizations that are not sustainable are not viable” as manifested by a subsidiary’s sustainability manager. This adds to the limited literature on the private sector’s role in achieving the SDGs and Agenda 2030 (Witte & Dilyard, 2017).

As previously stated, ISA has a clear strategy directed towards the creation of value and taking into account various stakeholders. Additionally, its strategy is seen as a flag when entering

overseas markets. This flag serves as a legitimizer of their operations, thus helping them to overcome liabilities abroad and contributing to the sustainable development of host countries. It also opens the way for obtaining the social license to operate among different stakeholders and to generate trust among them. Consequently:

Proposition 2: Using the sustainability flag in their corporate strategy enables EMNEs to overcome their liability of foreignness while generating sustainable development and creating public value.

4.5. Discussion

This study aims to contribute to the understanding of the internationalization of EMNEs and the implementation of a sustainability strategy as a mechanism to overcome their liabilities of foreignness and contribute to sustainable development. Colombian companies have used a “sustainability flag” to overcome these adverse circumstances. Colombia firms have joined the Colombian government to lead the design of the global sustainable development goals (SDGs), and have signed international initiatives such as the United Nations Global Compact. Several Colombian multinationals have been listed in the Dow Jones Sustainability Index (DJSI) thanks to their commitment to sustainability, in addition to their positive financial performance. This recognition is both a cause and a consequence of the consolidation of a positive international reputation, allowing them to gain legitimacy among internal and external stakeholders while contributing to sustainable development.

Our findings suggest that the internationalization process of the ISA Group is similar to that of other large Colombian multinationals (Gonzalez-Perez and Velez-Ocampo, 2014). After consolidating the international presence of domestic products and services via exports, Colombian companies begin to transform themselves into multinationals that expand in the Latin

American region mainly through acquisitions or mergers. The international expansion of many Colombian multinationals begins with trade liberalization and the country's economic opening in the early 1990s. In general terms, the Colombian multilatinas increase their presence abroad in response to one or more of the following factors: internationalization of competition, increased confidence in Colombia, availability of accumulated capital, and strengthening of human capital in Colombian companies (idem). Investing in nearby geographies with similar physical, cultural, and institutional characteristics, mitigates expansion risks. In addition to physical and psychic proximity, Colombian multilatinas prioritize another criterion of choice when planning to expand (idem). A recurring feature is to look for companies with positioning in their local markets or with a high potential for growth in their countries of origin (idem).

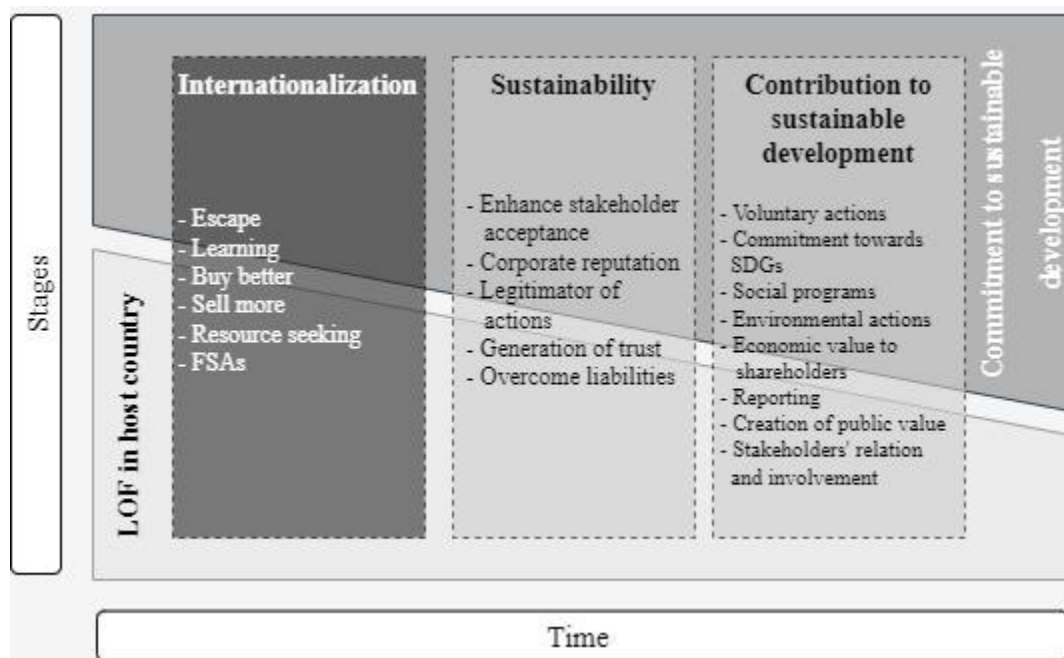
Additionally, as proposed by Cuervo-Cazurra (2016), ISA was driven by escape and learning motives to internationalize as a result of Colombia's environment at the time. There is also evidence of other drivers such as resource seeking and firm-specific advantages to buy better and sell more (Cuervo-Cazurra & Narula, 2015).

When the company enters a new market, it faces liabilities of foreignness, which are primarily associated with unfamiliarity hazards due to the company's lack of experience in international markets as well as institutional knowledge (Asmussen et al., 2009; Elango, 2009; Rangan & Drummond, 2004).

In this context, sustainability appears as a mechanism to gain legitimacy among stakeholders and to overcome LOF (Luo et al., 2002). Thus, sustainability becomes a flag that opens the way to enter new markets and a strategy to gain social license to operate in host markets. It also guarantees a real commitment towards global issues such as the grand challenges and Agenda 2030.

Likewise, the sustainability flag, the genuine interest in societal issues, the corporate strategy and its commitment to global initiatives such as its alignment to the SDGs and the United Nations Global Compact, and relationship with stakeholders pave the way for contributions to sustainable development and the generation of “public value” as a way of giving back to society (Wood, 1991). This dynamic is shown in Figure 7.

Figure 7: Process of overcoming the LOFs and the contribution to sustainable development of EMNES



Source: Own construction

Figure 7 depicts in process models the activities and events that allow EMNES to overcome LOF and contribute to sustainable development as a business process when entering new markets, as stated by Mendling, Reijers and Recker (2009). Hence, regarding the question: *How do EMNES overcome the liability of foreignness by contributing to sustainable development of host countries?*, it is evidenced that different sequential events lead to a specific outcome (Payne, Pearson & Carr, 2017). In this way, EMNES must overcome three different LOF stages: (1)

internationalization, (2) sustainability and, (3) contribution to sustainable development. In the first step, a temporal sequence of events in the internationalization process, which began in 1992 and is still evolving, can be observed. This internationalization was driven by a variety of aspects including a desire to learn from an international scenario and to escape from local institutional instability with a clear desire to grow. In the second step, once in an international scenario, the EMNE uses the sustainability flag (incorporation of a clear sustainability strategy within the corporate strategy and adherence to global sustainability initiatives) to enhance stakeholders' acceptance and its reputation, as well as a strategy to legitimize its actions and overcome liabilities in host markets. Finally, the contribution to sustainable development through voluntary actions and social and environmental programs, allowed the EMNE to overcome LOF as it became considered as a local participant through the inclusion of the universal language of sustainability and the creation of public value in host countries.

In this way, this company serves as an example of commitment to achieving corporate goals while dealing with the specific liabilities that MNEs from emerging economies face when internationalizing their operations. As highlighted by Luo and Tung (2018), MNEs from emerging economies often use their international growth as a mechanism to compensate for their liabilities and to exploit competitive advantages in a long-term strategy. This case also provides insights into how an MNE from a challenging emerging country integrates sustainability, innovation, and relationships with stakeholders into its business strategy.

As presented in the introductory section of this paper, due to the need for survival and the weak institutional environment, this company had to develop the ability to operate in hostile and harsh environments successfully. ISA adopted the flag of sustainability to build legitimacy, consolidate national and international reputation, and most importantly, enhance total shareholder return and total societal impact.

4.6. Conclusions, limitations and recommendations for future research

The present case study analyzes a *multilatina* that has managed to understand and respond to contextual challenges while ensuring long-term corporate strategy. The company's strategic cycles, which began with the need to internationalize, then focused on growing and diversifying operations, and finally dealt with profitability and long-term survival, demonstrates that the company has been actively responding to arduous and even hostile contexts. Throughout the case, it was evident that the company has dealt with current demands while also anticipating future needs and requirements. This proactive behavior allows the company to successfully assess risks, articulate initiatives with multiple interest groups, and implement green and innovative projects that contribute to business survival.

In its strategy for the year 2030, ISA embraces a Sustainable Value approach. This means that this Colombian business group allowed itself to explore its business model while tuning it to create positive societal value and outperform traditional value creation. The case of ISA clearly illustrates how a company from an emerging economy in Latin America operating in particularly turbulent social, political, and economic environments, can enhance its financial performance and maximize its total shareholder return (TSR); and how this financially successful performance is supported in non-financial ESG (environmental, social, and corporate governance) indicators and actions that enhance stakeholder's acceptance of the company in overseas markets, while contributing to their sustainable development.

Hence, this paper contributes to the understanding of EMNEs's role in implementing sustainability practices and strategies while dealing with challenging environments to overcome LOFs and contribute to sustainable development. The specific case of a single Colombian multinational informs theory on EMNEs in the sense that it can be applied to analytic

generalizations in which companies from other emerging economies and industries may face similar situations (Yin, 2018).

In this way, the Latin American context becomes a key aspect in distinguishing IB from traditional business (Welch et al., 2011), because this region can provide new insights into the internationalization process of emerging market companies and their differences from companies in developed countries (Aguilera et al., 2017).

This work also contributed to providing empirical evidence on the role of sustainability as a mechanism to overcome LOFs (Zaheer, 1995) and to foster sustainable development in the form of economic, social, and environmental value through voluntary actions that build trust among stakeholders and facilitate the creation of public value.

Nevertheless, there are some limitations to this research. In the first place, the findings are presented in the context of a highly regulated service firm from an emerging market. Therefore, there are opportunities for extending and testing our propositions in different industries and geographies. Future studies should complement this study's qualitative approach and single case design with quantitative analysis that can further this investigation.

Acknowledgments

The authors would like to acknowledge the time of all the participants from headquarters and subsidiaries as well as the enthusiasm of Jimena Toro and her coordination of each interview.

Chapter 5. Conclusion

This dissertation aims to analyze the process of adoption of sustainability strategies of Emerging Market Multinationals (EMNEs), and their contribution to sustainable development. To do so, we conducted a systematic literature review and produced two empirical papers using a single case study methodology. This chapter summarizes the research's main findings and highlights its contributions, limitations, and avenues for future research.

Consistent with the interdisciplinary field of International Business, this research adopted an organizational sustainability approach, highlighting the linkages between these two areas that have traditionally been studied independently. Content analysis of the definitions of sustainability led us to an approximation of this construct, that includes environmental, social, and economic issues as three key components. This concept is concerned with opportunities for future growth and should be at the center of the corporate strategy. It also includes the environmental, ethical, and social issues that multinationals face when connecting with their stakeholders. Meanwhile, internationalization implies an implicit relation between various actors or stakeholders from different geographies, each with their own set of drivers and outcomes. It also examines the disadvantages EMNEs face in comparison to developed-country MNEs as a result of home country institutional voids.

It was identified that the intricate relationship between internationalization and sustainability is reciprocal. Nevertheless, evidence of a framework that proposes internationalization as driver of adopting a strong commitment to sustainability was also found. In other words, EMNEs can use a sustainability flag to gain legitimacy in overseas markets, as they face increased external pressures to comply with international sustainability standards.

As introduced in Chapter 2, research on the interlinks between internationalization and sustainability in the context of emerging markets is gaining relevance among scholars who have

analyzed this relationship. This previous research allows for the integration of different theories, methodologies, and including new regions in the analysis. Moreover, there is a call for more research that analyzes the role of MNEs in sustainable development considering the institutional environment, which can have different implications for local and international stakeholders.

The findings of this chapter reveal that internationalization is an antecedent of sustainability goals in EMNEs, allowing for the achievement of economic, social, and environmental goals in emerging markets. Moreover, there are opportunities to analyze this phenomenon from the institutional, industry, and organizational aspects of the internationalization-sustainability linkage to shed light on further research on this topic, thus contributing to the International Business and Corporate Sustainability domains. In this way, Chapter 2 proposes seven areas of research and 15 research questions that can be analyzed in future studies.

The findings of this review chapter helped us with the development of this dissertation. It allowed us to identify the role of internationalization as a driver of the pursuit of sustainability initiatives, and local sustainable development. It especially elucidated the need and opportunities to analyze this relation by combining different theoretical approaches, taking into account institutional contexts, analyzing firm specific capabilities and the development of competitive advantages in new geographical contexts such as Latin America.

Chapter 3 analyzes the process of integrating sustainability into the corporate strategy of an emerging market multinational to achieve and maintain corporate legitimacy and long-term competitive relevance through intra-firm practice transfers. This study identified elements that are consistent with previous studies. For instance, the institutional voids of emerging markets encourage companies to increase their social and environmental commitments as a strategy to overcome their liabilities when internationalizing (Marano et al., 2017). Nevertheless, the

institutional duality that subsidiaries face when incorporating the sustainability strategy into the corporate strategy remains uncovered in the literature (Beddewela, 2019).

The findings of this research show an evolution of the concept of corporate sustainability since its inclusion into the corporate strategy from a philanthropic view to its current commitment with sustainable development and corporate longevity (Dhanda & Shrotryia, 2021).

In this regard, after conducting a single case study and using data from interviews and secondary sources, we were able to identify strategies, drivers, outcomes, challenges, capabilities, and risks of sustainability inclusion at headquarters and subsidiaries.

Hence, it can be concluded that the process of integration of sustainability practices into the corporate strategy is enhanced by internal, connecting, and external drivers. External legitimacy is driven mainly by stakeholder's pressure, whereas internal legitimacy deals with internal pressures for the implementation of sustainability practices proposed by headquarters. After a process of institutionalizing sustainability among internal stakeholders and developing competitive advantages based on institutional pillars, the company can achieve corporate legitimacy and long-term competitive relevance.

In this sense, this chapter contributes to institutional and resource-based view theories and their role in understanding emerging market companies and their internationalization behaviors. It also presents the context of a Latin American company as a region that can provide new insights into the internationalization of emerging market companies (Borda-Reyes et al., 2019).

Together with chapter 4, which aims to answer the question: How do EMNEs overcome the liability of foreignness by contributing to the sustainable development of host countries?, these two empirical papers propose that sustainable value is created through the intersection between companies' contribution to sustainable development and their competitive and relevant existence.

More specifically, Chapter 3 explains the key factors and points for achieving corporate legitimacy and long-term competitive relevance by incorporating sustainability within the corporate strategy, whereas Chapter 4, analyzes the contribution of companies to sustainable development when internationalizing. Together, they form the recipe for sustainable value. Regarding the focus of Chapter 4 on the drivers, strategies and outcomes of internationalization, evidence of this single case study of a multilatina demonstrates that due to their home's country institutional voids, this type of companies moves to international markets in search for new resources, as well as to escape their environment and learn from experienced companies. They also face unfamiliarity hazards due to their lack of international experience and institutional knowledge in foreign markets. Here, sustainability appears as a mechanism to gain legitimacy overseas to overcome these liabilities but also as evidence for the contribution to sustainable development by EMNEs and the creation of public value in host countries. This contribution is made through services, operations and social and environmental programs that take into account the voice of various stakeholders and are aligned with Global Initiatives for sustainability as well as with the agenda 2030. This demonstrates that companies can adopt the sustainability flag for building legitimacy, consolidating national and international reputation and, most importantly, to enhance total shareholder return and total societal and environmental impact.

We can conclude that this dissertation advances knowledge in the fields of corporate sustainability, international business and business ethics within an integrative framework derived from a case study in an emerging market context.

References

- Aguilera, R., Ciravegna, L., Cuervo-Cazurra, A., & Gonzalez-Perez, M. A. (2017). Multilatinas and the internationalization of Latin American firms. *Journal of World Business*, 52(4), 447-460. <https://doi.org/10.1016/j.jwb.2017.05.006>
- Aguilera, R. V., Marano, V., & Haxhi, I. (2019). International Corporate Governance: A Review and Opportunities for Future Research, *Journal of International Business Studies*, 50 (4), 457–498. <https://doi.org/10.2139/ssrn.3346138>
- Aguinis, H., & Solarino, A. M. (2019). Transparency and replicability in qualitative research: The case of interviews with elite informants. *Strategic Management Journal*, 2, 1–25.
- Aigner, J., & Lloret, A. (2013). Sustainability and competitiveness in Mexico. *Management Research Review*, 36 (12), 1252-1271. <https://doi.org/10.1108/MRR-06-2013-0138>
- Akbar, Y., Balboni, B., Bortoluzzi, G., & Tracogna, A. (2017). SME export performance, capabilities and emerging markets: The impact of institutional voids. *European Journal of International Management*, 11 (2). DOI:[10.1504/EJIM.2017.10003249](https://doi.org/10.1504/EJIM.2017.10003249)
- Alon, I., Anderson, J., Munim, Z. H., & Ho, A. (2018). A review of the internationalization of Chinese enterprises. *Asia Pacific Journal of Management*, 35 (3), 573–605.
- Amran, A. & Haniffa, R. (2011). Evidence in development of sustainability reporting: a case of a developing country. *Business Strategy and the Environment*, 20 (3), 141-156. <https://doi.org/10.1002/bse.672>
- Ancines, P. 2019. Colombia está en el top cinco de los países que más reportan sostenibilidad. La República. Available online at: <https://www.larepublica.co/responsabilidad-social/colombia-esta-en-el-top-cinco-de-los-paises-que-mas-reportan-sostenibilidad-2867823?fbclid=IwAR1XF3mSZTy-TXndKC3NklueQayByznSQhcPp3iLIItquD3XEWytcBULjTOI>

- Andonova, V, & García, J. (2018). How can EMNCs enhance their global competitive advantage by engaging in domestic peacebuilding? The case of Colombia. *Transnational Corporations Review*, 10 (4), 370-385.
- Angelo, P. (2017). The Colombian Peace Process: Trial and Error", *Survival*, 59 (1), 135-148.
<https://doi.org/10.1080/00396338.2017.1282680>
- Annunziata, E., Pucci, T., Frey, M., & Zanni, L. (2018). The role of organizational capabilities in attaining corporate sustainability practices and economic performance: Evidence from Italian wine industry. *Journal of Cleaner Production*, 171, 1300-1311.
<https://doi.org/10.1016/j.jclepro.2017.10.035>
- Apte, S. and Sheth, J.N. (2019), *The Sustainability Edge*, Jaico Publishing House, Toronto
- Arias, M. Ibáñez, A., Zambrano, A. 2018. Agricultural production amid conflict: Separating the effects of conflict into shocks and uncertainty. *World Development*, 119, 165-184.
<https://doi.org/10.1016/j.worlddev.2017.11.011>
- Aries, P. H. (2016). What Drives International Competitiveness? An Empirical Test in Emerging Indonesian Market. *Journal of Competitiveness*, 8 (4), 124–139.
<https://doi.org/10.7441/joc.2016.04.08>
- Arora, P., & De, P. (2020). Environmental sustainability practices and exports: The interplay of strategy and institutions in Latin America. *Journal of World Business*, 55 (4), 101094.
<https://doi.org/10.1016/j.jwb.2020.101094>
- Asmussen, C.G., Pedersen, T., and Dhanaraj, C. (2009). Host-country environment and subsidiary competence: extending the diamond network model. *Journal of International Business Studies* 40, 42–57
- Axinn, C. N., and Matthyssens, P. (2002). Limits of internationalization theories in an unlimited world. *International Marketing Review*, 19 (5), 436-449

- Ayuso, S. & Navarrete- Baez, F. (2017). How does entrepreneurial and international orientation influence SMEs' commitment to sustainable development? Empirical evidence from Spain and Mexico. *Corporate Social Responsibility and Environmental Management*, 25, 80-94, doi: [10.1002/csr.1441](https://doi.org/10.1002/csr.1441).
- Baloch, M. S., Saeed, A., Ahmed, I., Oláh, J., Popp, J., & Máté, D. (2018). Role of domestic financial reforms and internationalization of non-financial transnational firms: Evidence from the Chinese Market. *Sustainability*, 10 (11). <https://doi.org/10.3390/su10113847>
- Banister, D. (2007). Cities, mobility, and climate change. *Journal of Industrial Ecology*, 11 (2), 7–10. <https://doi.org/10.1162/jie.2007.1271>
- Bansal, P. 2005. Evolving sustainably: A longitudinal study of corporate sustainable development. *Strategic Management Journal*, 26(3): 197–218
- Bansal, P. & Song, H.C. (2017). Similar but not the same: differentiating corporate sustainability from corporate responsibility. *The Academy of Management Annals*, 11 (1), 105-149, doi: [10.5465/annals.2015.0095](https://doi.org/10.5465/annals.2015.0095)
- Basal, P. (2004). Evolving sustainably: a longitudinal study of corporate sustainable development. *Strategic Management Journal*, 26 (3), 197-218. <https://doi.org/10.1002/smj.441>
- Baskin, J. (2014). Corporate Responsibility in Emerging Markets. *Journal of Corporate Citizenship*, (24), 29–47. <http://www.jstor.org/stable/jcorpciti.24.29>
- Beal, D.; Eccles, R.; Hansell, G.; Lesser, R.; Woods, S.U.W, & Young, D. (2017). Total societal impact: A new lens for strategy. Boston Consulting Group. Available online at: <https://media-publications.bcg.com/BCG-Total-Societal-Impact-Oct-2017.pdf>

- Beckman, T., Colwell, A., & Cunningham, P. H. (2009). The emergence of corporate social responsibility in Chile: The importance of authenticity and social networks. *Journal of Business Ethics*, 86, 191–206. <https://doi.org/10.1007/s10551-009-0190-1>
- Beddewela, E. (2019). Managing corporate community responsibility in multinational corporations: Resolving institutional duality. *Long Range Planning*, 52 (6), 101911. <https://doi.org/10.1016/j.lrp.2019.101911>
- Bello, D., & Kostova, T. (2012). From the Editors: Conducting high impact international business research: The role of theory. *Journal of International Business Studies* 43, 537–543. <https://doi.org/10.1057/jibs.2012.14>
- Bellows, B. W., Conlon, C. M., Higgs, E. S., Townsend, J. W., Nahed, M. G., Cavanaugh, K., Grainger, C. G., Okal, J., & Gorter, A. C. (2013). A taxonomy and results from a comprehensive review of 28 maternal health voucher programmes. *Journal of Health, Population and Nutrition*, 31. <https://doi.org/10.3329/jhpn.v31i4.2362>
- Berning, S. (2019). The Role of Multinational Enterprises in Achieving Sustainable Development- The Case of Huawei. *European Journal of Sustainable Development*, 8 (3), 194-202. <https://doi.org/10.14207/ejsd.2019.v8n3p194>
- Berthelot, S., Coulmont, M., & Serret, V. (2012). Do Investors Value Sustainability Reports? A Canadian Study. *Corporate Social Responsibility and Environmental Management*, 19 (6), 355–363. <https://doi.org/10.1002/csr.285>
- Binz, C., & Anadon, L. D. (2018). Unrelated diversification in latecomer contexts: Emergence of the Chinese solar photovoltaics industry. *Environmental Innovation and Societal Transitions*, 28(January 2017), 14–34. <https://doi.org/10.1016/j.eist.2018.03.005>

- Binz, C., & Diaz, L. (2018). Unrelated diversi fi cation in latecomer contexts : Emergence of the Chinese solar photovoltaics industry. *Environmental Innovation and Societal Transitions*, 28, 14–34. <https://doi.org/10.1016/j.eist.2018.03.005>
- Birkinshaw, J., Brannen, M. & Tung, R. (2011). From a distance and generalizable to up close and grounded: Reclaiming a place for qualitative methods in international business research, *Journal of International Business Studies* 42, 573–581. <https://doi.org/10.1057/jibs.2011.19>
- Blowfield, M. 2012. Business and development: making sense of business as a development agent. *Corporate Governance: The International Journal of Business in Society*, 12(4): 414–426
- Borda Reyes, A., Newburry, W., Carneiro, J., & Cordova, C. (2019). Using Latin America as a research laboratory: The moderating effect of trade openness on the relationship between inward and outward FDI. *Multinational Business Review*, 27 (2), 122-140.
- Borsatto, J. M. L. S., & Amui, L. B. L. (2019). Green innovation: Unfolding the relation with environmental regulations and competitiveness. *Resources, Conservation and Recycling*, 149, 445–454. <https://doi.org/10.1016/j.resconrec.2019.06.005>
- Brandl, K., Moore, E., Meyer, C., & Doh, J. (2021). The impact of multinational enterprises on community informal institutions and rural poverty. *Journal of International Business Studies*, <https://doi.org/10.1057/s41267-020-00400-3>
- Bu, M. and Wagner, M. (2016) Racing to the bottom and racing to the top: The crucial role of firm characteristics in foreign direct investment choices. *Journal of International Business Studies*, 47, 1032-1057
- Buckley, P. (2002). Is the international business research agenda running out of steam? *Journal of International Business Studies* 33, 365-373.

- Buckley, P. J., & Casson, M. C. 1976. *The future of the multinational enterprise*. London: Macmillan.
- Buckley, P.J., Doh, J.P. & Benischke, M.H. (2017). Towards a renaissance in international business research? Big questions, grand challenges, and the future of IB scholarship. *Journal of International Business Studies* 48, 1045–1064.
<https://doi.org/10.1057/s41267-017-0102-z>
- Byron, K., & Thatcher, S. (2015). Editors' Comments: "What I Know Now That I Wish I Knew Then"—Teaching Theory and Theory Building. *Academy of Management Review*, 41, (1) 1-8. <https://doi.org/10.5465/amr.2015.0094>
- Callahan, J. (2014). Writing literature reviews: a reprise and update. *Human Resource Development Review*, 13 (3), 271-275.
- Campbell, J. L. 2004. *Institutional change and globalization*. Princeton, NJ: Princeton University Press.
- Campbell, J. L. 2007. Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility. *Academy of Management Review*, 32 (3): 946–967.
- Cantwell, J., Dunning, J. H., & Lundan, S. M. (2010). An evolutionary approach to understanding international business activity: The co-evolution of MNEs and the institutional environment. *Journal of International Business Studies*, 41 (4), 567–586.
- Castrillón-Orrego, S. A. (2015). The Espoused Values of MNEs Operating in Colombia: Their Ethical Orientation and Stakeholder Consideration. *Advances in Sustainability and Environmental Justice*, 16, 175-198.
- Cavusgil, S. T. (1980). On the Internationalization Process of Firms. *European Research*, 8 (6), 273 – 281.

- Celasun, O., Debrun, X., & Ostry, J. D. (2006). Primary surplus behavior and risks to fiscal sustainability in emerging market countries: A “fan-chart” approach. *IMF Working Papers*, 53 (3). <https://doi.org/10.5089/9781451863277.001>
- Chen, V. Z., Lim, J., & Shapiro, D. M. (2015). Subnational institutions and outward FDI by Chinese firms. *Multinational Business Review*, 23 (4), 254–276.
- Cheung, Y.L., Kong, D. & Tan, W. (2015). Being good when being international in an emerging economy: the case of China. *Journal of Business Ethics*, 130 (4), 805-817.
- Christopher, M., & Towill, D. R. (2010). Developing Market Specific Supply Chain. *The International Journal of Logistics Management*, 13 (1), 1–16.
- Ciasullo, M. V., Montera, R., Cucari, N., & Polese, F. (2020). How an international ambidexterity strategy can address the paradox perspective on corporate sustainability: Evidence from Chinese emerging market multinationals. *Business Strategy and the Environment*, 29 (5), 2110–2129. <https://doi.org/10.1002/bse.2490>
- Ciravegna, L., Kano, L., Rattalino, F., & Verbeke, A. (2020). Corporate diplomacy and family firm longevity. *Entrepreneurship: Theory and Practice*, 44 (1), 109-133.
doi:10.1177/1042258719838477
- Cooper, H.M. (1984), *The integrative research review: A systematic approach*, Beverly Hills: CA, Sage.
- Corley, K. G., & Gioia, D. A. (2004). Identity Ambiguity and Change in the Wake of a Corporate Spin-off. *Administrative Science Quarterly*, 49 (2), 173–208.
<https://doi.org/10.2307/4131471>
- Cornelissen, J. (2016). Editor’s Comments: Developing Propositions, a Process Model, or a Typology? Addressing the Challenges of Writing Theory Without a Boilerplate. *Academy of Management Review*, 42 (1), 1-9. <https://doi.org/10.5465/amr.2016.0196>

- Cortesi, A., & Vena, L. (2019). Disclosure quality under Integrated Reporting: A value relevance approach. *Journal of Cleaner Production*, 220, 745-755.
- Crescenzi, R., Pietrobelli, C., & Rabellotti, R. (2014). Innovation drivers, value chains and the geography of multinational corporations in Europe. *Journal of Economic Geography*, 14 (6), 1053–1086. <https://doi.org/10.1093/jeg/lbx020>
- Creswell, J.W. (2003), *Research Design: Qualitative, Quantitative and Mixed Method Approaches*, 2nd ed., Sage Publications, Thousand Oaks, CA
- Cuervo-Cazurra, A. (2008). The multinationalization of developing country MNEs: The case of multilatinas. *Journal of International Management*, 14 (2), 138–154.
<https://doi.org/10.1016/j.intman.2007.09.001>
- Cuervo-Cazurra, A. (2016). Multilatinas as sources of new research insights: The learning and escape drivers of international expansion. *Journal of Business Research*, 69 (6), 1963-1972. <https://doi.org/10.1016/j.jbusres.2015.10.142>
- Cuervo-Cazurra, A., Andersson, U., Brannen, M. Y., Nielsen, B. B., & Reuber, R. (2016). From the Editors: Can I trust your findings? Ruling out alternative explanations in international business research, *Journal of International Business Studies* 47, 881–897.
<https://doi.org/10.1057/s41267-016-0005-4>
- Cuervo-Cazurra, A., Carneiro, J., Finchelstein, D., Duran, P., Gonzalez-Perez, M. A., Montoya, M. A., Borda Reyes, A., Leme Fleury, M. T. & Newburry, W. (2018). Uncommoditizing strategies by emerging market firms. *Multinational Business Review*.
<https://doi.org/10.1108/MBR-07-2017-0051>
- Cuervo-Cazurra, A. & Genc, M. (2008). Transforming disadvantages into advantages: developing country MNEs in the least developed countries. *Journal of International Business Studies*, 39 (6), 957-979.

- Cuervo-Cazurra, A., Luo, Y., Ramamurti, R., & Ang, S. (2018). The impact of the home country on internationalization. *Journal of World Business*, 53 (5), 593-604. <https://doi.org/10.1016/j.jwb.2018.06.002>
- Cuervo-Cazurra, A., Maloney, M., & Manrakhan, S. (2007). Causes of the difficulties in internationalization. *Journal of International Business Studies*, 38, 709-725.
- Cuervo-Cazurra, A., Narula, R., & Un, C. A. (2015). Internationalization motives: sell more, buy better, upgrade and escape. *Multinational Business Review*, 23 (1), 25–35. <https://doi.org/http://dx.doi.org/10.1108/02683940010305270>
- Cuervo-Cazurra, A., & Ramamurti, R. (2014). *Understanding Multinationals from Emerging Markets. Understanding Multinationals from Emerging Markets*. Cambridge: Cambridge University Press. <https://doi.org/10.1017/CBO9781107587632>
- Cuypers, I.R.P., Patel, C., Ertug, G., Li, J., & Cuypers, Y. (2021). Top management teams in international business research: A review and suggestions for future research. *Journal of International Business Studies*. <https://doi.org/10.1057/s41267-021-00456-9>
- DasGupta, R., Kumar, S., & Pathak, R. (2022). Multinational enterprises' internationalization and adoption of sustainable development goals. *International Journal of Managerial Finance*. <https://doi.org/10.1108/IJMF-09-2021-0416>
- Dau, L. A., Moore, E. M., & Newburry, W. (2020). The grass is always greener: The impact of home and host country CSR reputation signaling on cross-country investments. *Journal of International Business Policy*, 3 (2), 154–182. <https://doi.org/10.1057/s42214-020-00049-7>
- Dau, L.A., Moore, E. M., & Newburry, W. (2018). The Grass is Always Greener: The Impact of Country CSR Reputation on Firm Internationalization. *Academy of Management Proceedings*, 2018 (1).

- Dawkins, C., & Ngunjiri, F. W. (2008). Corporate social responsibility reporting in South Africa: A descriptive and comparative analysis. *Journal of Business Communication*, 45 (3), 286–307. <https://doi.org/10.1177/0021943608317111>
- De Souza Gonçalves, R., de Medeiros, O.R., Jreige Weffort, E.F. & Katsumi Niyama, J. (2014). A Social Disclosure Index for Assessing Social Programs in Brazilian Listed Firms. *Accounting in Latin America (Research in Accounting in Emerging Economies)*, 14, 75-103. <https://doi.org/10.1108/S1479-356320140000014002>
- De Villa, M. A. (2016). From Multilatina to Global Latina: Unveiling the corporate-level international strategy choices of Grupo Nutresa. *AD minister*, 29, 23-57.
- Denk, N., Kaufmann, L., & Roesch, J.F. (2012). Liabilities of Foreignness revisited: A review of Contemporary Studies and Recommendations for Future Research. *Journal of International Management*, 18 (4),322-334. <https://doi.org/10.1016/j.intman.2012.07.001>
- Denzin, N. K. (2012). Triangulation 2.0, *Journal of Mixed Methods Research*, 6, 80–88. doi:10.1177/1558689812437186
- Dhanda, U., & Shrotryia, V. K. (2021). Corporate sustainability: The new organizational reality. *Qualitative Research in Organizations and Management: An International Journal*, doi:10.1108/QROM-01-2020-1886
- Doh, J., Budhwar, P. & Wood, G. (2021). Long-term energy transitions and international business: Concepts, theory, methods, and a research agenda. *Journal of International Business Studies* 52, 951–970. <https://doi.org/10.1057/s41267-021-00405-6>
- Doh, J., Husted, B., & Yang, X. (2016). Ethics and corporate social responsibility in developing country multinationals. *Business Ethics Quarterly*, 26 (3), 301-315.

- Dominguez, L. V., & Cirigliano, M. (1997). Chocolates El Rey: Industrial modernization and export strategy. *Journal of Business Research*, 38 (1), 35–45.
[https://doi.org/10.1016/s0148-2963\(96\)00116-6](https://doi.org/10.1016/s0148-2963(96)00116-6)
- Doz, Y., (2011). Qualitative research for international business. *Journal of International Business Studies*, 42, 582–590.
- Dubois, A., & Gadde, L. E. 2002. Systematic combining: An abductive approach to case research. *Journal of Business Research*, 55 (7), 553–560.
- Dumay, J., & Hossain, M. D. (2019). Sustainability Risk Disclosure Practices of Listed Companies in Australia. *Australia Accounting Review*, 29 (2), 343-359.
- Dunning, J. H. (1977). Trade, Location of Economic Activity and the MNE: A Search for an Eclectic Approach. In: Ohlin B., Hesselborn P.O., Wijkman P.M. (eds) *The International Allocation of Economic Activity*. Palgrave Macmillan, London
- Dunning, J. H. (1989). The study of International Business: A Plea for more interdisciplinary approach. *Journal of International Business Studies*, 20 (3), 411-436.
<https://www.jstor.org/stable/155185>
- Dunnin, J. H. (2010). *New Challenges for International Business Research: Back to the Future*. Edward Elgar Publishing Limited, Cheltenham.
- Dunnig, J. H., & Fortanier, F. (2007). Multinational Enterprises and the New Development Paradigm: Consequences for Host Country Development. *Multinational Business Review*, 15 (1), 25-46. <https://doi.org/10.1108/1525383X200700002>
- Dunning, J. H., & Lundan, S. M. 2008. *Multinational enterprises and the global economy*. 2nd edn. Cheltenham: Edward Elgar
- Duque-Grisales, E., Aguilera-Caracuel, J., Guerrero-Villegas, J., & García-Sánchez, E. (2019). Can proactive environmental strategy improve Multilatinas' level of internationalization?

- The moderating role of board independence. *Business Strategy and the Environment*, 29 (1), 291–305. <https://doi.org/10.1002/bse.2377>
- Duriau, V.J., Reger, R.K. & Pfarrer, M.D. (2007). A content analysis of the content analysis literature in organization studies: research themes, data sources, and methodological refinements. *Organizational Research Methods*, 10 (1), 5-34, doi: [10.1177/1094428106289252](https://doi.org/10.1177/1094428106289252).
- Dyllick, Thomas, and Kai Hockerts. 2002. Beyond the business case for corporate sustainability. *Business Strategy and the Environment* 11(2), 130–141. doi:10.1002/bse.323
- Economist Impact (2022). Will sustainability be a new driver of foreign direct investment?. Available online at: <https://impact.economist.com/projects/future-flow/research/chapter#one>
- Eisenhardt, K. M. (1989). Building theories from case study research author. *The Academy of Management Review*, 14, 532–550.
- Eisenhardt, K. M., & Graebner, M. E., (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50, 25–32.
- Elango, B. (2009). Minimizing effects of 'liability of foreignness' response strategies of foreign firms in the United States. *Journal of World Business* 44, 51–62
- Environmental Finance (2020). Voluntary Carbon Market Rankings 2020. Retrieved from: <https://isa.activehosted.com/index.php?action=social&chash=56f0b515214a7ec9f08a4bbf9a56f7ba.8561&s=aea5e317895bc3330c0380514098e14f>
- Feng, D., Chen, Q., Song, M., & Cui, L. (2019). Relationship Between the Degree of Internationalization and Performance in Manufacturing Enterprises of the Yangtze River Delta Region. *Emerging Markets Finance and Trade*, 55 (7), 1455–1471. <https://doi.org/10.1080/1540496X.2018.1547190>

- Fernandez-mendez, L. (2014). Industrias Lácteas Asturianas , S . A . (ILAS): Un ejemplo de internacionalización discriminadora. *Universia Business Review*, 31, 102-130.
- Ferro-Soto, C., & Mili, S. (2013). Desarrollo rural e internacionalización mediante redes de Comercio Justo del café. *Cuadernos de Desarrollo Rural*, 10, 267–289.
- Fiaschi, D., Giuliani, E., & Nieri, F. (2017). Overcoming the liability of origin by doing no-harm: Emerging country firms' social irresponsibility as they go global. *Journal of World Business*, 52 (4), 546–563. <https://doi.org/10.1016/j.jwb.2016.09.001>
- Fiezer, E. & Medina, O. (2019). Colombia Preps Privatization of \$5 Billion Electric Utility ISA. *Bloomberg*, Retrieved from: <https://www.bloomberg.com/news/articles/2019-05-14/colombia-preps-privatization-of-5-billion-electric-utility-isa>
- Fink, L. (2022). Larry Fink´s 2022 letter to CEOs: The Power of Capitalism. Available online at: <https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>
- Fleaca, E., Fleaca, B., & Maiduc, S. (2018). Aligning Strategy with Sustainable Development Goals (SDGs): Process Scoping Diagram for Entrepreneurial Higher Education Institutions (HEIs)", *Sustainability*, 10 (4), 1032. <https://doi.org/10.3390/su10041032>
- Fonseca, A. (2010). How credible are mining corporations' sustainability reports? a critical analysis of external assurance under the requirements of the international council on mining and metals. *Corporate Social Responsibility and Environmental Management*, 17 (6), 355–370. <https://doi.org/10.1002/csr.230>
- Fornes, G., Lopez, B., Haan, M. B. De, Blanch, J., Fornes, G., Lopez, B., Haan, M. B. De, & Blanch, J. (2019). Best practice example of CSR and S & E engagement in emerging economies : analysis of a case study based in China. *Journal of Asia Business Studies*, 13 (1), 133-154. <https://doi.org/10.1108/JABS-08-2017-0120>

- Fusch, P., Fusch, G.E., & Ness, L.R. (2018). Denzin's Paradigm Shift: Revisiting Triangulation in Qualitative Research. *Journal of Social Change*, 10 (1), 19-32.
- Gameltoft, P., Barnard, H., & Madhok, A. (2010). Emerging multinationals, emerging theory: Macro-and-micro-level perspectives. Research Articles (Gordon Institute of Business Science (GIBS)).
- Gammeltoft, P., Pradhan, J. P., & Goldstein, A. (2010). Emerging multinationals: home and host country determinants and outcomes. *International Journal of Emerging Markets*, 5 (3/4), 254–265. <https://doi.org/10.1108/17468801011058370>
- Ghauri, P. (2004), Designing and conducting case studies in International Business research. In: Marschan-Piekkari, R. Welch, C. 2004. *Handbook of Qualitative Research Methods for International Business*, Edward Elgar. pp. 109-124.
- Ghauri, P. N., Tasavori, M., & Zaefarian, R. (2014). Internationalisation of service firms through corporate social entrepreneurship and networking. *International Marketing Review*, 31 (6), 576–600. <https://doi.org/10.1108/IMR-09-2013-0196>
- Gómez-Bolaños, E., Hurtado-Torres, N. E., & Delgado-Márquez, B. L. (2020). Disentangling the influence of internationalization on sustainability development: Evidence from the energy sector. *Business Strategy and the Environment*, 29 (1), 229–239. <https://doi.org/10.1002/bse.2360>
- Gomez-Trujillo, A.M. & Gonzalez-Perez, M.A. (2020). What do we know about organizational sustainability and international business? *Management of Environmental Quality: An International Journal*, 31 (2), 292-305. <https://doi.org/10.1108/MEQ-08-2019-0173>
- Gomez-Trujillo, A.M., Velez-Ocampo, J. & Gonzalez-Perez, M.A. (2020). A literature review on the causality between sustainability and corporate reputation: What goes

first?. *Management of Environmental Quality*, 31 (2), 406-430. <https://doi.org/10.1108/MEQ-09-2019-0207>

Gonzalez-Perez, M.A. (2013). Corporate social responsibility and international business: a conceptual overview. *International Business, Sustainability and Corporate Social Responsibility (Advances in Sustainability and Environmental Justice)*, 11, 1-35. [https://doi.org/10.1108/S2051-5030\(2013\)0000011006](https://doi.org/10.1108/S2051-5030(2013)0000011006)

Gonzalez-Perez, M. A., & Gutierrez-Viana, S. (2012). Cooperation in coffee markets: The case of Vietnam and Colombia. *Journal of Agribusiness in Developing and Emerging Economies*, 2 (1), 57–73. <https://doi.org/10.1108/20440831211219237>

Gonzalez-Perez, M.A., & Leonard, L. (2013), *International Business, Sustainability and Corporate Social Responsibility*. Emerald Group Publishing Limited: Bingley, UK.

Gonzalez-Perez, M.A., & Leonard, L. (2015). The Global Compact: Corporate Sustainability in the Post 2015 World. *Advances in Sustainability and Environmental Justice*, 17, 1 – 19.

Gonzalez-Perez, M. A., Mohieldin, M., Hult, T. G., & Velez-Ocampo, J. (2021) COVID-19, sustainable development challenges of Latin America and the Caribbean, and the potential engines for a SDGs-based recovery. *Management Research: Journal of the Iberoamerican Academy of Management*, 19 (1), 22-37. Doi: <https://doi.org/10.1108/MRJIAM-12-2020-1119>

Gonzalez-Pereza, M.A., Gomez-Trujillo, A.M., Manotas E., Pérez-Restrepo, C., Uribe-Jaramillo, M., Velez-Ocampo, J., & Duque-Ruiz, V. (2020). Strategic Capabilities of Colombian Firms. In A. Cuervo-Cazurra, W. Newburry, & S. Park (Eds.), *Building Strategic Capabilities in Emerging Markets* (pp. 286-308). Cambridge: Cambridge University Press. doi:10.1017/9781108565240.013

- Gonzalez-Perez, M.A., & Velez-Ocampo, J. 2014. Targeting their own region: Internationalisation trends of Colombian multinational companies. *European Business Review*. 26(6): 531-555.
- González-Rozada, M., & Yeyati, E. L. (2008). Global Factors and Emerging Market Spreads. *The Economic Journal*, 118 (533), 1917-1936 <http://www.jstor.org/stable/20485283>
- Grewal, J., & Serafeim, G. (2020). Research on Corporate Sustainability: Review and Directions for Future Research. *Foundation and Trends in Accounting*, 14 (2), 73-127. <http://dx.doi.org/10.2139/ssrn.3687330>
- GRI (2020). Our mission and history. Available online at: <https://www.globalreporting.org/about-gri/mission-history/>
- Griffith, D., Cavusgil, S., & Xu, S. (2008). Emerging themes in international business research. *Journal of International Business Studies*, 39, 1220-1235. <https://doi.org/10.1057/palgrave.jibs.8400412>
- Grøgaard, B., Colman, H.L. & Stensaker, I.G. (2019). Legitimizing, leveraging, and launching: Developing dynamic capabilities in the MNE. *Journal of International Business Studies*, 1-28. <https://doi.org/10.1057/s41267-019-00245-5>
- Gümüş, S., & Apak, S. (2011). Strategies of international growth in enterprises and strategic alliances. *Procedia – Social and Behavioral Sciences*, 24, 737-744. doi: <https://doi.org/10.1016/j.sbspro.2011.09.026>
- Hägglund, S., & Samuelsson, I.P. (2009). Early childhood education and learning for sustainable development and citizenship. *International Journal of Early Childhood*, 41, (49). <https://doi.org/10.1007/BF03168878>
- Hannan, M. T., & Freeman, J. (1984). Structural inertia and organizational change. *American Sociological Review*, 49, 149–164.

- Hansen, E. G., Grosse-Dunker, F., & Reichwald, R. (2009). Sustainability innovation cube - A framework to evaluate sustainability-oriented innovations. *International Journal of Innovation Management*, 13 (4), 683–713. <https://doi.org/10.1142/S1363919609002479>
- Hennart, J. F. (2012). Emerging market multinationals and the theory of the multinational enterprise. *Global Strategy Journal*, 2 (3), 168–187. <https://doi.org/10.1111/j.2042-5805.2012.01038.x>
- Hillman, A. J., & Wan, W. P. (2005). The determinants of MNE subsidiaries' political strategies: Evidence of institutional duality. *Journal of International Business Studies*, 36 (3): 322–340.
- Hitt, M. A. (2016). International strategy and institutional environments. *Cross Cultural & Strategic Management*, 23 (2), 206–215.
- Hong, J., Wang, C., & Kafouros, M. (2015). The role of the state in explaining the internationalization of emerging market enterprises. *British Journal of Management*, 26 (1), 45–62. <https://doi.org/10.1111/1467-8551.12059>
- Hoque, N., Uddin, M., & Mamun, A. (2014). Entry Mode Selection , Location Choice and the Sequence of Entry Mode Selection , Location Choice and the Sequence of Internationalization : A Case Study on Ranbaxy Laboratories Ltd . *Asian Social Science*, 10 (10). <https://doi.org/10.5539/ass.v10n6p145>
- Hussain, T., Eskildsen, J., Edgeman, R., Ismail, M., Shoukry, A. M., & Gani, S. (2019). Imperatives of sustainable university excellence: A conceptual framework. *Sustainability*, 11 (19), 1–21. <https://doi.org/10.3390/su11195242>
- Hult, G.T.M., Gonzalez-Perez, M.A. & Lagerström, K. (2020). The theoretical evolution and use of the Uppsala Model of internationalization in the international business ecosystem.

Journal of International Business Studies, 51 (1), 38-49. doi:10.1057/s41267-019-00293-

x

Hult, G. T.M., Mena, J., Gonzalez-Perez, M.A, Lagerström, K., & Hult, D.T. (2018). A Ten Country-Company Study of Sustainability and Product-Market Performance: Influences of Doing Good, Warm Glow, and Price Fairness, *Journal of Macromarketing*, 38 (3), 242-261. <https://doi.org/10.1177/0276146718787017>

Hymer, S.H., 1960. *The International Operations of National Firms: A Study of Direct Foreign Investment*. MIT Press, Cambridge, MA (published in 1976).

Hymer, S. (1976). *The international expansion of firms: a study of direct foreign investment*. MIT Press.

Ikram, A., Su, Q., Fiaz, M., & Rehman, R. U. (2018). Cluster strategy and supply chain management: The road to competitiveness for emerging economies. *Benchmarking: An International Journal* 25 (5), 1302–1318. <https://doi.org/10.1108/BIJ-06-2015-0059>

Ilie, C., Fornes, G., Cardoza, G., & Quintana, J. C. M. (2020). Development of business schools in emerging markets: Learning through adoption and adaptation. *Sustainability*, 12 (20), 1–28. <https://doi.org/10.3390/su12208448>

ISA (2017). Informe de gestión aprovisionamiento 2016. Retrieved from:

http://www.isa.co/es/sala-de-prensa/Documents/proveedores/encuentro-con-proveedores/2017/Informe_gestion_aprov_Vproveedores.pdf

ISA (2018). Presentación Corporativa ISA. Retrieved from: <http://www.isa.co/es/sala-de-prensa/Documents/nuestra-compania/presentacion-corporativa/ISA-presentacion-corporativa-%20DIC4.pdf>

ISA (2019). Nuestro futuro inspirado por el Valor Sostenible. Retrieved from:

<http://www.isa.co/es/nuestra-compania/Paginas/estrategia-corporativa.aspx>

ISA (2020). Integrated Management Report 2020. Retrieved from:

https://isasapaginaswebisa001.blob.core.windows.net/paginawebisawordpress/2021/05/ISA-Reporte-Gestion-2020_INGLES.pdf

ISA (2022). Conferencia resultados Grupo ISA. Cuarto trimestre 2021. Retrieved from:

https://isasapaginaswebisa001.blob.core.windows.net/paginawebisawordpress/2022/02/Resultados-Financieros-4T21_ES.pdf

Jaklič, A. (2016). Enhanced development through internationalisation in emerging Europe: the role of FDI in Slovenia. *Transnational Corporations Review*, 8 (1), 28–40.

<https://doi.org/10.1080/19186444.2016.1162478>

Jamili, D., Jain, T., Samara, G., & Zoghbi, E. (2020). How institutions affect CSR practices in the Middle East and North Africa: A critical review. *Journal of World Business*, 55 (5),

101127. <https://doi.org/10.1016/j.jwb.2020.101127>

Jellenz, M., Bobek, V., & Horvat, T. (2020). Impact of education on sustainable economic development in emerging markets—the case of Namibia’s tertiary education system and its economy. *Sustainability* 12 (21), 1–26. <https://doi.org/10.3390/su12218814>

Jiménez, A., Luis-Rico, I., & Benito-Osorio, D. (2014). The influence of political risk on the scope of internationalization of regulated companies: Insights from a Spanish sample.

Journal of World Business, 49 (3), 301–311. <https://doi.org/10.1016/j.jwb.2013.06.001>

Johanson, J., & Vahlne, J. E. (1977). The Internationalization Process of the Firm- A Model of Knowledge Development and Increasing Foreign Market Commitments. *Journal of International Business Studies*, 8 (1), 23-32.

Johanson, J., Vahlne, J.E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business*

Studies, 40, 1411–1431. <https://doi.org/10.1057/jibs.2009.24>

- Kankanam Pathirana, H. S., Xiao, H., & Li, W. (2020). The impact of institutional distance on sustainable investment: evidence from China's Belt and Road Initiative. *Nankai Business Review International*, 11 (4), 485–505. <https://doi.org/10.1108/NBRI-04-2020-0014>
- Kirankumar, S. M. (2016). City clusters and break-out in corporate competitiveness: Patterns and perspectives focusing on innovation capabilities and India. *Competitiveness Review*, 26 (4), 415–434.
- Kılıç, M. (2016). Online corporate social responsibility (CSR) disclosure in the banking industry: evidence from Turkey. *International Journal of Bank Marketing*, 34 (4), 550–569. <https://doi.org/10.1108/SRJ-11-2018-0303>
- Knight, J. (2014). Internationalization remodeled: definition, approaches, and rationales. *Journal of Studies in International Education*, 8 (1), 5-31, doi: [10.1177/1028315303260832](https://doi.org/10.1177/1028315303260832).
- Kogut, B., & Zander, U. (1993). Knowledge of the Firm and the Evolutionary Theory of the Multinational Corporation. *Journal of International Business Studies*, 24 (4), 625-645.
- Kolk, A. (2003). Trends in sustainability reporting by the Fortune Global 250. *Business Strategy and the Environment*, 12 (5), 279-291. doi:[10.1002/bse.370](https://doi.org/10.1002/bse.370)
- Kolk, A. (2016). The social responsibility of international business: from ethics and the environment to CSR and sustainable development. *Journal of World Business*, 51 (1), 23-24, doi: [10.1016/j.jwb.2015.08.010](https://doi.org/10.1016/j.jwb.2015.08.010).
- Kolk, A., Hong, P., & Dolen, W. Van. (2008). Corporate Social Responsibility in China : an Analysis of Domestic and Foreign Retailers' sustainability dimension. *Business Strategy and the Environment*, 19 (5), 289–303. <https://doi.org/10.1002/bse.630>
- Kolk, A., Kourula, A., Pisani, N. 2017. Multinational Enterprises and the Sustainable Development Goals: What Do We Know and How to Proceed? *Transnational Corporations*, 24 (3), 9-32. DOI: [10.18356/6f5fab5e-en](https://doi.org/10.18356/6f5fab5e-en)

Kolk, A., & Van Tulder, R. (2010). International business, corporate social responsibility and sustainable development. *International Business Review*, 19 (2), 119–125.

<https://doi.org/10.1016/j.ibusrev.2009.12.003>

Kostova, T. (1999). Transnational transfer of strategic organizational practices: A contextual perspective. *Academy of Management Review*, 24 (2): 308–324.

Kostova, T., & Roth, K. (2002). Adoption of an organizational practice by subsidiaries of multinational corporations: Institutional and relational effects. *Academy of Management Journal*, 45 (1): 215–233.

Kostova, T., Roth, K., & Dacin, M. T. 2008. Institutional theory in the study of multinational corporations: A critique and new directions. *Academy of Management Review*, 33 (4): 994–1006.

Kotlar, J., & De Massis, A. (2013). Goal setting in family firms: Goal diversity, social interactions, and collective commitment to family-centered goals. *Entrepreneurship Theory and Practice*, 37(6), 1263–1288.

Kriz, A., & Welch, C. (2018). Innovation and internationalisation processes of firms with new-to-the-world technologies. *Journal of International Business Studies* 49, 496–522

<https://doi.org/10.1057/s41267-018-0147-7>

La Opinión (2021). Unión entre Ecopetrol e ISA ayudará a mitigar el cambio climático.

Retrieved from: <https://www.laopinion.com.co/colombia/union-entre-ecopetrol-e-isa-ayudara-mitigar-el-cambio-climatico>

Lane, P. R. (2003). Business cycles and macroeconomic policy in emerging market economies.

International Finance, 6 (1), 89–108. <https://doi.org/10.1111/1468-2362.00109>

Langley, A. & Abdallah, C. (2011). Templates and Turns in Qualitative Studies of Strategy and Management", Bergh, D.D. and Ketchen, D.J. (Ed.) *Building Methodological*

Bridges (Research Methodology in Strategy and Management, Vol. 6), Emerald Group Publishing Limited, Bingley, pp. 201-235. [https://doi.org/10.1108/S1479-8387\(2011\)0000006007](https://doi.org/10.1108/S1479-8387(2011)0000006007)

Lashitew, A., Bals, L., & Van Tulder, R. (2020). Inclusive Business at the Base of the Pyramid: The Role of Embeddedness for Enabling Social Innovations. *Journal of Business Ethics*, 162, 421-448

Laszlo, C. and Zhexembayeva, N. (2011), “Embedded sustainability: a strategy for market leaders”, *The European Financial Review*, 15, 37-49.

Leonard, L., & Gonzalez-Perez, M.A. (2013), *Principles and Strategies to Balance Ethical, Social and Environmental Concerns with Corporate Requirements*. Emerald Group Publishing Limited: Bingley, UK.

Li, J.J., Poppo, L., and Zhou, K.Z. (2008). Do managerial ties in China always produce value? Competition, uncertainty, and domestic vs. foreign firms. *Strategic Management Journal* 29, 383–400

Linnenluecke, M. (2022). Environmental, social and governance (ESG) performance in the context of multinational business research. *Multinational Business Review*.
<https://doi.org/10.1108/MBR-11-2021-0148>

Liu, T., Liu, H., Zhang, Y., Song, Y., Su, Y., & Zhu, Y. (2020). Linking governance structure and sustainable operations of Chinese manufacturing firms: The moderating effect of internationalization. *Journal of Cleaner Production*, 253, 119949.
<https://doi.org/10.1016/j.jclepro.2019.119949>

Lu, J. W., & Beamish, P. W. (2001). The internationalization and performance of SMES. *Strategic Management Journal*, 22 (6-7), 565-586.

- Lui, X., Yang, N., Li, L., & Liu, Y (2021). Co-evolution of emerging economy MNEs and institutions: A literature review. *International Business Review*, 30 (4), 101828.
<https://doi.org/10.1016/j.ibusrev.2021.101828>.
- Lo, S. F., & Sheu, H. J. (2007). Is corporate sustainability a value-increasing strategy for business? *Corporate Governance: An International Review*, 15(2), 345–358.
<https://doi.org/10.1111/j.1467-8683.2007.00565.x>
- Lo, S., & Sheu, H. (2007). Is Corporate Sustainability a Value- Increasing Strategy for Business?. *Corporate Governance an International Review*, 15 (2), 345–358.
- Logemann, M. & Piekkari, R. (2015). Localize or local lies? The power of language and translation in the multinational corporation. *Critical Perspectives on International Business*, 11 (1), 30-53
- López Hernández, C. (2016), *¡Adiós a las FARC!: ¿Y ahora qué?* Bogota, Colombia: Penguin Random House.
- Lozano, R. (2012). Towards better embedding sustainability into companies' systems: an analysis of voluntary corporate initiatives. *Journal of Cleaner Production*, 25, 14 -26.
- Lozano, R. (2013). A Holistic Perspective on Corporate Sustainability drivers. *Corporate Social Responsibility and Environmental Management*, 22, 32-44.
<https://doi.org/10.1002/csr.1325>
- Lozano, R., & Von Haartman, R. (2018). Reinforcing the Holistic Perspective of Sustainability: Analysis of the Importance of Sustainability Drivers in Organizations. *Corporate Social Responsibility and Environmental Management*, 25 (4), 508-522.
- Luo, Y., Shenkar, O., & Nyaw, M.K. (2002). Mitigating liabilities of foreignness: defensive versus offensive approaches. *Journal of International Management* 8, 283–300

- Luo, Y., & Tung, R. (2018). A general theory of springboard MNEs", *Journal of International Business Studies*, 49 (2), 129-152.
- Luo, Y., & Tung, R. L. (2007). International expansion of emerging market enterprises: A springboard perspective. *Journal of International Business Studies*, 38 (4), 481–498.
<https://doi.org/10.1057/palgrave.jibs.8400275>
- MacInnis, D. (2011). A Framework for Conceptual Contributions in Marketing. *Journal of Marketing*, 75 (4), 136-154. <https://doi.org/10.1509/jmkg.75.4.136>
- Madhok, A., & Keyhani, M. (2012). Acquisitions as Entrepreneurship: Asymmetries, Opportunities, and the Internationalization of Multinationals from Emerging Economies. *Global Strategy Journal*, 2 (1), 26–40. <https://doi.org/10.1111/j.2042-5805.2011.01023.x>
- Manning, B., Braam, G., & Reimsbach, D. (2018). Corporate governance and sustainable business conduct –effects of board monitoring effectiveness and stakeholder engagement on corporate sustainability performance and disclosure choices. *Corporate Social Responsibility and Environmental Management*, 26 (2), 351-366.
- Manning, S., Ricart, J. E., Rosatti Rique, M. S., & Lewin, A. Y. (2010). From blind spots to hotspots: How knowledge services clusters develop and attract foreign investment. *Journal of International Management*, 16 (4), 369–382.
<https://doi.org/10.1016/j.intman.2010.09.007>
- Marano, V., Tashman, P., & Kostova, T. (2017). Escaping the iron cage: Liabilities of origin and CSR reporting of emerging market multinational enterprises. *Journal of International Business Studies*, 48 (3), 386-408
- Maruyama, M., & Wu, L. (2015). Overcoming the Liability of Foreignness in International Retailing: A Consumer Perspective. *Journal of International Management*, 21 (3), 200-210. <https://doi.org/10.1016/j.intman.2015.07.001>

- Mathews, J. A. (2006). Dragon multinationals: New players in 21st century globalization. *Asia Pacific Journal of Management*, 23(1), 5–27. <https://doi.org/10.1007/s10490-006-6113-0>
- Mendling, J., Reijers, H., & Recker, J. (2010). Activity labeling in process modeling: empirical insights and recommendations. *Information Systems*, 35 (4), 467-482.
- Mendoza, E. G., & Ostry, J. D. (2008). International evidence on fiscal solvency: Is fiscal policy “responsible”? *Journal of Monetary Economics*, 55 (6), 1081–1093.
<https://doi.org/10.1016/j.jmoneco.2008.06.003>
- Mijatovic, I., Maricic, M., & Horvat, A. (2019). The factors affecting the environmental practices of companies: The case of Serbia. *Sustainability*, 11 (21), 1–17.
<https://doi.org/10.3390/su11215960>
- Miles, M. B., & Huberman, A. M. (1984). *Qualitative data analysis*, Newbury Park, CA: Sage.
- Miles, M. B., Huberman, A. M., & Saldana, J., 2014., *Qualitative data analysis, A methods sourcebook*. Sage Publications.
- Mion, G., & Loza, C. (2019). Mandatory Nonfinancial disclosure and its consequences on the sustainability reporting quality of Italian and German companies. *Sustainability*, 11 (17), 4612.
<https://doi.org/10.3390/su11174612>
- Mishkin, F. S. (2000). Inflation Targeting in Emerging-Market Countries. *The American Economic Review*, 90 (2), 105–109. <http://www.jstor.org/stable/117201>
- Mohieldin, M.; Piedrahita-Carvajal; Velez-Ocampo, J. & Gonzalez-Perez, M.A. (2022). In: Gonzalez-Perez, M.A. (Ed.) *Regenerative and Sustainable Futures for Latin America and the Caribbean: Collective action for a region with a better tomorrow*. Emerald Group Publishing Limited: Bingley, UK

- Momaya, K. S. (2016). City clusters and break-out in corporate competitiveness: Patterns and perspectives focusing on innovation capabilities and India. *Competitiveness Review*, 26 (4), 415–434. <https://doi.org/10.1108/CR-08-2014-0021>
- Montiel, I., Cuervo-Cazurra, A., Park, J. et al. (2021). Implementing the United Nations' Sustainable Development Goals in international business. *Journal of International Business Studies* 52, 999–1030. <https://doi.org/10.1057/s41267-021-00445-y>
- Moraes, S. T. A., & da Rocha, A. (2014). Alpha Tech: A Brazilian software firm goes international. *Management Decision*, 52 (9), 1680–1702. <https://doi.org/10.1108/MD-10-2013-0561>
- Morgan, L., Stanton, M. E., Higgs, E. S., Balster, R. L., Bellows, B. W., Brandes, N., Comfort, A. B., Eichler, R., Glassman, A., Hatt, L. E., Conlon, C. M., & Koblinsky, M. (2013). Financial incentives and maternal health: Where do we go from here? *Journal of Health, Population and Nutrition*, 31 (4). <https://doi.org/10.3329/jhpn.v31i4.2356>
- Mowla, M. M., Hoque, N., Mamun, A., & Uddin, M. R. (2014). Entry mode selection, location choice and the sequence of internationalization: A case study on Ranbaxy Laboratories Ltd. *Asian Social Science*, 10 (6), 145–154. <https://doi.org/10.5539/ass.v10n6p145>
- Myers, M. D., & Newman, M. (2007). The qualitative interview in IS research: Examining the craft. *Information and Organization*, 17, 2–26.
- Naidoo, M., & Gasparatos, A. (2018). Corporate environmental Sustainability in the retail sector: Drivers, strategies and performance measurement. *Journal of Cleaner Production*, 203 (1), 125-142. <https://doi.org/10.1016/j.jclepro.2018.08.253>
- Narula, R. (2019). Enforcing higher labor standards within developing country value chains: Consequences for MNEs and informal actors in a dual economy. *Journal of International Business Studies* 50, 1622–1635. <https://doi.org/10.1057/s41267-019-00265-1>

- Naz, S., Sultan, R., Zaman, K., Aldakhil, A. M., Nassani, A. A., & Abro, M. M. Q. (2019). Moderating and mediating role of renewable energy consumption, FDI inflows, and economic growth on carbon dioxide emissions: evidence from robust least square estimator. *Environmental Science and Pollution Research*, 26 (3), 2806–2819. <https://doi.org/10.1007/s11356-018-3837-6>
- Newburry, W., Gardberg, N.A., & Belkin, L.Y. (2006). Organizational attractiveness is in the eye of the beholder: the interaction of demographic characteristics with foreignness. *Journal of International Business Studies* 37, 666–686.
- Newburry, W., Liberman, L., Oliveira, M. M. (2018). *Contemporary Influences on International Business in Latin America: Environmental, Firm and Individual-level Factors*. Springer.
- Nielsen, B.B., Eden, L., & Verbeke, A. (2020). Research Methods in International Business: Challenges and Advances. In: Eden L., Nielsen B., Verbeke A. (eds) *Research Methods in International Business*. JIBS Special Collections. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-030-22113-3_1
- Nieto-Aleman, P-A, Garcia-Alvarez-Coque, J-M, Roig-Tierno, N, Mas-Verdú, F. (2019). Factors of regional poverty reduction in Colombia: Do institutional conditions matter? *Social Policy Administration*, 53: 1045– 1063. <https://doi.org/10.1111/spol.12474>
- North, D. (1990). An introduction to institutions and institutional change. In *Institutions, Institutional Change and Economic Performance*. Cambridge: Cambridge University Press. doi:10.1017/CBO9780511808678.003
- Nyuur, R. B., Ofori, D. F., & Amponsah, M. M. (2019). Corporate social responsibility and competitive advantage: A developing country perspective. *Thunderbird International Business Review*, 61 (4), 551–564. <https://doi.org/10.1002/tie.22065>

- Odriozola, M. & Baraibar-Diez, E. (2017). Is Corporate Reputation Associated with Quality of CSR Reporting? Evidence from Spain. *Corporate Social Responsibility and Environmental Management*, 24 (2), 121-131.
- Oertwig N. et al. (2017). Integration of Sustainability into the Corporate Strategy. In: Stark R., Seliger G., Bonvoisin J. (eds) Sustainable Manufacturing. Sustainable Production, Life Cycle Engineering and Management. Springer, Cham. https://doi.org/10.1007/978-3-319-48514-0_12
- Okhuysen, G. & Bonardi, J. P. (2011). The Challenges of Building Theory by Combining Lenses. *Academy of Management Review*, 36 (1), 6-11. doi:10.5465/amr.36.1.zok006
- Oviatt, B. M. (1994). Toward a Theory of International New Ventures. *Journal of International Business Studies*, 25 (1), 45-64.
- Ozsomer, A., Bodur, M., & Tamer Cavusgil, S. (1991). Marketing Standardisation by Multinationals in an Emerging Market. *European Journal of Marketing*, 25 (12), 50–64. <https://doi.org/10.1108/eum0000000000635>
- Pananond, P. (2007). The changing dynamics of Thai multinationals after the Asian economic crisis. *Journal of International Management*, 13 (3), 356–375. <https://doi.org/10.1016/j.intman.2007.05.005>
- Papanastassiou, M., Pearce, R. & Zanfei, A. (2020). Changing perspectives on the internationalization of R&D and innovation by multinational enterprises: A review of the literature. *Journal of International Business Studies* 51, 623–664. <https://doi.org/10.1057/s41267-019-00258-0>
- Park, S. B. (2018). Multinationals and sustainable development: Does internationalization develop corporate sustainability of emerging market multinationals?. *Business Strategy and the Environment*, 27 (8), 1514–1524. <https://doi.org/10.1002/bse.2209>

- Park, S. H. & Ungson, G. R. (2019). Rough diamonds in emerging markets: legacy, competitiveness, and sustained high performance. *Cross Cultural & Strategic Management*, 26 (3), 363-386.
- Pavlaák, M. (2018). Barriers to the internationalization of Czech SMEs. *European Research Studies Journal*, 21 (2), 453–462. <https://doi.org/10.35808/ersj/1014>
- Payne, G., Pearson, A., & Carr, J. (2017). Process and Variance modeling: Linking research questions to methods in family business research. *Family Business Review*, 30 (1), 11-18. <https://doi.org/10.1177/0894486516679749>
- Pedersen, C. (2018). The UN Sustainable Development Goals (SDGs) are a Great Gift to Business. *Procedia CIRP*, 69, 21-24. <https://doi.org/10.1016/j.procir.2018.01.003>
- Peng, M. (2004). Identifying the big questions in international business research. *Journal of International Business Studies*, 35 (2), 99-108. <https://www.jstor.org/stable/3875245>
- Perez-Batres, L. A., Miller, V. V., & Pisani, M. J. (2010). CSR , Sustainability and the Meaning of Global Reporting for Latin American Corporations. *Journal of Business Ethics*, 91 (2), 193–209. <https://doi.org/10.1007/s10551-010-0614-y>
- Pervez, G., Tasavori, M., & Zaefarian, R. (2014). Internationalisation of service firms through corporate social entrepreneurship and networking. *International Marketing Review*, 31 (6), 576-600
- Pisani, N., Kourula, A., Kolk, A., & Meijer, R. (2017). How global is international CSR research? Insights and recommendations from a systematic review. *Journal of World Business*, 52 (5), 591-614.
- Plakoyiannaki, E., Wei, T., & Prashantham, S. (2019). Rethinking Qualitative Scholarship in Emerging Markets: Researching, Theorizing, and Reporting, *Management and Organization Review*, 15 (02), 217–234. <https://doi.org/10.1017/mor.2019.27>

- Porter, M. E., & Kramer, M. R. (2006). Strategy & society: The link between competitive advantage and corporate social responsibility. *Harvard Business Review*, 84 (12), 78-92
- Ramamurti, R. (2009). What Have We Learned About Emerging-Market MNEs? In R. Ramamurti & J. Singh (Eds.), *Emerging Multinationals in Emerging Markets* (pp. 399–426). Cambridge: Cambridge University Press.
- <https://doi.org/10.1029/2007JD009719.Dankers>
- Ramamurti, R. (2012). What is really different about emerging market multinationals? *Global Strategy Journal*, 2 (1), 41–47. <https://doi.org/10.1002/gsj.1025>
- Rangan, S., & Drummond, A. (2004). Explaining outcomes in competition among foreign multinationals in a focal host market. *Strategic Management Journal* 25, 285–293.
- Rao, P. (2002). Greening the supply chain: a new initiative in South East Asia. *International Journal of Operations and Production Management*, 22 (6), 632-655. doi: 10.1108/MRR-09-2015-0216.
- Rao, P., Patil, Y., Bhat, V., & Ketkar, M. (2017). Building Energy, Environment and Sustainability Linkages in Management Education in India—an Innovative Curriculum Based Approach. *Curricula for Sustainability in Higher Education*, 61–76.
- https://doi.org/10.1007/978-3-319-56505-7_5
- Ricart, J. E., Enright, M. J., Ghemawat, P., Hart, S. L., & Khanna, T. (2004). New frontiers in international strategy. *Journal of International Business Studies*, 35(3), 175–200.
- <https://doi.org/10.1057/palgrave.jibs.8400080>
- Ritvala, T., Granqvist, N. & Piekkari, R. (2021). A processual view of organizational stigmatization in foreign market entry: The failure of Guggenheim Helsinki, *Journal of International Business Studies* 52, 282–305. <https://doi.org/10.1057/s41267-020-00329-7>

- Rohrbeck, R., Konnertz, L., & Knab, S. (2013). Collaborative business modelling for systemic and sustainability innovations. *International Journal of Technology Management*, 63 (1–2), 4–23. <https://doi.org/10.1504/IJTM.2013.055577>
- Rojas, J.F. (2017). ISA cumple medio siglo de llevar más que energía a Colombia. *El Colombiano*. Retrieved from: <https://www.elcolombiano.com/negocios/empresas/isa-50-anos-de-pulso-y-llevar-mas-que-energia-GA7301585>
- Rodrigues, M. and Franco, M. (2019). The corporate sustainability strategy in organisations: a systematic review and future directions. *Sustainability*, 11 (22), 6214.
- Rosado-Serrano, A., Paul, J. & Dikova, D. (2018). International franchising: a literature review and research agenda. *Journal of Business Research*, 85, 238-257.
- Sandhu, S., Smallman, C., Ozanne, L. K., & Cullen, R. (2012). Corporate environmental responsiveness in India: Lessons from a developing country. *Journal of Cleaner Production*, 35, 203–213. <https://doi.org/10.1016/j.jclepro.2012.05.040>
- Sapienza, H. J., Autio, E., & George, G. (2006). A capabilities perspective on the effects of early internationalization on firm survival and growth. *Academy of Management Review*, 31 (4), 914-933.
- Schaltegger, S., Beckmann, M., & Hansen, E. G. (2013). Transdisciplinarity in Corporate Sustainability: Mapping the Field. *Business Strategy and the Environment*, 22 (4), 219–229. <https://doi.org/10.1002/bse.1772>
- Schaltegger, S., & Wagner, M. (2006). Integrative management of sustainability performance, measuring and reporting. *International Journal of Accounting, Auditing, and Performance Evaluation*, 3 (1), 1-19.
- Scheyvens, R., Banks, G., & Hughes, E. 2016. The Private Sector and the SDGs: The Need to Move Beyond “Business as Usual.” *Sustainable Development*, 24(6): 371–382

Semana (2021). ¡Atención! Ecopetrol ya es dueña del 51,4% de las acciones de ISA. Available online at: <https://www.semana.com/economia/macroeconomia/articulo/atencion-ecopetrol-ya-es-duena-del-514-de-las-acciones-de-isa/202109/>

Sethi, S.P. (2002). Standards for corporate conduct in the international arena: challenges and opportunities for multinational corporations. *Business and Society Review*, 107 (1), 20-40.

Sethi, D., & Guisinger, S. (2002). Liability of foreignness to competitive advantage: how multinational enterprises cope with the international business environment. *Journal of International Management* 8, 223–240.

Shapiro, D., Hobdari, B., Peng, M. & Oh, C.H. (2018). Multinational enterprises and sustainable development in the extractive and natural resource sectors. *Journal of World Business*, 53 (1), 1-14.

Sharma, S., & Henriques, I. (2005). Stakeholder influences on Sustainability practices in the Canadian forest products industry. *Strategic Management Journal*, 26, 159-180.

Shih, T. Y. (2010). The determinate effects of competences and decision process factors on firms' internationalisation. *Service Industries Journal*, 30 (14), 2329–2350.
<https://doi.org/10.1080/02642060802629893>

Sierra, L., Zorio, A., & García-Benau, M. A. (2013). Sustainable Development and Assurance of Corporate Social Responsibility Reports Published by Ibex-35 Companies. *Corporate Social Responsibility and Environmental Management*, 20 (6), 359–370.
<https://doi.org/10.1002/csr.1303>

Solarino, A., & Agunis, H. (2020). Challenges and Best-practice Recommendations for Designing and Conducting Interviews with Elite informants. *Journal of Management Studies*, 58 (3), 649-672. <https://doi.org/10.1111/joms.12620>

- Stake, R.E. (1994), "Case studies". In N.K. Denzin and Y.S. Lincoln (eds), *Handbook of Qualitative Research*, Thousand Oaks, CA: Sage. pp. 236-247
- Steel, P., Beugelsdijk, S. & Aguinis, H. (2021). The anatomy of an award-winning meta-analysis: Recommendations for authors, reviewers, and readers of meta-analytic reviews. *Journal of International Business Studies* 52, 23–44. <https://doi.org/10.1057/s41267-020-00385-z>
- Steiner, G., & Posch, A. (2006). Higher education for sustainability by means of transdisciplinary case studies: an innovative approach for solving complex, real-world problems. *Journal of Cleaner Production*, 14 (9–11), 877–890. <https://doi.org/10.1016/j.jclepro.2005.11.054>
- Stinchcombe, A.L. (1965). Social structure and organizations, in March, J. (Ed.), *Handbook of Organizations*, Rand McNally, Chicago, IL, pp. 142-93.
- Van Maanen, J. 1998. *Qualitative studies of organizations*: Thousand Oaks. CA: SAGE
- Su, H. N. (2017). Global interdependence of collaborative R&D-typology and association of international co-patenting. *Sustainability*, 9 (4). 541. <https://doi.org/10.3390/su9040541>
- Tashman, P., Marano, V. & Kostova, T. (2019). Walking the walk or talking the talk? Corporate social responsibility decoupling in emerging market multinationals. *Journal of International Business Studies* 50, 153–171. <https://doi.org/10.1057/s41267-018-0171-7>
- Taylor, C. R. (2018). Global Consumer Culture and Advertising Research. *International Journal of Advertising*, 37 (4), 505–507. <https://doi.org/10.1080/02650487.2018.1474021>
- Teagarden, M. B., Von Glinow, M. A., & Mellahi, K. (2018). Contextualizing international business research: Enhancing rigor and relevance, *Journal of World Business*, 53 (3), 303-306. <https://doi.org/10.1016/j.jwb.2017.09.001>
- Thomas, D., Cuervo-Cazurra, A. & Brannen, M. (2011). From the Editors: Explaining theoretical relationships in international business research: Focusing on the arrows, NOT the boxes,

Journal of International Business Studies 42, 1073–1078.

<https://doi.org/10.1057/jibs.2011.44>

Tian, J. F., Pan, C., Xue, R., Yang, X. T., Wang, C., Ji, X. Z., & Shan, Y. L. (2020). Corporate innovation and environmental investment: The moderating role of institutional environment. *Advances in Climate Change Research*, 11 (2), 85–91.

<https://doi.org/10.1016/j.accre.2020.05.003>

Tokatli, N. (1999). A comparative report on the profiles of retailing in the emerging markets of Europe: Turkey, Poland, Hungary, Portugal, and Greece. *Journal of Euromarketing*, 8 (4), 75–105. https://doi.org/10.1300/j037v08n04_04

Topple, C., Donovan, J., Masli, E., & Borgert, T. (2017). Corporate sustainability assessments: MNE engagement with sustainable development and the SDGs. *Transnational Corporations*, 24 (3), 61-71. <https://doi.org/10.18356/2ae5911c-en>

Torrens, E. W., Amal, M., & Tontini, G. (2014). Determinants of Export Performance of Small and Medium-sized Manufacturing Brazilian Enterprises from the Perspective of Resource-based View and Uppsala Model. *Revista Brasileira de Gestao de Negocios*, 16 (53), 511-539. <https://doi.org/10.7819/rbgn.v16i52.1601>

Turner, D., Behm, J., Philips, P., Ramirez, V., & Helmus, M. (2022). Coding for broader impact: leveraging coding skills for stakeholder communication. *Frontiers in Ecology and the Environment*. <https://doi.org/10.1002/fee.2469>

UNCTAD. (2021) World Investment Report 2021: Investing in Sustainable Recovery. United Nations Conference on Trade and Development. Available online at:

https://unctad.org/system/files/official-document/wir2021_en.pdf

US Office of Science and Technology Policy. 2014. 21st century grand challenges. Available online at: <https://obamawhitehouse.archives.gov/administration/eop/ostp/grand-challenges>

- Van Tulder, R., Rodrigues, S., Mirza, H., & Sexsmith, K. (2021). The UN's Sustainable Development Goals: Can multinational enterprises lead the Decade of Action? *Journal of International Business Policy*, 4, 1-21. <https://doi.org/10.1057/s42214-020-00095-1>
- Van Zanten, J., & Van Tulder, R. (2018). Multinational enterprises and the Sustainable Development Goals: An institutional approach to corporate engagement. *Journal of International Business Policy*, 1, 208-23. <https://doi.org/10.1057/s42214-018-0008-x>
- Vargas Gibsone, B. (2017). Speech by Bernardo Vargas Gibsone, President of ISA Forum 50 years.
- Vargas Gibsone, B. (2019). Dialogues with ISA stakeholders. March 6th 2019. Bogota, Colombia.
- Velez-Ocampo, J., & Gonzalez-Perez, M. A. (2015). International expansion of Colombian firms: Understanding their emergence in foreign markets. *Cuadernos de Administración*, 28 (51), 189-215.
- Velez-Ocampo, J., & Gonzalez-Perez, M. A. (2019). Analyzing foreign expansion and corporate reputation: review and future research agenda. *Cross Cultural & Strategic Management*, 26 (4), 586-608.
- Velez-Ocampo, J. & Gonzalez-Perez, M. A. (2021). Internationalization and Capability Building in Emerging Markets: What Comes After Success? *European Management Review*, 1-21. <https://doi.org/10.1111/emre.12487>
- Velez-Ocampo, J., & Gonzalez-Perez, M.A. (2022). Internationalization and capability building in emerging markets: What comes after success? *European Management Review*, 1-21. <https://doi.org/10.1111/emre.12487>

- Velez-Ocampo, J., Gonzalez-Perez, M. A., & Sin, K. (2021). Jaguar Firms: Tropic Dwellers, Camouflage Masters, and Solitary Predators. *Management and Organization Review*, 1-33 <https://www.doi.org/10.1017/mor.2021.24>
- Vendrell-Herrero, F., Gomes, E., Mellahi, K., & Child, J. (2017). Building international business bridges in geographically isolated areas: The role of foreign market focus and outward looking competences in Latin American SMEs. *Journal of World Business*, 52 (4), 489–502. <https://doi.org/10.1016/j.jwb.2016.08.007>
- Verbeke, A. (2022). The JIBS 2021 Decade Award: Theorising from case studies: Towards a pluralist future for international business research. *Journal of International Business Studies* 53, 1–3. <https://doi.org/10.1057/s41267-021-00457-8>
- Vernon, R. (1966). International Investment and International Trade in the Product Cycle. *The Quarterly Journal of Economics*, 8 (2), 190-207.
- Wang, J., & Gooderham, P. (2014). Institutional change and regional development in China: The case of commodity trading markets. *Environment and Planning C: Government and Policy*, 32 (3), 471–490. <https://doi.org/10.1068/c11254b>
- Wei, Z., & Nguyen, Q. (2020). Chinese Service Multinationals: The degree of internationalization and performance. *Management International Review*, 60, (6), 869-908. <https://doi.org/10.1007/s11575-020-00434-7>
- Welch, C., & Piekkari, R. (2017). How should we (not) judge the ‘quality’ of qualitative research? A re-assessment of current evaluative criteria in International Business. *Journal of World Business*, 52 (5), 714-725. <https://doi.org/10.1016/j.jwb.2017.05.007>
- Welch, C., Piekkari, R., Plakoyiannaki, E., & Paavilainen-Mäntymäki, E. (2011). Theorising from case studies: Towards a pluralist future for international business research, *Journal of International Business Studies* 42, 740–762. <https://doi.org/10.1057/jibs.2010.55>

- Wells, P., & Faro, T. (2011). Eco-efficiency, self-sufficiency and sustainability in transport: The limits for Brazilian sugarcane ethanol policy. *Natural Resources Forum*, 35, 21–31.
- Williamson, P., & Wan, F. (2018). Emerging market multinationals and the concept of ownership advantages. *International Journal of Emerging Markets*, 13 (3), 557–567.
<https://doi.org/10.1108/IJoEM-08-2017-0319>
- Witte, C., & Dilyard, J. (2017). Guest editors' introduction to the special issue: The contribution of multinational enterprises to the Sustainable Development Goals. *Transnational Corporations*, 24 (3), 1-8. <https://doi.org/10.18356/799ae8b0-en>
- Windolph S. E., Harms D., & Schaltegger S. (2014), Motivations for Corporate Sustainability Management: Contrasting Survey Results and Implementation, *Corporate Social Responsibility and Environmental Management*, 21 (5), 272–285. doi: 10.1002/csr.1337
- Wood, D.J., 1991. Corporate social performance revisited. *Academy of Management Review* 16 (4), 691–718. <https://doi.org/10.5465/amr.1991.4279616>
- Wu, C., Bo, S., Wan, X., Ji, M., Chen, M., & Zhang, S. (2020). Does the choice of IJV under institutional duality promote the innovation performance of Chinese manufacturing firms? Evidence from listed Chinese manufacturing companies. *Sustainability*, 12 (17), 6869.
<https://doi.org/10.3390/SU12176869>
- Xu, X., Zeng, S. & Chen, H. (2018). Signaling good by doing good: how does environmental corporate social responsibility affect international expansion?. *Business Strategy and the Environment*, 27, 1-14, doi: [10.1002/bse.2044](https://doi.org/10.1002/bse.2044).
- Yadav, N., Gupta, K., Rani, L., & Rawat, D. (2018). Drivers of Sustainability Practices and SMEs : A Systematic Literature Review. *European Journal of Sustainable Development*, 7 (4), 531-544.

- Yamin, M., & Kurt, Y. (2018). Revisiting the Uppsala internationalization model: Social network theory and overcoming the liability of outsidership. *International Marketing Review*, 35 (1), 2-17. <https://doi.org/10.1108/IMR-11-2014-0345>
- Yin, R. (1984). *Case study research*. Beverly Hills, CA: Sage Publications.
- Yin, R. (2003). *Applications of case study research*. London, UK: Sage Publications Inc.
- Yin, R. (2009). *Case study research: design and methods"* (4th Edition). London: Sage Publications.
- Yin, R. (2018). *Case Study Design and Application: Design and Methods*. London: SAGE Publications, Inc
- Yoon, J., Sung, S., & Ryu, D. (2020). The role of networks in improving international performance and competitiveness: Perspective view of open innovation. *Sustainability*, 12 (3), 1269. <https://doi.org/10.3390/su12031269>
- Zaheer, S. (1995). Overcoming the Liability of Foreignness. *The Academy of Management Journal*, 38 (2), 341–363. <http://www.jstor.org/stable/256683>
- Zaheer, S. (2002). The liability of foreignness, redux: A commentary. *Journal of International Management*, 8(3), 351–358. [https://doi.org/10.1016/S1075-4253\(02\)00070-4](https://doi.org/10.1016/S1075-4253(02)00070-4)
- Zaheer, S. & Mosakowski, E. (1997). The dynamics of the Liability of Foreignness: A Global Study of Survival in Financial Services. *Strategic Management Journal*, 18 (6), 439-463.
- Zeng, R., Zeng, S., Xie, X., & Tam, C. (2012). What motivates firms from emerging economies to go internationalization? *Technological and Economic Development of Economy*, 18 (2), 37–41. DOI: <https://doi.org/10.3846/20294913.2012.677588>
- Zhang, Y., Toppinen, A., & Uusivuori. (2014). Internationalization of the forest product industry: A synthesis of literature and implications for future research. *Forest Policy and Economics*, 38, 8 -16.

- Zhao, Q. (2018). Electromobility research in Germany and China: structural differences. *Scientometrics*, 117, 473–493. <https://doi.org/10.1007/s11192-018-2873-9>
- Zhao, H., Zhang, F. & Kwon, J. (2018). Corporate social responsibility research in international business journals: an author co-citation analysis. *International Business Review*, 27 (2), 389-400. doi: [10.1016/j.ibusrev.2017.09.006](https://doi.org/10.1016/j.ibusrev.2017.09.006).
- Zhou, L., Wu, A., & Barnes, B. (2012). The Effects of Early Internationalization on Performance Outcomes in Young International Ventures: The Mediating Role of Marketing Capabilities. *Journal of International Marketing*, 20 (4), 25-45. <https://doi.org/10.1509/jim.12.0076>
- Zhu, Q., & Zhang, Q. (2015). Evaluating practices and drivers of corporate social responsibility: the Chinese context. *Journal of Cleaner Production*, 100, 315-324. <https://doi.org/10.1016/j.jclepro.2015.03.053>

VITA

2008-2012	International Business Universidad EAFIT Medellin, Colombia
2013-2014	Master of International Business Universidad EAFIT Medellin, Colombia
2018-2022	Doctoral Candidate Universidad EAFIT Medellin, Colombia

Publications

- Gomez-Trujillo, A.M., & Alzate, I. (2019). Presencia internacional y sostenibilidad en mercados emergentes: Grupo Nutresa hacia un liderazgo global. *Producción + Limpia*, 14 (1), 77-93. DOI: <https://doi.org/10.22507/pml.v14n1a4>
- Gomez-Trujillo, A. M., Alzate, I., Manotas, E. & Boada, A. (2019). E-commerce and sale's potentialization of SMEs in emerging economies. *Indian Journal of Science and Technology*, 12 (7), 1-8. DOI: 10.17485/ijst/2019/v12i7/140167

- Boada, A., & Gomez-Trujillo, A.M. (2020). El monstruo de la globalización: desafíos y alternativas, de Jacques B. Gélinas. *Investigación y Desarrollo*, 28 (2), 221-231.
DOI: <https://doi.org/10.14482/indes.28.2.338.98>
- Gomez-Trujillo, A. M. (2020). Reseña: A Lomo de Mula de Germán Ferro Medina. *Cuadernos de Economía*, 39 (79), 389-395. <https://doi.org/10.15446/cuad.econ.v39n79.77620>
- Gomez-Trujillo, A.M., & Gonzalez-Perez, M.A. (2020). What do we know about organizational sustainability and international business?. *Management of Environmental Quality*, 31 (2), 292-305. <https://doi.org/10.1108/MEQ-08-2019-0173>
- Gonzalez-Perez, M. A., Gomez-Trujillo, A.M., Manotas, E., Pérez-Restrepo, C., Uribe-Jaramillo, M. T., Velez-Ocampo, J. & Duque-Ruiz, V. (2020). Strategic capabilities of Colombian firms. In A. Cuervo-Cazurra, W. Newburry, & S. Park (Eds.), *Building strategic capabilities in Emerging Markets* (pp. 286-308). Cambridge: Cambridge University Press.
doi:10.1017/9781108565240.013
- Gomez-Trujillo, A., Velez-Ocampo, J. & Gonzalez-Perez, M. A. (2020). A literature review on the causality between sustainability and corporate reputation, what goes first? *Management of Environmental Quality*, 31 (2), 406-430. <https://doi.org/10.1108/MEQ-09-2019-0207>
- Gomez-Trujillo, A. M., & Gonzalez-Perez, M.A. (2021). Digital transformation as a strategy to reach sustainability. *Smart and Sustainable Built Environment*.
<https://doi.org/10.1108/SASBE-01-2021-0011>
- Gomez-Trujillo, A.M, Gonzalez-Perez, M. A., & Velez-Ocampo, J. (2021). Transparency, Trust and Technology: blockchain and its relevance in the 2030 agenda. In Park, S. H., Gonzalez-Perez, M.A., & Floriani, D.E. (Eds.), *The Palgrave Handbook of Corporate*

Sustainability in the Digital Era, Palgrave Macmillan, Cham.

https://doi.org/10.1007/978-3-030-42412-1_28

Gomez-Trujillo, A.M., Velez-Ocampo, J., Castrillon-Orrero, S., Alvarez-Vanegas, A. & Manotas, E. (2021). Responsible patterns of production and consumption: The race for the achievement of the SDGs in emerging markets. *AD-minister*, 38, 93-120.

<https://doi.org/10.17230/Ad-minister.38.4>

Gomez-Valencia, M., Gonzalez-Perez, M. A., & Gomez-Trujillo, A, M. (2021). The “Six Ws” of sustainable development risks. *Business Strategy and the Environment*, 1-14.

<https://doi.org/10.1002/bse.2794>

Manuscripts under review

Chapter 2. Gomez-Trujillo, A.M. & Gonzalez-Perez, M.A. Sustainability as a legitimacy strategy to reach long-term competitive relevance. *Mexican Journal of Economics and Finance*.

Chapter 3. Gomez-Trujillo, A.M., Gonzalez-Perez, M.A., Velez-Ocampo, J., & Castaño, O.

Raising the sustainability flag: How a sustainability strategy contributes to overcoming the liabilities of foreignness of EMNEs. *Journal of International Management*.

Gomez-Trujillo, A. M., & Gonzalez-Perez, M.A. Sustainability and internationalization in emerging market firms: two sides of the same coin (book chapter proposal). Edward Elgar Publishing.

Conference Presentations

Gonzalez-Perez, M. A., Gomez-Trujillo, A., Manotas, E., Pérez Restrepo, C., Uribe-Jaramillo, M. T., Velez-Ocampo, J. & Duque-Ruiz, V. (2017, October). Colombia firms' strategic capabilities.

Building strategic capabilities in emerging markets firms. CEIBS CEMS Annual Emerging Market Forum, Shanghai, China

Gonzalez-Perez, M. A., Gomez-Trujillo, A., Manotas, E., Pérez Restrepo, C., Uribe-Jaramillo, M. T., Velez-Ocampo, J. & Duque-Ruiz, V. (2018, March). Overcoming country of origin liabilities to become a high flyer in domestic and global markets. Academy of International Business, Latin American Chapter, Buenos Aires, Argentina.

Gonzalez-Perez, M. A., Gomez-Trujillo, A., Velez-Ocampo, J., Manotas, E., Pérez Restrepo, C., Uribe-Jaramillo, M. T., & Duque-Ruiz, V. (2018, June). Key resources and capabilities emerging economies firms before, during and after their first international activity. Academy of International Business, Minneapolis, United States

Gonzalez-Perez, M. A., Velez-Ocampo, J., Gomez-Trujillo, A., Manotas, E., Castrillón Orrego, S., Alvarez-Vanegas, A. (2018, December). Sustainable production and consumption patterns in emerging countries: The role of the private sector to SDG 12. Localization of the SDGs: Accelerating the Implementation of the 2030 Agenda, Medellín, Colombia.

Gonzalez-Perez, M. A., Velez-Ocampo, J., Gomez-Trujillo, A., Manotas, E., Castrillón Orrego, S., Alvarez-Vanegas, A. (2019, March). Sustainable production and consumption patterns in emerging countries: The role of the private sector. Academy of International Business, Latin American Chapter, Cochabamba, Bolivia.

Gomez-Trujillo, A.M. (2019, June). The relation between Sustainability and Internationalization of Colombian companies. Doctoral Student Consortium, Academy of International Business, Copenhagen, Denmark.

Gomez-Trujillo, A.M. (2020, July). Linkage between internationalization and sustainability: Analysis of Colombian companies with international operations. Doctoral Student Consortium, Academy of International Business.

- Gomez-Trujillo, A.M. (2020, August). Linkage between internationalization and sustainability: Analysis of Colombian born companies with international operations. Doctoral Consortium. Academy of Management.
- Gomez-Trujillo, A.M. (2020, November). Relación entre la sostenibilidad y la internacionalización de la empresa: Análisis de las empresas multinacionales de Colombia. VIII Coloquio Doctoral, REDAC.
- Gomez-Trujillo, A..M, Velez-Ocampo, J., & Gonzalez-Perez, M.A. (2020). Interlinks between sustainability and Corporate Reputation: A systematic literature review and future research opportunities. Academy of International Business, Latin American Chapter.
- Gomez-Trujillo, A.M. (2021). The interrelationship between internationalization and sustainability: Analysis of an emerging market multinational. Doctoral Student Consortium, Academy of International Business.
- Gomez-Trujillo, A.M., & Vargas-Bernal, L. (2021, May). Ensuring sustainability before and after the internationalization process: Grupo Sura. Academy of International Business, Latin American Chapter.
- Gomez-Valencia, M., Gonzalez-Perez, M.A., & Gomez-Trujillo, A. M. (2021, June). Exploring the linkages between sustainability and risk management: A systematic literature review. Academy of International Business.
- Gomez- Trujillo, A.M. (2022). The interrelationship between internationalization and sustainability: Analysis of an emerging market multinational. Accepted for the 2022 AIB Doctoral Consortium.
- Gomez-Trujillo, A.M & Gonzalez-Perez, M. A. (2022). Sustainability as a strategy for corporate legitimacy in emerging markets. Accepted for the 2022 AIB LAC Conference.

Gomez-Trujillo, A.M & Gonzalez-Perez, M. A. (2022). Corporate Sustainability as a Mechanism to Reaching Long-Term Competitive Relevance. Accepted for the 2022 AIB Conference.

Gomez-Trujillo, A. M., Gonzalez-Perez, M. A., Castaño, O., & Velez-Ocampo, J. (2022). Internationalization and sustainable development: Analysis of a multilatina. Accepted for the 2022 AIB LAC Conference.

Gomez-Trujillo, A. M., Gonzalez-Perez, M. A., Castaño, O., & Velez-Ocampo, J. (2022). Contribution to Sustainable Development When Entering New Markets: Insights from a Multilatina. Accepted for the 2022 AIB Conference.

APPENDIX 1

Review Protocol Chapter 3

1. Getting started

First, I want to clarify that you may skip any questions you are not comfortable with and may stop at any time. You can also ask for confidentiality. Additionally, if you decide to stop participating or realize that you do not want to discuss topics in the interview, there will be no penalty to you. We are asking you to participate voluntarily in this study. There are no direct benefits to you, but we think that your participation will help to better understand and characterize the interrelationship between internationalization and sustainability of an emerging market multinational and identify its contribution to sustainable development. The interview will last no more than 90 minutes. Do you allow me to record the interview?

2. General information

Let's start with some general information:

- Name
- Academic background
- Career in the company. How long have you worked in ISA? Which positions have you previously held?
- Role and responsibilities at the time of the interview
- For how long have you been in this position?

3. Interview

Now, I would like to ask you:

Sustainability Initiatives

➤ *Questions asked on the pilot study:*

1. When did the company/subsidiary start the implementation of sustainability initiatives into its strategy?
2. What is the sustainability strategy and model of the firm?
3. Are all sustainability initiatives the same in subsidiaries and in headquarters?
4. Why do you implement sustainability initiatives in overseas markets? What are the benefits of it?

➤ *Questions added after pilot study:*

5. How does the company define sustainability?
6. How has the process of incorporating the sustainability strategy into the corporate strategy been? How does it differ between the businesses and between the various countries of operation?
7. How do the international subsidiaries respond to the proposed sustainability strategy?
8. How does the context both in Colombia and in the host countries influence strategic decision-making?
9. How is the culture of contributing to sustainable development transmitted to subsidiaries abroad?
10. How do you strengthen the relationship with your local and international stakeholders?

11. How do you relate to government entities in the countries where you have operations?

Sustainability Drivers

➤ ***Questions asked on the pilot study:***

12. What are the boosters of the inclusion of sustainability into the corporate strategy? – This question was reworded
13. What motivates the company/subsidiary to include sustainability issues into its corporate strategy?

➤ ***Questions added after pilot study:***

14. What are the biggest sustainability challenges in your company?
15. Why can sustainability be seen as a flag for international expansion? Or is it the other way around?
16. What are the capacities that the company has or that it develops in the establishment of a sustainability strategy?

Sustainability Outcomes

➤ ***Questions asked on the pilot study:***

17. What are the results of the inclusion of sustainability into the company/subsidiary?
18. What are the results of implementing sustainability into the company/subsidiary beyond the financial ones? - This question was reworded
19. How does the company contribute to the sustainable development of the countries where it has a presence? - This question was reworded

➤ ***Questions added after pilot study:***

20. What is the market impact of the initiatives that contribute to the sustainable development of the countries where you have operations?

Role of Institutions – All this section was eliminated after pilot study as the questions were implicit in the other categories

21. How does the context influence the internationalization decisions of the company/subsidiary?
22. Why is it different from operating in an overseas country?
23. What were the main challenges that the company/subsidiary faced when going abroad?

Thank you very much for your participation, once the study is finished, the results will be shared with you. At this time the recording stops

4. After the interview

- Take notes on additional people to contact
- Write my own comments

APPENDIX 2

Review Protocol Chapter 4

1. *Getting started*

First, I want to clarify that you may skip any questions you are not comfortable with and may stop at any time. You can also ask for confidentiality. Additionally, if you decide to stop participating or realize that you do not want to discuss topics in the interview, there will be no penalty to you. We are asking you to participate voluntarily in this study. There are no direct benefits to you, but we think that your participation will help to better understand and characterize the interrelationship between internationalization and sustainability of an emerging market multinational and identify its contribution to sustainable development. The interview will last no more than 90 minutes. Do you allow me to record the interview?

2. *General information*

Let's start with some general information:

- Name
- Academic background
- Career in the company. How long have you worked in ISA? Which positions have you previously held?
- Role and responsibilities at the time of the interview
- For how long have you been in this position?

3. *Interview*

Now, I would like to ask you:

Internationalization Strategies

➤ *Questions asked on the pilot study:*

1. Why does the company prefer acquisitions or mergers to other modes of entry? –This question was eliminated as it was immersed in other question
2. How do you relate to government entities in the countries where you have operations?
3. How do you strengthen the relationship with your international stakeholders?
4. What do you consider are the main capabilities of the company for internationalization processes?

➤ *Questions added after pilot study:*

5. How do you select the countries of operations?
6. How was the internationalization process like?
7. How do you overcome obstacles while internationalizing?

Internationalization Drivers

➤ *Questions asked on the pilot study*

8. What do you think were the reasons for the international expansion of the Group? -This question was reworded

9. How does the context both in Colombia and in the host countries influence strategic decision-making?
10. Why can sustainability be seen as a banner for international expansion? Or is it the other way around?

Internationalization Outcomes

➤ *Questions asked on the pilot study:*

11. What are the benefits of internationalization beyond the purely financial? – This question was reworded
12. What are the biggest challenges of internationalization for the Group? –This question was reworded
13. What evidence do you have about the impact on the share price of the most relevant events on the path to sustainability and international expansion? What would those milestones in the company's history be? – This question was eliminated

➤ *Questions added after pilot study:*

14. What are the main achievements once you get into a new country?

Contribution of EMNEs to sustainable development

➤ *Questions asked on the pilot study:*

15. How is the culture of contributing to sustainable development transmitted to subsidiaries abroad?
16. How does the company contribute to the sustainable development of the countries where it has a presence? – This question was reworded
17. How could you relate the sustainability strategy to your internationalization strategy? – This question was reworded

➤ *Questions added after pilot study:*

18. What is the main motivation to get involved into sustainability issues?
19. What are the outcomes of your sustainability strategy in each country of operations?
20. What are the main capabilities you have for implementing sustainability initiatives in overseas markets?

Thank you very much for your participation, once the study is finished, the results will be shared with you. Currently the recording stops

4. After the interview

- Take notes on additional people to contact
- Write my own comments