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**Exploring Corporate Social Responsibility as a Form of Global Corporate Governance: An Institutional Analysis of the Principles for Responsible Investment (PRI)**

The purpose of the present paper is to explore the rise of CSR as a mechanism of global corporate governance through the lens of institutional theory. Our empirical domain will be the Principles of Responsible Investment (PRI), an organization that acts as an institutional entrepreneur serving to diffuse CSR practices in the financial organizational field and the larger corporate field that is networked into the financial 'nervous system'.The PRI is a voluntary initiative that organizations in the financial field can choose to join in order to evidence their commitment to incorporate environmental, social and governance (ESG) criteria in organizational decision making. Becoming a PRI signatory involves an organization to pledge voluntarily to adhere to six principles related to ESG integration in its organizational processes and functions, thereby creating a governance mechanism that can influence organizational decision making in agreement with the principles. The PRI, acting both as a 'passive' voluntary initiative to which entities in the financial organizational field can voluntarily choose to join, as well as an 'active' institutional entrepreneur that takes deliberate action to spread CSR practices in the global financial organizational field, offers a rich and nuanced context to explore some of the central theoretical constructs and mechanisms of institutional theory.

For example, much empirical research in institutional theory has often neglected to properly specify and clarify the causal relationships between isomorphism and diffusion, legitimacy and diffusion, institutionalization and diffusion as well as isomorphism and decoupling (Boxenbaum & Jonsson, 2008). Our study makes a number of contributions to institutional theory and to understanding the spread of CSR as a mechanism of global corporate governance. First, we add nuance and precision to central concepts of institutional theory by using a multi-level analysis that can better specify what is being diffused, how isomorphism is realized, and how isomorphism relates to diffusion on different levels of analysis. For example, we find low organizational isomorphism with respect to the implementation of the PRI between PRI signatories in Coordinated market economies (CMEs) vs. Liberal market economies (LMEs), yet we find highinstitutional isomorphism for PRI adopters within CME countries and high isomorphism (but potential differences in institutional isomorphism) for PRI adopters in LME countries. We find similar results concerning macro institutional differences between nations as described by the theory of legal origins (LaPorta, Lopez-de-Silanes, & Shleifer, 2007). Second, our results allow us to more finely differentiate between when a practice or structures similarity is a function of institutional pressures or is a function of noninstitutional mechanisms. These distinctions also allow us to understand how organizations that are decoupled from a practice may nonetheless be isomorphic to each other and exhibit institutional isomorphism concerning the structure or practice in question. In other words, we underline how decoupled organizational functions or practices may become taken for granted generalized decision-making routines (Jamali, 2010).

We add nuance and precision to institutional theory by more explicitly relating the existence of decoupling to institutional forces by finding that PRI signatories characterized by lower levels of internal decoupling exert greater institutional pressures to adopt CSR initiatives in the larger corporate organizational field than do PRI signatories that have higher levels of internal decoupling with respect to the organizational implementation of the PRI. In our empirical domain, these different levels of organizational decoupling concerning the PRI serve to differentiate the strength of the transmission or diffusion channels concerning CSR activities to the larger global corporate organizational field level. This finding better specifies how diffusion as a mechanism of isomorphism is related to decoupling, and further provides as rationale as to why the PRI acts as an institutional entrepreneur to reduce decoupling at both the level of the organization and at the level of the organizational field. The purposive activities by the PRI to reduce decoupling at the organizational and organizational field level increases the diffusion of CSR activities in the more encompassing global corporate organizational field. This finding demonstrates how the diffusion of CSR can lead to isomorphism on the level of global corporate governance.

Our study enriches institutional theory by showing both howisomorphic pressures, specifically CME and LME country isomorphic pressures and legal origin isomorphic pressures, can lead to differential diffusion and decoupling dynamics concerning the PRI. Most previous studies have treated the diffusion of organizational practices or functions as an outcome variable of already existing isomorphism while only a few studies have looked at isomorphism as an outcome of diffusion (Boxenbaum & Jonsson, 2008). We add to the literature on institutionalism by exploring both causal directions, but at different levels of analysis and by making more explicit differentiation of what is becoming isomorphic. We make the unique claim concerning the PRI that the same macro institutional forces will result in levels of diffusion and degrees of decoupling, which violate the assumptions of the standard two-stage model of diffusion that predicts greater decoupling as a practice becomes more institutionalized. In specific, we argue that the speed of transmission of a practice or organizational form does not predict the degree of symbolic adoption that we observe. In our empirical context, we argue that in liberal market economies, not only is the PRI adopted earlier than in coordinated market economies but that this earlier adoption is accompanied by higher levels of decoupling than what we observe in coordinated market economies. Similarly, in coordinated market economies, where the PRI is adopted later than in liberal market economies, we will observe lower degrees of decoupling relative to what we would expect in liberal market economies.

The PRI is a key to understanding the bridge between three levels of analysis because the PRI acts not only as a passive voluntary standard to which organizations in the financial field can adopt. It also acts as an institutional entrepreneur that has served to legitimate and promulgate various CSR practices and initiatives in the financial organizational field and by extension, to those corporate entities networked in to these financial institutions. Simply put, the PRI acts directly on organizations within the global financial organizational field and indirectly on the much more encompassing global corporate organizational field. The PRI can be analogized to an individual agent within an organization that may work to maintain, create or disrupt existing institutional arrangements. In the case of the PRI as an organization that acts as an institutional entrepreneur, it can have these effects upon the larger financial organizational field by actively working to promote its diffusion and erode its decoupling (Tilcsik, 2010). In turn, the differential diffusion and decoupling dynamics of the adoption of the PRI as a practice observed within different institutional domains affects the transmission of CSR practices the the more encompassing global corporate organizational field.