Ciencias Administrativas. Teoría y Praxis
Num. 1 Año 13, Enero-Junio 2017, pp. 105-115

El impacto del gobierno corporativo en la filantropía corporativa en América Latina

The impact of corporate governance on corporate philanthropy in Latin America

Bryan W. Husted *, Milton Sousa **

Resumen

La relación entre el gobierno corporativo y la filantropía corporativa en el contexto de América Latina no se entiende bien. Se utiliza un análisis de regresión con un panel de datos de cuatro años para investigar los efectos de los consejeros independientes, mujeres en el consejo, tamaño del consejo y la libertad filantrópica en la filantropía corporativa. Los resultados indican que los consejeros independientes y mujeres en el consejo reducen la filantropía, mientras el tamaño del consejo tiene un impacto positivo. El efecto de la libertad filantrópica del país también es positivo, pero menos robusto. Estos resultados cambian nuestro entendimiento anterior de la relación entre la mujer consejera y la filantropía, y demuestran como los estudios en diferentes contextos contribuyen al desarrollo de teoría.

Palabras clave: Consejeros independientes, mujeres en el consejo, tamaño del consejo, libertad filantrópica, filantropía.

Abstract

The relationship between corporate governance and corporate philanthropy in the Latin American context is poorly understood. Using regression analysis with a four-year panel, we investigate the effects of independent directors, women on the board, board size, and philanthropic freedom on corporate philanthropy. The results indicate that independent directors and women on the board affect philanthropy negatively, but that board size has a positive effect. The effect of philanthropic freedom is also positive, but less robust. These results change prior understanding about the relationship between women on the board and philanthropy, and show how studies in different contexts can contribute to theory development.

Key words: Independent directors, Women on the board, Board size, Philanthropic freedom, Philanthropy.

Clasificación JEL: G34, M14

Introduction

Despite increasing interest regarding the role of corporate community investment, or corporate philanthropy, in the development of firm-specific competitive advantage (Porter & Kramer, 2002), the failure to take into account the role of corporate governance as it is applied in different institutional contexts has constrained the ability of scholars to understand its scope and limits. In this paper we argue that philanthropic freedom, which refers to the extent to which a given institutional context facilitates or inhibits charitable contributions, positively affects corporate philanthropy in Latin America.

* Doctor en Ciencias Administrativas, Profesor de planta y líder del grupo de investigación en innovación social, Departamento de Administración, Emprendimiento y Mercadotecnia, EGADE Business School, E-mail: bhusted@itesm.mx
** Doctor en Ciencias Administrativas , Profesor investigador y coordinadora de la maestría en administración de empresas, Universidade de Fortaleza. E-mail: miltonsousa@gmail.com

Artículo recibido: 13 de septiembre de 2016
Artículo aceptado: 7 de diciembre de 2016

Prior research has examined the impact of corporate philanthropy on firm financial performance (Wang, Choi, & Li, 2008) in terms of diverse contexts, including developed countries (Lee, Park, Moon, Yang, & Kim, 2009)attitude towards the corporations conducting CP, and subsequent purchasing intention. The model is tested in South Korea where the culture and business environment are different from that in North America. Data are collected from two different stakeholder groups of South Koreans (127 managers and 229 consumers: total sample of 356, emerging-market countries (Sánchez, 2000), and industry context (Brammer & Millington, 2004). Nevertheless, the Latin American context has received little attention from researchers regarding the relationship between corporate governance and corporate philanthropy. Given the extent of family control of firms and the influence of government in the region, Latin American firms likely behave in ways that differ from their developed-country counterparts. Therefore, we address the following question: How does corporate governance influence corporate philanthropy in Latin America?

Furthermore, Latin America provides a distinctive institutional context for corporate philanthropy given that specific laws encourage or discourage corporate philanthropy in each country. So we address the following question: How does the institutional context influence corporate philanthropy in Latin America?

In order to answer these questions, we use governance variables that are commonly studied in developed-country contexts, such as the participation of independent directors on the board, women on the board, and board size. Furthermore, we also include a measure of philanthropic freedom to understand the effect of institutional context on corporate philanthropy within Latin America. Data was analyzed with a generalized least squares regression model. The paper is structured as follows. In the next section, we develop the theory and hypotheses for the Latin American context. Then we explain the method. Finally, we present results, followed by the discussion and conclusion.

Theory and Hypotheses

We begin by examining the relationship of three standard corporate governance variables to corporate philanthropy (independent directors, women directors, and board size). These base hypotheses build from the extant literature, which we then place in the context of Latin America. We then introduce a key feature of institutional context – philanthropic freedom – to understand the impact of the institutional context on corporate philanthropy.

Independent Directors

Using agency theory, the literature argues that inside directors (corporate executives) will make decisions in an attempt to maximize their own benefit (Fama & Jensen, 1983; Jensen & Meckling, 1976). This logic has been extended to the decision about corporate philanthropy. Frequently, executives will approve corporate philanthropy based on their own interests, rather than the interests of stockholders. On the other hand, outside directors (nonexecutive directors) will better represent the interests of stockholders and provide a check on the agency problem faced by inside directors. Based on agency theory, one would expect to find a negative relationship between the number of outside directors on the board and corporate philanthropy (Wang & Coffey, 1992). Some research supports this view, finding that inside directors are negatively related to the decision to engage in charitable giving (Brown, Helland, & Smith, 2006), but not to the amount of giving.

In contrast, there is a value enhancement argument that says that inside directors (managers) use corporate charitable contributions to create value of stockholders (Brown et al., 2006; Harjoto & Jo, 2011); thus independent directors will support such value-enhancing philanthropy as beneficial for stockholders. However, in Latin America, we expect that the agency argument will predominate given the general lack of controls on corporate managers, such as weak institutional investors and weak minority shareholder rights (Nicholls-Nixon, Castilla, Garcia, & Pesquera, 2011). Thus, independent directors in Latin America will generally tend to act as a brake on inside directors and reduce the amount of corporate philanthropy.

H1: The percentage of independent directors on the board has a negative effect on corporate philanthropy.

Women on the board

Prior research finds that the presence of women on the board is positively associated with corporate philanthropy in the United States (Marquis & Lee, 2013; Wang & Coffey, 1992; Williams, 2003) and corporate social responsibility (CSR) ratings, such as those by KLD Research & Analytics, Inc. (Bear, Rahman, & Post, 2010).

Wang and Coffey (1992), using a 78 Fortune 500 firms, find a positive relationship between women directors, and corporate philanthropy. In the same line, Williams (2003), using a sample of 185 Fortune 500 firms over four years, find support for the idea that firms with a higher proportion of women on the board, engage more in corporate philanthropy than firms with a lower proportion of women on their boards. Similar evidence is provided by Marquis and Lee (2013), who using a 10-year panel of Fortune 500 firms, found that companies with more women on the board donate more money for philanthropy.

The central argument behind these research findings is that women may be more sensitive to a firm`s social activities than male directors (Harrigan, 1981; Williams, 2003), and often have goals that may put less emphasis on firm performance than male directors (Wang & Coffey, 1992).

Furthermore, the proportion of women on the board is influenced by several factors, including culture and legislation, among others (Byron & Post, 2016; Terjesen, Sealy, & Singh, 2009; Terjesen & Singh, 2008). In Norway, for example, the government requires that corporate boards for public firms have a minimum of 40 per cent women (Terjesen, Sealy, & Singh, 2009). Using data from 43 countries, Terjesen and Singh (2008) find that women's representation on corporate boards may be shaped by the larger environment, including the social, political and economic structures of each country. Although their study was broad in scope, they did not provide specific findings for some regions, including Latin America. A meta-analysis finds that a positive relationship between the representation of women on boards and firm social performance depends on national context, specifically stronger shareholder protections and higher gender parity (Byron & Post, 2016).

In terms of Latin America, there is little evidence in the general management literature about women's representation on corporate boards. Similarly, despite the research on the relationship between women on the board and philanthropy in the extant literature, there is little, if any, evidence regarding the situation in Latin America. Based on prior studies in the U.S. context, we suggest that Latin America companies will present similar effects, since in the Latin American culture, women are highly associated with social issues and community concern. Thus, we hypothesize:

H2: The percentage of women on the board has a positive effect on corporate philanthropy.

Board Size

Prior research affirms that larger boards tend to be less effective at decision making and monitoring (Jensen, 1993; Walls & Hoffman, 2013). Jensen (1993) argues that as board size increases, they become less effective – more symbolic and polite. In accordance with Jensen (1993), Brown et al. (2006) argue that larger boards tend to become symbolic and a source of social interaction for the directors, and add that, larger boards tend to set more objectives beyond profit maximization. As a result, boards become less effective in monitoring managerial discretion and controlling corporate philanthropy that benefits managerial interests, rather than stockholder interests (Brown, et al., 2006).

Additional empirical evidence in the U.S. shows that larger boards make more charitable contributions (Brown et al., 2006; Marquis & Lee, 2013). Using a ten-year panel of Fortune 500 companies, Marquis and Lee (2013) find that companies with larger boards make more philanthropic donations. Along similar lines, Brown et al. (2006), also using Fortune 500 data, find that larger boards are associated with significantly more philanthropy.

In Latin America, there is little, if any, evidence about the effects of board size on corporate philanthropy. There is no reason to expect a priori why this relationship should differ from the relationship in the United States. Consequently, we expect that larger boards will be less effective in protecting shareholder interests in Latin America. Thus, in Latin America, companies with larger boards should also engage in larger amounts of corporate philanthropy.

H3: Board size has a positive effect on corporate philanthropy.

Institutional Context

Context matters in corporate philanthropy and corporate governance studies, and the institutional context can be more or less propitious for making donations. Philanthropic freedom refers to “how easy it is to give within a country or across borders” (Hudson Institute, 2015:2). This ease has to do with the incentives for engaging in philanthropy, such as tax deductions, and obstacles, such as time involved in constituting civil society organization. We expect that philanthropic freedom augments the impact of independent directors, women directors, and board size on corporate philanthropy for two reasons. First, for a given level of corporate governance attributes, the firm should engage in more corporate philanthropy because there are fewer obstacles to do so. Second, philanthropic freedom speaks to the legitimacy of philanthropy in a given nation. Where philanthropy is more legitimate, all stakeholders, including stockholders will support philanthropy more than in countries where philanthropy is less legitimate. Thus, we hypothesize:

H4: Philanthropic freedom has a positive effect on corporate philanthropy.

Methodology

The dependent, independent, and control variables were collected from the Bloomberg database. Although Bloomberg covers 1,806 Latin American publicly-traded companies, only 306 have Environmental, Social and Governance (ESG) data. Due to missing values among these firms, we were left with a sample of 151 companies with ESG data for four years (2012-2015), totaling 604 observations.

Our dependent variable was the intensity of corporate philanthropy. For the independent variables we used the (a) independent directors, (b) women on the board, (c) board size, and (d) country-based philanthropic freedom. We describe the dependent, independent, and control variables as follows:

Corporate Philanthropy. The dependent variable was measured by the ratio of corporate community spending to the number of employees. Community spending was calculated by the amount of money (in millions of US dollars) spent by the firm on community-building activities. Data were collected from the Bloomberg ESG database.

Independent Directors. Independent directors were measured by the percentage of independent directors on the company's board, as reported by the company. Independence was defined according to the company's own criteria. Data were collected from the Bloomberg ESG database.

Women on the Board. Women on the board was measured as the percentage of women on the firm's board of directors at the end of the fiscal year, if available; otherwise it was the number of women as of the date of the latest filing. Where the company had a two-tier board, this number referred only to the supervisory board. Data were collected from the Bloomberg ESG database.

Board Size. Board size was measured by the number of directors on the company's board, as reported by the company. It includes only full-time directors. Deputy members of the board were not counted. Data were collected from the Bloomberg ESG database.

Philanthropic Freedom. In order to assess the effect of institutional context, we used the Hudson Institute's Philanthropic Freedom Index 2015, a country-based variable that estimates the ease of making donations in 64 different countries. In order to build the philanthropic freedom index, the Hudson Institute (2015) gathered information on three dimensions: (a) the ease of registering and operating civil society organizations; (b) tax policies for deductions, credits, and exemptions; and (c) the ease of sending and receiving cash and in-kind goods across borders. Philanthropy freedom scores ranging from 1 to 5. The Hudson Institute indexes are frequently used in academic research that addresses philanthropy in an international context (Adelman, 2009, 2012; Srivastava & Oh, 2010).

Control Variables. Our control variables included leverage (logarithm of ratio, total debts to total assets) (Brammer & Millington, 2004), size (logarithm of revenue), country and industry sector. For country, we included a dummy variable for Brazil. In this case, the variable was equal to one, if the firm was located in Brazil; otherwise, it was zero. For industry sector, we followed Brammer and Millington (2004), who included a dummy variable that represented industries with a huge environmental and social impact. These industries were energy, industrials, materials and utilities. So in this study, the industry dummy variable was equal to one, if the firm was in the energy, industrials, materials or utilities industries; otherwise, it was zero.

We used a generalized least squares regression model in order to analyze the effect of corporate governance and institutional context on corporate philanthropy.

Results

Descriptive Statistics.

The sample has 151 Latin American companies based in four countries and operating in ten industrial sectors, as shown in (Tables 1 and 2).

Table 1
Sample characteristics: Countries

Country	Firms	Freq.	Percent	Cum.
Brazil	94	376	62.25	62.25
Chile	13	52	8.61	70.86
Colombia	21	84	13.91	84.77
Mexico	23	92	15.23	100
Total	151	604	100	

More than half of the firms are headquartered in Brazil, followed by Mexico, Colombia and Chile. In terms of the industrial sectors, utilities, materials and financials companies account for more than half of the sample, followed by industrials, consumer staples, consumer discretionary, among others.

We calculated the means, medians, standard deviations, minimum and maximum values as well as the correlations among the variables, as shown in (Tables 3 and 4). The dependent variable, Corporate Philanthropy has a negative and significant correlation with independent directors (r = -0.15, p = 0.004) and a negative and nearly significant correlation with women on the board (r = -0.09, p = 0.070).

Table 2

Sample characteristics: Sector

Sector	Firms	Freq.	Percent	Cum.
Consumer Discretionary	12	48	7.95	7.95
Consumer Staples	14	56	9.27	17.22
Energy	6	24	3.97	21.19
Financials	27	108	17.88	39.07
Health Care	2	8	1.32	40.4
Industrials	17	68	11.26	51.66
Information Technology	2	8	1.32	52.98
Materials	26	104	17.22	70.2
Telecommunication Services	8	32	5.3	75.5
Utilities	37	148	24.5	100
Total	151	604	100	

Table 3

Descriptive statistics and correlations

Variables	Mean	Median	Std. Dev.	Min	Max
Corporate Philanthropy	5111.15	591.97	14442.04	0.14	95014.73
Independent Directors	36.59	33.33	21.46	0	100
Women on the Board	5.77	0	8.47	0	45.45
Board Size	9.37	9	3.01	3	21
Philanthropic Freedom	3.69	3.6	0.15	3.6	4.1
Revenue	21.81	21.64	1.43	15.6	25.71
Leverage	3.04	3.36	1.61	-12.	4.398

Table 4

Correlations

	Variables	1	2	3	4	5	6	7
1	Corporate Philanthropy	1.00						
2	Independent Directors	-0.15*	1					
3	Women on the Board	-0.09†	0.02	1				
4	Board Size	-0.01	0.12**	0	1			
5	Philanthropic Freedom	-0.06	0.12**	0.06	0.10†	1		
6	Revenue	-0.05	-0.03	0.14**	0.27**	0.05	1	
7	Leverage	0.02	0.07	-0.02	0.05	-0.18***	0.14*	1

† $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Among the independent and control variables, the largest significant correlation occurred between board size and revenue ($r = 0.26$, $p = 0.001$). This correlation is considered relatively low, which decreases problems of multicollinearity. The correlation between women on the board and revenue ($r = 0.14$, $p = 0.004$), independent directors and philanthropic freedom ($r = 0.12$, $p = 0.005$), and independent directors and board size ($r = 0.12$, $p = 0.003$) are significant and positive. The correlation between philanthropic freedom and leverage ($r = -0.18$, $p = 0.001$) is significant and negative. The rest of variables presented low and insignificant correlations, suggesting that multicollinearity is not a problem.

Regression Model

In order to test hypotheses 1 through 4, we used a generalized least squares regression model with random effects. The result of Hausman's test ($\chi2 = 1.82$, $p = 0.8728$) verified that a random-effects model was the most appropriate. Serial autocorrelation and heteroskedasticity were checked and both problems were present in the data. Nevertheless, generalized least squares allows estimation in the presence of autocorrelation within panels and heteroskedasticity across panels. Using Stata 13.0, we provided appropriate corrections for these problems. We run statistical models using (a) a heteroskedastic, but uncorrelated error structure in order to correct problems with heteroskedasticity; and (b) a panel-specific autoregressive (AR1) autocorrelation structure, in order to correct problems of autocorrelation.

Six regression models were analyzed, with Corporate Philanthropy as the dependent variable. The models testing the independent variables are displayed in (Table 5).

Model 1 (Wald $\chi^2 = 851.88$, $p = 0.001$) includes only control variables. The coefficients are positive and significant for leverage, sector and country. The coefficient for revenue is negative and significant.

Model 2 (Wald $\chi^2 = 671.17$, $p = 0.001$) adds independent directors as an independent variable. Independent directors are negatively associated with corporate philanthropy ($b = -73.40$, $p = 0.001$), providing support for H1.

Model 3 (Wald $\chi^2 = 131.16$, $p = 0.001$) considers women on the board as an independent variable and, although statistically significant, is negatively related to corporate philanthropy ($b = -56.80$, $p = 0.001$), which is contrary to the sign hypothesized in H2.

Model 4 (Wald $\chi^2 = 474.84$, $p = 0.001$) considers board size as an independent variable, which is positively associated with corporate philanthropy ($b = 44.32$, $p = 0.001$), providing support for H3.

Model 5 (Wald $\chi^2 = 833.19$, $p = 0.001$) considers philanthropic freedom as an independent variable, that does not have statistical significance. This result does not support H4.

Model 6 (Wald $\chi^2 = 192.74$, $p = 0.001$) includes the three corporate governance variables as well as philanthropic freedom, which is now significant and positively associated with corporate philanthropy ($b = 6526.00$, $p = 0.001$) in contrast to Model 5. This result gives partial support to H4. The coefficients and significance of the independent variables are as follows, independent directors ($b = -55.32$, $p = 0.001$), women on the board ($b = -22.10$, $p = 0.074$), and board size ($b = 158.70$, $p = 0.001$).

Table 5

Generalized least squares regression model for Corporate Philanthropy

Dependent variable: Corporate Philanthropy.	Model (1)	Model (2)	Model (3)	Model (4)	Model (5)	Model (6)
Control Variables						
Revenue	-507.5***	-393.7*	-393.6***	-459.3**	-557.4***	-226.0
	(123.6)	(154.4)	(115.7)	(143.7)	(137.8)	(229.7)
Leverage	139.4*	176.0	63.97	118.2	149.0	289.4**
	(57.50)	(96.29)	(47.14)	(67.28)	(76.64)	(92.33)
Industry Sector	4611***	4230***	3668***	4615***	4550***	3221***
	(231.2)	(435.6)	(337.3)	(283.8)	(206.8)	(409.7)
Country (Brazil)	3211***	2295***	2808***	2861***	3984***	2974***
	(326.5)	(444.2)	(416.5)	(403.6)	(431.5)	(710.3)
Independent Variables						
Independent Directors		-73.40***				-55.32***
		(8.396)				(7.791)
Women on Board			-56.80***			-22.10†
			(11.79)			(12.37)
Board Size				44.32**		158.7***
				(16.66)		(44.08)
Philanthropic Freedom					1326.2	6526***
					(1382.2)	(1629.6)
Constant	11105***	11052**	88639***	9621.2**	6785.6	-19725**
	(2755)	(3771.3)	(2514.8)	(3145.3)	(6339.9)	(6324.4)
Observations	324	292	317	321	324	290
WaldChi2	851.88	131.16	149.48	474.84	833.19	192.74
Sig.	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Discussion

Latin America is clearly a unique context for studying the relationship between board structure and corporate philanthropy. As hypothesized, independent directors do tend to reduce corporate philanthropy. This result suggests that the argument based on agency theory applies better in Latin America than the value-enhancement argument. Thus, in Latin America, independent directors do act to constrain corporate philanthropy.

Surprisingly, women directors have a negative effect, contrary to our initial hypothesis, which suggested that women would favor community investment. One possible explanation is that culture trumps gender. In the highly masculine countries of Latin America (Hofstede & Bond, 1984), a concern with material well-being characterizes women as well as men. Given the poverty that characterizes the region, women directors may be more concerned about the economic success of firms, which provide jobs, rather than community investment.

Board size, as hypothesized, increases corporate philanthropy. This hypothesis, based on agency theory, suggests that larger boards have more difficulty in monitoring and controlling managerial discretion.

Consequently, larger boards tend to permit higher levels of corporate philanthropy.

The results regarding philanthropic freedom are mixed. The impact of philanthropic freedom is not significant alone, but in combination with the other variables of the complete model is significant. These results may be due to the relatively limited range of this variable in Latin America. Certainly, the results of this study regarding philanthropic freedom need to be replicated in other studies. Still, despite the limited range, there does appear to be evidence to warrant its inclusion in future studies.

The results for women on the board are particularly interesting. Their presence seems to limit corporate philanthropy more than that of men. Some research regarding women in Latin America suggests that professional women actually score quite highly on measures of masculinity (Long & Martinez, 1994). In order to arrive on the board of directors, women in Latin America may need to exercise the masculine elements of their personality in order to obtain acceptance on the part of their male colleagues as well as subordinates of both sexes. The lower levels of corporate philanthropy may suggest that such a dynamic exists in Latin America compared to other regions of the world.

Conclusion

In summary, the picture of Latin America is a variegated one, in which it is impossible to portray the region as uniform. Rather, it appears that where the institutional context permits greater philanthropic freedom, corporate philanthropy increases. Furthermore, the region does not simply replicate results found in the United States. In the case of independent directors, the agency-theory hypothesis clearly applies. Surprisingly, the presence of women directors does not facilitate corporate philanthropy. Only in the case of board size do the results squarely accord with findings in other regions. The principal lesson of this study is that Latin America is a unique region and firms wishing to operate there will need to understand and take into account these differences in their own corporate-governance decisions.

Certainly this paper has important limitations in terms of both the number of years of data and number of countries included. The study only includes four years of data, which is a relatively small panel. Also, the study includes only four countries. Countries like Argentina and Peru do not appear. Furthermore, the many smaller economies of Latin America are absent. Clearly these conditions are due to data limitations as a result of the small number of firms that are listed in stock exchanges. Over time, as the market grows, more firms should be listed, making their data publicly available. So further analysis could be done to extend the applicability to all of Latin America. In addition, some of the anomalies found in Latin America, such as the negative impact of women on the board might be studied in other emerging markets, which may also exhibit patterns of women with highly masculine traits (Gupta, Turban, & Wasti, 2009).

Certainly this paper opens up several avenues of future research. First, the role of women in Latin American firms and the apparent need to take on highly masculine postures warrants future research. Second, if the separation of CEO and chair roles do not control managerial discretion in Latin American firms, are there other features of Latin American corporate governance that are being ignored that might serve as more effective controls on managerial discretion? Although the paper is not without flaws, it clearly points to the importance of research that examines both the application and limits of commonly accepted ideas in the mainstream literature – mechanisms of corporate governance may not work effectively in other contexts and where they do work the institutional context alters these relationships. Clearly, further work needs to be done.

References

Adelman, C. (2009). Global philanthropy and remittances: reinventing foreign aid. *Brown Journal of World Affairs*, *15*(2), 23–33.

Adelman, C. (2012). Global philanthropy and beyond: reinventing foreign assistance. *Georgetown Journal of International Affairs*, *13*(2), 15–24.

Bear, S., Rahman, N., & Post, C. (2010). The impact of board diversity and gender composition on corporate social responsibility and firm reputation. *Journal of Business Ethics*, *97*(2), 207–221. http://doi.org/10.1007/s10551-010-0505-2

Brammer, S. & Millington, A. (2004). The development of corporate charitable contributions in the UK: a stakeholder analysis. *Journal of Management Studies*, *41*(8), pp. 1411–1434. http://doi.org/10.1111/j.1467-6486.2004.00480.x

Brown, W. O., Helland, E., & Smith, J. K. (2006). Corporate philanthropic practices. *Journal of Corporate Finance*, *12*(5), pp. 855–877. http://doi.org/10.1016/j.jcorpfin.2006.02.001

Byron, K. & Post, C. (2016). Women on Boards of Directors and Corporate Social Performance: a Meta-Analysis. *Corporate Governance: An International Review*, *24*(4), pp. 428-442. http://doi.org/10.1111/corg.12165

Fama, E. F. & Jensen, M. C. (1983). Separation of Ownership and Control. *The Journal of Law and Economics*, *26*(2), 301.

Gupta, V. K., Turban, D. B., Wasti, S. A., & Sikdar, A. (2009). The role of gender stereotypes in perceptions of entrepreneurs and intentions to become an entrepreneur. *Entrepreneurship theory and practice*, *33*(2), 397-417.

Harjoto, M. A. & Jo, H. (2011). Corporate governance and CSR nexus. *Journal of Business Ethics*, *100*(1), pp. 45–67. http://doi.org/10.1007/s10551-011-0772-6

Harrigan, K. R. (1981). Numbers and positions of women elected to corporate boards. *Academy of Management Journal*, *24*(3), pp. 619–625. http://doi.org/10.2307/255580

Hofstede, G. & Bond, M. H. (1984). Hofstede's Culture Dimensions: An Independent Validation Using Rokeach's Value Survey. *Journal of Cross-Cultural Psychology*, *15*(4), 417–433. http://doi.org/10.1177/0022002184015004003

Hudson Institute. (2015). *The Index of Philanthropic Freedom 2015*. Recovered from http://www.hudson.org/research/11363-index-of-philanthropic-freedom-2015

Jensen, M.C. (1993). The modern industrial revolution: exit and the failure of internal control systems. *Journal of Finance*, *48*(3), 831–880.

Jensen, M. C. & Meckling, W. H. (1976). Theory of the firm: managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, *3*(4), pp. 305–360.http://doi.org/10.1016/0304-405X(76)90026-X

Lee, H., Park, T., Moon, H. K., Yang, Y., & Kim, C. (2009). Corporate philanthropy, attitude towards corporations, and purchase intentions: A South Korea study. *Journal of Business Research*, *62*(10), 939–946. http://doi.org/10.1016/j.jbusres.2008.08.007

Long, V. O. & Martinez, E. A. (1994). Masculinity, Femininity, and Hispanic Professional Women's Self-Esteem and Self-Acceptance. *Journal of Counseling & Development*, *73*(2), 183-186.

Marquis, C. & Lee, M. (2013). Who is governing whom? Executives, governance, and the structure of generosity in large U.S. firms. *Strategic Management Journal*, *34*(4), pp. 483–497. http://doi.org/10.1002/smj.2028

Nicholls-Nixon, C. L., Castilla, J. A. D., Garcia, J. S., & Pesquera, M. R. (2011). Latin America management research: review, synthesis, and extension. *Journal of Management*, *37*(4), 1178–1227.

Porter, M. E. & Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review*, *80*(12), 56–68.

Sánchez, C. M. (2000). Motives for corporate philanthropy in El Salvador: altruism and political legitimacy. *Journal of Business Ethics*, *27*(4), 363–375. http://doi.org/10.2307/25074389

Srivastava, P. & Oh, S. A. (2010). Private foundations, philanthropy, and partnership in education and development: Mapping the terrain. *International Journal of Educational Development*, *30*(5), 460–471. http://doi.org/10.1016/j.ijedudev.2010.04.002

Terjesen, S., Sealy, R., & Singh, V. (2009). Women Directors on Corporate Boards: A Review and Research Agenda. *Corporate Governance: An International Review*, *17*(3), pp. 320–337. http://doi.org/10.1111/j.1467-8683.2009.00742.x

Terjesen, S. & Singh, V. (2008). Female Presence on Corporate Boards: A Multi-Country Study of Environmental Context. *Journal of Business Ethics*, *83*(1), pp. 55–63. http://doi.org/10.1007/s10551-007-9656-1

Walls, J. L. & Hoffman, A. J. (2013). Exceptional boards: environmental experience and positive deviance from institutional norms. *Journal of Organizational Behavior*, *34*(2), 253–271. http://doi.org/10.1002/job.1813

Wang, H., Choi, J., & Li, J. (2008). Too little or too much? Untangling the relationship between corporate philanthropy and firm financial performance. *Organization Science*, *19*(1), 143–159. http://doi.org/10.1287/orsc.1070.0271

Wang, J. & Coffey, B. S. (1992). Board composition and corporate philanthropy. *Journal of Business Ethicss*, *11*(10), 771–778.

Williams, R. J. (2003). Women on corporate boards of directors and their influence on corporate philanthropy. *Journal of Business Ethics*, *42*(1), pp. 1–10. http://doi.org/10.1023/A:1021626024014