

Korschun, Daniel; Bhattacharya, C. B.; Swain, Scott D.

Working Paper

Corporate social responsibility, customer orientation, and the job performance of frontline employees

ESMT Working Paper, No. 11-05 (R1)

Provided in Cooperation with:

ESMT European School of Management and Technology, Berlin

Suggested Citation: Korschun, Daniel; Bhattacharya, C. B.; Swain, Scott D. (2013) : Corporate social responsibility, customer orientation, and the job performance of frontline employees, ESMT Working Paper, No. 11-05 (R1), European School of Management and Technology (ESMT), Berlin, <https://nbn-resolving.de/urn:nbn:de:101:1-201307295146>

This Version is available at:

<https://hdl.handle.net/10419/96561>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

ESMT Working Paper

CORPORATE SOCIAL RESPONSIBILITY, CUSTOMER ORIENTATION, AND THE JOB PERFORMANCE OF FRONTLINE EMPLOYEES

DANIEL KORSCHUN, LEBOW COLLEGE OF BUSINESS, DREXEL UNIVERSITY

CB BHATTACHARYA, ESMT

SCOTT D. SWAIN, COLLEGE OF BUSINESS AND BEHAVIORAL SCIENCE, CLEMSON UNIVERSITY

Abstract

Corporate social responsibility, customer orientation, and the job performance of frontline employees⁺

Author(s):* Daniel Korschun, LeBow College of Business, Drexel University
CB Bhattacharya, ESMT
Scott D. Swain, College of Business and Behavioral Science, Clemson University

A study involving a Global 500 company finds that frontline employees' perceptions of corporate social responsibility (CSR) can contribute to their customer orientation (self-rated) and objective job performance (supervisor-rated) by activating social identification processes. Employees identify with the organization based in part on the extent to which CSR is supported by salient and job-relevant others both internal and external to the organization. Looking internally, employees identify with the organization to the extent that they perceive management to support CSR. Looking externally, employees can identify with customers (called employee-customer identification) to the extent they perceive customers to support the company's CSR. Both effects are enhanced when employees feel CSR is an important (versus non-important) part of their self-concept. Organizational identification directly drives job performance while employee-customer identification contributes to job performance through its effects on organizational identification and customer orientation.

Keywords: Corporate social responsibility, organizational identification, customer orientation, job performance

* Contact: CB Bhattacharya, ESMT, Schlossplatz 1, 10178 Berlin,
Phone: +49 (0) 30 21231-1528, cb@esmt.org.

+ The authors thank the three reviewers for their thoughtful feedback, and the anonymous company for its cooperation in carrying out this research.

CORPORATE SOCIAL RESPONSIBILITY, CUSTOMER ORIENTATION, AND THE JOB PERFORMANCE OF FRONTLINE EMPLOYEES

Frontline employees – or, those whose primary job role involves interacting with customers – represent an essential means through which companies operationalize the marketing concept. These employees act as a conduit between the company and its customer base, sensing market demand, disseminating information to customers about offerings, and delivering value in ways that contribute to customer acquisition and customer loyalty (Jaworski and Kohli 1993; Narver and Slater 1990). But the extent to which frontline employees (hereafter, we use the terms employees and frontline employees interchangeably) achieve these objectives can vary greatly. A critical task for the marketing manager is thus to encourage employees to be customer oriented and to perform in ways that provide mutual benefit to the company and customers.

Emerging anecdotal evidence points to corporate social responsibility (CSR) as a novel and potentially powerful managerial lever to achieve these goals. For example, Mike Eskew (2002), former CEO of UPS, maintains that “you can’t be a customer-centric organization without being a socially responsible organization.” Diane Melley, Vice President of Citizenship at IBM contends, “It is critical to link our CSR strategy to our business strategy of Smarter Planet, and CSR is a new and different way to motivate employees to deliver superior client service.”¹ Notwithstanding the appeal of such a link for practitioners, there remains a dearth of empirical research on the subject. Moreover, it is not particularly obvious from a theoretical perspective how CSR might encourage employees to be customer oriented and to perform well on the job.

This research examines this link in a field study of 221 frontline employees at a Global 500

¹ Personal correspondence, February 24, 2012.

financial services firm. The study tests a model which integrates theory from the corporate social responsibility and service profit chain literatures, implicating organizational identification as a mechanism through which employees respond to CSR. More specifically, we find evidence that employees identify with their employer organization to the extent that CSR is supported by salient and job-relevant others both internal and external to the organization. Employees look internally to management's support for CSR to determine whether the company shares their values. When managers are perceived to support CSR, this drives organizational identification, especially for employees for whom CSR is an important part of the self-concept. But employees look externally as well, and may use CSR as a way to assess the degree to which customers share values with them. When customers are perceived to support the company's CSR, the employee may identify with the customer, which in turn enhances organizational identification. Overall, this research demonstrates that CSR can contribute to a multifaceted assessment of the social landscape at work, and that it has the potential to drive job performance.

This research contributes to the literature by revealing novel linkages between CSR and frontline employee job performance. First and perhaps foremost, this research shows that a corporate level activity such as CSR can, under the right circumstances, have an impact on individual level job performance. Second, the research reveals that employees use cues from both internal and external others when constructing their identity. Third, the research shows that the bond between an employee and his or her employer is in part dependent upon the bond that the employee has with customers; this improves our understanding of how multiple workplace identities may be interrelated. Finally, we find that there is variation in the importance that employees place on CSR, and as CSR importance increases, CSR becomes a stronger driver of organizational identification, customer orientation, and job performance; revealing that a one-

size-fits-all approach may not help companies realize the potential benefits of CSR.

In the next sections, we review the theoretical foundations of this research and develop a model that explains how frontline employees respond to CSR activities. Subsequently, we describe a field study that tests the model, and then present our findings. Finally, we discuss how this research can both motivate future research and help companies more effectively manage CSR to encourage customer orientation and job performance.

THEORETICAL FOUNDATIONS

This research integrates the literature on corporate social responsibility with that of customer orientation and job performance. Before developing the theoretical model, we provide a brief overview of each.

Corporate Social Responsibility and Organizational Identification

Prior research finds that CSR drives company-favoring responses among customers, including heightened purchase intent (Sen et al. 2001; Simmons and Becker-Olsen 2006) and purchase loyalty (Du et al. 2007). In explaining these linkages, researchers have suggested a key role for organizational identification (or customer-company identification, as it is sometimes called in the marketing literature; Bhattacharya and Sen 2003). Organizational identification, defined as a “perceived oneness with the organization” (Ashforth et al. 2008), results when an individual senses an overlap in values with the organization. It differs from attitude towards the company and organizational commitment in that organizational identification expressly involves depersonalization (Hogg and Terry 2000b), defining the self in terms of the target (i.e., the organization). Such depersonalization is commonly manifested in statements such as “we” or “us” as opposed to “they” or “them.” In the organizational context it can be heard anecdotally when employees refer to themselves as “UPSers” or “IBMers.”

CSR appears to offer fertile ground for such organizational identification because it can communicate the underlying character of the company (Bhattacharya and Sen 2004) in ways not as easily communicated through product information, financial statements, or job contracts (Drumwright 1996; Lichtenstein et al. 2004; Sen and Bhattacharya 2001). As a result, awareness of CSR information can stimulate social identity processes among a firm's constituents (Bartel 2001; Sen et al. 2006).

While the notion that CSR can encourage organizational identification has been examined extensively in the consumer context, surprisingly little research has considered the frontline employee context. The organization can be a highly salient and compelling target for identification (Dutton et al. 1994), especially for frontline employees who spend a substantial portion of each day representing the organization as they interact with customers. Additionally, organizational identification can result in a number of company-benefitting behaviors such as increased cooperation with other employees (Bergami and Bagozzi 2000) and decreased turnover intentions (Cole and Bruch 2006).

The present research seeks to build on limited prior research examining how frontline employees respond to CSR. Bartel (2001) finds that CSR can stimulate social comparisons with external beneficiaries of a CSR program, which can lead to organizational identification. Larson et al. (2008) find that in a direct selling context, CSR can improve selling confidence. We integrate and extend this work, showing that employees identify with the organization based on social comparisons with both internal and external others, and that this can lead to increases both in customer orientation and job performance. Before developing the theoretical model that connects CSR to these job outcomes, we first provide a brief overview of the literatures on customer orientation and job performance.

Customer Orientation and Job Performance

Frontline employees are often the primary means through which customers interact with companies. If companies are to succeed in building strong and enduring customer relationships, employees must be able and willing to identify and satisfy customer needs (Fournier et al. 1998). Such a marketing approach is perhaps best embodied in the construct of customer orientation, defined as the extent to which frontline employees “practice the marketing concept by trying to help their customers make purchase decisions that will satisfy customer needs” (Saxe and Weitz 1982, p. 344). It is considered by scholars and practitioners to be a critical goal for marketers, and a potential gateway to firm financial performance (e.g., Grizzle et al. 2009). To the extent that employees are customer oriented, they can foster loyalty and heightened willingness to pay among the customer base (Homburg et al. 2009), outcomes that have the potential to generate revenues and profitability.

Research on job performance has a rich history in the marketing (e.g., Hunt et al. 1985), management (e.g., Barrick and Mount 2006), and psychology (e.g., Piedmont and Weinstein 1994) literatures. We borrow Zablah et al.’s (2012, p. 25) definition of job performance as “the extent to which an employee contributes to organizational effectiveness given the expectations associated with his/her work role.” For some jobs, sales or profit achieved is an adequate measure of job performance (e.g., Verbeke et al. 2008). But the job performance of frontline employees often encompasses a wide range of behaviors directed both internally (towards managers and colleagues) and externally (towards customers). To capture the complex and multifaceted nature of job performance, researchers often rely on supervisors’ assessments of employee job performance (e.g., Brown et al. 2002; Piedmont and Weinstein 1994; Zablah et al. 2012). When individual employees perform well on the job, it can lead to more favorable

organizational outcomes such as firm financial performance or unit profitability (Christen et al. 2006).

HOW FRONTLINE EMPLOYEES RESPOND TO CSR

To better understand the linkages between CSR, customer orientation, and job performance we took a two-pronged approach. First, we integrated the literatures on CSR, organizational identification, and frontline employee behaviors to uncover potential theoretical linkages. We then explored these potential linkages in a focus group of frontline employees at a Global 500 financial services company.

The focus group consisted of 10 persons representing a cross-section of employees with experience in various work groups; for example, some worked in new business development, while others serviced relationships with high net worth customers. Since this study examines employee responses to CSR, it was important for participants to have relatively informed opinions about the company's CSR activities. Participants were therefore screened to ensure that they had participated in CSR programs at the company; this participation varied from occasional donations to extensive volunteering in company-sponsored programs. The focus group took an exploratory posture, and was designed to assess the face validity of the theory-based linkages.

The result of this exercise that combined theory with findings from the focus group is the model shown in Figure 1. This model predicts that organizational identification plays a central role in employee responses to CSR. Moreover, it reveals that employees identify with the organization based on the construed support for CSR among two highly salient and job-relevant groups, management and customers. These paths are amplified to the extent that the employee views CSR as an important component of his or her self-concept. We now describe the theoretical justification for each of these paths in more detail, and illustrate some of these effects

with quotations from focus group participants.

- Insert Figure 1 about here -

Internal Support for CSR

Through their words and actions, senior management can shape employees' understanding of what the company stands for (Albert and Whetten 1985; Dutton et al. 1994). For example, Kennedy et al. (2003) find that employees look to senior leadership to understand what is valued by the organization; employees form impressions based not only on the intensity and emotion of senior managers' commitment to being customer oriented, but also on the commitment to allocate resources to those kinds of endeavors. Likewise, Kelley (1992) finds that employees behave as a function of the climate in an organization, a climate which employees construct in part from cues they receive from senior management. Additionally, DeLuque et al. (2008) find that upper-management's emphasis on either economic or stakeholder values is not only perceived by employees, but also generalized to form a sense of whether the company as a whole is more autocratic or visionary. More specific to customer orientation, recent research finds that when an employee perceives that management creates an environment of customer service, this perception can affect the employee's customer orientation on the job (Grizzle et al. 2009).

We extend this line of thinking to the frontline employee context, and argue that employees often notice when organizational leaders make statements or take actions that demonstrate strong support for the company's social responsibility activities and practices. We call this *perceived management support for CSR*, defined as an employee's belief regarding the extent to which managers embrace the company's CSR activities. Employees can develop such a perception of support if managers refer to CSR in communications, participate themselves, or encourage employees to participate in volunteering or fund raising. In the focus group, respondents

explicitly noted that the statements and actions of managers could sometimes serve as a cue about how much management supports the company's CSR.

“[Managers] had a pretty big meeting where you could get more [CSR] information, so that was pretty nice.”

[You know that executives] back this wholly, because they are matching [employee donations] dollar for dollar.

We posit that such perceived management support for CSR may become generalized to the company at large because upper-level managers are sometimes seen as prototypical members of the organization (Hogg 2001), and thus may serve as a symbol of the company's character. The commitment to engaging in CSR activities into the future may communicate that caring for the community, the environment, or other societal concerns is highly valued at all levels and functions within the company. Employees tend to identify with organizations they deem to be socially responsible (Lichtenstein et al. 2004; Turban and Greening 1997). Such CSR associations (Brown and Dacin 1997) reveal a benevolent corporate character, which is known to enhance an employee's self-esteem by affiliation, making the organization an attractive target for identification (Bhattacharya et al. 2008). Thus, we contend that perceived management support for CSR will contribute to organizational identification.

Some scholars have noted that there is considerable heterogeneity not only in how individuals respond to CSR, but also in the degree to which individuals think it is important that organizations engage in CSR activity (e.g. Vogel 2005). Berger et al. (2007) contend that customers, employees, and others may place varying importance on CSR activities. That is, while some stakeholders maintain a strong desire that an organization engage in CSR, others may not. We extend this insight to the employee realm, through the construct of *CSR importance*

to the employee, which we define as the extent to which a frontline employee considers CSR to be of significance in defining his/her self-concept. CSR importance differs from the construct of issue support (Sen and Bhattacharya 2001; e.g., support for breast cancer research, support for efforts to reduce carbon emissions) in that it reflects a perceived component of one's identity (e.g., "I'm the type of person who cares about CSR"). It is a representation of how the individual views his or her core beliefs about CSR. This concept is distinct from perceived management support for CSR; an employee can feel very strongly that companies should engage in CSR activities, but also believe that there is limited support for CSR from upper level management (or vice versa).

We posit that CSR importance to the employee moderates the effect of perceived management support of CSR on organizational identification. As CSR importance to the employee increases, so too will the salience of CSR as a potential criterion for organizational identification, making it more likely that the employee will notice and use perceived management support of CSR as a means to define the employee-company bond. Employees with higher CSR importance are also more likely to fulfill identity related needs through CSR (Bhattacharya et al. 2008), so management's support for CSR will provide the identity-related benefit of self-esteem through association with a benevolent organization more for those who place a higher versus lower importance on CSR. Overall, perceived management support for CSR is most likely to signal shared values for employees who already place importance on CSR. As CSR importance increases, the effect of perceived management support for CSR on organizational identification will intensify. Stated as a hypothesis:

H₁: *Perceived management support for CSR has a positive effect on organizational identification, and this effect is moderated by CSR importance to the employee. The effect of perceived management support for CSR on organizational identification becomes stronger as CSR importance increases.*

External Support for CSR

Frontline employees are an important and interesting stakeholder group in that their boundary spanning posture results in the need to maintain, and perhaps reconcile relations with two groups – the organization and customers (Anderson and Onyemah 2006). Because the job of frontline employees involves bridging the gap between these two groups, we contend that employees' organizational identification is a function not only of their beliefs regarding *internal* others such as management, but also of their perceptions and potential bond with *external* parties, customers who reside beyond the corporate boundary. In the present context, employees' perceptions about customers' CSR support may also be salient and of significance to employees as they determine their bond with the company. More specifically, we argue that such perceptions may engender identification with customers, which then contributes to organizational identification. We next elaborate on the concept of employee-customer identification and explain how it mediates the link between perceived customer support for CSR and organizational identification.

Employee-customer identification. Recent advances in social identity theory and management suggest that employees can identify with multiple groups simultaneously including, but not limited to, the organization (Ashforth et al. 2008). Moreover, it has been argued that additional job-relevant targets of identification are understudied in the literature (Johnson et al. 2006). We extend the notion of relational identities – those pertaining to a work relationship with another individual or group (Sluss and Ashforth 2007) – which are known to be a potent source of self-definition. We argue that employees may, in varying degrees, identify with customers. We call this *employee-customer identification*, defined as the extent to which an employee perceives a sameness or oneness with customers. Employees who identify with customers sense that their values overlap with customers' values; they may consider themselves and customers as

belonging to a common social group (cf. Tajfel and Turner 1986). Frontline employees are especially likely to assess the extent to which they identify with customers because their frequent interactions with customers make this determination relevant for navigating the social landscape of the workplace. Employees assess their identity in relation to salient and job-relevant others (e.g., Hogg and Terry 2000). For frontline employees who work on the corporate boundary, customers are both highly salient and job-relevant, making them a likely target for social comparison.

Employee-customer identification is, strictly speaking, a new concept, but the notion that stakeholders such as employees and consumers can and do construe the disposition or values of those on the other side of the corporate boundary has precedence in the literature. For example, Bartel (2001) finds that employees who volunteered in a CSR program engaged in social comparisons with external constituents of the organization (i.e., beneficiaries of the program). Additionally, employee-customer identification can be thought of as an extension of Ahearne et al.'s (2005) finding that customers can identify with employees; in both cases, an individual identifies with others on the other side of the corporate boundary.

Perceived customer support for CSR and employee-customer identification. Employees routinely form perceptions of whether and how much the company is held in esteem by external others (Smidts et al. 2001). Such construed external prestige can provide identity benefits (e.g., self-esteem) that fuel organizational identification (Fuller et al. 2006; Smidts et al. 2001). For frontline employees, customers are among the most salient external parties. This may make employees especially attuned to the CSR preferences and desires of customers; indeed, prior research shows that employees readily construe customers' perceptions about their company's activities (Brown et al. 2006), including CSR activities (Larson et al. 2008). We call this

perceived customer support for CSR, defined as a frontline employee's belief about how favorably customers view the company's CSR activities.

CSR has become a relatively common element in communications with customers, and there are now numerous ways that an employee can develop beliefs about customers' CSR perceptions. For example, some supermarkets invite customers to drop donations in a bucket at the checkout line, providing frontline employees with an opportunity to gauge how many customers participate. In retail stores, employees can form first-hand impressions of how interested customers are in purchasing "fair trade" products (e.g., the department store Macy's sells GoodWeave rugs that are guaranteed to be produced ethically). In a call center, customers may mention their opinions about the company's CSR activities in conversation (e.g., "I saw your TV commercial about helping veterans").

Our focus group respondents reported varying accounts of customers' support for the company's CSR. Some mentioned that customers seem to have favorable impressions of the company's CSR, while others felt that customers were unlikely to find the company's programs to be compelling.

"I've mentioned [the CSR program] ...They say, 'that's a neat thing.'"

"...someone in California or Florida might not care that we donate our time to Habitat for Humanity in [this city]."

Some research suggests that perceived customer support for CSR may foster organizational identification for employees by providing a source of external prestige, which can make the organization an attractive target for identification (Larson et al. 2008). What has not been documented is whether such perceptions might facilitate a psychological bond with customers (i.e., employee-customer identification). Social identity theory (cf. Tajfel and Turner 1986)

suggests that perceived customer support for CSR can make customers an attractive target for identification. Social responsibility activities can stimulate social comparison and self-other categorization because such activities are often interpreted as a meaningful indication of one's values (Bartel 2001). Employees may view customer perceptions about the company's CSR as a window into the soul or character of customers (Sen et al. 2001). To the degree that employees construe that customers support the company's CSR, an employee may view customers as "good people" who share his or her values.

Of course, as noted earlier, not all employees place the same importance on CSR. We contend that the effect of perceived customer support for CSR on employee-customer identification is stronger for employees who feel such information is meaningful. As noted in the marketing literature, individuals respond to CSR to varying degrees based on their sense of self (Winterich and Barone 2011). The more an employee uses CSR as a means to define the self (i.e., CSR importance), the more perceptions of customer support for CSR will be used to assess an overall overlap of values with customers. As CSR importance to the employee increases, CSR activity becomes more self-relevant, and therefore more likely to be used for self-other comparisons and group definition. When CSR support is shared by both employees and customers, it can serve as a "social glue" that unites them within a common social group (Gaertner et al. 2000; Sherif 1958). In contrast, perceived customer support for CSR is unlikely to be a salient characteristic of customers when CSR importance is low, making it less likely that CSR will be used as a cue that customers share the employee's identity. Thus, we posit:

H₂: *Perceived customer support for CSR has a positive effect on employee-customer identification and this effect is moderated by CSR importance to the employee. The effect of perceived customer support for CSR on employee-customer identification becomes stronger as CSR importance increases.*

Employee-customer identification and organizational identification. We posit that the more an employee identifies with customers, the more he or she will also identify with the organization. This proposition is based on findings in two literatures. First, the internal marketing literature suggests that employees are most satisfied and feel the strongest bond with their employer when the job provides psychological benefits (Ahmed and Rafiq 2003; George 1990). Employee-customer identification may provide psychological benefits to employees by enabling them to engage in their job, fully immersing the self into interactions with customers. Focus group respondents spoke of how a strong bond with customers can make the job more satisfying. Making a psychological connection with customers appears to ease conversations, and enables the employee to pinpoint customers' unique needs rather than settling for a force-fit solution.

"It's nice to be able to feel like you can make a connection sometimes...not just being like a robot."

"I'm getting to know [customers] on a personal level...you just feel more comfortable."

These sorts of high quality interactions with customers can enable an employee to express his or her values more fully in the workplace, and in ways that are consistent with his or her sense of self. We propose that by providing these identity-related benefits, the company makes itself a more attractive target for identification.

This proposition is also motivated by the brand community literature, which finds that customers who form bonds with other customers via their affiliation with the organization tend to extend that kinship to the organization itself (Algesheimer et al. 2005; Muniz Jr and O'Guinn 2001). Fombelle et al. (2011) find such an effect among members of a zoo. They find that to the degree an organization is successful at unifying members under a common identity, the individual members may identify with the organization. We extend the logic of these two

literatures to the frontline employee context, to include identification processes that may cross the company-customer boundary. When an employee identifies with customers, we predict that he or she will associate that bond – and the benefits the bond generates - with the organization that enables it. Thus, as employee-customer identification increases, organizational identification should increase.

H₃: *Employee-customer identification has a positive effect on organizational identification.*

Outcomes of Organizational and Employee-Customer Identification

Effect of organizational identification on customer orientation and job performance. The literature suggests that as organizational identification increases, an employee's customer orientation and job performance will increase in kind. We heard this from focus group respondents who claimed that a strong bond with the company can manifest as hard work and successful dealings with clients.

“You have a sense or a feeling of working for this great company. That’s going to come out in your communication with the clients.”

“If I’m loyal to [the company] and someone is [upset] ...then I want to prove them wrong. I want to be like, “our company is great and I will find you a different way.”

Regarding customer orientation, Homburg, Wieseke, and Hoyer (2009) find that organizational identification drives customer orientation, and that customer orientation leads to downstream outcomes such as customer loyalty, willingness to pay, and profitability. We expect customer orientation to be a natural manifestation of organizational identification because employees who identify with the company may view their job as a means to improve the welfare of corporate stakeholders. Identification is known to encourage behaviors that benefit the collective (Dutton et al. 1994; Mael and Ashforth 1992), so the more an employee identifies with

the organization, the more he or she may seek opportunities to contribute to company performance. Since serving customers may be viewed as a way to help the company maintain and deepen relationships with those customers, making customer loyalty a priority may be viewed as the most effective way for the employee to drive long-term business performance.

But the expectations associated with a work role go beyond customer orientation. Frontline employees need to contribute to organizational effectiveness by performing in efficient and productive ways. Thus, regarding job performance, we contend that employees will perform according to supervisor requirements to the extent that they identify with the organization. As employees tie their own successes to the successes of the organization (i.e., organizational identification), their desire to perform well on its behalf should increase (Dutton et al. 1994; Hogg and Terry 2000a; Mael and Ashforth 1992). For example, Bartel (2001) finds that employees work hard and advocate on the part of the company more as organizational identification increases. Just as important, they may be especially motivated to perform well in the eyes of other organizational members such as supervisors (van Knippenberg and Hogg 2003). In sum, we expect that organizational identification serves as a gateway through which CSR perceptions drive both customer orientation and job performance.

H_{4a-b}: *Organizational identification has a positive effect on (a) customer orientation, and (b) an employee's job performance.*

Effect of employee-customer identification on customer orientation. Social psychology researchers find that people show greater trust in fellow ingroup members than outgroup members, and are more likely to equitably allocate scarce resources for ingroup members than outgroup members (e.g., Brewer and Gaertner 2008). Extending this reasoning to the frontline employee context, we expect that the more an employee identifies with customers, the greater will be his or her desire to fulfill customers' needs. This will occur because the more an

employee ties his or her self-concept to customers, the more the employee will view the successes of customers as his or her own. Additionally, as socio-psychological boundaries are dissolved through employee-customer identification, the collectivistic aspects of the identity are likely to become more salient. Such a collectivistic (versus individualistic) view tends to foster relational (versus transactional) exchanges (Flynn 2005) of the type analogous to customer orientation as outlined by Saxe and Weitz (1982). In such relational exchanges, each interaction is embedded in the context of a long-term commitment to exchanging value. Thus, we predict that the more the perceived boundaries between employees and customers are dissolved, and a common identity (i.e., employee-customer identification) emerges, the more employees will seek to satisfy customer needs.

H₅: *Employee-customer identification has a positive effect on customer orientation.*

Effect of customer orientation on job performance. There are strong conceptual linkages between customer orientation and job performance (Saxe and Weitz 1982). Employees who are highly customer oriented can be expected to act on this orientation by engaging in behaviors that identify and satisfy customer needs, while eschewing behaviors that might lead to dissatisfaction (Grizzle et al. 2009; Zablah et al. 2012). As a result, employees who are customer oriented may be those who contribute most to company-benefitting outcomes such as customer loyalty, willingness to pay for products and services, and perceptions of service quality (Brady and Cronin 2001; Homburg et al. 2009). As customer orientation increases, employees will behave in accordance with their role expectations as boundary spanners who satisfy customer needs, and therefore, end up performing better on the job.

H₆: *Customer orientation has a positive effect on job performance.*

METHODOLOGY

Design and Sample

In order to test the conceptual model, we sought to develop a dataset that not only included measures of frontline employees' responses to CSR but also an independently-sourced measure of their job performance. With this in mind, a study was conducted with the cooperation of the U.S. subsidiary of a multi-billion dollar financial services firm. The company engages in a variety of CSR activities including disaster relief, community programs, and environmental sustainability initiatives; it also operates a foundation that gives millions of dollars each year to charitable organizations.

Three hundred seventy-five non-commission employees were invited to participate in the study. A total of 236 employees provided complete, usable surveys, yielding a response rate of 62.9%. Performance data were not available for 15 of these respondents (they were new hires), leaving a total sample of 221 employees for whom there was both survey and job performance data. The average tenure at the company was 6.3 years and the average experience in customer service was 14.8 years.

Measures

Measures were adapted from prior research and all items are listed in the Appendix.

Dependent variables. Customer orientation was measured with a four-item self-report scale of the extent to which the employee engages in behaviors that are likely to uncover and satisfy customer needs. The scale was adapted from scales developed by Saxe and Weitz (1982) and Brown et al. (2002) and included statements such as "I make every customer feel that he/she is the only customer." Consistent with prior research (e.g., Brown et al. 2002; Zablah et al. 2012), we measured job performance using a global supervisor rating of each employee. The supervisor rating of job performance was provided by the company; it was developed as part of a company-

wide initiative to create comparable measures of job performance for all employees. Managers use this measure to inform all compensation, promotion, and internal hiring decisions. In making the global assessment, supervisors are asked to incorporate criteria such as “exceeding expectations,” “energizing the organization,” and “working together.” Supervisors submitted ratings independently after the survey data had been collected. As such, respondents had no knowledge of their individual performance scores until two months after completing the survey.

Mediating variables. To measure organizational identification, we used a four-item scale adapted from Smidts et al. (2001). While no prior measure of employee-customer identification was available, the construct primarily differs from organizational identification in terms of the target of identification. Accordingly, we adapted the Smidts, Pruyn, and Van Riel (2001) scale with four items such as the extent to which the respondent feels “a strong bond with customers.”

CSR antecedent variables. We used three items to measure perceived management support for CSR. These included items such as “Managers at [company] fully embrace social responsibility.” Perceived customer support for CSR assessed the degree to which the employee believes that customers have favorable opinions about the company’s CSR; the three item scale was adapted from Larson et al. (2008). To mitigate the possibility that respondents would respond based only on their best or worst customers, respondents were asked to think about a “typical customer,” “not customers who are unusual or have extreme views.”

Control variables. Prior research has implicated personality as an important consideration in understanding customer orientation (Brown et al. 2002) and supervisor ratings for job performance (e.g., Barrick and Mount 2006; Hurtz and Donovan 2000; Piedmont and Weinstein 1994). To demonstrate that the effects in the model provide explanatory value beyond personality variables, we included measures for five major dimensions of personality (activity,

agreeability, conscientiousness, creativity, and instability); scales were the same as those used by Brown et al. (2002). To control for potential effects due to the duration of employment at the company, we measured tenure in years with the item, “How long have you worked at [company]?” It could also be argued that employees who have more experience perform better on the job than novices; we controlled for this by including a measure of overall experience in customer service, measured with the item, “How much total experience do you have in customer service? (in years, including jobs not at [company]).” Finally, satisfaction with pay can improve the relationship with the organization (DeConinck and Stilwell 2004) and improve performance in serving customers (Currall et al. 2005). To control for this, we asked respondents “Overall, how satisfied are you with your paycheck?” (1-7 scale, very dissatisfied / very satisfied).

Ex-ante considerations to reduce common method bias. The present study analyzes data from two independent sources, which rules out potential bias due to common methods variance (CMV) for some of the relationships in the model. To mitigate concerns about CMV among the variables reported by frontline employee participants, we deployed both ex ante and ex post strategies. Regarding ex ante procedures, we first note that the model’s two primary predictions are interaction hypotheses. Since CMV diminishes the effect sizes of interactions, it does not serve as a viable alternative explanation when interaction hypotheses are significant (Podsakoff et al. 2012). Additionally, and in accordance with Podsakoff et al. (2003; p.888) we varied key aspects of the methodology such as the number of scale points (e.g., seven-point scales for perceived management support for CSR, nine-point scales for personality measures), and the wording of scale anchors (e.g., personality: “does not describe me at all/describes me perfectly”). We complemented these ex ante strategies with a series of ex post techniques that are described in the results section.

Analysis Strategy

The empirical model is illustrated in Figure 2. To assess the model, we used a structural equations approach with latent variables. To avoid imposing nonlinear parameter constraints and to accommodate nonnormality introduced by the two latent interactions, we used the random effects latent moderated structural equations method available in Mplus 7.0 (Muthén and Muthén 2012). This method uses maximum likelihood robust estimation and provides standard errors that are more reliable and robust to nonnormality than product indicator approaches (Kelava et al. 2011; Klein and Moosbrugger 2000; Klein and Muthén 2007).² To further test the hypotheses, we used model comparisons involving Satorra–Bentler scaled chi-square difference tests (Bryant and Satorra 2012; Satorra and Bentler 2001).

- Insert Figure 2 about here -

Results

Before testing the hypotheses, we first assessed the measurement model and checked for the presence of common methods variance.

Measurement Model. Confirmatory factor analysis indicated that the measurement model was adequate ($\chi^2(574) = 973.04, p < .01, \chi^2/df = 1.69, GFI = .82, NFI = .87, CFI = .94, RMSEA = .05, SRMR = .05$). The χ^2 statistic was significant but, as is commonly noted, may be overly sensitive with larger samples. With the exception of one item for one construct (*Activity* dimension of personality), all standardized factor loadings (see the Appendix) were larger than .60, and all were statistically significant (p 's $< .05$). Composite reliability for the model constructs ranged between .75 and .97 and average variance extracted (AVE) was greater than 50% for all constructs (and in each case exceeded the highest squared correlation between the

² For comparison, we also estimated the model using Ping's (1996) two-step method and Marsh et al.'s (2007) unconstrained method. The path estimates were highly similar, with no differences in statistical significance levels.

construct and other constructs). See Table 1 for correlations between the constructs.

- Insert Table 1 about here -

Check for Common Methods Variance. While the study draws from two independent data sources, we sought to further assess the potential for biases due to common methods between variables measured by the employee survey. We employed the ex post procedure recommended by Podsakoff et al. (2003), in which an additional common methods factor is introduced to the measurement model. This factor did not account for substantial variance in the indicator variables ($< 7\%$). We then conducted a marker variable analysis (Lindell and Whitney 2001), with work flexibility as the marker variable. Work flexibility refers to the extent to which an employee is able to arrange one's work hours (Hill et al. 2001) and was chosen because although it is theoretically unrelated to variables in the model, it is cognitively associated with work in general, and thus more likely than a non-work variable to help partial out effects of CMV due to common sources such as implicit theories, consistency motif, and social desirability. Work flexibility was measured with the item, "How much does your supervisor enable you to determine your work schedule (i.e., which days and hours you work)?" (1-7 scale, 1 = not at all, 7 = very much, $m = 3.88$, $s.d. = 1.77$). In line with Lindell and Whitney (2001) and Malhotra et al. (2006), we first used the second-smallest correlation (.038) among work flexibility and the other constructs in the model as an estimate of CMV bias. We then adjusted the correlation matrix accordingly and reassessed the structural model. The results were not different from those obtained using the unadjusted correlation matrix. In sum, both ex post analyses indicate that the likelihood of significant CMV bias in the data is remote.

Structural Model Estimation. An overview of the results is provided in Table 2. Model 1 includes only the first-order effects depicted in Figure 1 (i.e., the two CSR interaction effects are

excluded) plus the effects of the control variables. Model 2 is the proposed model and includes the effects of Model 1 plus the two CSR interaction effects. Adding the two hypothesized interactions significantly improved model fit ($\Delta\chi^2_{SB}(2) = 17.105, p < .01$).

Models 3 and 4 were estimated to assess the extent to which organizational identification and employee-customer identification mediate the effects of the CSR constructs on the key outcomes. Specifically, Model 3 includes the effects of Model 2 and adds the first-order and interaction effects of the CSR constructs on customer orientation. Adding these direct paths to customer orientation did not improve model fit ($\Delta\chi^2_{SB}(5) = 4.756, p = .45$). Model 4 includes the effects of Model 2 and adds the first-order and interaction effects of the CSR constructs on objective job performance. Adding these direct effects marginally improved model fit ($\Delta\chi^2_{SB}(5) = 10.640, p > .05$) due to a significant first-order effect of CSR importance. The results of the model comparisons (Models 3 and 4 with Model 1) indicate that the hypothesized interaction effects of CSR perceptions on customer orientation and objective job performance are mediated by organizational identification and employee-customer identification. The weight of the evidence points to the proposed model (Model 2) as that which best fits the data.

- Insert Table 2 about here -

Hypothesis testing. The first three hypotheses explain how CSR can engender organizational identification among frontline employees. H₁ predicts that the effect of management support for CSR on organizational identification becomes stronger as CSR importance to the employee increases. The data support this notion; the interaction term of management support for CSR \times CSR importance is positive and significant ($\beta = .188, p < .05$). This effect is probed further in Figure 3 (Panel A), where we see that perceived management support for CSR only enhances organizational identification when CSR importance is high (versus low). H₂ predicts that the

effect of perceived customer support for CSR on employee-customer identification becomes more positive as CSR importance increases. This prediction is supported by the data. The interaction between perceived customer support for CSR and CSR importance is positive and significant ($\beta = .172, p < .05$). Panel B of Figure 3 depicts this effect; perceived customer support for CSR only enhances employee-customer identification when CSR importance is high (versus low). H_3 predicts that employee-customer identification leads to organizational identification. This effect is significant ($\beta = .177, p < .05$), suggesting that the more employees identify with customers, the more they will likely develop a bond with the company.

The next set of hypotheses predicts how identification (both with the company and the customer) affect what employees do on the job. H_{4a} predicts that organizational identification has a positive effect on customer orientation. We do not find empirical support for this prediction ($\beta = -.044, p > .05$, suggesting that at this company, identification with the organization does not help predict employees' desire to satisfy customer needs. H_{4b} predicts that as organizational identification increases, employee job performance will increase (as rated by supervisors). The data support this prediction; organizational identification has a positive and significant effect on job performance ($\beta = .041, p < .05$). H_5 predicts that as employee-customer identification increases, customer orientation will also increase. The data support this prediction ($\beta = .308, p < .01$). Finally, H_6 predicts that customer orientation has a positive effect on job performance. In support of this hypothesis, we find that the path between customer orientation and job performance is positive and significant ($\beta = .123, p < .01$).

Control variables. Effects of the control variables were consistent with prior research. Paths from both agreeability and instability to customer orientation are significant, and the signs of the coefficients are consistent with Brown et al. (2002). Agreeability, overall service experience, and

tenure (consistent with Ng and Feldman 2010) are related to job performance. Agreeability, creativity, instability, and pay satisfaction (consistent with DeConinck and Stilwell 2004) are significantly related to organizational identification. Finally, conscientiousness and overall service experience are related to employee-customer identification.

Overall, the data are consistent with the proposed model and with prior research. All but one of the hypotheses are supported. In the next section, we discuss the implications of these findings for both scholars and practitioners.

DISCUSSION

This study finds evidence that corporate social responsibility activities can encourage frontline employees to be customer oriented and perform well on the job. Employees respond to CSR such that their CSR perceptions affect their identification with the organization and with customers (i.e., employee-customer identification). These intermediate outcomes are the result of frontline employees construing support for CSR among two highly salient groups, management and customers. To the extent that employees view CSR as important in defining the self, they are likely to use these construals as a basis for identification with the organization and customers.

The findings have implications for both theorists and practitioners. For theorists, the findings document an indirect effect of CSR, highlight the interpretive nature of frontline employee reactions to CSR, and reveal a new and potentially powerful construct (i.e., employee-customer identification). For practitioners, our findings suggest that CSR can be a meaningful component of the “job-product,” that such efforts should be targeted to employees who find CSR to be important, and that companies should consider configuring programs in ways that match employees who care about CSR with customers who also care about CSR.

Theoretical Implications

The indirect effect of CSR. By signaling that the organization shares socially desirable values such as altruism and benevolence, CSR can endear a company to customers, contributing to strong customer-company relationships (Sen and Bhattacharya 2001). Likewise, the employee-company relationship can be strengthened by CSR (Berger et al. 2006; Bhattacharya et al. 2008; Turban and Greening 1997). Each of these can be thought of as the direct effect of CSR. We find that these direct effects of CSR represent only a part of the picture. CSR can also have an indirect effect, whereby it encourages frontline employees to serve customers well and to perform better on the job.

In the broadest sense, this research can be viewed as examining a context situated at the intersection of three corporate constituencies: society, employees, and customers. By asking whether CSR activity can lead frontline employees to be customer oriented and perform well on the job, we test whether the actions of an organization towards society can impact how a second constituency (i.e., employees) is motivated to serve a third constituency (i.e., customers). Thus, our findings are consistent with some scholars' conceptualization of companies as interconnected webs of relationships (Freeman et al. 2004), where an organization's actions towards one group of stakeholders can reverberate within the network, with consequences for other stakeholders (Freeman and Velamuri 2006). Such a view looks "beyond customers as the [sole] target of marketing activities" (Bhattacharya and Korschun 2008, p.115) in an effort to understand how multiple relationships ultimately drive corporate performance. Thus, our study responds to recent calls to expand the purview of marketing by considering the linkages among and between all of the firm's stakeholders (Chakravorti 2010; Gundlach and Wilkie 2010). Future research may extend this perspective even further, examining how CSR and other corporate activities impact the relationships between and among stakeholder segments, such as employees, customers,

suppliers, and local communities.

Active interpretation of CSR. Extant research on the workplace portrays employees as quite active in crafting the boundaries and tasks of the job (Wrzesniewski and Dutton 2001). Our model and findings extend this line of thinking, and characterize frontline employees as active interpreters of CSR. More specifically, we find that the degree to which frontline employees identify with the company and with customers is determined in part by their construals of how much management and customers support CSR. The present research is thus consistent with the view that employees may hold “idiosyncratic interpretations of the meaning of organizational identity” (Wieseke et al. 2007). We find that these interpretations can simultaneously implicate multiple workplace identities (Ashforth et al. 2008) and that these identities emerge from employee perceptions about how management and customers view CSR.

Our findings reveal that identification with the organization and with customers can create multiple paths through which CSR can affect job performance. For example, in the present context, we find that organizational identification has a direct effect on job performance, and that employee-customer identification drives job performance through its effect on both organizational identification and customer orientation. Interestingly, we do not find evidence to support the hypothesized effect of organizational identification on customer orientation (H_{4a}). Since this study was conducted at a single company, we do not wish to overgeneralize the significance of this lack of evidence. There is a strong theoretical basis for this linkage, and it is possible that this finding is attributable to the organizational norms or expectations (Hartline et al. 2000) at this particular company. Further study of the relationship between organizational identification (and other workplace identities) and customer orientation is warranted.

The Employee-Customer Identification Construct. A third scholarly contribution of this

research is the introduction of the construct of employee-customer identification to the literature. In this study, we find that employee-customer identification is a powerful motivator for employees in two ways. First, we find that identification with customers can lead to organizational identification, because bonds between employees and customers may provide an identity benefit to employees, making the organizational identity more attractive. Second, we find that employee-customer identification has a direct effect on customer orientation, even after accounting for organizational identification. Overall, the study complements extant research on employees' customer orientation and job performance by introducing the additional consideration of identification with customers. Thus, a complete understanding of customer orientation may require accounting for how an employee categorizes him or herself in relation to customers as well as the company. Future research may explore additional antecedents and consequences of employee-customer identification.

Managerial Implications

CSR as a feature of the "job-product." The internal marketing literature sometimes uses the metaphor of the job-product (e.g., George 1990; Grönroos 1981; Gummesson 1987), portraying this product as the amalgamation of various job features such as pay, training, or job responsibilities (e.g., Netemeyer and Boles 1997; Schwepker and Good 2004; Singh 1998). We find that the social responsibility profile of the company can be a compelling feature of the job-product. CSR is typically overlooked in practice as a managerial lever, yet it holds potential to encourage employees to forge strong relationships with the company and its customers. This is a particularly interesting finding in light of the fact that CSR is a corporate level activity that is often independent of the specific roles or responsibilities of an employee's job. Furthermore, we examine employee responses to CSR through the lens of social identification. Our account thus

resonates with emerging research that implicates employees' organizational identification as an additional motivator of frontline behaviors (e.g., Homburg et al. 2009). Yet we extend the scope of this discussion by identifying new antecedents of organizational identification and by empirically examining another form of identification guiding employee responses to organizational activities. As a result, we advise managers to design CSR activities that maximize both organizational and employee-customer identification.

Tailor CSR based on CSR importance. We find that while perceived management support for CSR drives organizational identification overall, employees for whom CSR is important respond most strongly to such perceptions. In fact, the effect illustrated in Figure 3 suggests that when these employees (i.e., employees high in CSR importance) believe that management support for CSR is low, their bond with the company may weaken. This makes it critical to identify these employees and to communicate to them that management is committed to CSR. How is management to demonstrate this support? Our focus group respondents mentioned that their impressions of management support for CSR stem not only from the words of executives in internal and external communications, but also on those leaders' actions. These actions may include dedicating resources to responsible business practices and matching employee donations dollar for dollar. We do not wish, however, to advocate a so-called "ivory tower" approach to CSR where managers dictate how CSR is to be conducted. Rather, our study reaffirms the finding of prior research (Bhattacharya et al. 2008) that employees want managers to take an enabling and supportive role, while employees take the lead as the enactors of CSR.

Design programs that bring employees and customers together. We find that CSR engenders employee-customer identification when perceived customer support for CSR increases, especially among employees with high CSR importance. This finding suggests that managers

wishing to enhance the job performance of their frontline workforce need to go beyond creating CSR programs that are merely attractive to those frontline employees; rather, they need to design CSR programs that are simultaneously compelling for employees *and* customers. This is a substantial change from what many companies do today, because it means that in order to encourage frontline employees to be more customer oriented, managers may need to also conduct marketing research (e.g., surveys, focus groups) with customers. It also suggests that managers may sometimes need to eschew a program that employees alone find highly compelling in order to focus on another program that both employees and customers favor.

Some companies are already creating, configuring, and communicating CSR activities in ways that provide cues to employees about customers' support for the company's CSR. For example, consider the practice of EDS (now part of Hewlett-Packard Company). As part of its annual Global Volunteer Day, it invites both employees *and* customers to participate in a worldwide organizational initiative to encourage people to give time to community projects. In this way, the organization unites its most enthusiastic employees with its most enthusiastic customers, likely triggering identification processes such as those studied here.

Overall, the findings suggest that managers remain attuned to how employees interpret CSR information, especially in light of how those signals affect employees' identification with the organization and its customers. Organizations that are successful at engendering these forms of identification may be well-positioned to maximize returns from CSR investments.

References

- Ahearne, Michael, C. B. Bhattacharya, and Thomas Gruen (2005), "Antecedents and Consequences of Customer-Company Identification: Expanding the Role of Relationship Marketing," *Journal of Applied Psychology*, 90 (3), 574-85.
- Ahmed, Pervaiz K. and Mohammed Rafiq (2003), "Internal Marketing Issues and Challenges," *European Journal of Marketing* 37 (9), 1177-86.
- Albert, Stuart and David A. Whetten (1985), "Organizational Identity," in *Research in Organizational Behavior*, Larry L. Cummings and Barry M. Staw, eds. Vol. 7. Greenwich, CT: JAI Press.
- Algesheimer, René, Utpal M. Dholakia, and Andreas Herrmann (2005), "The Social Influence of Brand Community: Evidence from European Car Clubs," *Journal of Marketing*, 69 (3), 19-34.
- Anderson, Erin and Vincent Onyemah (2006), "How Right Should the Customer Be?," *Harvard Business Review*, 84 (7/8), 59-67.
- Ashforth, Blake E., Spencer H. Harrison, and Kevin G. Corley (2008), "Identification in Organizations: An Examination of Four Fundamental Questions," *Journal of Management*, 34 (3), 325.
- Barrick, Murray R and Michael K Mount (2006), "The Big Five Personality Dimensions and Job Performance: a Meta-Analysis," *Personnel Psychology*, 44 (1), 1-26.
- Bartel, Caroline A. (2001), "Social Comparisons in Boundary-spanning Work: Effects of Community Outreach on Members' Organizational Identity and Identification," *Administrative Science Quarterly*, 46 (3), 379-414.

- Bergami, Massimo and Richard P. Bagozzi (2000), "Self Categorization, Affective Commitment, and Group Self-Esteem as Distinct Aspects of Social Identity in the Organization," *British Journal of Social Psychology*, 39 (4), 555-77.
- Berger, Ida E., Peggy H. Cunningham, and Minette E. Drumwright (2006), "Identity, Identification, and Relationship Through Social Alliances," *Journal of the Academy of Marketing Science*, 34 (2), 128-37.
- (2007), "Mainstreaming Corporate Social Responsibility: Developing Markets for Virtue," *California Management Review*, 49 (4), 132-57.
- Bhattacharya, C. B. and Daniel Korschun (2008), "Stakeholder Marketing: Beyond the Four P's and the Customer," *Journal of Public Policy and Marketing*, 27 (1), 113-16.
- Bhattacharya, C. B. and Sankar Sen (2003), "Consumer-Company Identification: A Framework for Understanding Consumers' Relationships with Companies," *Journal of Marketing*, 67 (2), 76-88.
- (2004), "Doing Better at Doing Good: When, Why, and How Consumers Respond to Corporate Social Initiatives," *California Management Review*, 47 (1), 9-24.
- Bhattacharya, C.B., Sankar Sen, and Daniel Korschun (2008), "Using Corporate Social Responsibility To Win the War for Talent," *MIT Sloan Management Review*, 49 (2), 37-44.
- Brady, Michael K. and J. Joseph Cronin (2001), "Customer Orientation: Effects on Customer Service Perceptions and Outcome Behaviors," *Journal of Service Research*, 3 (3), 241-51.
- Brewer, Marilynn B. and Samuel L. Gaertner (2008), "Toward Reduction of Prejudice: Intergroup Contact and Social Categorization," in *Blackwell Handbook of Social Psychology: Intergroup Processes*, Rupert Brown and Samuel L. Gaertner, eds. Oxford,

UK: Blackwell Publishers Ltd.

- Brown, Tom J. and Peter A. Dacin (1997), "The Company and the Product: Corporate Associations and Consumer Product Responses," *Journal of Marketing*, 61 (1), 68-84.
- Brown, Tom J., Peter A. Dacin, Michael G. Pratt, and David A. Whetten (2006), "Identity, Intended Image, Construed Image, and Reputation: An Interdisciplinary Framework and Suggested Terminology," *Journal of the Academy of Marketing Science*, 34 (2), 99-106.
- Brown, Tom J., John C. Mowen, D. Todd Donavan, and Jane W. Licata (2002), "The Customer Orientation of Service Workers: Personality Trait Effects on Self-and Supervisor Performance Ratings," *Journal of Marketing Research*, 39 (1), 110-19.
- Bryant, Fred B. and Albert Satorra (2012), "Principles and Practice of Scaled Difference Chi-Square Testing," *Structural Equation Modeling*, 19 (3), 372-98.
- Chakravorti, Bhaskar (2010), "Stakeholder Marketing 2.0," *Journal of Public Policy & Marketing*, 29 (1), 97-102.
- Christen, Markus, Ganesh Iyer, and David Soberman (2006), "Job Satisfaction, Job Performance, and Effort: A Reexamination Using Agency Theory," *Journal of Marketing*, 70 (1), 137-50.
- Cole, Michael S. and Heike Bruch (2006), "Organizational Identity Strength, Identification, and Commitment and their Relationships to Turnover Intention: Does Organizational Hierarchy matter?," *Journal of Organizational Behavior*, 27 (5), 585-605.
- Currall, Steven C., Annette J. Towler, Timothy A. Judge, and Laura Kohn (2005), "Pay Satisfaction and Organizational Outcomes," *Personnel Psychology*, 58 (3), 613-40.
- De Luque, Mary Sully, Nathan T. Washburn, David A. Waldman, and Robert J. House (2008),

- “Unrequited Profit: How Stakeholder and Economic Values Relate to Subordinates’ Perceptions of Leadership and Firm Performance,” *Administrative Science Quarterly*, 53 (4), 626-54.
- DeConinck, James B. and C. Dean Stilwell (2004), “Incorporating Organizational Justice, Role States, Pay Satisfaction and Supervisor Satisfaction in a Model of Turnover Intentions,” *Journal of Business Research*, 57 (3), 225-31.
- Drumwright, Minette E. (1996), “Company Advertising With a Social Dimension: The Role of Noneconomic Criteria,” *Journal of Marketing*, 60 (4), 71-87.
- Du, Shuili, C. B. Bhattacharya, and Sankar Sen (2007), “Reaping Relational Rewards from Corporate Social Responsibility: The Role of Competitive Positioning,” *International Journal of Research in Marketing*, 24 (3), 224-41.
- Dutton, Jane E. , Janet M. Dukerich, and Celia V. Harquail (1994), “Organizational Images and Member Identification,” *Administrative Science Quarterly*, 39 (2), 239-63.
- Flynn, Francis J. (2005), “Identity Orientations and Forms of Social Exchange in Organizations,” *Academy of Management Review*, 30 (4), 737-50.
- Fombelle, Paul, Cheryl Jarvis, James Ward, and Lonnie Ostrom (2011), “Leveraging Customers’ Multiple Identities: Identity Synergy as a Driver of Organizational Identification,” *Journal of the Academy of Marketing Science*, 39 (5), 1-18.
- Fournier, Susan, Susan Dobscha, and David Glen Mick (1998), “Preventing the Premature Death of Relationship Marketing,” *Harvard Business Review*, 76 (1), 42-49.
- Freeman, R. Edward and S. Ramakrishna Velamuri (2006), “A New Approach to CSR: Company Stakeholder Responsibility,” in *Corporate Social Responsibility: From*

Aspiration to Application, M. Morsing and A. Kakabadse, ed. Houndsmills, Basingstoke, Hampshire, New York: Palgrave Macmillan.

Freeman, R. Edward, Andrew C. Wicks, and Bidhan Parmar (2004), "Stakeholder Theory and The Corporate Objective Revisited," *Organization Science*, 15 (3), 364-69.

Fuller, J. Bryan, Laura Marler, Kim Hester, Len Frey, and Clint Relyea (2006), "Construed External Image and Organizational Identification: A Test of the Moderating Influence of Need for Self-Esteem," *Journal of Social Psychology*, 146 (6), 701-16.

Gaertner, Samuel L., John F. Dovidio, Brenda S. Banker, Missy Houlette, Kelly M. Johnson, and Elizabeth McGlynn (2000), "Reducing Intergroup Conflict: From Superordinate Goals to Decategorization, Recategorization, and Mutual Differentiation," *Group Dynamics*, 4 (1), 98-114.

George, William R. (1990), "Internal Marketing and Organizational Behavior: A Partnership in Developing Customer-Conscious Employees at Every Level," *Journal of Business Research*, 20 (1), 63-70.

Grizzle, Jerry W., Alex R. Zablah, Tom J. Brown, John C. Mowen, and James M. Lee (2009), "Employee Customer Orientation in Context: How the Environment Moderates the Influence of Customer Orientation on Performance Outcomes," *Journal of Applied Psychology*, 94 (5), 1227-42.

Grönroos, Christian (1981), "Internal Marketing—an Integral Part of Marketing Theory," in *Marketing of Services*, American Marketing Association, Chicago, IL, J.H. Donnelly and W.E. George, eds.

Gummeson, Evert (1987), "Using Internal Marketing to Develop a New Culture: The Case of

- Ericsson Quality,” *Journal of Business and Industrial Marketing*, 2 (Summer), 23-28.
- Gundlach, Gregory T. and W. L. Wilkie (2010), “Stakeholder Marketing: Why “Stakeholder” Was Omitted from the American Marketing Association’s Official 2007 Definition of Marketing and Why the Future Is Bright for Stakeholder Marketing,” *Journal of Public Policy & Marketing*, 29 (1), 89-92.
- Hartline, Michael D., James G. Maxham III, and Daryl O. McKee (2000), “Corridors of Influence in the Dissemination of Customer-Oriented Strategy to Customer Contact Service Employees,” *Journal of Marketing*, 64 (April), 35–50.
- Hill, E. Jeffrey, Allan J. Hawkins, Maria Ferris, and Michelle Weitzman (2001), “Finding an Extra Day a Week: The Positive Influence of Perceived Job Flexibility on Work and Family Life Balance,” *Family Relations*, 50 (1), 49-58.
- Hogg, Michael A. and Deborah J. Terry (2000a), *Social Identity Processes in Organizational Contexts*: Psychology Press.
- (2000b), “Social Identity and Self-Categorization Processes in Organizational Contexts,” *Academy of Management Review*, 45 (1), 121-40.
- Hogg, Michael A. (2001), “A Social Identity Theory of Leadership,” *Personality and Social Psychology Review*, 5 (3), 184-200.
- Homburg, Christian, Michael Müller, and Martin Klarmann (2011), “When Should the Customer Really be King? On the Optimum Level of Salesperson Customer Orientation in Sales Encounters,” *Journal of Marketing*, 75 (2), 55-74.
- Homburg, Christian, Jan Wieseke, and Wayne . D. Hoyer (2009), “Social Identity and the Service-Profit Chain,” *Journal of Marketing*, 73 (2), 38-54.

- Hunt, Shelby D., Lawrence B. Chonko, and Van R. Wood (1985), "Organizational Commitment and Marketing," *Journal of Marketing*, 49 (1), 112-26.
- Hurtz, Gregory M. and John J. Donovan (2000), "Personality and Job Performance: the Big Five Revisited," *Journal of Applied Psychology*, 85 (6), 869-79.
- Jaworski, Bernard and Ajay K. Kohli (1993), "Market Orientation: Antecedents and Consequences," *The Journal of Marketing*, 57 (3), 53-70.
- Johnson, Michael D., Frederick Morgeson, Daniel R. Ilgen, Christopher J. Meyer, and James W. Lloyd (2006), "Multiple Professional Identities: Examining Differences in Identification Across Work-Related Targets," *Journal of Applied Psychology*, 91 (2), 498-506.
- Kelava, Augustin, Christina S. Werner, Karin Schermelleh-Engel, Helfried Moosbrugger, Yue Ma Dieter Zapf, Heining Cham, Leona S. Aiken, and Stephen G. West (2011), "Advanced Nonlinear Latent Variable Modeling: Distribution Analytic LMS and QML Estimators of Interaction and Quadratic Effects," *Structural Equation Modeling: A Multidisciplinary Journal*, 18 (3), 465-91.
- Kelley, Scott W (1992), "Developing Customer Orientation Among Service Employees," *Journal of the Academy of Marketing Science*, 20 (1), 27-36.
- Kennedy, Karen Norman, Jerry R Goolsby, and Eric J Arnould (2003), "Implementing a Customer Orientation: Extension of Theory and Application," *Journal of Marketing*, 67 (4), 67-81.
- Klein, Andreas and Helfried Moosbrugger (2000), "Maximum Likelihood Estimation of Latent Interaction Effects with the LMS Method," *Psychometrika*, 65 (4), 457-74.
- Klein, Andreas. G. and Bengt O. Muthén (2007), "Quasi-Maximum Likelihood Estimation of

Structural Equation Models with Multiple Interaction and Quadratic Effects,” *Multivariate Behavioral Research*, 42, 647-73.

- Larson, Brian V., Karen E. Flaherty, Alex R. Zablah, Tom J. Brown, and Joshua L. Wiener (2008), “Linking Cause-Related Marketing to Sales Force Responses and Performance in a Direct Selling Context,” *Journal of the Academy of Marketing Science*, 36 (2), 271-77.
- Lichtenstein, Donald R., Minette E. Drumwright, and Bridgette M. Braig (2004), “The Effect of Corporate Social Responsibility on Customer Donations to Corporate-Supported Nonprofits,” *Journal of Marketing*, 68 (4), 16-32.
- Lindell, Michael K. and David J. Whitney (2001), “Accounting for Common Method Variance in Cross-Sectional Research Designs,” *Journal of Applied Psychology*, 86 (1), 114-21.
- Mael, Fred and Blake E. Ashforth (1992), “Alumni and Their Alma Mater: A Partial Test of the Reformulated Model of Organizational Identification,” *Journal of Organizational Behavior*, 13 (2), 103-23.
- Malhotra, Naresh K., Sung S. Kim, and Ashutosh Patil (2006), “Common Method Variance in IS Research: A Comparison of Alternative Approaches and a Reanalysis of Past Research,” *Management Science*, 52 (12), 1865-1883.
- Marsh, Herbert W., Zhonglin Wen, Kit-Tai Hau, Todd D. Little, James A. Bovaird, and Keith F. Widaman (2007), “Unconstrained Structural Equation Models of Latent Interactions: Contrasting Residual- and Mean-Centered Approaches,” *Structural Equation Modeling*, 14, 570-80.
- Muniz Jr, Albert M. and Thomas C. O’Guinn (2001), “Brand Community,” *Journal of Consumer Research*, 27 (4), 412.

- Muthén, Linda K. and Bengt O. Muthén (2012), *Mplus User's Guide* (Seventh Edition ed.). Los Angeles, CA: Muthén & Muthén.
- Narver, John C. and Stanley F. Slater (1990), "The Effect of a Market Orientation on Business Profitability," *Journal of Marketing*, 54 (4), 20-35.
- Netemeyer, Richard G. and James S. Boles (1997), "An Investigation Into the Antecedents of Organizational Citizenship Behaviors in a Personal Selling Context," *Journal of Marketing*, 61 (3), 85-98.
- Ng, Thomas W. H. and Daniel C. Feldman (2010), "Organizational Tenure and Job Performance," *Journal of Management*, 36 (5), 1220-50.
- Piedmont, Ralph L and Harold P Weinstein (1994), "Predicting Supervisor Ratings of Job Performance using the NEO Personality Inventory," *The Journal of Psychology*, 128 (3), 255-65.
- Ping, Robert A., Jr. (1996), "Latent Variable Interaction and Quadratic Effect Estimation: A Two-Step Technique Using Structural Equation Analysis," *Psychological Bulletin*, 119 (1), 166-75.
- Podsakoff, Philip M., Scott B. MacKenzie, Jeong-Yeon Lee, and Nathan P. Podsakoff (2003), "Common Method Biases in Behavioral Research: A Critical Review of the Literature and Recommended Remedies," *Journal of Applied Psychology*, 88 (5), 879-903.
- Podsakoff, Philip M., Scott B. MacKenzie, and Nathan P. Podsakoff (2012), "Sources of Method Bias in Social Science Research and Recommendations on How to Control It," *Annual Review of Psychology*, 63 (1), 539-69.
- Satorra, Albert and Peter M. Bentler (2001), "A Scaled Difference Chi-Square Test Statistic for

- Moment Structure Analysis,” *Psychometrika*, 66 (4), 507-14.
- Saxe, Robert and Barton A. Weitz (1982), “The SOCO Scale: A Measure of the Customer Orientation of Salespeople,” *Journal of Marketing Research*, 19 (3), 343-51.
- Schwepker, Charles H. Jr. and David J. Good (2004), “Marketing Control and Sales Force Customer Orientation,” *Journal of Personal Selling & Sales Management*, 24 (3), 167-79.
- Sen, Sankar and C. B. Bhattacharya (2001), “Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility,” *Journal of Marketing Research*, 38 (2), 225-43.
- Sen, Sankar, C. B. Bhattacharya, and Daniel Korschun (2006), “The Role of Corporate Social Responsibility in Strengthening Multiple Stakeholder Relationships: A Field Experiment,” *Journal of the Academy of Marketing Science*, 34 (2), 158-66.
- Sen, Sankar, Zeynep Gurhan-Canli, and Vicki Morwitz (2001), “Withholding Consumption: A Social Dilemma Perspective on Consumer Boycotts,” *Journal of Consumer Research*, 28 (3), 399-417.
- Sherif, Muzafer (1958), “Superordinate Goals in the Reduction of Intergroup Conflict,” *The American Journal of Sociology*, 63 (4), 349-56.
- Simmons, Carolyn J. and Karen L. Becker-Olsen (2006), “Achieving Marketing Objectives Through Social Sponsorships,” *Journal of Marketing*, 70 (4), 154-69.
- Singh, Jagdip (1998), “Striking a Balance in Boundary-Spanning Positions: An Investigation of Some Unconventional Influences of Role Stressors and Job Characteristics on Job Outcomes of Salespeople,” *Journal of Marketing*, 62 (3), 69-86.
- Sluss, David M. and Blake E. Ashforth (2007), “Relational Identity and Identification: Defining

- Ourselves Through Work Relationships,” *Academy of Management Review*, 32 (1), 9-32.
- Smidts, Ale, Ad Th H. Pruyn, and Cees B. M. Van Riel (2001), “The Impact of Employee Communication and Perceived External Prestige on Organizational Identification,” *Academy of Management Journal*, 44 (5), 1051-62.
- Tajfel, Henri and John C. Turner (1986), “The Social Identity Theory of Inter-Group Behavior,” in *Psychology of Intergroup Relations*, S. Worchel and L. W. Austin, eds. Chicago: Nelson-Hall.
- Turban, Daniel B. and Daniel W. Greening (1997), “Corporate Social Performance and Organizational Attractiveness to Prospective Employees,” *Academy of Management Journal*, 40 (3), 658-72.
- Van Knippenberg, Daan and Michael A. Hogg (2003), “A Social Identity Model of Leadership Effectiveness in Organizations,” *Research in Organizational Behavior*, 25 (0), 243-95.
- Verbeke, Willem J., Frank D. Belschak, Arnold B. Bakker, and Bart Dietz (2008), “When Intelligence Is (Dys)Functional for Achieving Sales Performance,” *Journal of Marketing*, 72 (4), 44-57.
- Vogel, David (2005), *The Market For Virtue: The Potential and Limits of Corporate Social Responsibility*: Brookings Institution Press.
- Wieseke, Jan, Johannes Ulrich, Oliver Christ, and Rolf Van Dick (2007), “Organizational Identification as a Determinant of Customer Orientation in Service Organizations,” *Marketing Letters*, 18, 265-78.
- Winterich, Karen and Michael Barone (2011), “Warm Glow or Cold, Hard Cash? Social Identity Effects on Consumer Choice for Donation Versus Discount Promotions,” *Journal of*

Marketing Research, 48 (5), 855-68.

Wrzesniewski, Amy and Jane E. Dutton (2001), "Crafting a Job: Revisioning Employees as Active Crafters of Their Work," *Academy of Management Review*, 26 (2), 179.

Zablah, Alex R., George R. Franke, Tom J. Brown, and Darrell E. Bartholomew (2012), "How and When Does Customer Orientation Influence Frontline Employee Job Outcomes? A Meta-Analytic Evaluation," *Journal of Marketing*, 76 (3), 21-40.

TABLE 1
Descriptive Statistics and Correlation Matrix

	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Perceived management support for CSR	.000	1.203	1.00														
2. Perceived customer support for CSR	.000	.887	.335	1.00													
3. CSR importance	.000	1.018	.240	.178	1.00												
4. Organizational identification	.000	1.308	.454	.328	.235	1.00											
5. Employee-customer identification	.000	1.073	.385	.285	.354	.369	1.00										
6. Customer orientation	.000	.766	.205	.241	.383	.310	.631	1.00									
7. Job performance	3.282	.318	-.064	-.047	-.159	.099	.060	-.003	1.00								
8. Activity	.000	1.972	.066	.087	.084	.048	.062	.139	-.096	1.00							
9. Agreeability	.000	1.349	.191	.147	.424	.319	.371	.666	-.228	.214	1.00						
10. Conscientiousness	.000	1.491	.115	.115	.237	.129	.351	.311	-.013	.065	.258	1.00					
11. Creativity	.000	1.733	.056	.044	.156	.191	.202	.201	-.023	.235	.132	.213	1.00				
12. Instability	.000	1.830	-.090	.045	-.190	-.227	-.115	-.321	.086	.086	-.299	-.157	.065	1.00			
13. Pay satisfaction	4.231	1.466	.268	.114	.072	.392	.191	.193	.143	.012	.094	.080	.057	-.030	1.00		
14. Tenure at company	6.285	4.848	-.090	.038	-.046	-.119	-.026	-.099	.214	-.025	-.116	-.062	-.025	.075	-.042	1.00	
15. Overall service experience	14.778	8.001	-.006	.085	.008	-.028	.179	.196	.017	-.020	.085	.056	-.119	-.079	-.065	.557	1.00

TABLE 2
Estimated Unstandardized Path Coefficients (standard errors)

<i>Model Paths</i>	<i>Model 1</i> (<i>main effects model</i>)	<i>Model 2</i> (<i>proposed model</i>)	<i>Model 3</i> (<i>alternative model</i>)	<i>Model 4</i> (<i>alternative model</i>)
Organizational Identification				
Management support for CSR (MS)	.320 (.085)**	.285 (.085)**	.285 (.085)**	.286 (.084)**
CSR importance to employee (IMP)	-.005 (.109)	.044 (.101)	.047 (.101)	.046 (.101)
MS × IMP H₁		.188 (.090)*	.182 (.072)*	.178 (.072)*
Employee-customer identification H₃	.191 (.089)*	.177 (.072)*	.178 (.090)*	.188 (.090)*
Agreeability	.141 (.076)	.145 (.074)*	.143 (.074)	.146 (.074)*
Activity	-.021 (.046)	-.034 (.047)	-.033 (.047)	-.034 (.047)
Conscientiousness	-.057 (.062)	-.062 (.062)	-.061 (.062)	-.063 (.062)
Creativity	.102 (.050)*	.102 (.049)*	.103 (.049)*	.103 (.049)*
Instability	-.108 (.044)*	-.108 (.043)*	-.108 (.043)*	-.108 (.043)*
Overall service experience	-.007 (.011)	-.005 (.010)	-.005 (.010)	-.005 (.010)
Tenure at company	-.001 (.020)	-.003 (.019)	-.004 (.019)	-.003 (.019)
Pay satisfaction	.238 (.054)**	.234 (.053)**	.235 (.053)**	.234 (.053)**
Employee-Customer Identification				
Customer support for CSR (CS)	.220 (.099)*	.186 (.097)	.177 (.097)	.186 (.097)
IMP	.189 (.085)*	.245 (.078)**	.244 (.079)**	.246 (.078)**
CS × IMP H₂		.172 (.079)*	.174 (.079)*	.171 (.078)*
Agreeability	.141 (.069)*	.124 (.067)	.126 (.067)	.123 (.067)
Activity	-.026 (.036)	-.035 (.035)	-.035 (.035)	-.035 (.035)
Conscientiousness	.143 (.055)**	.141 (.054)**	.141 (.054)**	.141 (.054)**
Creativity	.069 (.043)	.069 (.041)	.069 (.041)	.069 (.041)
Instability	.010 (.044)	.012 (.046)	.013 (.046)	.012 (.045)
Overall service experience	.026 (.010)*	.024 (.010)*	.024 (.010)*	.024 (.010)*
Tenure at company	-.012 (.016)	-.012 (.016)	-.012 (.016)	-.012 (.016)
Pay satisfaction	.094 (.050)	.090 (.049)	.090 (.049)	.090 (.049)
Customer Orientation				
Organizational identification H_{4a}	-.044 (.040)	-.044 (.040)	-.027 (.043)	-.046 (.040)
Employee-customer identification H₅	.308 (.066)**	.308 (.065)**	.305 (.073)**	.312 (.065)**
Agreeability	.255 (.040)**	.255 (.040)**	.248 (.041)**	.255 (.040)**
Activity	.006 (.022)	.006 (.022)	.009 (.021)	.005 (.022)
Conscientiousness	.000 (.030)	-.001 (.030)	.000 (.029)	-.001 (.030)
Creativity	.028 (.025)	.028 (.025)	.026 (.025)	.028 (.025)
Instability	-.060 (.025)*	-.060 (.025)*	-.062 (.024)*	-.060 (.025)*
Overall service experience	.014 (.006)*	.014 (.006)*	.013 (.006)*	.014 (.006)*
Tenure at company	-.015 (.010)	-.015 (.010)	-.014 (.010)	-.014 (.010)
Pay satisfaction	.052 (.030)	.052 (.030)	.054 (.030)	.052 (.030)
MS			-.051 (.041)	
CS			.062 (.041)	
IMP			.003 (.049)	
MS × IMP			-.039 (.035)	
CS × IMP			.001 (.043)	
Job Performance (Supervisor rating)				
Organizational identification H_{4b}	.041 (.019)*	.041 (.019)*	.041 (.019)*	.062 (.022)**
Customer orientation H₆	.123 (.040)**	.122 (.040)**	.123 (.041)**	.147 (.043)**
Agreeability	-.096 (.022)**	-.096 (.022)**	-.096 (.022)**	-.089 (.022)**
Activity	-.009 (.012)	-.009 (.012)	-.009 (.012)	-.006 (.011)
Conscientiousness	.005 (.013)	.005 (.013)	.005 (.013)	.010 (.013)
Creativity	-.004 (.014)	-.004 (.014)	-.004 (.014)	-.006 (.013)
Instability	.012 (.012)	.012 (.012)	.012 (.012)	.014 (.011)
Overall service experience	-.007 (.003)*	-.007 (.003)*	-.007 (.003)*	-.007 (.003)*
Tenure at company	.021 (.005)**	.021 (.005)**	.021 (.005)**	.021 (.005)**
Pay satisfaction	.014 (.014)	.014 (.014)	.014 (.014)	.013 (.015)
MS				-.026 (.020)
CS				-.015 (.022)
IMP				-.051 (.022)*
MS × IMP				-.006 (.018)
CS × IMP				-.038 (.022)
Log-likelihood [scaling factor]	-11,028.977 [1.478]	-11,021.946 [1.471]	-11,016.736 [1.457]	-11,016.736 [1.458]
Free parameters	182	184	189	189

* $p < .05$ (two-tailed) ** $p < .01$ (two-tailed)

FIGURE 1

A Model Linking Corporate Social Responsibility to Job Outcomes among Frontline Employees

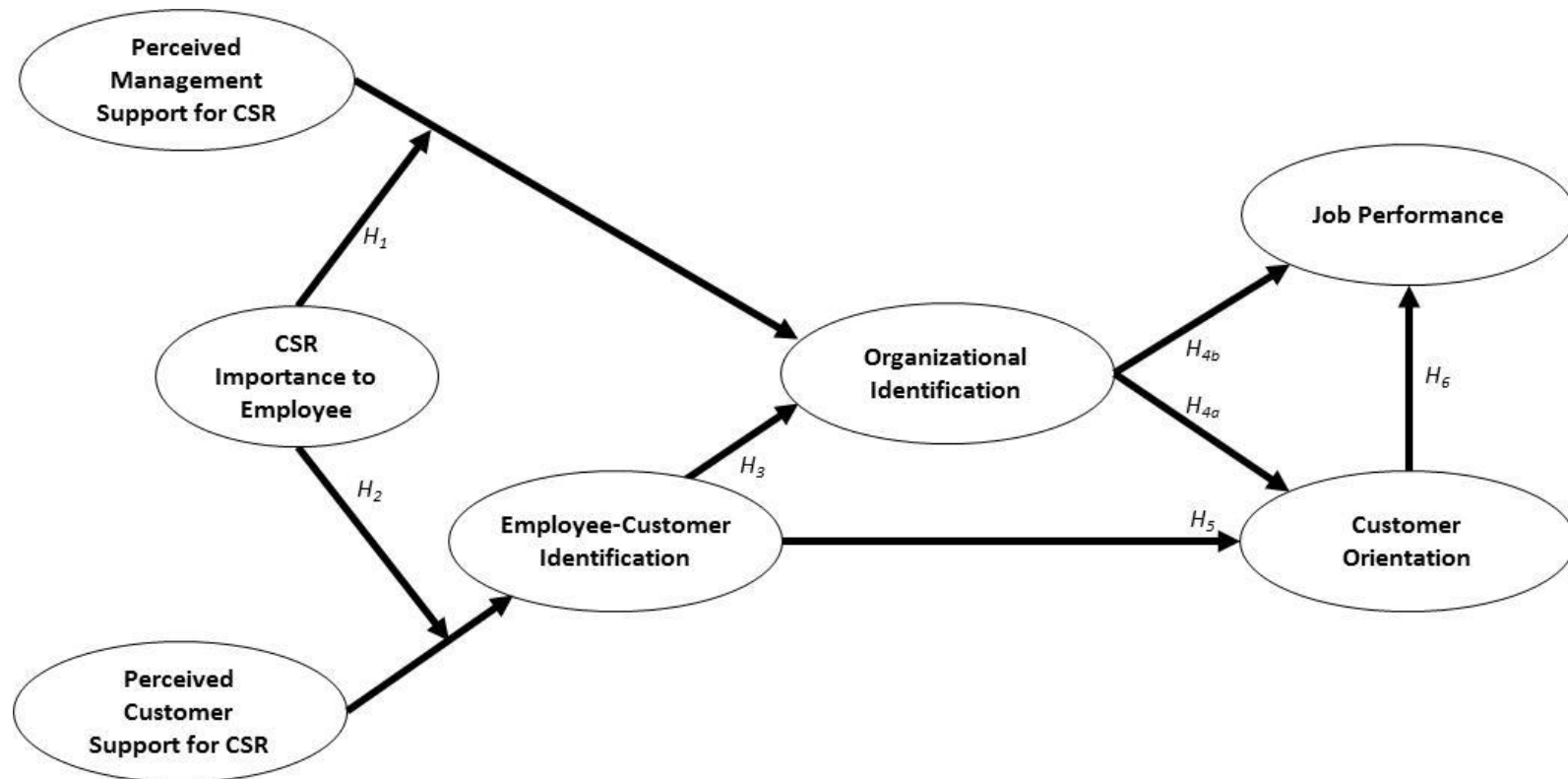
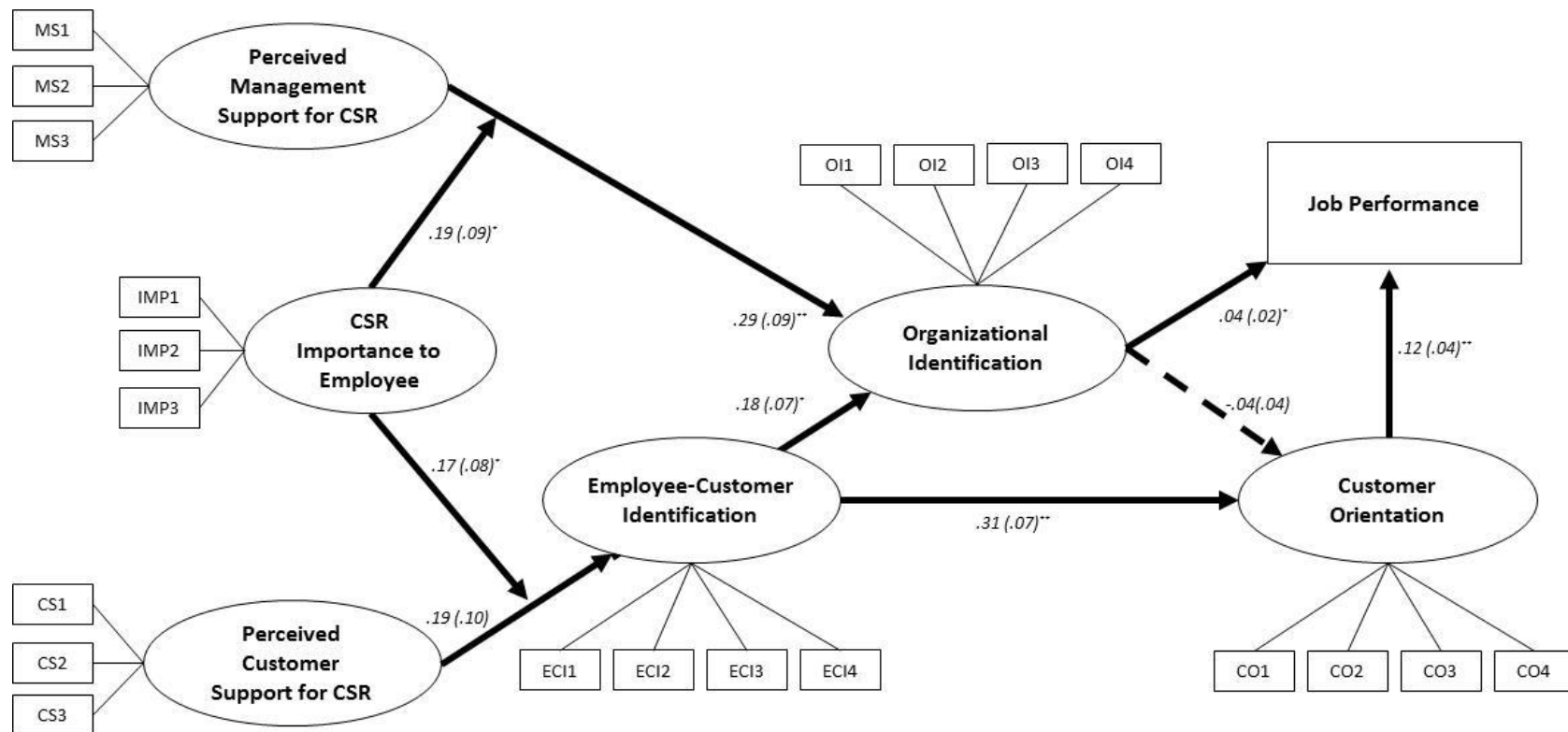


FIGURE 2

Empirical Model with Unstandardized Path Coefficients for Hypothesized Relationships

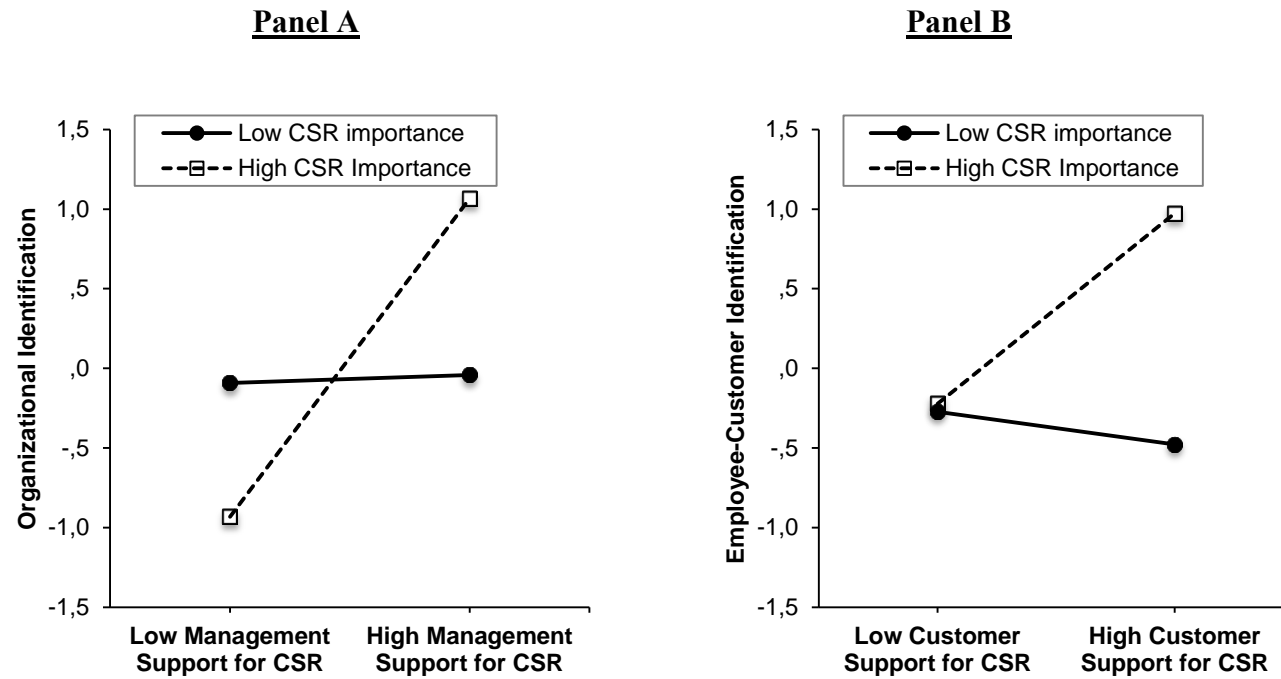


* $p < .05$, ** $p < .01$

Control variables for endogenous variables: Activity, Agreeability, Instability, Conscientiousness, Creativity, Tenure at Company, Overall experience in customer service, Satisfaction with Pay.

FIGURE 3

Moderating Effects of CSR Importance



Note: Figure depicts the simple slopes of Management Support for CSR (Panel A) and Customer Support for CSR (Panel B) when CSR Importance is 1.5 standard deviations above and below its mean.

APPENDIX

Construct Measures and Standardized Factor Loadings

Constructs and Measurement Items	Standardized Loadings	AVE	Construct Reliability	Source
Perceived management support for CSR (1-7, Disagree/Agree strongly)		70.7%	.88	<i>New</i>
1. For executives, [company]'s impact on society is a primary concern.	.96			
2. Management encourages employees to be involved in [company]'s social responsibility.	.80			
3. Managers at [company] fully embrace social responsibility.	.77			
Perceived customer support for CSR (1-7, Disagree/Agree strongly)		91.2%	.97	<i>Larson et al. (2008)</i>
1. Customers have a favorable impression of [company]'s social responsibility activity.	.98			
2. Customers have a positive attitude about [company]'s social responsibility activity.	.90			
3. [Company]'s social responsibility activity is appealing to customers.	.99			
CSR importance: seven-point scale (1-7, Disagree/Agree strongly)		73.1%	.89	<i>Derived from Vogel (2005)</i>
1. It's important to me that companies help out the communities where they operate.	.71			
2. I'm the type of person that cares deeply about companies being socially responsible.	.90			
3. I feel that companies need to make the world a better place.	.90			
Organizational identification (1-7, Disagree/Agree strongly)		82.0%	.95	<i>Smidts, Pruyn, and Van Riel (2001)</i>
1. I experience a strong sense of belonging to [company].	.96			
2. I identify strongly with [company].	.94			
3. I feel a strong sense of membership in [company].	.93			
4. The values of [company] overlap with my own values	.82			
Employee-customer identification: (1-7, Disagree/Agree strongly)		55.5%	.83	<i>Smidts, Pruyn, and Van Riel (2001)</i>
1. Customers and I are on the same team.	.80			
2. I feel a strong kinship with customers.	.87			
3. When I refer to customers I say "we" rather than "they".	.64			
4. My values overlap with customers.	.67			
Customer orientation (1-7, Disagree/Agree strongly)		60.4%	.86	<i>Saxe and Weitz (1984), Brown et al. (2002)</i>
1. I make every customer feel like he/she is the only customer.	.69			
2. I respond very quickly to customer requests.	.76			
3. I always have the customer's best interest in mind.	.88			
4. My number one priority is always customer loyalty.	.85			

Personality (1-9, Extremely Inaccurate/ Accurate)

“How closely do the following statements describe your personality:”

Brown et al. (2002)

<i>Agreeability</i>		76.4%	.91
1. Tender-hearted with others	.82		
2. Sympathetic	.93		
3. Kind to others	.89		
<i>Instability</i>		78.6%	.94
1. Emotions go way up and down	.95		
2. Moody more than others	.91		
3. Temperamental	.78		
4. Testy more than others	.92		
<i>Activity</i>		51.4%	.75
1. Have a hard time keeping still	.95		
2. Extremely active in my daily life	.49		
3. Have a hard time sitting around	.63		
<i>Conscientiousness</i>		75.4%	.90
1. Precise	.90		
2. Organized	.95		
3. Orderly	.73		
<i>Creativity</i>		77.1%	.91
1. Frequently feel highly creative	.75		
2. Imaginative	.93		
3. More original than others	.95		

Recent ESMT Working Paper

	ESMT No.
Confidence via correction: The effect of judgment correction on consumer confidence Francine Espinoza Petersen, ESMT Rebecca W. Hamilton, University of Maryland	13-06
How to deal with unprofitable customers? A salesforce compensation perspective Sumitro Banerjee, ESMT Alex P. Thevaranjan, Whitman School of Management, Syracuse University	13-05
Tangible temptation in the social dilemma: Cash, cooperation, and self-control Kristian Ove R. Myrseth, ESMT Gerhard Riener, DICE, University of Düsseldorf Conny Wollbrant, University of Gothenburg	13-04
Conflict resolution, public goods and patent thickets Dietmar Harhoff, University of Munich Georg von Graevenitz, University of East Anglia in London Stefan Wagner, ESMT	12-04 (R1)
Strong, bold, and kind: Self-control and cooperation in social dilemmas Martin G. Kocher, University of Munich Peter Martinsson, University of Gothenburg Kristian Ove R. Myrseth, ESMT Conny Wollbrant, University of Gothenburg	12-01 (R1)
Mortality beliefs distorted: Magnifying the risk of dying young Peter Jarnebrant, ESMT Kristian Ove R. Myrseth, ESMT	13-03
The upward spirals in team processes: Examining dynamic positivity in problem solving teams Nale Lehmann-Willenbrock, VU University Amsterdam Ming Ming Chiu, University at Buffalo - SUNY Zhike Lei, ESMT Simone Kauffeld, Technische Universität Braunschweig	13-02

ESMT
European School of Management and Technology
Faculty Publications
Schlossplatz 1
10178 Berlin
Germany

Phone: +49 (0) 30 21231-1279
publications@esmt.org
www.esmt.org