



ALMA MATER STUDIORUM
UNIVERSITÀ DI BOLOGNA

ARCHIVIO ISTITUZIONALE DELLA RICERCA

Alma Mater Studiorum Università di Bologna Archivio istituzionale della ricerca

Walking the talk in family firms. An empirical investigation of CSR communication and practices

This is the final peer-reviewed author's accepted manuscript (postprint) of the following publication:

Published Version:

Walking the talk in family firms. An empirical investigation of CSR communication and practices / andrea venturelli; simona cosma; salvatore principale; lorenzo ligorio. - In: CORPORATE SOCIAL-RESPONSIBILITY AND ENVIRONMENTAL MANAGEMENT. - ISSN 1535-3966. - ELETTRONICO. - 28:1(2020), pp. 497-510. [10.1002/csr.2064]

Availability:

This version is available at: <https://hdl.handle.net/11585/914178> since: 2023-02-08

Published:

DOI: <http://doi.org/10.1002/csr.2064>

Terms of use:

Some rights reserved. The terms and conditions for the reuse of this version of the manuscript are specified in the publishing policy. For all terms of use and more information see the publisher's website.

This item was downloaded from IRIS Università di Bologna (<https://cris.unibo.it/>).
When citing, please refer to the published version.

(Article begins on next page)

This is the final peer-reviewed accepted manuscript of:

Venturelli, A., Principale, S., Ligorio, L., & Cosma, S. (2021). Walking the talk in family firms. An empirical investigation of CSR communication and practices. *Corporate Social Responsibility and Environmental Management*, 28(1), 497-510.

The final published version is available online at:

<https://doi.org/10.1002/csr.2064>

Terms of use:

Some rights reserved. The terms and conditions for the reuse of this version of the manuscript are specified in the publishing policy. For all terms of use and more information see the publisher's website.

This item was downloaded from IRIS Università di Bologna (<https://cris.unibo.it/>)

When citing, please refer to the published version.

Walking the talk in family firms. An empirical investigation of CSR communication and practices

Abstract

Family firms are embarking on a virtuous path increasingly oriented towards sustainable development. The corporate social responsibility (CSR), more and more regarded as a positive driver for the reputation and preservation in the medium to long term for the company, is now an element that falls within the credit valuations of banking firms. Our research investigates CSR communication and practices in small and medium-sized family businesses. Using the Socio-emotional wealth perspective (SEW), we analyse the effect of family control and influence on CSR behavior. **We perform a poisson regression on an Italian regional sample of 200 family businesses.** Our study reveals a greater propensity of family businesses to practices rather than CSR communication. Family control has a positive effect on CSR practices, while family involvement has an adverse effect on CSR communication. In addition, strong control and involvement has a negative effect on CSR communication.

1. Introduction

Corporate social responsibility (CSR) is almost a topic consolidated in accounting studies (Elijido-Ten et al., 2019; Shahzad, Rehman, Nawaz, & Nawab, 2018; Spence, 2016). This issue has also come to the attention of regulators and governments (Camilleri, 2015; Venturelli, Caputo, Cosma, Leopizzi, & Pizzi, 2017). Many studies have studied the topic on several fronts and some of these have highlighted the benefits that companies would obtain if they pursue socially responsible goals (Dutot, Lacalle Galvez, & Versailles, 2016). This focus on the CSR behaviour companies has achieved the need for increasing transparency of information from investors, employees and the community (Verbeeten, Gamerschlag, & Möller, 2016). This information is also assessed by an ever increasing number of banks and lenders (Magnanelli & Izzo, 2017). Studies show that companies that adopt virtuous behaviour, in this sense, receive better conditions from banks, obtaining a lower cost of debt (Du, Weng, Zeng, Chang, & Pei, 2017). In a highly competitive environment, CSR is certainly an important lever to improve its reputation and corporate image and, consequently, reduces business risk (Aguilera-Caracuel & Guerrero-Villegas, 2018).

Reputation and image are two essential elements of family businesses (Sageder, Mitter, & Feldbauer-Durstmüller, 2018). These two elements and the deep bond with the community represent the impulses that can stimulate the family business to implement socially responsible behaviour (Berrone, Cruz, & Gomez-Mejia, 2012). In this context lies the Socio-Emotional Wealth (SEW) perspective. The term 'socio-emotional wealth' refers to peculiar aspects of family businesses, which tend to pursue, unlike the non-family firms, some non-financial objectives to preserve their "affective endowments" (Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes, 2007). Socio-emotional wealth therefore

encourages the socio-environmental commitment of family businesses (Berrone, Cruz, Gomez-Mejia, & Larraza-Kintana, 2010). For this reason, family businesses are careful to listen to the needs of their workers and the community in which they operate (Berrone et al., 2012). Managers of small family businesses and medium-sized businesses, for example, seek to address environmental and social issues in order to develop the local economy and meet consumer demands (Laguir, Laguir, & Elbaz, 2016). Furthermore, although there is some evidence on the relationship between CSR performance and family businesses, few studies have studied the relationships between these businesses and CSR communication (Campopiano & De Massis, 2015).

In recent years, regulators have introduced new forms of regulation in order to sustain the voluntary adoption of socially responsible practices by family business and small and medium-sized enterprise (SMEs) (Peake, Cooper, Fitzgerald, & Muske, 2017). In particular, the European context has been one of the main jurisdictions interested by new initiatives regarding CSR (European Commission, 2018). In fact, despite the contribution of SMEs to sustainable development remaining lower than large firms, regulators have tried to introduce, within their own jurisdiction, market-based mechanisms to encourage those firms to invest in CSR (Dawson, Ginesti, & Sciascia, 2019). In this sense, during the last several years the European Commission have introduced within its agenda some connections with the new concept of “green finance” (European Commission, 2020). Furthermore, the phenomenon has also been supported at the country level. In fact, regulators have tried to avoid this scepticism through juridical tools such as the Italian Legality Rating (LR) (Pizzi, Caputo, & Venturelli, 2020). In fact, the LR’s adoption represents a strategic driver to achieve external funds from the Banking’s systems. In this sense, being responsible currently represents not only a way to increase reputation but also a way to achieve funds from external stakeholders such as socially responsible investors, banks and funds (Magnanelli & Izzo, 2017).

According to prior research agenda on social entrepreneurship, we evaluate whether certain characteristics of family businesses influence CSR activities (Cabeza-García, Sacristán-Navarro, & Gómez-Ansón, 2017). In particular, we have focused our attention on the main differences caused by the involvement of family members within the decision-making processes. We focus on two peculiar elements of family businesses, the control and involvement of the family. Although the growing interest paid by academics on CSR in family businesses and SMEs (Lopez-Gonzalez, Martinez-Ferrero, & Garcia-Meca, 2019; Soundararajan, Jamali, & Spence, 2018), our research will provide further insights on the topic. In fact, the current scenario is characterized by a high degree of heterogeneity regards these (De La Cruz Déniz Déniz & Suárez, 2005; Madden, McMillan, & Harris, 2020). Furthermore, the research will extend the scientific debate regard the divergences between “walking” and “talking” about CSR (Schoeneborn, Morsing, & Crane, 2020; Schons & Steinmeier, 2016).

The analysis has been conducted on a sample of 200 Italian firms based on Apulia Region. According to Helfaya and Whittington (2019), our analysis has been performed through the development of an environmental indicators. In detail, we have built our indicators in according to the analytical framework proposed by the Mistra Center for Sustainable Markets (2019). The exigence to revise the original framework is based on the exigence to adequate the evaluation to a different geographic context. Furthermore, we have based our analysis on the Socio Emotional Wealth Theories who represents one of the widely adopted framework in family business studies on CSR (Gómez-Mejía et al., 2007).

The rest of the work is structured as follows. The following sections introduce SEW theory and existing literature related to family businesses on variables and on the development of hypotheses. Then we describe the method used and the results. Finally, we discuss the results and their implications.

2. Literature Review

Over the last decade, many scholars have debated the differences between family and non-family businesses in relation to socially responsible practices (Biswas, Roberts, & Whiting, 2019; Campopiano & De Massis, 2015; Izzo & Ciaburri, 2018). Many studies agree that family businesses are more socially responsible than non-family businesses (Dawson et al., 2019; Sageder et al., 2018).

Various theories have supported this claim, first of all the socio-emotional wealth (SEW) perspective (Gómez-Mejía et al., 2007; Labelle, Hafsi, Francoeur, & Ben Amar, 2018). According to the SEW perspective, family businesses also pursue family-oriented non-financial goals in addition to economic ones (L. R. Gomez-Mejia, Cruz, Berrone, & de Castro, 2011). The purpose of these institutions is therefore to preserve or increase their "socio-emotional wealth" (Gómez-Mejía et al., 2007). Socio-emotional wealth is an intrinsic value in the family as its identity is inseparably linked to the company itself (Berrone et al., 2010). Family members therefore guide their choices to preserve and preserve this wealth. According to some, social wealth motivates is the only driver that motivates family businesses to socially responsible behaviour (Gómez-Mejía et al., 2007). In addition to protecting the environment, CSR behaviours strengthen the socio-emotional wealth of family businesses as this commitment is considered positively by the community in which the company operates (Berrone et al., 2012). Some studies have indeed shown that family firms are more likely to invest in CSR activities (Lamb & Butler, 2018; Madden et al., 2020).

However, some scholars have also emphasized the heterogeneous nature of this type of business (Singh & Mittal, 2019). Therefore, it is not only social reasons that push the family firms to socially responsible behaviour (Kellermanns, Eddleston, & Zellweger, 2012). Family businesses, in fact, characterized by long-term orientation, are more incentivized to sustainable behaviour to strengthen and preserve their reputation (Campopiano, De Massis, & Cassia, 2012). On the

one hand, some scholars argue, for example, that family businesses are more likely to treat CSR as a tool to obtain higher earnings (Zientara, 2017). In this case, CSR becomes a tool used for selfish purposes. On the other hand, others say that family properties in which long-term orientation is most relevant negatively influence the adoption of sustainable practices (Memili, Fang, Koç, Yildirim-Öktem, & Sonmez, 2018). These businesses consider CSR as cost rather as opportunity. Adopting CSR practices requires investments in R&D that would increase the degree of risk of the company, compromising the longevity of the company in the years to come (Block, 2012; Dal Maso, Basco, Bassetti, & Lattanzi, 2020).

2.1 CSR practice and family firms

According to the SEW approach, companies with greater family ownership invest more resources in CSR activities in order to preserve socio-emotional endowments (Berrone et al., 2012). For reasons of preservation of their image and reputation, family businesses are oriented towards a greater listening to the requests of their stakeholders (Berrone et al., 2012). This proactive push would lead companies to give greater value to environmental, social and governance (ESG) performance (Lamb & Butler, 2018). Therefore, some scholars have sought evidence of this relationship. A study on Asian family businesses, in addition to confirming a positive correlation between socio-emotional wealth and CSR performance, has shown how family businesses are more performing in the ESG field (Yu, Ding, & Chung, 2015).

Many scholars have tried to verify family control by comparing family and non-family businesses. Family-owned businesses are more likely than non-family businesses to engage in CSR activities to safeguard the family image and trans-generational control (Shahzad et al., 2018). Similar results have come from other scholars, for which family businesses achieve higher sustainable performances than non-family firms (Yu et al., 2015). In addition, results from a study of a sample of 194 US businesses show that family-owned public businesses have better environmental performance to preserve their socio-emotional wealth (Berrone et al., 2010).

Furthermore, some scholars argue that family businesses are more likely to engage in CSR than non-family businesses as family members have greater ties to community members (Niehm, Swinney, & Miller, 2008). The ties between family members and the community is more consolidated even in the case of small businesses. This explains why, despite the size of the companies, there is evidence of an interest in socially responsible activities even in small family businesses (Canavati, 2018; Peake et al., 2017).

On the other hand, because of the strong heterogeneity that characterizes family businesses, there are evidences that are opposed to such thinking. By studying the relationship between family control and CSR practices, some authors have highlighted that companies with low family control invest more in socially responsible activities (Labelle et al., 2018).

Family businesses are less encouraged to implement socially responsible practices if from stakeholder-oriented strategies they can expose the family to higher risks (C Cruz, Larraza-Kintana, Garcés-Galdeano, & Berrone, 2014). In this perspective, focused on maintaining control over the various company operations would tend not to consider the socio-environmental aspects (Cristina Cruz, Justo, Larraza-Kintana, & Garcés-Galdeano, 2019).

Nevertheless, guided by the need to protect their socio-emotional wealth, we expect that companies with a strong shareholding in the family also have high CSR performances. Accordingly, we hypothesize:

Hypothesis 1. The family ownership is positively associated with better CSR practice.

There are few studies that have measured, however, the combined effect on conduct CSR, ownership and strong family involvement. According to empirical evidence it appears that the family positively influences corporate social responsibility when it is involved simultaneously both in terms of ownership and in terms of management (Canavati, 2018). A study carried out on a panel of international family businesses has shown how CSR performance increases if the members of the family are highly represented within the management and on the board of directors (López-González, Martínez-Ferrero, & García-Meca, 2019). In line with the previous literature, we hypothesize that their joint presence positively influences CSR behaviours.

Hypothesis 2. The family power is positively associated with better CSR practice.

2.2 CSR communication and family firms

Few studies have investigated the CSR communication of family businesses. This evidence is driven by the lack of interest paid by family businesses to the externalization of their behaviours to stakeholders (Gavana, Gottardo, & Moiselto, 2017). Most studies on the field have structured their analysis using traditional theories, agencies or institutions. Some empirical analyses have shown that family businesses would tend to provide less information to prevent them from being used by competitors, thus causing a competitive disadvantage for the company (Elliott & Jacobson, 1994). An analysis carried out on a sample of 98 Italian companies has shown that the reports of family businesses are of greater variety and less compliant with international standards than non-family businesses (Campopiano & De Massis, 2015). Another study highlighted the lower quality of family business reports and a negative impact of the family's evolution in management and CSR disclosure (Biswas et al., 2019). In addition, a study of 290 public enterprises showed that the board promotes CSR activities only in the case of weak family involvement (Oh, Chang, & Jung, 2019). Another study on Spanish companies highlighted a negative influence on CSR disclosure in family-owned companies with a family member as Chairman of the board (Cabeza-García et al., 2017). A recent study, however, showed the consistency of its results with the SEW perspective. Family-controlled businesses tend to disclose less environmental information because the gains

from increased transparency would not compensate for the harmful effects on the preservation of family control resulting from the publication of more voluntary information (Arena & Michelon, 2018). Furthermore, increased CSR communication would attract more attention and more external capital (Haddock-Fraser & Fraser, 2008). The fear of losing influence acts as a limiting force to the communications of further social and environmental information. Therefore, we hypothesize that to preserve their SEW, family businesses with high involvement are less likely to provide CSR information.

Hp3. The degree of family involvement in the board of directors is negatively associated with CSR communication

3. Methodology

3.1 Sample and Data

Aiming to evaluate the determinants of the “walk” and “talk” performances within the South Italian context, we have analysed the Non-Financial Information (NFI) published on official via websites by the 200 largest firms in term of financial turnovers localized in Apulia region (Table 1). In particular, the choice of the revenue as extraction filter is linked with many prior works: literature shows a positive relation between firm size and social performance (McWilliams & Siegel, 2000).. *The sample under analysis has an adequate degree of homogeneity. The companies analyzed, in fact, are characterized by a restricted corporate structure. Furthermore, as shown in Table 1B, the companies are similar also in terms of financial performance. It mostly includes non-listed companies. Listed and non-listed firms have not been separated since family firms literature shows a scarce relevance of such distinction in terms of CSR disclosure (Campopiano & De Massis, 2015).* We adopted the Bureau van Dijk’s database “Aida”, which includes financial, demographic, and commercial information about Italian firms, to incorporate financial data in our analysis. Specifically, the decision to include the largest firms in our sample is linked with the Aida database itself since it does not provide any micro-enterprises data (Cassia & Colombelli, 2009).

The data collection has been conducted according to the approach proposed by Kolks & Pinkse (2010). In detail, we have collected data by selecting the firm reports *referring to the 2018 financial year*, along with other non-financial documents, that dealt with multiple CSR dimensions such as environment, health, and safety. Since our sample mostly includes SMEs and, thus, firms the CSR reporting is not mandatory for, it is very common to come across the absence of non-financial reports (Fassin, Van Rossem, & Buelens, 2011). Thus, we have limited our analysis only on the NFI disclosed on firms’ official website.

According to prior studies on Italian context we have based our analysis on a single Region (Cucculelli & Storai, 2015; Marco-Fondevila, Moneva Abadía, & Scarpellini, 2018; Silvestri, Veltri, Venturelli, & Petruzzelli, 2017). The choice to analyse only a single region has been driven by the peculiarities of the Italian context. In addition, previous literature agrees that the Apulia organizational tradition is strongly linked with the families, making very reasonable to think that it could be a good family firms' scenario (Gurrieri, 2008; Basco, 2015). In addition to the mentioned evidence, we considered to build an Apulia based sample since its firm panorama has many similarities with the European SMEs context (Pastore, Ricciardi & Tommaso, 2019). Finally, our sample size is consistent with prior studies on the Italian context (Bollazzi, Risalvato, & Venezia, 2019).

We also included all industrial sectors by distinguishing between manufacturing and non-manufacturing sectors following the Dawson et al. (2019) approach.. Table 1 gives an overview of our sample. In particular, it should be reported that the largest part of the sample is composed of Manufacturing and Services firms (Table 1A).

PLEASE INSERT TABLE 1 A

Analysing the financial variables (Table 1B), it is remarkable the presence of firms with a number of employees below 500: this evidence confirms what we stated above in terms of CSR reporting. In the same terms, results shown by the selected financial variables and, specifically, by the Assets and Revenue amount, confirm the prevailing presence of Small Medium Enterprises in our sample being coherent with previous research works (Cantele & Zardini, 2020).

PLEASE INSERT TABLE 1 B

3.2 Measures

Dependent variable

To assess the CSR behaviors of family businesses we used a scoring system. Specifically, we have identified 3 dependent variables. The first two, "Talk" and CSR "Walk", are expressions of communication and CSR practices respectively. The CSR Talk variable, instead, evaluates the communication of CSR. The third, CSR "Overall" score has been built as follows:

$$Overall_{score} = Talk_{score} + Walk_{score}$$

The three dependent variables “CSRWalk”, “CSRTalk”, and “Overall” have been evaluated in agreement with the framework proposed in 2019 by the Mistra Center for Sustainable Markets (2019). The framework, slightly different from the 2017 version, consists of an assessment grid that evaluates the “talking” and “walking” performance of firms through 32 KPIs related to talk and walk performance. In particular, the talk KPIs are linked with the capability of producing documents related to the inclusion of CSR into the general business. Otherwise, the walk KPIs assess the availability of achievement and progress reports along with the commitment at governance and top management levels. Specifically, this part of the framework focuses also on anti-discrimination practices, gender balance and the adhesion to the Global Reporting Initiative Standards, along with the “Agenda 2030” Sustainable Development Goals. Out of the total 32 KPIs, 25 were on a binary scale from 0 to 1, six were on a scale from 0 to 2 and one from 0 to 3. Our decision to use this framework is linked with the inner nature of the framework itself: the KPIs have been developed in order to help examine each firm in the most objective and criteria-based way and to avoid hypothetical biases that could result from the comparison of firms different from a structural and sectorial point of view.

Finally, we took into consideration that the selected framework is essentially developed for listed companies. To adapt it to the companies being analyzed, we decided to include the ethic code in those cases when the code of conduct was not available and, also, to elaborate the Talk score by including those websites areas whose content corresponds to a KPI.

Independent and control variables

Following the methodological approach widely used in prior works about this topic (Dawson et al., 2019; Erbetta, Menozzi, Corbetta, & Fraquelli, 2013), we set a group of independent variables to analyse their influence in firms’ non-financial reporting.

On firm level (Table 2), we chose as independent variables the Ownership (percentage of shares owned by a group of people united by the same surname), the Family Directors presence (percentage of administrators also part of the family) and, lastly, the Family Power, developed as the product of Family Directors and Ownership (Carney, Duran, van Essen, & Shapiro, 2017; Drago, Ginesti, Pongelli, & Sciascia, 2018; Duréndez & Madrid-Guijarro, 2018; Poutziouris, Savva, & Hadjielias, 2015). Finally, as control variables we used the Firm’s Age, the Leverage (debt/equity ratio), the Firms Size (natural logarithm of total assets) and the Family Radication, represented by the product between Ownership, and the Generational Stage of the family firm (Debicki, Kellermanns, Chrisman, Pearson & Spencer, 2016; De Massis et al., 2013; Gallo & Vilaseca, 1996; Hernández-Linares et al., 2018; Sciascia et al., 2014).

PLEASE INSERT TABLE 2

The descriptive statistics related to independent variables used in our empirical model are showed in Table 3. We noticed that our sample shows relatively recent firms, with an average age of 25, and since most of them are family firms, we were able to find out that they are also, on average, at the first-generation level.

PLEASE INSERT TABLE 3

3.3 Analysis

The value of each dependent variable has been defined through a content analysis applied on the NFI data: this method is widely adopted among non-financial reporting studies (Krippendorff, 2018; Milne & Adler, 1999). Before starting the NFI content analysis, two independent researchers brought a deep analysis on a small sample of firms' CSR contents to identify a proper framework of analysis. Then, after coordinating on the coding scheme, three independent researchers conducted the content analysis, examining each firm's related NFI content. The decision to conduct the analysis through three independent researches comes from the necessity to avoid intra-coder and inter-coder reliability of the analysis since coding should be done without any consultation or guidance (Krippendorff, 2018). Finally, the three researchers, under the supervision of a fourth researcher, have discussed their results in order to harmonise the contents of their analysis (Michelon, Pilonato, & Ricceri, 2015).

In order to estimate the determinants that have a significant impact on firms' CSR performance, we adopted a Poisson regression since the chosen dependent variable is a count one (Cohen, West, & Aiken, 2014). We have studied the three different variables in three different moments because of the nature of themselves: the way firms are communicating and applying CSR practices in their activity can be studied with this approach in a more focused way than previous works (Madden et al., 2020). Moreover, we provide a broader scientific evidence about the link between non-financial practices in the SMEs context through a longitudinal approach (Battisti & Perry, 2011). Finally, this study avoids bias linked with a lack of information (Marques, Presas, & Simon, 2014) by working on a wider range of NFI data provided by firms through their online platforms such as CSR reports, code of conduct documents, non-financial original documents or the website itself.

4. Results

Table 4 describes the indicators involved in the development of the CSR Talk dependent variable. The indicators are related to the adoption of specific documentary reporting supports such as Website, CEO Statement, Mission Statement, Vision Statement and Core Value Statement. The results show the low propensity of the selected companies to report ESG information. Specifically, we highlight the results close to 0 in some KPIs as in the case of the Business Model and the reporting of the SDGs. These evidences can be linked with the family firms' tendency in reporting strategies while the low attention paid by firms on SDG themes is linked with poor awareness of Italian firms. Also, Risk Management shows a low performance rate: the reason for this performance could be described by the relationship between the small size of a firm and the low perception of risk (Claver, Rienda, & Quer, 2008). Finally, moving on to non-dummy indicators, we find a quite low score on Website, CorporateStrategy and SustainableStrategies signalling (as explained in Section 3.3), a tendency of acting only in a limited range of CSR dimensions. Specifically, the website performance could be justified by the evidence we gathered through the analysis: since a large part of the sample is composed by retail and commercial firms, we found out how the website has mostly an e-shop role rather than an informative one.

PLEASE INSERT TABLE 4

With regard to CSR Walk indicators (Table 5), low performance was achieved by GRIreporting and IntegratedReporting, meaning very little adhesion to the Global Reporting Initiative Standard and a limited implementation of integrated reporting practices (Campopiano & De Massis, 2015; Del Baldo, 2018). Furthermore, we find similar low performance on all the “follow-up” related indicators: we can deduce that firms prefer to display the final result rather than the intermediate achievements of their CSR policies and, when reporting, they give priority to environmental policies rather than social ones. At last we find very low performances in terms of management composition: there are few CSR executives in group management, and we have found a substantial lack of gender balance both on the board (0,025) and in the group management (0,005), coherently with previous research (Ahrens, Landmann, & Woywode, 2015; Martinez Jimenez, 2009).

PLEASE INSERT TABLE 5

Also, as shown in Appendix A, we noticed quite low scores for each focus area: the results confirm what we stated above and, in particular, are linked with a sample largely composed of firms the NFI reporting is not mandatory for. Going into detail, it is remarkable how the lowest score is achieved in the focus area with the highest obtainable maximum score: our results clearly show that, while in practice there are many follow up actions that can be taken by firms, in reality only few subjects are truly compliant. Moreover, even though the achievable maximum score is lower, we have to underline that our sample shows low Walk performances in terms of Top Level Commitment and, since half of its KPIs are linked with the Gender Balance topic, it becomes clear that there's a very low presence of heterogeneity at this level.

Moving to the first half of the framework, results seems to be better, even if quite low. In particular, the highest point is reached by the Principles Commitment: we discovered in our analysis that despite not having CSR reports or any NFI information at all shown on the websites, many of the analysed firms offered a code of ethics enriched with some CSR principles. Subsequently, by getting same level scores in Communicated S/CR and Strategic Direction, we can state that most firms use their websites in order to express some NFI such as environmental strategies, vision statements or the compliance with the Sustainable Development Goals. Finally, a not completely negative result is achieved in terms of Reporting Accountability: in particular, many firms, even those not performing in terms of CSR reporting, make use of standards such as the ISO 140001 and the ISO 180001.

Finally, we point out that, by excluding the 94 firms that showed a total of 0% among Walk and Talk scores, the largest part of our sample showed a considerably higher Walk score than the Talk score (62 firms out of a total of 106 performing entities).

A correlation analysis was then carried out (Table 6) in the preliminary phase.

PLEASE INSERT TABLE 6

Table 7 shows the results of the regression with the dependent variable Talk. Consistent with the assumptions made, in the models (1) and (2) the Ownership variable is positively associated with the dependent variable ($\beta = 0.42$, $p < 0.01$). Consistent with our hypothesis Hp3, in models (1) and (3) the FDirectors variable adversely affects the dependent variable. The FirmAge variable has no influence on the Talk variable. In the model (4), inclusive of all the variables, however, no characteristic of the family has influence on the Talk. The results of the communication of CSR information from family-owned companies are consistent with recent studies (Arena & Michelon, 2018; Campopiano & De Massis,

2015). Companies in which there is a high presence of family members in corporate management would tend to publish less CSR information (Cabeza-García et al., 2017). These companies might consider it too onerous a cost, in terms of socio-emotional wealth loss, to meet the information needs of stakeholders. Furthermore, this result is also in line with studies that have used the agency's traditional theory (Chen, Chen, & Cheng, 2008). According to this perspective, these types of businesses may have less need to disclose information due to low levels of information asymmetry due to greater involvement in the business.

PLEASE INSERT TABLE 7

Regarding the Walk variable, table 8 shows that the results are in line with the SEW approach. In the model, (2) and (4) especially, the dependent Ownership variables (respectively $\beta = 0.922$ and $\beta = 0.717$) and FDirectors (respectively $\beta = 0.931$, $p < 0.01$ and $\beta = 0.938$, $p < 0.01$) positively influence the Walk variable. To preserve their SEW, companies would be more likely to implement CSR activities (Gómez-Mejía et al., 2007). To do this, they would tend to increase control within the business (Berrone et al., 2010). Generational continuity and long-term orientation could lead them to consider non-monetary objectives more (Berrone et al., 2012). Furthermore, in all four models, the firm size positively influences the dependent variable (in model 1 $\beta = 0.571$, $p < 0.01$). However, the term Familypower has a meaning and negatively influences the dependent variable ($\beta = -1.270$ in model 2, $\beta = -1.364$ in model 4). This evidence suggests that family businesses in which there is simultaneously a high owner control and a strong interference of family members in the management of the company could implement minor CSR behaviors. This on the one hand disagrees with Hp2. On the other hand, it is a data consistent with part of the literature (Cabeza-García et al., 2017). The relationship between the dependent variable and the FirmAge variable is not significant.

PLEASE INSERT TABLE 8

Finally, Table 9 shows the results relating to the Poisson regression for the Overall variable. Even in this analysis, the results support Hp1. In fact, in the model (1) the Ownership variable ($\beta = 0.556$, $p < 0.01$) positively influences the dependent variable. Furthermore, both in the model (1) and in the model (3) the FDirectors variable was negative and significant, with a coefficient equal to $\beta = -0.283$ ($p < 0.01$) and $\beta = -0.340$ ($p < 0.01$) respectively. The FirmAge and Familypower variables were not significant. A significant and positive relationship between the size of the company and

the dependent variable was also ascertained. As verified in other studies, the size as a control variable has a positive effect on our final CSR score (Oh et al., 2019). It affects the Walk more than the Talk. Such evidence, therefore in part, would indicate that high family-owned businesses would tend to have greater CSR behaviors, both in actions and in communication. According to the socio-emotional perspective, the reputation of the family and the bond with the community are factors that promote CSR behaviors (Berrone et al., 2010). The CSR is one of the tools used by the heads of families to consolidate or protect their control over the company.

PLEASE INSERT TABLE 9

5. Discussion & Conclusions

Building a more sustainable economic system is one of the main targets for the European Union. The exigence to favour the transition to more sustainable business models has been driven by the increasing consciousness about new topics such as climate change. However, a high degree of sustainable development could not be achieved without the involvement of SMEs that represent 99.8% of European firms. Furthermore, banks and financial institutions have started to pay increasing attention to sustainable firms due to their ability to perform better than the others during periods of financial crisis.

According to this evidence, the study aims to explain the behaviours of family businesses in relation to CSR practices (Walk) and CSR communication (Talk), using the SEW approach. We therefore focused on the first dimension of SEW (Berrone et al., 2012), "family control and influence". We have studied the two variables both individually and jointly. We used a sample of Italian regional family businesses, typically composed of small and medium enterprises (SMEs), and applied a Poisson regression. The results show that family firms have achieved high scores in Walk rather than in Talk. Overall, businesses with greater family control and larger size tend to engage more in CSR behaviour. Our study suggests a negative effect of family involvement in management on the disclosure of CSR information. The families most involved look negatively at the voluntary disclosure of this information (Arena & Michelon, 2018). Indeed, reports containing business information may cause damage to a company's SEW if used by competitors. This result is consistent with the work based on the agency or institutional theories, which claim less transparency and less incentives deriving from the assiduous presence of the family in daily business (Campopiano & De Massis, 2015; Chen et al., 2008).

The lower engagement in CSR Talk can also be explained by company size (Colucci, Tuan, & Visentin, 2020). Being SMEs, they certainly have less pressure both at the regulatory level and at the level of stakeholders. They could therefore

spend less resources on communication and use them more for CSR activities deemed attractive for proximal stakeholders (Schons & Steinmeier, 2016). On the other hand, the results relating to the Walk highlight the positive effect of family control on CSR performance. The family that is driven by self-preservation pushes over time to pass the company on to future generations tends to encourage the activities considered good practices by the closest stakeholders (employees, communities) (Niehm et al., 2008). These types of companies are arranged at a higher cost (in terms of holding more shares) in order to preserve their socio-emotional wealth (L. Gomez-Mejia, Cruz, & Imperatore, 2014). Indirect control, not directly exercised, has a positive impact on CSR. However, we have not found any evidence of the influence of the impact of the seniority of the company on its commitment to CSR activities. The two joint variables, control and involvement, however, showed a disincentive of the company on activities of CSR communication. Contrary to previous studies (Canavati, 2018; Prado-Lorenzo, Gallego-Alvarez, & Garcia-Sanchez, 2009), strong control, associated with high involvement, causes a negative impact on CSR performance. **This result suggests that in highly controlled family businesses it would be desirable to use qualified external managers to improve their CSR performance. For these reasons, in the light of the results of this study have important managerial implications. Managers can be an important lever on the path towards sustainability of small and medium-sized family businesses. They could reduce the gap between communication and CSR practices of these companies by exploiting the propensity to CSR practices of family members.**

Our study extends the literature on the walk and talk in the field of Corporate Social Responsibilities, conducting a research of family-controlled companies. Although the data still show relatively low scores, family businesses prefer to invest resources in substantial rather than symbolic activities. Furthermore, our work is part of the family business literature. We make a contribution to the SEW literature, increasingly considered as a distinctive element between family and non-family businesses (Berrone et al., 2012; Gómez-Mejía et al., 2007). We delve into the SEW dimension of control and influence in the context of SMEs.

5.1 Limitations and future research

The study lends itself to some limitations. The sample is made up of medium-small enterprises. Furthermore, the analysis was carried out on a regional sample. Future research could analyse a sample of large family businesses, listed or unlisted. **In this sense, scholars could use the original framework, contrary to the one adapted in this paper, as it was designed for listed companies. It would be interesting to verify whether, in the case of listed companies, there is the same relationship between CSR walk and talk found in the sample of unlisted ones or if, on the contrary, better scores are obtained in CSR communication rather than in practices. In terms of listed companies, it could also be interesting to note if there are differences between family firms listed in different countries, especially in the field of CSR communication. This is to check whether different external pressures, primarily regulatory ones, have an impact on Walk and Talk CSR strategies.**

Moreover, using this analysis framework could represent a starting point and a contribution for the research agenda on SMEs and NFI development (Caputo, Veltri, & Venturelli, 2017; Romolini, Fissi, & Gori, 2014). They may also use measures other than those used in this paper to quantify SEW dimensions (Izzo & Ciaburri, 2018). Finally, a quantitative methodology was used in the study. It may be interesting to evaluate the dimensions relating to the SEW perspective through different types of tools, such as interviews, which can highlight elements that cannot be measured with quantitative methods.

References

- Aguilera-Caracuel, J., & Guerrero-Villegas, J. (2018). How Corporate Social Responsibility Helps MNEs to Improve their Reputation. The Moderating Effects of Geographical Diversification and Operating in Developing Regions. *Corporate Social Responsibility and Environmental Management*, 25(4), 355–372.
<https://doi.org/10.1002/csr.1465>
- Ahrens, J. P., Landmann, A., & Woywode, M. (2015). Gender preferences in the CEO successions of family firms: Family characteristics and human capital of the successor. *Journal of Family Business Strategy*, 6(2), 86–103.
<https://doi.org/10.1016/j.jfbs.2015.02.002>
- Arena, C., & Michelon, G. (2018). A matter of control or identity? Family firms' environmental reporting decisions along the corporate life cycle. *Business Strategy and the Environment*, 27(8), 1596–1608.
<https://doi.org/10.1002/bse.2225>
- Battisti, M., & Perry, M. (2011). Walking the talk? Environmental responsibility from the perspective of small-business owners. *Corporate Social Responsibility and Environmental Management*, 18(3), 172–185.
<https://doi.org/10.1002/csr.266>
- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012). Socioemotional Wealth in Family Firms. *Family Business Review*, 25(3), 258–279. <https://doi.org/10.1177/0894486511435355>
- Berrone, P., Cruz, C., Gomez-Mejia, L. R., & Larraza-Kintana, M. (2010). Socioemotional Wealth and Corporate Responses to Institutional Pressures: Do Family-Controlled Firms Pollute Less? *Administrative Science Quarterly*, 55(1), 82–113. <https://doi.org/10.2189/asqu.2010.55.1.82>
- Biswas, P. K., Roberts, H., & Whiting, R. H. (2019). The impact of family vs non-family governance contingencies on CSR reporting in Bangladesh. *Management Decision*, 57(10), 2758–2781. <https://doi.org/10.1108/MD-11-2017-1072>
- Block, J. H. (2012). R&D investments in family and founder firms: An agency perspective. *Journal of Business Venturing*, 27(2), 248–265. <https://doi.org/10.1016/j.jbusvent.2010.09.003>
- Bollazzi, F., Risalvato, G., & Venezia, C. (2019). Asymmetric information and deal selection: evidence from the Italian venture capital market. *International Entrepreneurship and Management Journal*, 15(3), 721–732.
<https://doi.org/10.1007/s11365-018-0539-y>
- Cabeza-García, L., Sacristán-Navarro, M., & Gómez-Ansón, S. (2017). Family involvement and corporate social

responsibility disclosure. *Journal of Family Business Strategy*, 8(2), 109–122.

<https://doi.org/10.1016/j.jfbs.2017.04.002>

Camilleri, M. A. (2015). Environmental, social and governance disclosures in Europe. *Sustainability Accounting, Management and Policy Journal*, 6(2), 224–242. <https://doi.org/10.1108/SAMPJ-10-2014-0065>

Campopiano, G., & De Massis, A. (2015). Corporate Social Responsibility Reporting: A Content Analysis in Family and Non-family Firms. *Journal of Business Ethics*, 129(3), 511–534. <https://doi.org/10.1007/s10551-014-2174-z>

Campopiano, G., De Massis, A., & Cassia, L. (2012). The relationship between motivations and actions in corporate social responsibility: An exploratory study. *International Journal of Business and Society*, 13(3), 391–425.

Retrieved from [https://www.scopus.com/inward/record.uri?eid=2-s2.0-](https://www.scopus.com/inward/record.uri?eid=2-s2.0-84867592012&partnerID=40&md5=7c851217c2add1bd05b42b0bff17665a)

[84867592012&partnerID=40&md5=7c851217c2add1bd05b42b0bff17665a](https://www.scopus.com/inward/record.uri?eid=2-s2.0-84867592012&partnerID=40&md5=7c851217c2add1bd05b42b0bff17665a)

Canavati, S. (2018). Corporate social performance in family firms: a meta-analysis. *Journal of Family Business Management*, 8(3), 235–273. <https://doi.org/10.1108/JFBM-05-2018-0015>

Cantele, S., & Zardini, A. (2020). What drives small and medium enterprises towards sustainability? Role of interactions between pressures, barriers, and benefits. *Corporate Social Responsibility and Environmental Management*, 27(1), 126–136. <https://doi.org/10.1002/csr.1778>

Caputo, F., Veltri, S., & Venturelli, A. (2017). A Conceptual Model of Forces Driving the Introduction of a Sustainability Report in SMEs: Evidence from a Case Study. *International Business Research*, 10(5), 39. <https://doi.org/10.5539/ibr.v10n5p39>

Carney, M., Duran, P., van Essen, M., & Shapiro, D. (2017). Family firms, internationalization, and national competitiveness: Does family firm prevalence matter? *Journal of Family Business Strategy*, 8(3), 123–136. <https://doi.org/10.1016/j.jfbs.2017.06.001>

Chen, S., Chen, X., & Cheng, Q. (2008). Do Family Firms Provide More or Less Voluntary Disclosure? *Journal of Accounting Research*, 46(3), 499–536. <https://doi.org/10.1111/j.1475-679X.2008.00288.x>

Claver, E., Rienda, L., & Quer, D. (2008). Family firms' risk perception: Empirical evidence on the internationalization process. *Journal of Small Business and Enterprise Development*, 15(3), 457–471. <https://doi.org/10.1108/14626000810892283>

Cohen, P., West, S., & Aiken, L. (2014). *Applied multiple regression/correlation analysis for the behavioral sciences*. Psychology Press.

- Colucci, M., Tuan, A., & Visentin, M. (2020). An empirical investigation of the drivers of CSR talk and walk in the fashion industry. *Journal of Cleaner Production*, 248. <https://doi.org/10.1016/j.jclepro.2019.119200>
- Cruz, C, Larraza-Kintana, M., Garcés-Galdeano, L., & Berrone, P. (2014). Are Family Firms Really More Socially Responsible? *Entrepreneurship: Theory and Practice*, 38(6), 1295–1316. <https://doi.org/10.1111/etap.12125>
- Cruz, Cristina, Justo, R., Larraza-Kintana, M., & Garcés-Galdeano, L. (2019). When Do Women Make a Better Table? Examining the Influence of Women Directors on Family Firm's Corporate Social Performance. *Entrepreneurship Theory and Practice*, 43(2), 282–301. <https://doi.org/10.1177/1042258718796080>
- Cucculelli, M., & Storai, D. (2015). Family firms and industrial districts: Evidence from the Italian manufacturing industry. *Journal of Family Business Strategy*, 6(4), 234–246. <https://doi.org/10.1016/j.jfbs.2015.07.002>
- Dal Maso, L., Basco, R., Bassetti, T., & Lattanzi, N. (2020). Family ownership and environmental performance: The mediation effect of human resource practices. *Business Strategy and the Environment*. <https://doi.org/10.1002/bse.2452>
- Dawson, A., Ginesti, G., & Sciascia, S. (2019). Family-related antecedents of business legality: An empirical investigation among Italian family owned SMEs. *Journal of Family Business Strategy*. <https://doi.org/10.1016/j.jfbs.2019.04.003>
- De La Cruz Déniz Déniz, M., & Suárez, M. K. C. S. (2005). Corporate social responsibility and family business in Spain. *Journal of Business Ethics*, 56(1), 27–41. <https://doi.org/10.1007/s10551-004-3237-3>
- De Massis, A., Kotlar, J., Campopiano, G., & Cassia, L. (2013). Dispersion of family ownership and the performance of small-to-medium size private family firms. *Journal of Family Business Strategy*, 4(3), 166–175. <https://doi.org/10.1016/j.jfbs.2013.05.001>
- Del Baldo, M. (2018). *Integrated Reporting in Small and Medium Enterprises: Issues and Perspectives from Italy*. https://doi.org/10.1007/978-3-319-70449-4_13
- Drago, C., Ginesti, G., Pongelli, C., & Sciascia, S. (2018). Reporting strategies: What makes family firms beat around the bush? Family-related antecedents of annual report readability. *Journal of Family Business Strategy*, 9(2), 142–150. <https://doi.org/10.1016/j.jfbs.2017.11.006>
- Du, X., Weng, J., Zeng, Q., Chang, Y., & Pei, H. (2017). Do Lenders Applaud Corporate Environmental Performance? Evidence from Chinese Private-Owned Firms. *Journal of Business Ethics*, 143(1), 179–207. <https://doi.org/10.1007/s10551-015-2758-2>

- Duréndez, A., & Madrid-Guijarro, A. (2018). The impact of family influence on financial reporting quality in small and medium family firms. *Journal of Family Business Strategy*, 9(3), 205–218.
<https://doi.org/10.1016/j.jfbs.2018.08.002>
- Dutot, V., Lacalle Galvez, E., & Versailles, D. W. (2016). CSR communications strategies through social media and influence on e-reputation: An exploratory study. *Management Decision*, 54(2), 363–389.
<https://doi.org/10.1108/MD-01-2015-0015>
- Elijido-Ten, E. O., Datt, R. R., Luo, L., Tang, Q., Zamora-Ramírez, C., González-González, J. M., ... Jubb, C. (2019). Do you manage what you measure? Investor views on the question of climate actions with empirical results from the Swiss pension fund and insurance sector. *Journal of Business Ethics*, 32(2), 369–383.
<https://doi.org/10.1007/s10551-014-2517-9>
- Elliott, R. K., & Jacobson, P. D. (1994). Costs and benefits of business information. In *American Accounting Association Accounting Horizons* (Vol. 8). Retrieved from
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.364.5227&rep=rep1&type=pdf>
- Erbetta, F., Menozzi, A., Corbetta, G., & Fraquelli, G. (2013). Assessing family firm performance using frontier analysis techniques: Evidence from Italian manufacturing industries. *Journal of Family Business Strategy*, 4(2), 106–117. <https://doi.org/10.1016/j.jfbs.2013.04.001>
- European Commission. (2018). *Green Action Plan for SMEs-implementation report Addressing resource efficiency challenges and opportunities in Europe for SMEs*. <https://doi.org/10.2826/031664>
- European Commission. (2020). Sustainable finance. Retrieved April 28, 2020, from https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance_en#commitments
- Fassin, Y., Van Rossem, A., & Buelens, M. (2011). Small-Business Owner-Managers' Perceptions of Business Ethics and CSR-Related Concepts. *Journal of Business Ethics*, 98(3), 425–453. <https://doi.org/10.1007/s10551-010-0586-y>
- Gallo, M. A., & Vilaseca, A. (1996). Finance in Family Business. *Family Business Review*, 9(4), 387–401.
<https://doi.org/10.1111/j.1741-6248.1996.00387.x>
- Gavana, G., Gottardo, P., & Moisello, A. M. (2017). Earnings management and CSR disclosure. Family vs. non-family firms. *Sustainability (Switzerland)*, 9(12), 1–21. <https://doi.org/10.3390/su9122327>
- Gomez-Mejia, L., Cruz, C., & Imperatore, C. (2014). Financial reporting and the protection of socioemotional wealth in

family-controlled firms. *European Accounting Review*, 23(3), 387–402.

<https://doi.org/10.1080/09638180.2014.944420>

Gomez-Mejia, L. R., Cruz, C., Berrone, P., & de Castro, J. (2011, June). The Bind that ties: Socioemotional wealth preservation in family firms. *Academy of Management Annals*, Vol. 5, pp. 653–707.

<https://doi.org/10.1080/19416520.2011.593320>

Gómez-Mejía, L. R., Haynes, K. T., Núñez-Nickel, M., Jacobson, K. J. L., & Moyano-Fuentes, J. (2007).

Socioemotional wealth and business risks in family-controlled firms: Evidence from Spanish olive oil mills.

Administrative Science Quarterly, 52(1), 106–137. <https://doi.org/10.2189/asqu.52.1.106>

Haddock-Fraser, J., & Fraser, I. (2008). Assessing corporate environmental reporting motivations: Differences between

“close-to-market” and “business-to-business” companies. *Corporate Social Responsibility and Environmental*

Management, 15(3), 140–155. <https://doi.org/10.1002/csr.147>

Helfaya, A., & Whittington, M. (2019). Does designing environmental sustainability disclosure quality measures make

a difference? *Business Strategy and the Environment*, 28(4), 525–541. <https://doi.org/10.1002/bse.2262>

Hernández-Linares, R., Kellermanns, F. W., & López-Fernández, M. C. (2018). A note on the relationships between

learning, market, and entrepreneurial orientations in family and nonfamily firms. *Journal of Family Business*

Strategy, 9(3), 192–204. <https://doi.org/10.1016/j.jfbs.2018.08.001>

Izzo, M. F., & Ciaburri, M. (2018). Why do they do that? Motives and dimensions of family firms’ CSR engagement.

Social Responsibility Journal, 14(3), 633–650. <https://doi.org/10.1108/SRJ-08-2017-0148>

Kellermanns, F. W., Eddleston, K. A., & Zellweger, T. M. (2012). Extending the Socioemotional Wealth Perspective: A

Look at the Dark Side. *Entrepreneurship: Theory and Practice*, 36(6), 1175–1182. [https://doi.org/10.1111/j.1540-](https://doi.org/10.1111/j.1540-6520.2012.00544.x)

[6520.2012.00544.x](https://doi.org/10.1111/j.1540-6520.2012.00544.x)

Kolk, A., & Pinkse, J. (2010). The integration of corporate governance in corporate social responsibility disclosures.

Corporate Social Responsibility and Environmental Management, 17(1), 15–26. <https://doi.org/10.1002/csr.196>

Krippendorff, K. (2018). *Content Analysis*. Retrieved from http://repository.upenn.edu/asc_papers

Labelle, R., Hafsi, T., Francoeur, C., & Ben Amar, W. (2018). Family Firms’ Corporate Social Performance: A

Calculated Quest for Socioemotional Wealth. *Journal of Business Ethics*, 148(3), 511–525.

<https://doi.org/10.1007/s10551-015-2982-9>

- Laguir, I., Laguir, L., & Elbaz, J. (2016). Are Family Small- and Medium-Sized Enterprises More Socially Responsible Than Nonfamily Small- and Medium-Sized Enterprises? *Corporate Social Responsibility and Environmental Management*, 23(6), 386–398. <https://doi.org/10.1002/csr.1384>
- Lamb, N. H., & Butler, F. C. (2018). The Influence of Family Firms and Institutional Owners on Corporate Social Responsibility Performance. *Business and Society*, 57(7), 1374–1406. <https://doi.org/10.1177/0007650316648443>
- Lopez-Gonzalez, E., Martinez-Ferrero, J., & Garcia-Meca, E. (2019). Does corporate social responsibility affect tax avoidance: Evidence from family firms. *CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL MANAGEMENT*, 26(4), 819–831. <https://doi.org/10.1002/csr.1723>
- López-González, E., Martínez-Ferrero, J., & García-Meca, E. (2019). Corporate social responsibility in family firms: A contingency approach. *Journal of Cleaner Production*, 211, 1044–1064. <https://doi.org/10.1016/j.jclepro.2018.11.251>
- Madden, L., McMillan, A., & Harris, O. (2020). Drivers of selectivity in family firms: Understanding the impact of age and ownership on CSR. *Journal of Family Business Strategy*. <https://doi.org/10.1016/j.jfbs.2019.100335>
- Magnanelli, B. S., & Izzo, M. F. (2017). Corporate social performance and cost of debt: The relationship. *Social Responsibility Journal*, 13(2), 250–265. <https://doi.org/10.1108/SRJ-06-2016-0103>
- Marco-Fondevila, M., Moneva Abadía, J. M., & Scarpellini, S. (2018). CSR and green economy: Determinants and correlation of firms' sustainable development. *Corporate Social Responsibility and Environmental Management*, 25(5), 756–771. <https://doi.org/10.1002/csr.1492>
- Marques, P., Presas, P., & Simon, A. (2014). The Heterogeneity of Family Firms in CSR Engagement: The Role of Values. *Family Business Review*, 27(3), 206–227. <https://doi.org/10.1177/0894486514539004>
- Martinez Jimenez, R. (2009). Research on Women in Family Firms. *Family Business Review*, 22(1), 53–64. <https://doi.org/10.1177/0894486508328813>
- McWilliams, A., & Siegel, D. (2000). Corporate social responsibility and financial performance: correlation or misspecification? *Strategic Management Journal*, 21(5), 603–609. [https://doi.org/10.1002/\(SICI\)1097-0266\(200005\)21:5<603::AID-SMJ101>3.0.CO;2-3](https://doi.org/10.1002/(SICI)1097-0266(200005)21:5<603::AID-SMJ101>3.0.CO;2-3)
- Memili, E., Fang, H. C., Koç, B., Yildirim-Öktem, Ö., & Sonmez, S. (2018). Sustainability practices of family firms: the interplay between family ownership and long-term orientation. *Journal of Sustainable Tourism*, 26(1), 9–28. <https://doi.org/10.1080/09669582.2017.1308371>

- Michelon, G., Pilonato, S., & Ricceri, F. (2015). CSR reporting practices and the quality of disclosure: An empirical analysis. *Critical Perspectives on Accounting*, 33, 59–78. <https://doi.org/10.1016/j.cpa.2014.10.003>
- Milne, M. J., & Adler, R. W. (1999). Exploring the reliability of social and environmental disclosures content analysis. *Accounting, Auditing & Accountability Journal*, 12(2), 237–256. <https://doi.org/10.1108/09513579910270138>
- Mistra Center for Sustainable Markets. (2019). *Walking the Talk? A Report on the Sustainability Communication of the Nasdaq OMX Stockholm Large Cap Index Companies*. Stockholm.
- Niehm, L. S., Swinney, J., & Miller, N. J. (2008). Community social responsibility and its consequences for family business performance. *Journal of Small Business Management*, 46(3), 331–350. <https://doi.org/10.1111/j.1540-627X.2008.00247.x>
- Oh, W.-Y., Chang, Y. K., & Jung, R. (2019). Board characteristics and corporate social responsibility: Does family involvement in management matter? *Journal of Business Research*, 103, 23–33. <https://doi.org/10.1016/j.jbusres.2019.05.028>
- Peake, W. O., Cooper, D., Fitzgerald, M. A., & Muske, G. (2017). Family Business Participation in Community Social Responsibility: The Moderating Effect of Gender. *Journal of Business Ethics*, 142(2), 325–343. <https://doi.org/10.1007/s10551-015-2716-z>
- Pizzi, S., Caputo, F., & Venturelli, A. (2020). Does it pay to be an honest entrepreneur? Addressing the relationship between sustainable development and bankruptcy risk. *Corporate Social Responsibility and Environmental Management*, 27(3), 1478–1486. <https://doi.org/10.1002/csr.1901>
- Poutziouris, P., Savva, C. S., & Hadjielias, E. (2015). Family involvement and firm performance: Evidence from UK listed firms. *Journal of Family Business Strategy*, 6(1), 14–32. <https://doi.org/10.1016/j.jfbs.2014.12.001>
- Prado-Lorenzo, J.-M., Gallego-Alvarez, I., & Garcia-Sanchez, I. M. (2009). Stakeholder engagement and corporate social responsibility reporting: the ownership structure effect. *Corporate Social Responsibility and Environmental Management*, 16(2), 94–107. <https://doi.org/10.1002/csr.189>
- Romolini, A., Fissi, S., & Gori, E. (2014). Scoring CSR Reporting in Listed Companies - Evidence from Italian Best Practices. *Corporate Social Responsibility and Environmental Management*, 21(2), 65–81. <https://doi.org/10.1002/csr.1299>
- Sageder, M., Mitter, C., & Feldbauer-Durstmüller, B. (2018, January 1). Image and reputation of family firms: a systematic literature review of the state of research. *Review of Managerial Science*, Vol. 12, pp. 335–377.

<https://doi.org/10.1007/s11846-016-0216-x>

- Schoeneborn, D., Morsing, M., & Crane, A. (2020). Formative Perspectives on the Relation Between CSR Communication and CSR Practices: Pathways for Walking, Talking, and T(w)alking. *Business and Society*, 59(1), 5–33. <https://doi.org/10.1177/0007650319845091>
- Schons, L., & Steinmeier, M. (2016). Walk the Talk? How Symbolic and Substantive CSR Actions Affect Firm Performance Depending on Stakeholder Proximity. *Corporate Social Responsibility and Environmental Management*, 23(6), 358–372. <https://doi.org/10.1002/csr.1381>
- Sciascia, S., Mazzola, P., & Kellermanns, F. W. (2014). Family management and profitability in private family-owned firms: Introducing generational stage and the socioemotional wealth perspective. *Journal of Family Business Strategy*, 5(2), 131–137. <https://doi.org/10.1016/j.jfbs.2014.03.001>
- Shahzad, F., Rehman, I. U., Nawaz, F., & Nawab, N. (2018). Does family control explain why corporate social responsibility affects investment efficiency? *Corporate Social Responsibility and Environmental Management*, 25(5), 880–888. <https://doi.org/10.1002/csr.1504>
- Silvestri, A., Veltri, S., Venturelli, A., & Petruzzelli, S. (2017). A research template to evaluate the degree of accountability of integrated reporting: A case study. *Meditari Accountancy Research*, 25(4), 675–704. <https://doi.org/10.1108/MEDAR-11-2016-0098>
- Singh, S., & Mittal, S. (2019). Analysis of drivers of CSR practices' implementation among family firms in India: A stakeholder's perspective. *International Journal of Organizational Analysis*, 27(4), 947–971. <https://doi.org/10.1108/IJOA-09-2018-1536>
- Soundararajan, V., Jamali, D., & Spence, L. J. (2018). Small Business Social Responsibility: A Critical Multilevel Review, Synthesis and Research Agenda. *International Journal of Management Reviews*, 20(4), 934–956. <https://doi.org/10.1111/ijmr.12171>
- Spence, L. J. (2016). Small Business Social Responsibility: Expanding Core CSR Theory. *Business & Society*, 55(1), 23–55. <https://doi.org/10.1177/0007650314523256>
- Venturelli, A., Caputo, F., Cosma, S., Leopizzi, R., & Pizzi, S. (2017). Directive 2014/95/EU: Are Italian Companies Already Compliant? *Sustainability*, 9(8), 1385. <https://doi.org/10.3390/su9081385>
- Verbeeten, F. H. M., Gamerschlag, R., & Möller, K. (2016). Are CSR disclosures relevant for investors? Empirical evidence from Germany. *Management Decision*, 54(6), 1359–1382. <https://doi.org/10.1108/MD-08-2015-0345>

Yu, A., Ding, H.-B., & Chung, H.-M. (2015). Corporate social responsibility performance in family and non-family firms: The perspective of socio-emotional wealth †. *Asian Business and Management*, *14*(5), 383–412.
<https://doi.org/10.1057/abm.2015.16>

Zientara, P. (2017). Socioemotional Wealth and Corporate Social Responsibility: A Critical Analysis. *Journal of Business Ethics*, *144*(1), 185–199. <https://doi.org/10.1007/s10551-015-2848-1>

Table 1. A: Sample description

Sector	N.	Perc.
Manufacturing	67	33,5%
Retail	31	15,5%
Services	58	29,0%
Wholesale	44	22,0%
	200	100%

Table 1. B: Financial Variables

Financial Variables	Mean	Median	Std. Dev
ROA	5,89	7,93	3,49
ROS	4,13	4,92	2,74
Assets	€77.029,57	€189.473,68	€48.759,70
Revenues	€90.780,20	€566.663,54	€45.911,15

Table 2: Independent Variables

Variable	Description	Literature
Ownership	Percentage of shares owned by a group of people united by the same surname.	Carney, Duran, van Essen, & Shapiro, 2017.
FDirectors	Percentage of administrators also members of the family.	Poutziouris, Savva, & Hadjielias, 2015.
FirmAge	Years since firm establishment.	Sciascia, Mazzola, & Kellermanns, 2014; Hernández-Linares, Kellermanns, & López-Fernández, 2018.
Debt/Equity	Debt on Equity ratio.	Gallo & Vilaseca, 1996; De Massis, Kotlar, Campopiano, & Cassia, 2013
FSize	Natural logarithm of total assets (millions)	De Massis, Kotlar, Campopiano, & Cassia, 2013
Familypower	Product between Ownership (%) and FDirectors	Drago, Ginesti, Pongelli, & Sciascia, 2018; Duréndez & Madrid-Guijarro, 2018.
Familyradication	Product between Ownership and the generational stage of the firm (value from 1 to 3).	Debicki, Kellermanns, Chrisman, Pearson & Spencer, 2016

Table 3 Variables description

Variable	Mean	Std.Dev.	Min	Max
Ownership	0.598	0.427	0	1
FDirectors	0.394	0.460	0	1
FirmAge	25.04	16.26	1	86

DEQ	1.510	2.521	-.84	19.54
FSize	10.63	0.975	8.325	14.495
Familypower	0.347	0.427	0	1
Familyradicat~n	0.754	0.668	0	1

Table 4 Talk Dependent variables

Items	Min	Max	Mean	St.Dev
Website	0	2	0,15	0,422
CEO Statement	0	1	0,06	0,238
Mission Statement	0	1	0,245	0,431
Vision Statement	0	1	0,15	0,358
Core Value Statement	0	1	0,23	0,422
Business Model	0	1	0,045	0,208
Corporate strategy	0	2	0,23	0,546
Risk Management	0	1	0,055	0,229
Sustainable strategies	0	2	0,45	0,714
SDGs	0	1	0,03	0,171
CSR Talk	0	19	1.965	3.112

Table 5 Walk Dependent variables

Items	Min	Max	Mean	St.Dev
Code of Conduct	0	1	0,28	0,45
Supplier Code of Conduct	0	1	0,27	0,445
Human Right Policy	0	1	0,255	0,437
Employee health policy	0	1	0,335	0,473
Anticorruption	0	1	0,23	0,422
Environmental policy	0	1	0,405	0,492
Antidiscrimination policy	0	1	0,265	0,442
Integrated Reporting	0	1	0,0402	0,197
External Assurance	0	1	0,225	0,419
GRI Reporting	0	2	0,07	0,355
Defined CSR Targets Follow Up	0	3	0,105	0,515
Supplier Code of Conduct Follow Up	0	1	0,015	0,122
Human Rights Policy Follow Up	0	1	0,02	0,14
Employee Health and Safety Policy	0	1	0,1	0,301
Anti Corruption Policy Follow	0	1	0,035	0,184
Environment Policy Follow up	0	1	0,225	0,419
AntiDiscrimination Policy Follow Up	0	1	0,02	0,14
SDGs	0	1	0,015	0,122
CoC Signed by CEO	0	1	0,035	0,184
SCR Executive in Group Management	0	2	0,075	0,374
Gender Balance in the Board	0	1	0,025	0,157
Gender Balance in Group Management	0	1	0,005	0,0707
CSR Walk	0	18	2.32	3.902

Table 6 Correlation analysis

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(1) CSRWalk	1.000									
(2) CSRTalk	0.775	1.000								
(3) CSROverall	0.909	0.968	1.000							

(4) Ownership	0.022	-0.065	-0.034	1.000						
(5) FDirectors	-0.062	-0.130	-0.110	0.574	1.000					
(6) FirmAge	0.075	0.059	0.069	0.113	0.139	1.000				
(7) DEQ	-0.061	-0.025	-0.041	0.228	0.175	0.009	1.000			
(8) FSize	0.481	0.443	0.483	-0.250	-0.205	0.208	-0.030	1.000		
(9) Familypower	-0.055	-0.111	-0.095	0.629	0.962	0.149	0.189	-0.182	1.000	
(10) Familyradicat~n	0.045	-0.038	-0.007	0.820	0.606	0.190	0.196	-0.155	0.656	1.000

Table 7 Regression with “CSRTalk”

	(1) CSRTalk	(2) CSRTalk	(3) CSRTalk	(4) CSRTalk
Ownership	0.420*** (0.137)	0.416*** (0.143)	0.261 (0.204)	0.261 (0.206)
FDirectors	-0.338** (0.135)	-0.386 (0.518)	-0.394*** (0.147)	-0.379 (0.518)
FirmAge	-0.001 (0.003)	-0.001 (0.003)	-0.002 (0.003)	-0.002 (0.003)
DEQ	-0.001 (0.018)	-0.001 (0.018)	0.000 (0.019)	0.000 (0.019)
FSize	0.571*** (0.044)	0.570*** (0.045)	0.568*** (0.044)	0.569*** (0.045)
Familypower		0.053 (0.564)		-0.018 (0.569)
Familyradicat~n			0.145 (0.137)	0.145 (0.138)
_cons	-5.549*** (0.520)	-5.539*** (0.531)	-5.508*** (0.522)	-5.511*** (0.532)
Obs.	200	200	200	200
Pseudo R ²	0.149	0.149	0.150	0.150

Standard errors are in parenthesis
*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 8 Regression with “CSRWalk”

	(1) CSRWalk	(2) CSRWalk	(3) CSRWalk	(4) CSRWalk
Ownership	0.804*** (0.129)	0.922*** (0.136)	0.639*** (0.185)	0.717*** (0.188)
FDirectors	-0.188 (0.122)	0.931** (0.397)	-0.247* (0.132)	0.938** (0.396)
FirmAge	-0.002 (0.003)	-0.003 (0.003)	-0.003 (0.003)	-0.003 (0.003)
DEQ	-0.034* (0.019)	-0.032 (0.020)	-0.033* (0.020)	-0.031 (0.020)
FSize	0.703*** (0.041)	0.726*** (0.042)	0.700*** (0.041)	0.724*** (0.042)
Familypower		-1.270*** (0.440)		-1.364*** (0.444)
Familyradicat~n			0.149 (0.119)	0.192 (0.121)
_cons	-7.102*** (0.489)	-7.420*** (0.507)	-7.056*** (0.491)	-7.377*** (0.508)
Obs.	200	200	200	200
Pseudo R ²	0.216	0.221	0.217	0.223

Standard errors are in parenthesis

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 9 Regression with “CSROverall”

	(1) CSROverall	(2) CSROverall	(3) CSROverall	(4) CSROverall
Ownership	0.556*** (0.095)	0.592*** (0.099)	0.393*** (0.139)	0.417*** (0.141)
FDirectors	-0.283*** (0.092)	0.114 (0.330)	-0.340*** (0.100)	0.121 (0.330)
FirmAge	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)
DEQ	-0.012 (0.013)	-0.012 (0.013)	-0.011 (0.013)	-0.010 (0.013)
FSize	0.619*** (0.030)	0.626*** (0.031)	0.616*** (0.030)	0.624*** (0.031)
Familypower		-0.449 (0.362)		-0.529 (0.366)
Familyradicat~n			0.147 (0.092)	0.164* (0.093)
_cons	-5.412*** (0.360)	-5.507*** (0.369)	-5.369*** (0.361)	-5.474*** (0.370)
Obs.	200	200	200	200
Pseudo R ²	0.201	0.202	0.202	0.203

Standard errors are in parenthesis

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Appendix A: Focus Areas Description

FOCUS AREA	KPIs	Mean	Min	Max
COMMUNICATED S/CR This focus area contains KPIs that measure if S/CR is part of a company's self presentation	Website	0,88	0	7
	CEO Statement			
	Mission Vision Core values Business model			
STRATEGIC DIRECTION This focus area contains KPIs that measure if S/CR embedded in the communicated overall planning and strategic direction of an organisation	S/CR in Corporate Strategy	0,77	0	6
	S/CR in Risk Mgmt Section			
	Defined S/CR Targets			
	Sustainable Development Goals (NEW)			
PRINCIPLES COMMITMENT This focus area contains KPIs that evaluate which different polices a company has defined.	Code of Conduct	2,03	0	7
	Supplier Code of Conduct			
	Human Rights Policy			
	Employee Health and Safety Policy			
	Anti-Corruption Policy			
	Environment Policy			
Anti-Discrimination Policy (NEW)				
REPORTING ACCOUNTABILITY This focus area contains all KPIs that aim at measuring the degree to which a company reports in an accountable manner.	Integrated Reporting	0,33	0	4
	External Assurance			
	GRI Reporting			
FOLLOW-UP ACTIONS This focus area contains KPIs that assess if communicated targets, codes and policies are followed up.	Defined S/CR Targets Follow-up	0,45	0	11
	Supplier Code of Conduct Follow-up			
	Human Rights Policy Follow-up			
	Employee Health and Safety Policy Follow-up			
	Anti-Corruption Policy Follow-up			
	Environment Policy Follow-up			
	Anti-Discrimination Policy Follow-up (NEW)			
Sustainable Development Goals Follow-up (NEW)				
TOP-LEVEL COMMITMENT This focus area contains KPIs that assess the top-level structure and concrete actions by this level to embed S/CR in the organization.	CoC Signed by CEO	0,14	0	4
	S/CR Executive in Group Mgmt			
	Gender Balance in the Board of Directors			
	Gender Balance in Group Management (NEW)			