

B Corp Movement and the Development of Corporate Social Responsibility Practices: Ethnography of A Pharmaceutical Company

Sónia Coutinho

Phytoderm
Lisbon, 1069-061, Portugal

sonia.coutinho@aln.iseg.ulisboa.pt

Mónica Freitas

Faculty of Social and Human Sciences
of NOVA University of Lisbon (FCSH-NOVA)
Lisbon, 1069-061, Portugal

monica.freitas@fcsb.unl.pt

Abstract

Considering the emerging social and environmental needs, companies are beginning to awaken to the awareness that they must take responsibility for changing the business paradigm, whose objective does not have to be exclusively profit for their own benefit. This work focuses on the development of Corporate Social Responsibility practices and the transformation process into a B Corp company based on ethnographic research carried out in a Portuguese pharmaceutical company, which aims to understand the functioning, values and motivation for involvement with what they call the common good. Establishing a clear social or environmental improvement purpose and developing practices to achieve it is the basis for a company to become B Corp¹. This work concludes that there is no recipe for a company to become B, taking into account that its performance depends on various internal and external factors, as well as its business area. However, it verified the undeniable weight of stakeholder networks in the adequacy of organizational values and practices according to the parameters dictated by social responsibility, including in the pharmaceutical sector.

Keywords: Corporate Social Responsibility (CSR), Ethics, B Corp Movement, Ethnography In Companies, Certification.

1. INTRODUCTION

This work aims to understand the restructuring process of the operating model, organizational values and motivations of a pharmaceutical company based on the “B-Corp” model. For this purpose, the method of ethnographic study was used. The investigation was designed from the questions: What are the mobilizing factors for companies to obtain B Corp certification? How does B Corp certification influence a closer attention to emerging social and environmental issues?

¹B Lab, a non-governmental company founded in 2006, in Pennsylvania, with the objective of creating a movement of companies that consider their impact on communities and the environment a priority above profit. The process begins by completing the BIA (B Impact Assessment) assessment tool, available on the B Lab website free of charge, and which considers the impact areas – Community, Governance, Employees, Customers and Environment (Silva, 2017) on which evidence of responsible practices must be submitted – including energy consumption, waste, water use, employee conditions, diversity and management transparency. Each of these areas is scrutinized so that what is said to be done is proven. This Impact Assessment tool does not have to be used solely for the purpose of certifying a company, and can be used by any company, free of charge, in order to understand what is being done and what can be improved.

In order to answer these questions, we established as a general objective to understand the impact that the B Corp certification has on companies in Portugal in terms of the development of ethics and social responsibility practices, as well as the strengthening of collaborative networks of cooperation/stakeholders. As specific objectives, we intend to 1) investigate the assumptions of the "B-Corp" movement and the path taken in Portugal and 2) understand whether this practice can bring benefits of differentiation in the market, through the study of the dynamics and commitments assumed by a certified pharmaceutical company, in this case the company Phytoderm – Pharmaceutical Specialties.

This theme was chosen either because of the need to demand attention to the subject, at a time when there is a global commitment, in particular through the 2030 Agenda, on issues of climate change and the guarantee of human rights for all, and for reasons of great interest personal and professional of one of the authors, who currently holds the position of responsible for the sustainability department of the company Phytoderm. Initially, the process of adapting organizational values and practices in accordance with the parameters dictated by B-Corp corresponded to the mere fulfillment of a task with a view to the company's subsequent certification. However, enthusiasm and dedication dictated the appointment of one of the authors as the main responsible for the management and maintenance of the "B-Corp" certification and for everything that involves Social Responsibility in the aforementioned company, in a perspective of continuity and search for innovation. That said, the fact that the research was carried out in a business context, through the ethnography of a Portuguese pharmaceutical distribution company - Phytoderm – Especialidades Farmacêuticas, Lda. This company exists in Portugal since 2005 and is representative of Aboca, an Italian pharmaceutical company whose business is based on agriculture, research, production and distribution of 100% natural medical devices and food supplements. It distributes products in Portugal aimed at diseases of the digestive system, upper airways and dermatology, and food supplements for weight control and sleep. In addition to marketing these products, Phytoderm provides training aimed at the practice of conscious health to physicians and pharmacists, and attracts pharmacies to practice the culture it intends to instill in the pharmaceutical market. Although CSR has traditionally been practiced informally by many companies, as is the case of the company we intend to study (this topic will be discussed further), in Portugal, companies have been increasingly concerned and focused on implementing policies and practices that take into account the environment, the people and the involvement of the communities in which they operate.

In Portugal, the only regulation in this regard comes following Directive 2014/95/EU, signed by the member states of the European Union, and whose interveners have committed to implementing standards in their countries for the "disclosure of related non-financial information to the social, environmental and corporate governance areas, it contributes decisively to the analysis of the performance of companies and their impact on society, to the identification of their sustainability risks and to the reinforcement of investor and consumer confidence." (Decree-Law No. 89/2017). This decree determines the preparation of an annual non-financial report by companies with more than 500 employees, which must contain a brief description of the business model, implemented policies and their results. After several agreements established at European and World level, as is the case of the UN 2030 Agenda that promoted the Sustainable Development Goals, the concern with CSR has been implemented in a more systematic way (Leite, 2009). It has been possible to witness an effort by companies, often in response to the growing information and interest of consumers about what they buy, and seeking to respond to the competitiveness that has been installed in this matter, to become more transparent and innovative (Leitão, 2009).

According to the interviews made for this investigation to General Director of B Corp in Portugal, Luís Amado, the main motivations for CSR practices are directly related to the values of the

companies' managers themselves. Various measures and activities can be implemented, but if the base is not fully aligned with that will, then the results will not manifest in the long term. Another motivation is related to marketing and the need to show work done on sustainability because it looks good, because it sells, and attracts talents and investors. According to him, it will be progressively easier to distinguish the true commitment because people are more aware, more attentive and go to investigate what is done in addition to what is said. With the exponential demand for socially responsible products and services, CSR will increasingly assert itself in the market. The challenge will be to ensure that this is here to stay as we are more aware that ethics are assured and that this is not a "fashion" of current issues. Luís Amado also spoke about the pressure that has been exerted, in large part by the B Lab, to regulate these issues at a European level. He also mentioned that soon all companies will have the obligation to provide satisfaction on essential issues for society and the environment, such as energy consumption, number of employees, gender, etc., and that at the moment they are done by some companies only on a voluntary basis.

2. THEORETICAL FRAMEWORK

2.1. Ethical Values and Motivations for Social Responsibility

Social responsibility comprises a political-normative concept that is based on the idea that organizations, regardless of their statutes, have increased obligations towards the environment and towards society. Therefore, they should seek, whenever possible, to develop actions that contribute to a cleaner environment, a fairer society and a more transparent economy (COM, 2001). The CSR theory emerged in the 1950s based on the idea that business is central to social life, and that its actions and decisions directly affect people's lives in various perspectives. Thus, companies, in addition to the exclusive demand for profit, have a duty to better understand and assess its impact so that management practices are adapted to the environment in which they operate (Bertoncello and Junior, 2007). According to Dolan and Rajak (2006), CSR is an evolutionary, flexible and overlapping set of practices and discourses through which the company asserts itself as an ethical actor that balances its principles with the achievement of profit. It emerged in 1990 in the wake of financial scandals, ecological disasters and human rights violations committed by multinationals. The development of communication allowed companies to go further in their business, but at the same time made their conduct exposed, so that, to regain credibility, companies sought to start acting based on ethics and transparency (Jenkins, 2005).

Mirrored in the world's sustainable development agendas, CSR has evolved to defend companies as a solution for solving social problems, going beyond economic responsibility and seeking to boost social and environmental awareness. In the last decade, it has been possible to witness the emergence of movements that can often be considered oppositional, but that seek to promote fair and ethical trade and that promise to turn social issues into business opportunities. However, if the foundation of CSR implementation is not based on ethical principles, it can have the opposite effect and, instead of adjusting the business model to social imperatives, it can seek to reformulate the interests of the community to meet the company's needs. Marketing is a powerful vehicle for this. Likewise, the CSR study has revealed that sometimes there is no cohesion in the implementation of CSR practices, arising in a reactive way to external pressures (Dolan and Rajak, 2016). Since its principle is to reconcile market needs and social emergencies, the concept is not stable, assuming different meanings and practices according to the political ideologies of the places where the company is located, business schools, organizations linked to the development and social issues, etc. (Ong and Collier, 2005) as well as the ethical orientation of the actors (Almeida, 2010) (Freitas, 2016).

SR has been the target of great interest on the part of companies and NGOs linked to development, which have been very critical with regard to the initiatives adopted by the business

sector, which has contributed so that organizations can act as a complement to the initiatives of the Governments, aiming to achieve change with regard to ethics in marketing, quality work assurance and environmental impacts. A central point of CSR is that companies that continue exclusively in search of profit, at the expense of collaborating in the achievement of development goals, will be harmed in the long term, considering that their practices have resulted in social and economic insecurity, the perpetuation of inequalities and the retraction of markets due to scarcity of raw materials (Jenkins, 2005). The competitiveness of companies has grown along with the increase in productivity and the advancement of new technologies, giving rise to an increasing need for differentiation that meets the consumer's attitude. However, CSR can be adopted as a strategy to increase profitability and credibility, in the sense that there is a growing consumer interest and concern in acquiring products whose value chain is based on a posture of care for people and the environment (Bertoncello and Junior, 2007). The study of the evolutionary path of social responsibility shows two contradictory movements. On the one hand, we find social movements demanding a greater commitment from companies in creating answers to the main problems faced by society and the environment. On the other hand, we find some companies strongly committed to solving the social and environmental problems of populations. Although they are on contradictory sides, it can be said that the values that drive the actors in this search for change can be: ethical/virtuous, utilitarian, contractually and deontological (Almeida, 2010). In virtuous ethics, individuals seek to work for the common good even if they do not benefit from it. According to this philosophical doctrine, individuals would seek it if they were endowed with high powers of discernment (science). For, through the practice of the common good, the individual achieves happiness, that is, his flourishing (evolution, nirvana). The main thinkers of this philosophical current were called "Sophists" and the best known were Plato and Aristotle. In deontological ethics, the individual adopts morally accepted values and behaviors. In the specific case of this ethics, there are standards of moral conduct which individuals adopt in order to achieve the freedom and autonomy they need. That is, it proposes a pattern of action that can be replicated by anyone regardless of their natural inclination. In utilitarian/consequentialist ethics, as the name implies, individuals are strongly motivated to maximize tangible (e.g. increased profit) and intangible (e.g. image and reputation gain) results. According to this current, an action is ethical insofar as it manages to produce the greatest amount of happiness, in the longest period of time, with the least possible pain and to the greatest number of people. In contractual ethics, the social relationship established between individuals and organizations is managed based on contracts because they reflect the moral duty to society. Therefore, the signed clauses seek to guarantee the fair sharing of benefits and losses, taking into account the social, economic and intellectual specificities of the individuals involved. The ethical guidelines described essentially translate two types of motivations for social responsibility: strategic motivations and idealistic motivations. In the idealist ones, the pursuit of the common good supersedes individual or corporate interests, while, in the strategic one, individual or corporate interests supersede the interests of the common good.

According to Garriga and Mellé (2004), the motivations of actors in the field of social responsibility can be: instrumental, ethical, political or integralist. In instrumental motivation, the well-being of the company/organization is neglected to the detriment of the common good. It includes all the choices made by the organization in order to maximize its effectiveness/efficiency gain (e.g. implementation of a performance evaluation system based on indicators of effectiveness in public administration). In ethical motivation, the well-being of society or the protection of the environment is neglected over the company's profitability. In political motivation, the company/organization makes the decisions that best fit the role they play in society. They see themselves as a moral agent endowed with moral responsibility to society. In integralist motivation, the company/organization integrates the requirements/demands presented by its different partners/stakeholders in the decisions it takes in order to benefit the greatest number of people involved. (e.g. civic forums, civic audit offices, stakeholder management models, etc.).

According to Pasquini “ethics is the reflection in search of excellence, of the full realization of the human being” (2019:22). If we define ethics as the starting point for our conduct, we consider that individual values and morals determine the behavior and interpretations of each individual. Knowing that companies have their own values and standards, and that they are made up of people, can we distinguish the ethics of a company from the ethics of each of its employees? It is believed that many companies adopt socially responsible attitudes in the expectation of receiving admiration and preference from customers or even with interest beyond market gains, such as privileged access to bank loans or government incentives. Companies that move away from purely instrumental interests usually adopt ethical behaviors, determined by codes of conduct, which are disseminated in the organizational culture and which are passed on to its employees (Mendonça & Gonçalves, 2004), in the expectation of ensuring that there is consistency in what they disseminate and in those that are their actions, which may consider them as socially responsible companies. To clarify, we can apply the phrase “it is not enough to appear, it has to be”. Here, the importance of making available a Code of Ethics and Conduct that guides the relationship between the proper functioning of interpersonal relationships, the fulfillment of the company's objectives, and the commitment to its values is elevated. These standards, which may be presented through a formal document, or informally, such as a speech or company presentation, will somehow allow to guide individual behaviors, and should also consider their needs and emotions, taking into account what will be established a long-term emotional commitment (Bainton, 2012). For Kotler (2020), business ethics goes beyond what is applied by companies and their professionals, and can be identified throughout the value chain, including in Marketing. How the message is delivered will have major influences on financial and social results, and it is important to ensure your true interests beyond what you sell. In a company with well-defined ethical principles, with written policies and the example of managers, all its stakeholders must ensure compliance with them beyond their personal values, so that the company achieves its financial and social goals, adopting a posture of commitment and partnership in achieving goals. Ethics is essential in organizations, because it means that, alongside consumers, companies are also more aware (Pasquini, 2019).

2.2 The Role of Stakeholder Networks In Creating Value In Social Responsibility

It is a theory of a non-consensual method because it introduces profound changes in the role of the company and managers. The company's main concern is no longer the production of profit and sharing of dividends with shareholders (Friedman, 1970), as it voluntarily integrates environmental, social and fair trade concerns (Scherer and Palazzo, 2011). Cultural factors condition managers' adherence to stakeholder networks (Ismael, 2008), as well as geographic dispersion (Castels, 2002), and the company's choice of maintaining a business logic that favors short-term results, rather than the long term (Porter and Kramer, 2004). We are witnessing the creation and stabilization of stakeholder networks in the different productive sectors of society for the following reasons: 1) they increase the competitive capacity of companies thanks to the reduction of transaction costs with the acquisition of raw materials, equipment and professionals talented, 2) they increase the innovation capacity of companies thanks to the new knowledge generated and the inlay in new business networks (Porter, 1996), (Castels, 2002; Swift and Zadek, 2002). However, according to Swift and Zadek (2002), there is an urgent need to better understand the networks of consolidated stakeholders, more precisely, in terms of the actors involved, the transacted added values, the implemented projects and the performative effects achieved at the level of development of territories.

The principle of responsible and strategic business management must be based on the consideration of all stakeholders. Stakeholders are all parties interested and involved in the performance of a given organization, therefore any individual who may benefit or be affected by it (Freeman, 2016) and vice versa, in a constant perspective of reciprocity. Although this is a complex concept, it is here to make it understood that, for a company to be socially responsible, it

must have at the basis of its management the consideration of all those it will affect, directly or indirectly. It is at this point that the true commitment of organizations is identified, bearing in mind that it is easier to manage without thinking too much about the consequences, while, on the other hand, it is important to consider the consequences to manage effectively, in order to guarantee social and economic results in the long run. It is important to highlight that CSR calls for the establishment of a network of support stakeholders so that consensus around concepts and practices is reached as expected levels of transparency and governance are achieved (Freitas, 2016).

The idea of sustainability and corporate responsibility became clearer when John Elkington (2004) proposed the sustainability tripod concept. The idea is to consider three dimensions as a reference for decision-making – profit, people and the Planet, with the aim of guaranteeing economic prosperity, environmental quality and human rights. Porter and Kramer (2011) also argue that a company's performance must be interconnected with social progress, there must be a purpose. The concept of shared value is based on the assumption that the success of a company is greater the more prosperous the society in which it operates, in the same way that this same community benefits from the success of companies, having access to jobs and opportunities to improve life. In the end, it can be said that shared value refers to operational practices that, at the same time as they increase productivity and competitiveness, improve the economic and social conditions of the communities in which they operate.

From a theoretical point of view, this research will help us to deepen our knowledge of the external factors that drive the implementation of social responsibility values and practices, contrary to Almeida (2010), who believed that social responsibility resulted only from the ethical values of managers. From a practical point of view, this reflection will help us to question the role of state institutions, business, business associations, etc., in: 1) introducing and reinforcing disciplines related to stakeholder management in undergraduate and graduate courses in schools of economics and management and 2) draw the attention of the regulatory entities of economic activities to develop training actions together with educational institutions and local business associations, in the area of stakeholder management and social responsibility.

3. METHODOLOGY

Considering that companies are made up of people and that each of these individuals play a role in the organizational structure of a business, this theme falls within the area of Corporate Anthropology, a subfield of Cultural Anthropology, which Pasquini (2016) defines as an application of anthropological theories to the understanding of organizational culture with a view to studying and solving business challenges. Regardless of which anthropological approach to pursue, business anthropologists have developed their own insights and created a cultural approach to studying organizational dynamics. The model to be followed is not the most relevant one, but the way in which the anthropologist sees a company as a culture of people to be analyzed and understood, in the same way as anthropologists who study communities outside the business environment (Tian, 2010). The uniqueness of the methodology applied by anthropologists has contributed to the development and knowledge of this area in the business world, which according to Jordan (2010) can be divided into three fields: 1) organizational anthropology, which studies the complexity of organizations to establish results and guidelines of change, 2) the anthropology of marketing and consumer behavior, and 3) the anthropology of product and service design. Anthropologists can also make their contribution and play very different roles in unlimited areas, such as human resources, competitiveness strategies, operations management and international business mediation, etc. Regardless of their position in a company, business anthropologists use the same methods as applied anthropology, especially ethnography, participant observation, focus groups, interviews and document analysis, as well as

analyzing from the same cultural variables as other anthropologists such as gender and ethnic relations, social structure, values and beliefs, etc. (Tian, 2010). An anthropologist does not have a position in what will be, from the outset, the principle of creating a business and which is related introduced at the level of values, motivations and the organization's operating structure, taking into account the assumptions brought by social responsibility. This research was carried out using ethnography, considered the most appropriate approach to deepen the organizational culture, social practices and the feelings of those associated with the organization (Marcon and Soriano-Sierra, 2017).

In the context of ethnography, and since one of the authors belong to the company under study, we chose to carry out participation-observation, which differs from participant-observation and that, given that an author is actively inserted in the context intended to study, it will make sense to use as a means of investigation. Taking on a more involved role in the field, the choice to use the participation-observation method allows us to go deeper into what is written and said, being also more sensitive to the development of internal processes. Although either method allows the observer to enter the fieldwork, participation-observation facilitates access. We tried to study keeping an attitude of seriousness with the object of study, without offering privileges (Seim, 2021). In order to meet our goals, we will also resort to the analysis of documents instituted and made available by the company, such as impact reports, accounts reports, codes of ethics and conduct, human resources manuals, meeting and training minutes, as well as from our personal experience with regard to ensuring the compliance of the aforementioned documents, as well as liaison with employees in dealing with CSR practices. An interview was also carried out with the General Director of Phytoderm, Dr. João Sousa, through which we intended to understand to what extent the company's communication with customers and partners corresponds to what is practiced by the company on a daily basis, and whether the B Corp certification had any responsibility in what is found. In addition to this interview, a semi-structured interview was carried out with the Executive Director of B Lab Portugal, Luís Amado, in order to know his perspective on the development of the movement in Portugal, to understand what changes have been made in the development of CSR actions of the companies that adhere to the movement, and how the initiatives that seek to implement the Declaration of Interdependence signed by all those who certify are carried out. In temporal terms, the survey took place between September 2020 and June 2021. As one of the authors is inserted in the environment to be studied, there were no difficulties either in accessing documents or in accessing the people interviewed. However, the fact that there is little scientific research on Social Responsibility in Portugal, and more specifically on B Corp, imposed some limitation in terms of comparison and obtaining more specific results. However, we were faced with concerns about the level of involvement we should have with the object we were willing to study, taking into account that we wanted to ensure ethics and transparency in the calculation of our results, without being conditioned by relationships and experience in matter. In order to overcome this difficulty, we proposed to carry out the study with an outside perspective, which led to its undeniable overcoming. In retrospect, this study ended up contributing to one of the authors' professional self-assessment, leading her to deconstruct what she thought she knew, now becoming even more alert to what personal performance in the Phytoderm company should be with a view to prosecution of established sustainability purposes. In calculating the results of our research, we adopted the qualitative analysis method to try to understand the whole phenomenon excluding preconceived ideas, highlighting the importance of events for their actors (Pasquini, 2016).

3.1. Phytoderm, Portugal: History, Mission and Values

Phytoderm was born in 2005 after a meeting with Aboca at an international event, where some business opportunities in the area of innovative pharmaceutical distribution were identified. Aboca, an Italian company recognized worldwide for therapeutic innovation based on 100% natural molecular complexes and for its development, innovation and production of its products, going

through a rigorous care from the cultivation of the seed to the final product. The entire process of creating the product is done in a single location, Quinta Aboca in Sansepolcro, in Tuscany, Italy, with the sole purpose of preserving the culture and benefits of botany, through sustainable and biological agriculture, thus ensuring a total respect for the environment, while ensuring human health. General Director João Sousa, founding partner, says that at the time they were looking for something truly differentiating that could add value to the Portuguese market and immediately identified with the philosophy of the parent brand. Thus came Phytoderm, with the mission of "Benefiting people and the environment, creating value by providing society with innovative products with high quality standards, which promote and offer effective prevention and treatment solutions, successfully incorporating natural substances in health chain" (Phytoderm, 2019) and that over the past 15 years has been committed to valuing the relationship with consumers, suppliers and employees to achieve what it defends as its main purpose: the common good.

The company is currently headquartered in Lisbon, with employees in various parts of the country. Of the 32 employees, 60% are women. The direction is composed of 5 elements, 2 of which are women. 65% of employees have academic training and internal training actions are promoted every four months, as well as the company has a team of trainers available for monitoring whenever the employee feels this need. Additionally, employees can propose courses of interest to them, whose approval decision is discussed by the members of the Board. According to the records, in-house employees were privileged in case of hiring for management positions, promoting career progression².

As noted, there is a close relationship between teams, each of which promotes weekly follow-up meetings where space is given for everyone to speak. In the cycle meetings, which take place every 4 months, reports and future perspectives are presented in the formal posture, and these dates are used to also foster team spirit through relaxed meals and group activities that, as the documents report, seek always have a positive impact on the community. These activities consist mostly of team games in which the winner has the opportunity to choose to whom the company offers a monetary donation or, as happened in the most recent activity, in August 2021, employees join teams and each one of them chooses to whom to donate a basket of goods sponsored by Phytoderm, which resulted in 5 institutions being helped.

To guide employees, Phytoderm provides all new employees with a human resources manual where they can see all their duties and rights described, a code of conduct by which they should be governed, a code for combating harassment at work, environmental, philanthropy and supplier policies in place, the most recent impact report, and also have access to a presentation on the B Corp movement so that they can immediately fit into the organizational culture³.

4. FINDINGS

4.1. Results of Semi-structured Interviews

The General Director defends having a business model that is economically viable, ecologically sustainable and socially fair, which distributes products that benefit people and do not harm the environment. He says this is not because they are good people or not, but because they really believe that economic success is a consequence of value creation. There is a systemic perspective of health, considering that a system is a set of parts that interact with each other. If we stop to analyze the human body in detail, we can see that when one of the organs of a system does not work well, it directly affects all the others. We cannot look exclusively at the symptoms,

²Results obtained through internal company documentation.

³Code of conduct, environmental policy, philanthropy policy and the supplier policy are available for consultation on the website www.phytoderm.pt

but also assess the process that gave rise to them and Phytoderm offers a new form of treatment that, respecting humans and the environment, contemplates these aspects in the sense that it respects and understands the human body as a whole. This work goes far beyond the commercialized products, through the work developed with pharmacies that are increasingly identifying with this way of being in the market in which financial return cannot be the primary objective.

According to Dr. João Sousa, director of the network, the core of this entire process is the person, respecting their organism and the environment in which they live, working through prevention and changing habits and lifestyles. At the end of 2020, the network Apoteca Natura already had 79 pharmacies adherent and for which Phytoderm is responsible when it comes to product and culture formation. The advice of these Pharmacies⁴ for the treatment or prevention of minor pathologies always leans towards products that do not have side effects and have greater proven efficacy compared to other similar products. João Sousa states in interview that natural products without components harmful to health and the environment are a reflection of the co-evolution between nature and man. Investment in training is essential for Phytoderm, as training means more productivity, more knowledge, more up-to-date information sharing, market differentiation leading to greater consumer health and well-being success. Phytoderm trains and informs to spread culture, science, lifestyles and to regain awareness of the link between human health and the environment. In addition to informing physicians, the Training and Medical Information teams are responsible for providing support in terms of providing technical and scientific information, as well as clinical studies that are published annually by Aboca.

Annually, the company gives, on average, about 800 annual training courses that are not exclusively focused on products, but on the pathology and its origin, offering tools for the identification and correction of bad eating and lifestyle habits. Phytoderm works with around 550 doctors in the areas of Gastroenterology, General and Family Medicine and Pediatricians in order to, as they have a huge responsibility to ensure an awareness of individual health, direct them to this perspective of channeling nature for health, seeking to eliminate side effects caused by taking chemical drugs and the persistence of bad habits that give rise to certain pathologies. Partly conditioned by the sustainability culture promoted by the company it represents, Phytoderm has sought to develop its own path of social responsibility. According to Dr. João Sousa, globally, the percussion of the common good has been present in the company's path over the years. There is a systemic perspective of the human body, just as there is of business, considering that all networks of relationships are part of the same complex system and that nature also provides us with principles on how to manage business.

When seen from this perspective, a business is a life project where there is no longer a line between ethical codes for work and for private life. To make this possible, our values are easily identified through our conduct and shared with our employees, partners and consumers so that we are all aligned. Coherence is the ability to remain consistent and permanently make our values prevail over proposals that are not consistent with health and well-being within nature without ever compromising it. Humility is a constant investment to demonstrate the scientific validity of our ideas and respect and realize that not everyone understands them at first sight due to their great differentiation in health. Work, because in fact it is the basis of all our success: learning, sharing knowledge, distributing health, are all results of hard work. And I can proudly say that we remain true to our core values and that this trust on the part of our partners has been reflected in the increase in our market share over the past few years.

João Sousa, June 23, 2021

⁴It should be noted that these pharmacies will now have to comply with certain contractual rules, namely with regard to directing the focus of sales to Aboca and Apoteca Natura products, and to complying with the agreed sales volume. Benefiting in exchange, from Marketing, training and monitoring in the purpose that is common to all: conscious health. Some awareness-raising activities for certain diseases are also frequently promoted, as well as screenings and follow-ups are offered to users of these pharmacies.

Although there was an informal code of conduct that was easily identified in team meetings and business strategies, as well as social initiatives and environmental concerns, it was not easy to identify at the outset that it was a socially responsible company. The B Corp path began with the presentation of the main manager of the Aboca group, who, being also certified, spoke about the project to the Director of Phytoderm. As he says, he immediately felt identified and embarked on a path that has been one of great learning, but also one of great personal fulfillment.

4.2. Results from Ethnography Analyzes

The B Impact Assessment adoption process at Phytoderm Portugal

Filling out the BIA (B Impact Assessment) turned out to be a path to self-discovery of Phytoderm's identity. According to the first author, every time they moved into the impact areas, they were confronted with the idea of "how come we didn't think about this before?", because in fact there were questions for which we had answers, but we had no proof, no measures implemented.

Dr. João Sousa says that, in terms of purpose, nothing has changed at Phytoderm, but it was an important process to validate and formalize what we have always believed. On the other hand, there is the mission to be one more company driving change, and to be an example that it is necessary to find and adopt new business models, to also ensure that what guarantees economic success and allows companies to continue doing the good, remains intact. No company survives if it only seeks profit, it has to be a consequence of creating shared value. "We create value to sell, we don't sell to create value, and few people understand this phrase" (João Sousa, June 23, 2021). Value creation presupposes that the company has to look at the impact on employees, society and the environment, in a long-term view. In practical terms and evaluating the certification path, there have been many changes, especially in the greater attention paid to small things. If before, although the values were already there in a more macro way, no great importance was given to details such as the origin of the paper used when there is a need for printing and the ethical values of the restaurant where the Christmas dinner was made. Today the company's posture is to look more objectively at all the little things, because this path is a process. In the words of Dr. João, the B Corp "(...) is a World that does not end." in the sense that the more knowledge we acquire, the more responsibility we have. Another big change concerns what is communicated to teams. Currently, all group initiatives must have a sustainable and educational basis, and there is always a space in the quarterly meetings dedicated to emerging social issues, aggregating the collaborators for this path and working on the awareness that we all depend on everyone. Measuring economic outcomes and social outcomes is among the most important tools to drive the paradigm shift in companies. It is not possible to know if they are creating value if they do not measure the results of the social objectives they have set, nor to ascertain whether this posture is contributing to better economic performance. While allowing them to reproduce and improve initiatives, offering opportunities to innovate and increase their social impact, they are a fundamental basis for communication with partners, customers, suppliers and employees. The impact reports, being voluntary, are made with the objective of publishing the results and practices with a focus on the environment, people and community.

Both interviewees in this study, when asked about the difference between a B and a non-B company, stated that only using impact assessment measures are they able to ascertain results, and only by measuring results can one trust the true commitment. Although he does not want to question the principles of non-certified companies that operate on a sustainability basis, Luís Amado says that those with a B can be trusted beyond what they say they do and the publicity that is generated around it.

At Phytoderm, the Impact Report has been an excellent engine both in organizing social and environmental initiatives, as well as in determining their results. Because there is a need to stop, look at what was done, what it generated and what could be improved.

During the completion of the B Impact Assessment and respective assessment by the B Lab team, during the period 2020-2021, all the company's procedures and initiatives in each impact area were taken into account. Phytoderm obtained 86 points (Annex 2) out of a possible 200, and certification would only be feasible if it finished the assessments with at least 80 points. The most relevant impact area (Annex 3) concerns the environment, with 25 points, obtained mostly due to the type of product that Aboca produces and Phytoderm sells and which, being 100% natural and with fully recyclable packaging, represents an almost zero impact on the environment. In this field, the building in which the company operates, the water and electricity bills, the amount of waste entering the market, the car fleet and respective CO₂ emission, the trips that are made and all the initiatives that may result were also evaluated in this field. have an influence on the degradation of the environment.

The next highest-scoring area was employees, with 22.4 points, after scrutiny of human resources policies and salary assessment, employee turnover, ages, education, gender, prevalence of female elements in management positions, prizes and perks offered to employees, training. The company promotes initiatives aimed at providing quality jobs, with respect and care for the employees in charge. The Community area represents 19 points and took into account the way in which society is taken into account in management practices. It assesses the origin of the main suppliers and whether they also have conscious business commitments, Phytoderm's criteria in choosing suppliers such as management and location principles, the way in which information about the company's initiatives is disseminated, in particular the promotion of a conscious health, volunteer activities and the way it is chosen to create internal initiatives that impact the community, such as Christmas baskets which, as a gift to employees, are purchased from the SEMEAR association, which promotes the inclusion of people with disabilities and development difficulties. After certification, Phytoderm proved to be more sensitive and alert when choosing suppliers, favoring sustainable raw materials, Portuguese brands or services and other B Corp companies. The Governance Area Obtained 16.1 points and verified the transparency of management practices, accountability and the relationship between what was bought and what was sold, how decisions are made and by whom. Here, it was also intended to assess whether the highest element of the hierarchy took decisions by initiative or whether it included other members of the administration.

At Phytoderm, decision-making is the responsibility of the members of the Board, composed of 5 elements, 2 of which are women, and operates on a voting system. During certification, codes of conduct were created in order to guide the way in which everyone who contributes to the operation of the company acts, and to declare, in an open manner, which principles and values should prosper. A major change that resulted from this assessment was the creation of an advisory board, composed of the members of the Board and two elements from outside the company, which added the perspective of outsiders and allowed management to be fairer and to consider exempts all stakeholders.

Finally, the area that gave Phytoderm the lowest score was Customers with only 3.2. At the time of the evaluation, this score was questioned because during the filling of the BIA the questions were closed due to the fact that Phytoderm does not generate billing from its training services. The members of B Lab, as well as the General Director in Portugal Luís Amado, agreed that this would be a gap in the assessment, and that, according to Luís, he lacks these experiences to progress and adapt to all types of business. It was not possible to show in this area the work that is done in raising awareness for health and for the practice of healthy eating and lifestyle in the prevention of numerous pathologies, such as the availability of surveys to pharmacies to better assess users, monitoring initiatives and heart care, obesity and even happiness and daily training in pharmacies, for which the company has two full-time employees dedicated exclusively to this area. With the commitment to return to using the impact assessment tool, the BIA, every 2 years, it is expected that all areas can suffer significant improvements in score, thus complying with the agreement to increase scores by at least 10%. Based on the institutional documents studied, it

was possible to verify that most of the documental support that proves CSR practices were implemented during and after certification, therefore, when they were already inserted in the process. According to one of the authors' experience while responsible for the formulation of most of the documents mentioned in the previous paragraph, these were created first for practical reasons of the answers, and it became obvious that they become excellent guides for the conduct of the company's elements. After B Corp certification, Phytoderm adopted a system of documentation and internal promotion of initiatives and practices within the scope of B Corp, resulting in greater transparency.

	Before B Corp	After B Corp
Workers	<input type="checkbox"/> Additional vacations indexed to goal achievement <input type="checkbox"/> Profits distribution <input type="checkbox"/> Lowest salary is 30% above the minimum wage <input type="checkbox"/> ~Meal allowance higher than legally required <input type="checkbox"/> Additional cost assistance for workers in mobility <input type="checkbox"/> Dining area for breaks <input type="checkbox"/> Career training <input type="checkbox"/> Health insurance <input type="checkbox"/> Gym	<input type="checkbox"/> All of the above <input type="checkbox"/> Adicional vacations indexed to goals achievement <input type="checkbox"/> Self-scheduling vacation <input type="checkbox"/> Human resources manual <input type="checkbox"/> Celebration of sustainability dates <input type="checkbox"/> Continuous awareness social and environmental issues <input type="checkbox"/> B Corp presentation to new employees
Environment	<input type="checkbox"/> 100% natural products <input type="checkbox"/> Packaging with recyclable material <input type="checkbox"/> Waste management with Ponto Verde society	<input type="checkbox"/> All of the above <input type="checkbox"/> Environmental policy implementation <input type="checkbox"/> All departments practice recycling <input type="checkbox"/> Water and electricity consumption assessment <input type="checkbox"/> Gradual change of car fleet to electric vehicles <input type="checkbox"/> Digital transition to avoid unnecessary travel
Governance	<input type="checkbox"/> Transparent management <input type="checkbox"/> Commitment to the common good <input type="checkbox"/> Consideration of the impacts of decisions taken	<input type="checkbox"/> All of the above <input type="checkbox"/> Implementation of code of conduct <input type="checkbox"/> Creation of an advisory board with elements external to the company <input type="checkbox"/> Focus on commitment B in management practices <input type="checkbox"/> Impact Report <input type="checkbox"/> Availability of policies and reports on the website
Community	<input type="checkbox"/> Volunteer Initiatives <input type="checkbox"/> Promoting conscious health <input type="checkbox"/> Create events with a positive impact on the community	<input type="checkbox"/> All of the above <input type="checkbox"/> Implementation of suppliers policy <input type="checkbox"/> Implementation of volunteering and philanthropy policy <input type="checkbox"/> Greater concern when choosing suppliers <input type="checkbox"/> Better expiration management, following products for donations
Clients	<input type="checkbox"/> Training <input type="checkbox"/> Focus on preventing pathologies <input type="checkbox"/> Promotion of healthy lifestyle and eating habits	<input type="checkbox"/> All of the above <input type="checkbox"/> B logo on packaging <input type="checkbox"/> Including the relevance of certification in the discourse with pharmacies

FIGURE 2: Chart of responsible management initiatives before and after B Corp certification (elaborated by the first author).

5. DISCUSSION

When a company believes in social responsibility as a basis of its conduct and is faced with a series of questions for which it has no immediate answer, we can conclude that either the questions are complex and not accessible to concrete practices and answers, or the organization has values and beliefs, but in practice his way of operating is not entirely consistent with what he thought he was.

The first author experienced this phase that we can call transition. Although it was possible to safely say that people and the environment are a concern taken into consideration on a daily basis, the truth is that the practices, bureaucracy, procedures, did not totally go against what was stated.

Taking into account grafts taken from the semi-structured interview carried out with the director of the company Phytoderm, we can infer that the ethical values of social responsibility were used to substantiate the discourse formulated above all by invoking respect for human beings and the environment. Equally or more important than identifying the ethical valuation models was to verify in which types of social responsibility programs the company's social responsibility strategy was structured.

The study carried out showed that the company's strategy was mainly based on the practice of voluntary activities and monetary and material donations to institutions. However, it was found that these initiatives, although voluntary, do not have a representative weight in the company's invoicing volume or working hours, which is a situation that is intended to be reversed if the real purpose is to share with the community.

In addition to the regular donations, the company invests heavily in training pharmacies in the sale of natural medicines with the aim of consolidating a health culture that is closest to nature in the country. This purpose comprises one of the axes of action of the the Apoteca Natura network, which emerged in Portugal in 2019 in partnership with Aponatura Portugal and Farminveste with a view to creating a network of Pharmacies that adhere to a new way of treating, seeking to ensure the complete integration of the healthcare chain and professional advice on natural products as a means of achieving health, and not as an end, within a path of "conscious health" elaborated by the pharmacist for the final customer.

In terms of ethical values, we can infer that the interviews used the ethical and utilitarian values of social responsibility to justify the importance that training occupies in the social responsibility strategy. Ethical values are marked by clairvoyants above all when they invoke the need to "recover awareness of the link between human health and the environment", as the right to health comprises a right of citizenship based on the Universal Charter of Human Rights.

As for the utilitarian values, these were invoked above all to mention their importance for product differentiation and for increasing the company's gain in competitiveness. They are retrospective and based on more or less complex assessment methods, depending on the level of investment in this matter, and can contribute to the company's reputation and consequently to better economic results (Porter et al., 2012).

Disclosure in addition to financial reports represents more transparency on the part of companies and generates greater trust from stakeholders, as well as encouraging the discussion of non-financial issues that are fundamental for socially responsible management practices (Romão et al., 2018). Measuring the value created allows companies to have the opportunity to assess what can still be done, countering the usual tendency to remain unaware of the improvements that can

be achieved, so that, when the time comes to apply them, they can be materialized (Porter et al., 2012).

In this sense, it can be said that ethical values of an instrumental nature, followed by integralist motivations, stand out in the speeches formulated around the use of impact assessment metrics in matters of social responsibility. The instrumental values are proven by invoking the pertinence of the indicators for their scaling, that is, for their gain in size, while the integralist motivations stand out when invoked the reasons related to the generation of greater gain trust in the stakeholders.

6. CONCLUSION

Although the way in which companies can contribute to social and environmental challenges is complex, as they depend on numerous factors and business areas, any strategies adopted in this regard contribute for us all to win, since the company's competitiveness is in growth while contributing to the resolution or minimization of some social problems.

The challenge we are going through is to make companies understand that this will be the correct way to act and, in this sense, B Corp companies will have a very important role in a future in which the movement is better known, which is believed, not it will take time to happen. It is so demanding to obtain the minimum score to achieve certification, that it can be assumed that B companies are more likely to manage considering the care of people and the environment.

Voluntary initiatives translate into results that, however small they may be, were motivated by strong ethical principles. Entrepreneurs also learn that formalizing their practices allows them to sustain these activities over the long term and with greater employee involvement. It is also concluded that measuring and evaluating the impact of business activity, as well as voluntary initiatives, are the greatest asset for achieving results. Because in addition to making the initiatives tangible, they offer strategies to extend them in the long term. It makes no sense for companies to create initiatives and not feed them, if the objective is to guarantee the well-being of people and the environment, so that they can also continue to guarantee the livelihood of their businesses.

Anthropology can make a great contribution in this area, as it has the ability to look from the inside out, studying behaviors and results in depth, tend to be more neutral and, not being directly involved in the management of the company, to measure what matters.

The anthropologist is a keen observer, with the ability to notice things that no one had noticed, and which allows them to understand the relationship between people, what they buy, and the mission of the companies from which they consume or contract services.

It is visible, in recent times, the number of companies that use the ride on the sustainability theme to promote their businesses, there is no TV ad that does not mention something along these lines. Coming from all sides, it will be a great challenge from now on to be able to fully trust and distinguish "the wheat from the chaff", i.e., those who have a true purpose and whose mission is not only for the organization's own benefit.

This is another field in which the contribution of anthropology is of great relevance in the sense that it can help companies to have ethics in first line of account, being able to use ethnography to better confront what is said and what is done. In the same way that consumers are increasingly demanding, employees themselves must take an active role in this matter and consider the posture of companies during the active job search. With job rotation and the training of young

people more aware of these issues, acting in a socially and environmentally responsible manner and with transparency will also be a way of attracting talent and strengthening collaboration networks with key stakeholders. This has also been the mission of one of the authors at Phytoderm. Ensuring that the company continues to make a commitment to all who depend on it, seeking to innovate and create mechanisms to continue the path of awareness outlined, as it is up to us all, in the way we deem most relevant, to find strategies to be better, as well as make others better. Because profit and good don't have to be far apart. On the contrary, they work much better together.

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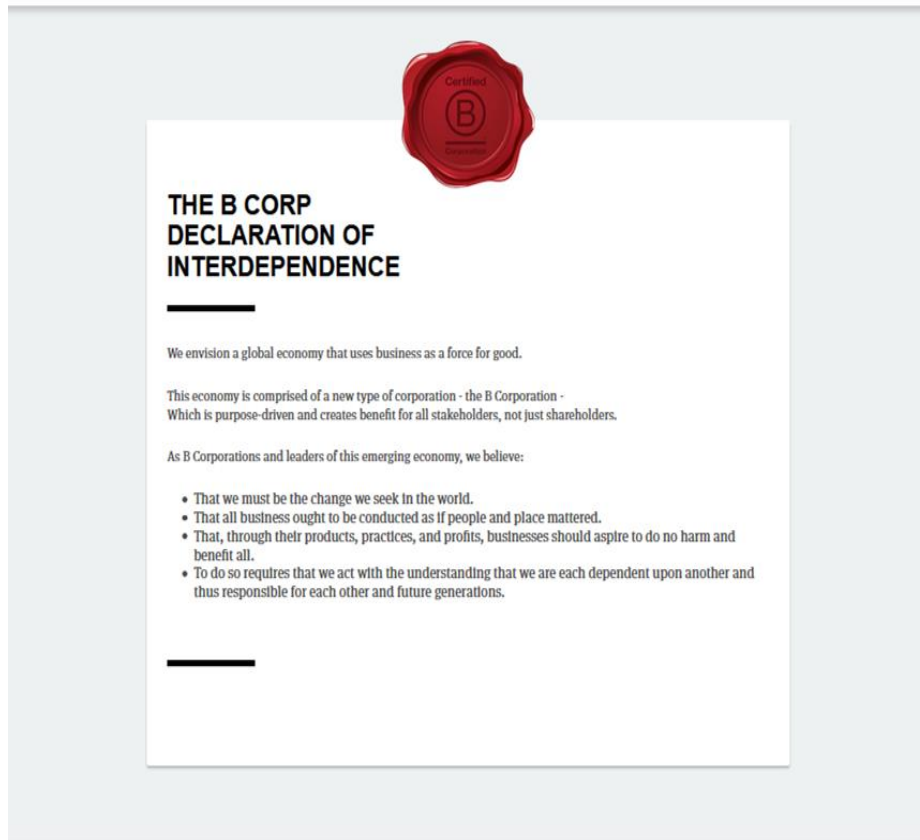
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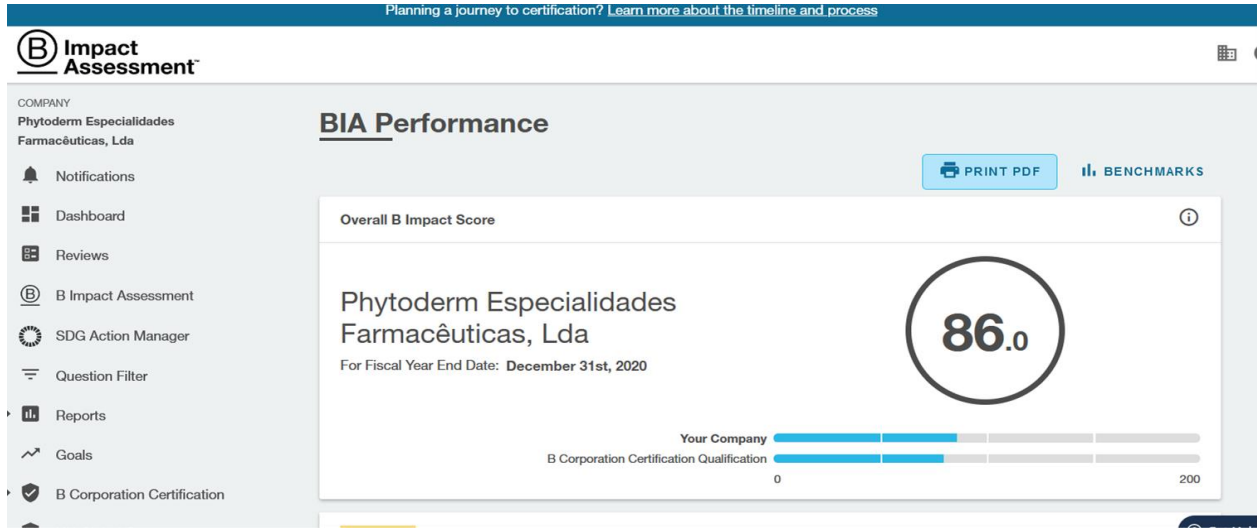
8. ATTACHMENTS

Annex 1 - Declaration of Interdependence



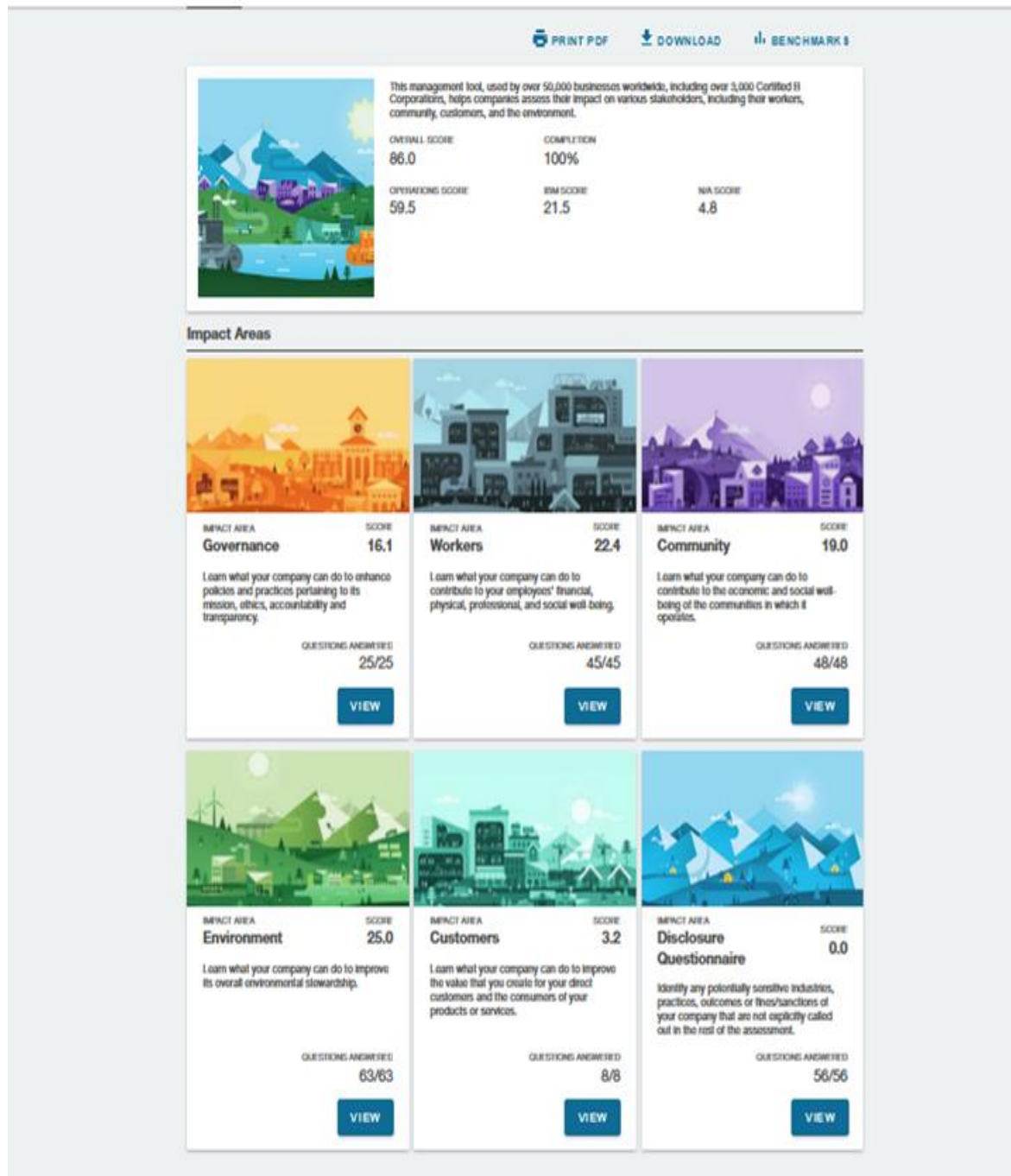
Source: B Corp official website.

Annex 2 - Phytoderm Score - BIA



Source: B impact assessment – Phytoderm

Annex 3 – Score of each impact area



Source: B impact assessment - Phytoderm

Annex 4 - Interview Guide

Line of research: B Corp Certification

Topic: Corporate Social Responsibility

Exploratory Items:

1. Purposes/motivations of companies with CSR practices
2. The importance of CSR in management practices
3. Relation of ethics with CSR
4. Impact on the community in which they operate
5. Communication/Marketing vs. CSR
6. How to identify the true commitment
7. Development expectations in Portugal
8. Obstacles to the development of CSR in the country

Topic: Management Practices

Exploratory Items:

1. History and trajectory of the company
2. Importance of CSR in the course
3. How CSR practices are developed
4. Purpose/motivation of CSR in the company
5. How does the business area intersect with CSR
6. What differentiates the company/movement from others with the same business/goal
7. Management practices that would respond to emerging social and environmental development issues
8. Profit and good

Topic: B Corp

Exploratory Items:

1. How did the topic come about
2. Factors that influences decision making
3. Objectives when starting the process
4. Description of the process
5. Obstacles
6. Importance of certification for the company/companies
7. Relevance of certification to stakeholders
8. Interdependence and the B Corp
9. Future expectations regarding the movement
10. B Corp and consumption habits
11. Reassessment of expectations regarding the beginning of the process