

Micro-foundations of corporate social responsibility:
Examining the relationship between employees'
perception of CSR and unethical behavior, as
mediated by work enjoyment and prosocial
motivation

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- Corporate stakeholders have become more interested in the contributions organizations can and should make to society.
- Given the importance of relationships to effectiveness in business today, reputation for integrity is an essential ingredient for success and personal satisfaction.
- This is even truer in an age of social networking that can send news of bad behavior to a broad audience in seconds.









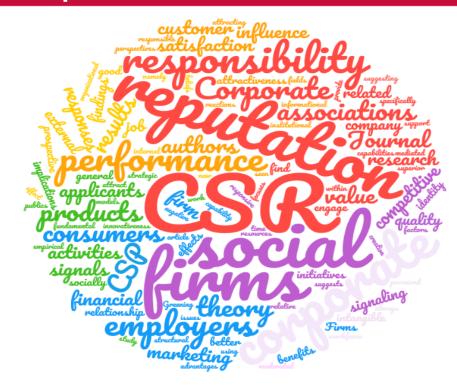




Corporate social responsibility (CSR) is defined as "context-specific **organizational actions and policies** that **take into account stakeholders' expectations** and the **triple bottom line** of economic, social, and environmental performance" (Aguinis, 2011, p. 858)



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...external **benefits of CSR** are related to its effect on **corporate reputation**.

...firms with relatively **good reputations** are **better able to** sustain superior profit outcomes over time.













...there is indeed clear empirical evidence for a positive correlation between CSR and financial performance.











Freeman R, 1984, Strategic Management Margolis J. 2003, V48, P268, Admin Sci Quart Donaldson T, 1995, V20, P65, Acad Manage Rev Hillman A, 2001, V22, P125, Strategic Manage J Berman S. 1999, V42, P488, Acad Manage J Mitchell R, 1997, V22, P853, Acad Manage Rev Barnett M, 2006, V27, P1101, Strategic Manage J Chatteri A 2009, V18, P125, J Econ Manage Strat Godfrey P, 2005, V30, P777, Acad Manage Rev Mattingly J. 2006, V45, P20, Bus Soc Hull C, 2008, V29, P781, Strateg Manage J Godfrey P. 2009, V30, P425, Strateg Manage J Clarkson M, 1995, V20, P92, Acad Manage Rev Jones T, 1995, V20, P404, Acad Manage Rev Barnett M, 2007, V32, P794, Acad Manage Rev Agle B, 1999, V42, P507, Acad Manage J Brammer S, 2008, V29, P1325, Strateg Manage J Rowley T, 2000, V39, P397, Bus Soc Jensen M, 2002, V12, P235, Bus Ethics Q Mackey A. 2007, V32, P817, Acad Manage Rev







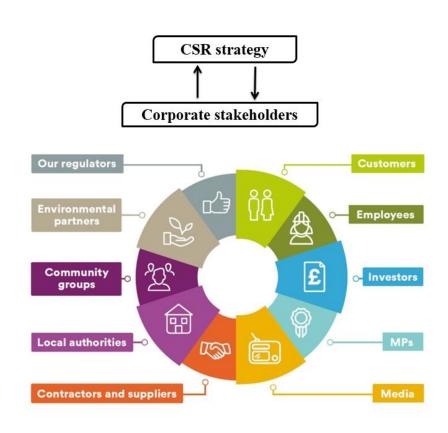


...survival and continuing profitability of the corporation depend upon its ability to fulfill its economic and social purpose, which is to create and distribute wealth or value sufficient to ensure that each primary stakeholder group continues as part of the corporation's stakeholder system.



Employees, as one of the most significant internal stakeholders, are usually the ones who plan, influence, and are influenced by the organization's CSR strategy and activities

(Seivwright & Unsworth, 2016).











#### Micro-level CSR

... is defined as "the study of the effects and experiences of CSR (however it is defined) on individuals (in any stakeholder group) as examined at the individual level of analysis" (Rupp & Mallory, 2015, p. 216)

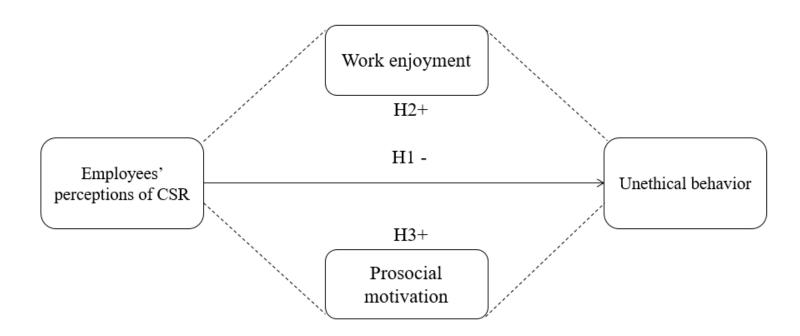








#### Theoretical model











## Employees' perceptions of CSR and unethical behavior (H1)

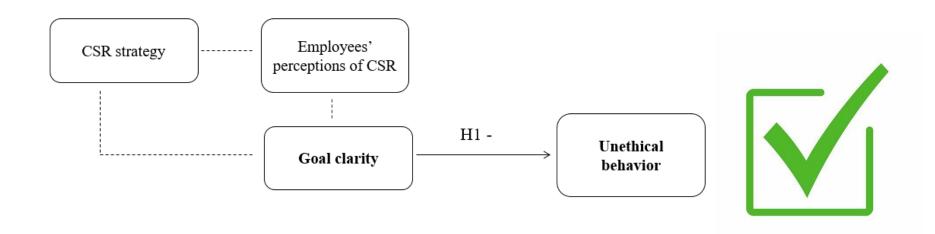
- CSR defined as "caring for the well-being of others and the environment with the purpose of also creating value for the business." (Glavas & Kelley, 2014, p. 171)
- Perception of CSR, defined as "perception of caring and fairness for others" (Glavas & Kelley, 2014, p. 181)
- A company's commitment to CSR might ultimately shape the ethicality of employees' decisions in the presence of temptation for personal gain (Beaudoin et al., 2018).



 We argue that employees who perceive their organization positively due to its CSR acts are less likely to choose to behave unethically because they are aware that such behavior will not be rewarded.



# Employees' perceptions of CSR and unethical behavior (H1)



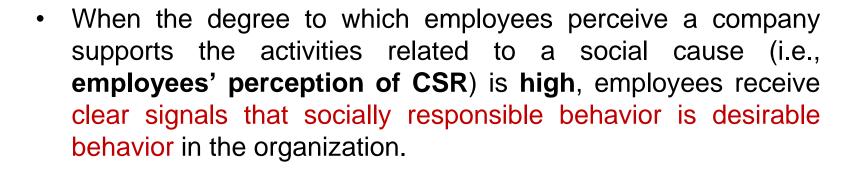
- CSR strategy and corresponding programs and actions should be communicated across the entire organization.
- Organizations that emphasize the role of CSR should define and implement clear CSR strategy and CSR-related goals (Carroll, 1991).





# Work enjoyment as a mediating construct (H2)

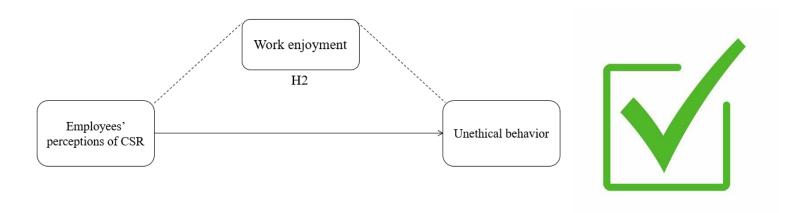
- According to Maignan, Ferrell, and Hult (1999), employees enjoy acting in organizations with goals beyond the mere maximization of profits.
- CSR motivates employees to seek enjoyment from their job and personal challenge beyond external rewards. Studies suggest that some employees are motivated and willing to work in socially responsible companies even though they will receive lower salaries (Heslin & Ochoa, 2008).







# Work enjoyment as a mediating construct (H2)



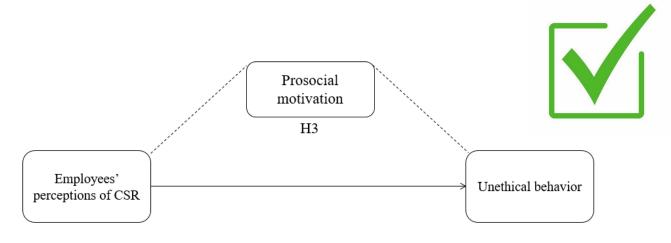
 Thus, we argue that when employees' perception of CSR is high, employees will more likely experience and engage in enjoyable work activities, which will in turn decrease the emergence of unethical behavior.





# Prosocial motivation as a mediating construct (H3)

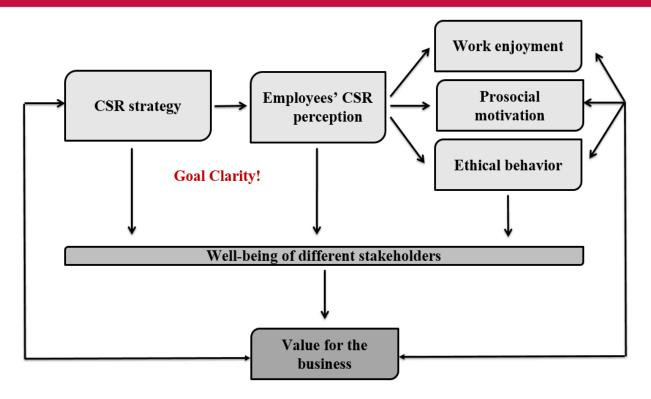
- Prosocial motivation is the desire to benefit other people (Batson 1987).
- When employees' perception of CSR is high, employees are aware of the beneficial effects of their actions on others; therefore, they will have even greater desire to make positive differences in others' lives (Lemoine, Parsons, & Kansara, 2015).

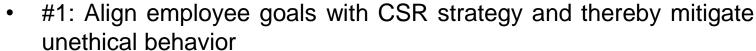


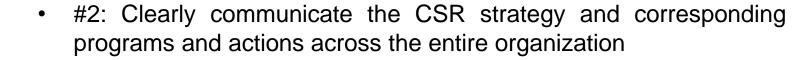




#### Conclusions















#### Future research

- Employees' perceptions of CSR → the influence of national culture?
- CSR strategy → Employees' perceptions of CSR → outcomes in Europe and China?













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