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# **Doctor of Philosophy**

**Aston University**

## **Employee Social Responsibility:**

**Development of an ESR Measure and a Multi-Level Investigation  
of Antecedent and Boundary Conditions**

**Nishat A Babu**

**September**

**2015**

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2015

### **Thesis Summary**

The following thesis instigates the discussion on corporate social responsibility (CSR) through a review of literature on the conceptualisation, determinants, and remunerations of organisational CSR engagement. The case is made for the need to draw attention to the micro-levels of CSR, and consequently focus on employee social responsibility at multiple levels of analysis. In order to further research efforts in this area, the prerequisite of an employee social responsibility behavioural measurement tool is acknowledged. Accordingly, the subsequent chapters outline the process of scale development and validation, resulting in a robust, reliable and valid employee social responsibility scale. This scale is then put to use in a field study, and the noteworthy roles of the antecedent and boundary conditions of transformational leadership, assigned CSR priority, and CSR climate are confirmed at the group and individual level. Directionality of these relationships is subsequently alluded to in a time-lagged investigation, set within a simulated business environment. The thesis collates and discusses the contributions of the findings from the research series, which highlight a consistent three-way interaction effect of transformational leadership, assigned CSR priority and CSR climate. Specifically, efforts are made to outline various avenues for future research, given the infancy of the micro-level study of employee social responsibility.

**Keywords:** Corporate social responsibility, micro-level, transformational leadership, assigned priority, CSR climate

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## Chapter 1: Introduction to Thesis

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### 1.1.Introduction

Friedman's initial statement in the New York Times Magazine in 1970 that "the social responsibility of business is to increase its profits" is considered archaic in today's 21<sup>st</sup> century commercial environment. Instead, proclamations from prolific business leaders that "businesses need to go beyond the interests of their companies to the communities they serve" are holding more sway (Ratan Tata; the Tata group). This act of placing focus on the communities affected by an organisation's operations forms part of what is now commonly referred to as corporate social responsibility (CSR); defined as "context-specific organisational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance" (Aguinis, 2011, pg. 855). However engaging in corporate social responsibility (CSR) is not merely a futile exercise into the squandering of valuable organisational resources, rather organisations are also set to benefit from the various strategic and financial outcomes that arise from CSR engagement. Indeed, in his recent book, 'Screw Business as Usual', Richard Branson argued that the time now is ripe "...to explore this great new frontier where the boundaries between work and purpose are merging into one, where doing good, really *is* [italics in original] good for business" (2013; pg. 1).

For instance, research on CSR has shown that CSR can significantly and positively impact upon an organisation's financial health (Rodgers, Choy, and Guiral, 2013). More specifically, such benefits are greater when an organisation's CSR activities are strategically aligned, consequently leading to superior financial performance (Michelon, Boesso, and Kumar, 2013). Organisational engagement in effective CSR can further have knock-on effects on perceived corporate reputation, consumer purchase likelihood, and consumer long-term loyalty (e.g. Du, Bhattacharya, and Sen, 2007).

Not only this, but an organisation's CSR efforts additionally have demonstrably positive effects on their employees. An organisation that is active in CSR can lead to positive employee outcomes such as, but not limited to, increased employee commitment and identification (Ali, Ur Rehman, Ali, Yousaf, and Zia, 2010; Glavas and Godwin, 2013; Kim, Lee, Lee, and Kim, 2010), satisfaction and well-being (Bauman and Skitka, 2013),

organisational citizenship behaviours, reduced counterproductive behaviours (Evans, Goodman, and Davis, 2010), and reduced turnover (Hansen, Dunford, Boss, and Boss, 2011). Given the above, it therefore makes good sense for today's organisation's to be active participants in CSR.

What research however has neglected to attend to is the way in which employees themselves can enact social responsibility through their work activities. Indeed, Rupp and Mallory (2015) consider this to be surprising given that employees "...plan for, participate in, and witness CSR" (pg. 212). Similarly, Collier and Esteban (2007) state that, "the effective delivery of corporate social and environmental responsibility initiatives is dependent on employee responsiveness". Aguinis and Glavas (2012) corroborated this deficiency in noting that at the time of their review, only 4% of the research on CSR had concentrated on CSR at the micro-level. More recently, Gond, El Akremi, Swaen, and Babu (working paper) have shown that since 2011, 117 papers have been published in micro-CSR, compared to only 58 published from 1991 to 2010. As a result, whilst the tide may be changing and greater focus is being placed on micro-level CSR, there is great distance yet to be traversed before we can develop a comprehensive understanding of micro-level CSR, specifically employee engagement in CSR; what this thesis terms employee social responsibility (ESR) behaviours.

Encouraging ESR is beneficial, especially as a form of social capital which can further serve to benefit the company through building business-community relations (Muthuri, Matten, and Moon, 2009). Not only can employee volunteering efforts, considered a type of employee social responsibility behaviour, lead to positive public perceptions of the organisation as well as good community relations; effective volunteering placements can enhance work-related skills, increase employee engagement at work, and increase the likelihood of further volunteering efforts (Booth, Won Park, and Glomb, 2009; Caligiuri, Mencia, and Jiang, 2013). Other ESR behaviours, such as charitable giving, can further foster employee commitment by triggering pro-social sense-making (Grant, Dutton, and Rosso, 2008).

Despite these benefits, surprisingly little is known about how ESR can be harnessed. Indeed, research has evidenced that employees within the organisation tend to be little aware of its CSR efforts (Bhattacharya, Korschun, and Sen, 2009), and even when cognizant of them, few employees are actively involved in such efforts (Stancu, Grigore, and Rosca, 2011). Apart from the small research contribution in ESR, through for example the focus on narrow sub-facets such as employee volunteering, given that employee social responsibility is of crucial

significance, there seems to be a contradictory dearth of research in the area. Some efforts have been made to understand ways in which ESR can be fostered, although these primarily tend to be in the form of theoretical literature, which for example speculate upon the possible factors that could influence employee perceptions of organisational CSR, their reactions to CSR, and how they themselves can engage in CSR (e.g. Unsworth, Dmitrieva, and Adriasola, 2013).

Employees are the active participants within the organisation, and they translate the organisational strategy into action through their day to day activities (Rupp and Mallory, 2015). They can determine if they complete their work activities in an environmentally friendly manner, participate in and/or organize charitable events, go out of their way to support colleagues, and be engaged within their local community. Active employee involvement seems therefore key in how organisations embed social responsibility within the organisation, and pool the external efforts of the company with the internal functioning (Aguinis and Glavas, 2013). Accordingly the question arises as to how we can encourage both awareness of, and engagement within the organisation's CSR efforts, thus supporting and furthering an organisation's social responsibility agenda. In doing so, we can start to understand the way in which those individuals and teams that compose the organisations, can become active participants of ESR in the workplace.

To understand the ways in which employees can incorporate CSR into their roles and how this is initiated in their work activities, we need to elucidate a taxonomy which outlines how ESR is behaviourally manifested. In order to do this, the following thesis draws upon the five dimensions of social responsibility, namely social, philanthropy, stakeholder, environmental, and economic; as identified by Dahlsrud (2008) and corroborated by Rupp and Mallory (2015). Given this multi-dimensional nature of ESR behaviours, an important issue brought to the forefront is the inherent conflicting nature of the behaviours within these various dimensions (e.g. Aguilera, Rupp, Williams, and Ganapathi, 2007). For instance, on the one hand, employees are required to be efficient in their work (economic), whilst on the other hand they are requested to engage in voluntary behaviours (social and philanthropy).

The goal-setting theory (e.g. Locke and Latham, 2002) is stipulated as the guiding theoretical framework in the proposed thesis. This theory proposes that effectively set goals have a directive and energising effect on employees, engendering persistence as well as the arousal of task-relevant knowledge and skills. Not only is it one of the most validated and reliable

theories of employee motivation available, but crucially, it takes into account the role of possible conflict between goals, and how this can undermine performance. Given the inherent conflict proposed within the multi-dimensional ESR construct, this theory proposes that conducive contextual conditions need to be in place, in order to firstly set effective goals that motivate employees' goal-directed efforts towards these ESR behaviours, and secondly to ameliorate the possible conflict that could arise between such goals. Here, the combinative roles of leadership, assigned CSR priority and CSR climate are proposed, as a resolution for this conundrum. By building upon goal-setting theory, it is suggested that these presumed antecedent and boundary conditions of ESR, facilitate ESR by setting challenging goals that place focus on the full ESR spectrum, motivating, inspiring and supporting employee goal-directed efforts, and ensuring a high priority is assigned to CSR. Furthermore, they ensure that the organisation makes CSR salient within its policies, procedures, and practices, so that a consistent message of the value of CSR is reverberated throughout the organisation. As a result, employees are aware of CSR in their day-to-day activities and the importance of the various dimensions equivocally, as well as being sentient of the value of CSR to the organisation, thus precluding goal-conflict.

An effective means to resolve such contradicting demands and successfully implementing ESR at the individual and group level is argued to be leadership, in particularly transformational leadership (TF) (Bass, 1990). TF has been linked to various positive employee outcomes as evidenced by meta-analyses (e.g. Judge and Piccolo, 2004; Lowe, Kroeck, and Sivasubramaniam, 1996). Additionally, TF has been highlighted to be effective in balancing conflicting demands, especially in the safety literature where the concern is over allying the demands of efficiency with the importance of safety (Zohar, 2010). It is reasoned that TF will facilitate ESR by way of setting challenging and specific goals, and motivating and supporting employee effort towards these goals (Locke and Latham, 2002).

However what is not apparent is how the value-free leadership behaviours of TF can direct employees towards the values of social responsibility (Fu, Tsui, Liu, and Li, 2010). Here the novel role of assigned CSR priority, modelled on Zohar's (2002a) assigned safety priority, is put forward. Zohar (2002a) evidenced the moderating function of assigned safety priority on the effects of leadership behaviours on subsequent safety performance. Likewise, it is expected that assigned CSR priority will wield its effects similarly, by providing a CSR focus to leadership behaviours, which consequently exerts beneficial effects on ESR performance.

Finally, it is argued that TF with a high assigned CSR priority alone is not sufficient in stifling behavioural conflict in employees. This is so, because if environmental conditions for instance are not conducive to CSR, this could still engender conflict. As a result, the necessary role of a CSR climate is introduced. Interactively, it is argued that TF, with a high assigned CSR priority, operating under conditions of a positive CSR climate, provide optimal conditions for ESR. They do this collectively by communicating a consistent message regarding the importance of CSR, and thus minimizing the experience of goal conflict in employees.

## **1.2. Research objectives**

The present thesis endeavours to address the following research objectives:

1. Develop a definition and taxonomy of behaviours of employee social responsibility: first and foremost, before we can begin to investigate the determinants of ESR, a fully encompassing typology of ESR behaviours needs to be confirmed.
2. Develop and validate a scale of employee social responsibility: after having developed the taxonomy of ESR behaviours, the next objective is to develop and validate a scale to measure the various behaviours of ESR, which can then be used to test for the antecedent and boundary conditions of ESR.
3. Develop a model of the antecedent and boundary conditions of employee social responsibility: using theory, the thesis will attempt to develop a model centred on ESR, specifically the predictors of ESR. Goal-setting theory will be used to identify the utility of the antecedents of transformational leadership, and boundary conditions of assigned CSR priority, and CSR climate of ESR at the group and individual levels, in a multi-level model.
4. Provide a preliminary test for the model: the next objective is to provide a preliminary test for the relationships proposed in the conceptual model. More specifically, to elucidate the moderating roles of assigned CSR priority and CSR climate, individually and in conjunction with one another, on the effects of TF on ESR, both at the group and individual levels.
5. Ascertain the direction of relationships in a time-lagged study: finally, having provided a preliminary test for the predictors of ESR in the field study, the next

objective is to examine the direction in which the relationships subsist. The directionality of relationships will be determined by investigating the effects of time one predictors, on time two and three ESR behaviours. Furthermore, ESR at time one will be controlled, in order to assess if ESR behaviours increase positively over time.

### **1.3. Summary of research series**

This thesis endeavours to test these research objectives through a research series combining three studies:

*Scale development and validation* – before the factors that can facilitate ESR can be examined; a scale to measure ESR is needed. The scale development and validation chapter will outline this process of developing a five-faceted multi-dimensional ESR scale. Forty qualitative interviews, with employed individuals from various occupational backgrounds, will be conducted in order to develop the initial item pool for the scale, subsequently refined through subject-matter expert ratings to ensure content validity. Following this, the scale will be validated in two predominant samples. Firstly the scale will be validated in an organisational sample with 32 teams, from the professional financial services sector and commercial banking sector. It will then be again validated with a time-lagged simulated Business Game sample consisting of 67 teams to further ensure robustness, confirm the ESR scale's factor structure, and explore its psychometric properties.

*Field study* – The field study, using a multilevel sample of team members nested within teams, will provide a preliminary test for the proposed hypotheses in a cross-sectional design. More specifically, the moderating effects of assigned CSR priority and CSR climate, both interactively and individually, on the effects of TF on ESR will be investigated; both at the group and individual levels.

*Time lagged study* – Finally, in order to explore the direction of effects of the proposed relationships, as well as replicate the model in a larger multi-level sample; the time-lagged study will be conducted. Here the same propositions will be tested in a multi-level sample set within a simulated business game context, over a seven week period. The effects of predictors at time one on subsequent ESR, measured at time two and three will be investigated.

Furthermore, in order to assess for a change in ESR behaviours over time, time 1 ESR will be controlled, in order to establish if the relationships remain significant.

#### **1.4. Structure of thesis**

Given the above research objectives, the thesis will be structured in order to systematically address these. After having introduced the research in this chapter (one), the following chapter two will provide background knowledge on CSR, and briefly make the case for why CSR makes good business sense. Following this, the review will specifically hone into micro-level CSR and explore the research that has focused on employee outcomes of CSR, as well as employee engagement in social responsibility, to date. The case will be made for why a measurement tool is needed to measure employee social responsibility, as well as explore the underlying theoretical framework and proposed predictors of ESR.

In chapter three, the predictive role of transformational leadership, and the moderating roles of assigned CSR priority and CSR climate will be outlined. Using goal-setting theory, the case will be made for why these predictors, especially when combined, facilitate ESR at the group and individual level. Hypotheses will be developed accordingly. Subsequent to this chapter, chapter four will outline the philosophical approach adopted in the current thesis, as well as provide an overview of the three studies; the scale development and validation study, the field study, and the time-lagged study. Furthermore, the research design, samples, and procedures will be outlined for these studies. In due course, attention will also be paid to levels of analysis issues, given that the thesis approaches ESR from a multi-level perspective.

Chapter five will provide an in-depth commentary on the development and validation processes concerning the ESR scale. Specifically, the interviews leading up to item generation will be outlined, followed by a test of content validity to refine the initial item pool. The reduced scale will be validated in two samples, consequently confirming the scale's factor structure, finalising the resultant items in the scale, and establishing the scale's psychometric properties. Having developed the scale, this will be initially utilised in the field-study in chapter six, in order to provide a preliminary test for the relationships put forward in the conceptual model, concerning the effects of transformational leadership, assigned CSR priority, and CSR climate on ESR. Here the analytical strategy will be described, and discussion of findings will be presented.

An ancillary aim is to also establish the directionality of the proposed relationships, and this will be done in chapter seven. The effects of time one predictors on subsequent ESR measured at time two and three will be explored. Furthermore, by controlling for time one ESR in additional analyses, changes in ESR over time will be determined. Subsequently, the thesis will draw to a conclusion with a general discussion in chapter eight, which attempts to collate the findings from the research series and attempts to develop a coherent commentary, in which theoretical contributions, practical implications, future research directions, and limitations of the research series are outlined. The thesis will end with a conclusive summary in chapter nine.

### **1.5.Summary**

This chapter has provided an introduction into CSR in general, and ESR more specifically. Moreover, the postulated antecedents of ESR have been briefly mentioned. The research objectives of this thesis have been outlined, and a summary is provided of the research series forming the core of this thesis, which will endeavour to address the proposed hypotheses. Finally the structure of the thesis is delineated in order to more effectively guide the reader in navigating this thesis.

## Chapter 2: Literature Review

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### 2.1.Introduction

This chapter will introduce the reader to the research on corporate social responsibility (CSR), at the more macro-levels briefly, and employee social responsibility (ESR); a term coined to refer to micro-level social responsibility, more specifically. Firstly, the chapter will acquaint the reader with the benefits of engaging in CSR and ESR, at the macro and micro levels respectively. Current research in ESR will be outlined, and subsequently, the case will be made for the necessity of an ESR behavioural measure. Finally, the proposed antecedents of ESR will be explored, as well as the underlying theoretical framework underpinning them. The ensuing dialogue will lay the groundwork on the current state of research in CSR, in order to ease the reader into the next chapter (chapter three) in which the conceptual model is developed concerning the antecedents and boundary conditions of ESR at the group and individual levels.

### 2.2.Defining CSR

Traditionally, CSR is viewed through the lens of stakeholder theory (Freeman, 1984). This theory outlines CSR as the fulfilment of an organisation's obligations to various internal (e.g. employees) and external (e.g. consumers) stakeholders. According to Freeman, stakeholders are defined as "any group or individual who can affect or is affected by the achievement of the organisation's objectives" (1984: pg. 46). In order to bring clarity to this somewhat ambiguous definition, Mitchell, Agle, and Wood (1997) developed a theory of stakeholder identification in which they proposed a typology of stakeholders consisting of the dimensions of power, legitimacy, and urgency in order to more capably identify the most significant stakeholders to a specific organisation. In most, if not all cases, the definitions surrounding CSR focus on the way in which CSR attempts to meet the needs of various stakeholders.

Christensen, Mackey, and Whetten (2014) highlight the definitional issues surrounding CSR, with many different attempts to conceptualise CSR existing in tandem. In order to address the criticism that CSR is a concept that although widely discussed is very much abstract (Boal and Peery, 1985); many have set out to more accurately conceptualise CSR. For example McWilliams and Siegel (2001: pg. 117) define CSR as "actions that appear to further some

social good, beyond the interests of the firm and that which is required by law.” Comparable to this, the World Business Council for Sustainable Development view CSR as “...the continuing commitment by business to behave ethically and contribute to economic development, while improving the quality of life of the workforce and their families as of the local community at large” (Watts, Holme, and Tinto, 1998). Indeed, many also refer to CSR as the triple bottom line of ‘people, planet, and profit’ (Elkington, 1999).

One of the most commonly adopted definitions of CSR is that proposed by Carroll (1979) which states that “the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organisations” (pg. 500). Subsequently, Carroll (1991) outlined the facets of philanthropy (desired), ethicality (expected), economic, and legal (both required). More recently, Carroll and Buchholtz (2014: pg.32) defined CSR as the “economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organisations at a given time”. This focus on the multi-faceted nature of CSR is echoed by additional authors such as Geva (2008), who discusses the facets of philanthropy, ethical (‘good corporate citizen’), legal (‘obey law’), and economic (‘make profit’) (see also Almeida and Sobral, 2010).

Nevertheless, there are a number of definitions, and they all take a differential focus as to what CSR is. Christensen *et al.* (2014), in an attempt to typify the various definitions, suggest either altruistic or instrumentally focused definitions. The instrumentally focused definitions see CSR as providing a strategic benefit to the organisation (e.g. Porter and Kramer, 2006); whilst the altruistic focused definitions define CSR as that which leads to some greater social good (Waldman, Siegel, and Javidan, 2006). Nevertheless, it should be acknowledged that CSR may be engaged in for both altruistic value, whilst expecting some instrumental gain for the organisation (Christensen *et al.*, 2014), therefore the focuses should not be seen as mutually exclusive.

More conclusively, Dahlsrud (2008) reviewed the frequently cited CSR definitions and concluded that the definitions tended to agree on a number of dimensions of CSR. These included the environmental, social, stakeholder, economic, and voluntariness dimensions. He defined the environmental dimension as behaviours targeting the protection of the natural environment, whilst the stakeholder dimension was defined as the organisation’s actions towards stakeholders and stakeholder groups, and the actions in the economic dimension were those which defined CSR as a business operation. Finally the social dimension targeted

the relationship between the organisation and society, whilst the voluntariness dimension consisted of actions not required by the law, which were ‘based on ethical values’, for example (pg. 4).

What is noteworthy is that these CSR behaviours have to go beyond the legal jurisdiction of the country. For instance, not discriminating against ethnic minorities in selection procedures is abiding by the equal opportunity act (2010) in the EU, and not considered a socially responsible act (McWilliams and Siegel, 2001). This argument therefore negates the ‘legal’ dimension originally proposed by Carroll (1991), and based on this valid argumentation, it is thus also considered redundant within this thesis. Rupp and Mallory (2015) also advise that these five dimensions be borne in mind when defining CSR, in order to reach a mutual agreement on its conceptualisation.

Given the multitude of definitions of CSR available, in order to avoid confusion, in the current research it is defined by Aguinis (2011; pg. 855) as “context-specific organisational actions and policies that take into account stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance”. As can be seen from this definition, the organisation’s CSR actions and policies are seen to address various dimensions, namely economic, social, and environmental. Aguinis and Glavas (2012) clarify that although actions and policies may be set at the organisational level, it is influenced by all levels; institutional, organisational, and individual. This multi-dimensionality of CSR is further reverberated across CSR scholars (Carroll, 1991; Okpara and Wynn, 2011). In the present research context, the thesis builds upon this definition and integrates the findings of Dahlsrud (2008), as well as the suggestion of Rupp and Mallory (2015), and accordingly chooses to focus on the dimensions of social, philanthropic, stakeholder, economic, and environmental, in reference to ESR. From here onwards, CSR is used to refer to more macro (e.g. organisational) efforts, whilst employee social responsibility (ESR) will be used to denote employees’ active involvement with such macro CSR efforts at the micro-level, manifested as their individual behaviours whilst at work.

### **2.3. Why CSR?**

Moving away from Friedman’s (1970) argument in the New York Times Magazine, that “the social responsibility of business is to increase its profits”; CSR is becoming increasingly important in organisations. Whilst the motives, either altruistic or instrumental (e.g.

competitiveness), for organisational engagement in CSR may be contested, it is evident from past research that engaging in CSR makes good business sense (Garay and Font, 2012). Before moving on to specifically focus on the micro-levels of CSR, that is ESR, briefly the determinants of organisational CSR, as well as the benefits arising from organisational CSR engagement, will be explored.

### *2.3.1. Determinants of CSR*

There are many reasons as to why organisations engage in CSR, such as institutional and stakeholder pressure (e.g. shareholders, local community), organisation's instrumental and normative motives, mission and value, and corporate governance (Aguinis and Glavas, 2012). The authors, Aguinis and Glavas (2012), note that the outcomes of this CSR engagement can vary from financial performance, consumer loyalty, stakeholder relations, firm capabilities, to employee outcomes such as attraction to the organisation as potential employees, in addition to increased identification and commitment. For instance, even by simply adopting the relevant environmental standards, organisations can expect to see increased productivity compared to those who do not (Delmas and Pekovic, 2013).

Buehler and Shetty (1976) noted that social and governmental pressures mean more than half of the responding organisations had initiatives in place in order to address CSR issues. Organisational responses were determined by relevancy of the issues to the organisation and the available resources at hand. In addition to this, Greening and Gray (1994) also revealed that institutional forces and resource dependencies affect the ways in which organisations consolidate themselves in order to respond to the social and political issues present. With regards to institutional forces, pressure from interest groups and crises were noteworthy, whilst size of the organisation and top management commitment were important, in reference to resource dependencies. Similarly, Griffin, Bryant and Koerber (2014) highlighted the positive relationship between institutional pressures (such as high capital intensity) and industry differentiation with an organisation's voluntary activities.

Codes of conduct implementation, top-management ethical norms, and community focused ethical climate all positively impact upon 'purchasing social responsibility' within the supply chain (Blome and Paulraj, 2013). Additionally, company size and performance positively predicted corporate giving/ philanthropy (Galaskiewicz, 1997). Values are also important in determining responses to CSR issues. For example, Bansal (2003) showed that individual

concerns and organisational values which were congruent with the environmental issue were important in determining an organisational response to such issues (see also Bansal and Roth, 2000).

Maignan, Ferrell, and Hult (1999) underscored the positive influence of market-oriented and humanistic organisational cultures on corporate citizenship, defined as "...activities and organisational processes adopted by businesses to meet their social responsibilities" (pg. 456). Corporate citizenship in turn had beneficial effects upon employee commitment, customer loyalty, and business performance; the latter defined as return on assets, return on investments, profit growth and sales growth. Finally, CSR could be altruistically driven, and this organisational motive is seen as desirable in helping to avoid green washing, which is defined as the organisation's CSR engagement for the reasons of benefiting the organisation itself as opposed to the wider stakeholders (e.g. Chen and Chang, 2013).

### 2.3.2. *Financial benefits of CSR*

The financial benefits of CSR are commonly noted (e.g. Jo and Harjoto, 2012). For example, those organisations that prioritise their CSR activities based upon strategic concerns tend to have superior financial performance compared to those organisations which do not strategically align their CSR activities (Michelon, Boesso, and Kumar, 2013). Ramchander, Schwebach, and Staking (2012) further note the beneficial impact of effective stakeholder management on share price and general competitiveness. Garay and Font (2012) suggest that whilst CSR may be pursued for altruistic reasons, the CSR to corporate social performance (CSP) link is stronger when CSR is implemented for other reasons, such as to enhance the competitiveness of the organisation. However there are findings to the contrary, with some studies reporting null or negative findings of CSR engagement on financial performance (Peloza, 2009).

In an attempt to reconcile the misalignment between the various studies investigating the effects of CSR on financial performance, Orlitzky, Schmidt, and Rynes (2003) conducted a meta-analysis. Their findings showed that corporate social performance and corporate financial performance positively impact upon one another in a cyclical fashion, with reputation of the organisation mediating this relationship. They concluded that the previous inconsistency in findings to be an artefact of stakeholder mismatching, sampling error, as well as measurement error. Scholtens (2008) further analysed this interaction between

corporate social and financial performance, and surmised that the direction of causation most often runs from financial performance to social performance, although findings can vary depending on the different aspects of CSR. Thus suggesting that enhanced financial performance provides the organisation with greater financial resources in order to invest more readily in its social performance activities. More recently Rodgers, Choy, and Guiral (2013) concluded that overall CSR does significantly affect a firm's financial health, having defined financial health more broadly than previous research by using market and accounting based performance measures; the latter being composed of profitability (net income, sales/assets), liquidity (quick ratio, cash ratio) and leverage (debt/assets, debt/equity).

### *2.3.3. Market benefits of CSR*

Porter and Kramer (2006) advocate that organisational CSR be aligned with the strategy of the organisation in order to reap the benefits of competitive advantage. Falkenberg and Brunsael (2011) advise that through the lens of a resource based view; CSR activities can provide a strategic benefit, as long as they are not imitable by other organisations. Falkenberg and Brunsael (2011) also point out that if the CSR activity the organisation engages in is unique, then this can lead to strategic advantages. Finally, there is also evidence that shareholders react more positively to environmental initiatives and negatively to harmful eco-behaviour (Flammer, 2013). The author highlights that the greater the institutional norms to be positively engaged in CSR, the greater the negative repercussions for not doing so, such as negative organisational perceptions.

In addition, CSR can benefit an organisation's market value through its positive effects on customer satisfaction (Luo and Bhattacharya, 2006). Interestingly, Walker and Kent (2013) explored the roles of organisational credibility and consumer social consciousness on the corporate philanthropy-consumer behaviour link. They provided some support for the mediating effect of perceived organisational credibility between corporate philanthropy and consumer advocacy and financial sacrificial behaviours, such as paying more for a product. Consumer social consciousness was found to moderate the relationship between corporate philanthropy and perceived organisational credibility, and between this credibility and the outcomes.

Furthermore, CSR engagement can positively impact upon the corporate reputation of the organisation (Melo and Garrido-Morgado, 2012). More specifically, Brammer and Pavelin

(2006) put forward the importance of fit between corporate social and financial performance. The authors suggest that for social performance to have a positive impact upon corporate reputation; there must be a fit between the activity itself and the stakeholder environment, such as the nature of the stakeholders' biggest concerns regarding the organisation. Du *et al.* (2007) also show how positive consumer perceptions of an organisation's CSR activities can positively affect their purchase likelihood, as well as their long-term loyalty. Curras-Perez, Bigne-Alcaniz, and Alvarado-Herrera (2009) demonstrate that the positive effects of CSR on consumers positive brand attitudes and purchase intention may be due to its effects on greater consumer identification with the organisation. Furthermore organisations' increased CSR engagement can have the upshot of facilitating positive word-of-mouth in consumers (Romani, Grappi, and Bagozzi, 2013).

#### *2.3.4. Employee benefits of CSR*

Although many authors consider CSR from a macro perspective (Galbreath, 2010; Tenbrunsel and Smith-Crowe, 2011), to date a nominal amount of studies have looked at the relationship between CSR and employee outcomes (Aguilera, Rupp, Williams, and Ganapathi, 2007). The research that subsists, has consistently noted the positive impact of organisational CSR on employees (e.g. Gond, El Akremi, Igalens, and Swaen, 2010; Hansen, Dunford, Boss, Boss, and Angermeier, 2011; Rupp, Ganapathi, Aguilera, and Williams, 2006); as well as highlighting possible underlying mechanisms, such as employee identification, which can help explain the positive effects of CSR on employees (e.g. Glavas and Godwin, 2013). For example, Berger, Cunningham, and Drumwright (2006) evidence how an organisation's participation in CSR can positively impact upon employee identification with the organisation, whilst others demonstrate the positive association of CSR with favourable employee outcomes such as employee commitment; which in turn can lead to enhanced organisational functioning, for example (Ali, Ur Rehman, Ali, Yousaf, and Zia, 2010; Ellemers, Kingma, van de Burgt, and Barreto, 2011; Turker, 2009). Furthermore, employee-focused CSR can also lead to greater employee motivation (Kim and Scullion, 2013).

When employees perceive that their organisation is active within CSR, there can be knock-on benefits for employees' commitment to the organisation, job satisfaction and identification with the company (Brammer, Millington, and Rayton, 2007; De Roeck, Marique,

Stinglhamber, and Swaen, 2014; Farooq, Payaud, Merunka, and Valette-Florence, 2014; Kim, Lee, Lee, and Kim, 2010; Zhang, Fan, and Zhu, 2014). It is argued that CSR reflects both first party justice and third party justice, the latter of which consist of both internal stakeholders, primarily employees, and external stakeholders (Rupp, Skarlicki, and Shao, 2013). As such, Rupp *et al.* (2013) argue that employees will thus respond positively when their organisation displays third party justice through their engagement in CSR, and negatively when it neglects to, and acts irresponsibly.

Brockner, Senior, and Welch (2014) further reinforce the beneficial effects of CSR engagement on organisations by demonstrating the positive relationship between corporate volunteerism (corporate-sponsored activities) and organisational commitment in employees. It is not necessarily the actual activities of the organisation which are significant here, but also the role of employees' perceived CSR which can lead to greater affective commitment with the organisation (Mueller, Hattrup, Spiess, and Lin-Hi, 2013). Those such as Bauman and Skitka (2013) additionally explore the various means by which organisational CSR can lead to employee satisfaction through meeting their psychological needs of security, self-esteem, belongingness, and a meaningful existence.

Moreover, organisations that are more active within CSR are shown to be more attractive to prospective employees, compared to those organisations which are not as active (Greening and Turban, 2000; Zhang and Gowan, 2012). For instance, recruitment messages which highlighted social and environmental responsibility were related to greater job pursuit intentions in those that wanted to make a social impact in their work (Gully, Phillips, Castellano, Han, and Kim, 2013).

#### **2.4. Micro-level CSR**

From the overview of macro-CSR above, we can conclude that there are various determinants of organisational engagement in CSR, as well as the advantages that arise from this engagement. These advantages, it has been noted, range from financial benefits of CSR to positive knock-on effects on employee outcomes. What we are however little aware of is, how employee involvement within organisational CSR, in the form of ESR, can be facilitated at the group and individual levels. Whilst employees are considered a significant stakeholder, and are positively impacted by their organisation's CSR engagement, research has tended to neglect their active role in CSR. Rupp and Mallory (2015) highlight the irony of this, given

that employees are very relevant to the purpose of CSR, and that employees of all levels within an organisation, “plan for, participate in, and witness CSR” (pg. 212).

Nevertheless, provided that merely a few years ago, Aguinis and Glavas (2012) highlighted only 4% of articles within the domain of CSR focused on micro-level CSR, the direction seems to have shifted, and research has increasingly started to address this deficiency. The following section will attempt to hone into ESR behaviours; the focus of the current thesis, before exploring possible antecedents. To begin with, the findings of past research with regards to employee involvement in their organisation’s CSR activities will be noted, before narrowing into the focus of this thesis, which seeks to explicate the possible antecedents of ESR.

#### 2.4.1. *Employee involvement in CSR*

Those such as managers and practitioners that are interested in facilitating ESR, need information on their predictors, which as Christensen *et al.* (2014) put it, “naturally involves investigating CSR from the individual level of analysis” (p.165). Aguinis (2011) underscores the need for organisational behaviour (OB) researchers to draw CSR into their domain of study. Whilst previous efforts to focus on ESR have been few and far apart, the tide is slowly changing, and consequently micro level CSR is receiving increasing interest due to recent publications calling for action (e.g. Aguinis and Glavas, 2012; Rupp and Mallory, 2015), as well as special issues dedicated to the area (e.g. Personnel Psychology, 2013).

The role of OB researchers is significant not only by looking at multiple levels of analysis with regards to ESR enactment, but rather also by investigating the underlying mechanism by which ESR activity within an organisation can be encouraged, maintained, and bolstered, as well as the relevant measurement issues concerning ESR (Aguinis and Glavas, 2012; Morgeson, Aguinis, Waldman, and Siegel, 2013). This further relates to the proposition by Aguinis and Glavas (2013), that for CSR to be effective, it needs to be embedded within the organisation. As is apparent from the OB literature, employees are responsible for translating the company’s strategy into action through their daily activities, and can therefore be the active guardians of embedding social responsibility (Schneider, 1987).

Collier and Esteban (2007) state that, “the effective delivery of corporate social and environmental responsibility initiatives is dependent on employee responsiveness”.

Furthermore, Davies and Crane (2010) underscore the necessity of employee buy-in to, and engagement in CSR, when looking at organisational involvement in CSR, especially in small-to-medium enterprises (SMEs); employing those with values congruent with the organisations values may therefore be an ideal solution. It is widely noted that the ‘people make the place’ (Schneider, 1987); consequently whilst an organisation may strive for CSR, if the employees do not commit to the same values and mission, then it can be argued that the organisation is not truly a socially responsible organisation, and/or the organisation’s CSR efforts will not be optimally effective.

Stancu, Grigore, and Rosca (2011) highlighted that although the majority of employees may be aware of the company’s CSR efforts, only very few are involved in them, whilst others such as Bhattacharya, Sen, and Korschun (2008), point out that employee awareness of the organisation’s CSR efforts can be limited. Similarly Calabrese and Lancioni (2008) note that this lack of awareness at the employee level can be in contrast to the high level of commitment to CSR at the corporate level, and this could manifest as a bottle neck. This becomes important, they continue, as employees are the link between the company and customers, thus possibly compromising the effectiveness of organisational CSR efforts.

There are many benefits to be gleaned from encouraging employee participation in CSR. For example, through this participation, the employee-company identification link can be strengthened (Kim *et al.*, 2010). Additionally, employee perceptions of the organisation’s CSR activities affects their commitment to, and identification with the organisation, which subsequently impacts upon their propensity to engage in citizenship behaviours, as well as socially responsible behaviours (termed personal social action by the authors; Alfaro-Barrentes, 2012). Furthermore, initiatives such as employee volunteering, can lead to the generation of social capital and can benefit the organisation through building and maintaining business-community relations.

What is more, by making employees aware of the organisation’s CSR efforts and getting them involved, positive efforts are made to both attract and retain indispensable talent (Bhattacharya *et al.*, 2008). Given conditions of autonomy and empowerment, employees can additionally become ‘tempered radicals’ and initiate change in order to influence the socially responsible business functioning of their company (Nord and Fuller, 2009). Moreover, when employees value a company’s socially responsible behaviour, they have a reduced propensity for counterproductive work behaviours (Viswesvaran, Deshpande, and Milman, 1998).

Therefore an organisation that is an active CSR participant, can induce favourable employee outcomes, ultimately feeding back to benefit the organisation.

The benefits of engagement in CSR activities, such as volunteering, are not merely a contribution in helping to maintain a positive image of the organisation in public. Booth, Won Park, and Glomb (2009) also note that as well as being related to an increased number of hours of volunteering, employer supported volunteering may be beneficial in reducing training costs for the employer, as a result of skill acquisition through volunteering. Indeed research has shown that organisations can glean benefits from their employees when they return to work after having volunteered, such as through increased engagement at work (Caligiuri *et al.*, 2013). The authors also demonstrated that if the volunteer had effectively utilised their skills, this could also lead to sustainable impact for the non-governmental organisation, as well as developing employee capability, if the volunteer project was meaningful to the employee.

Employee volunteering is also beneficial in leading to the generation of social capital (Muthuri *et al.*, 2009), whilst others such as Grant (2012) have pointed out that volunteering may indeed be a compensatory mechanism, allowing employees with poor job enrichment to contribute to their organisation. In support of this, Rodell (2013) correspondingly revealed that volunteering was related to volunteer and work meaningfulness, and indirectly to job performance.

Bolton, Kim and O’Gorman (2011) note that whilst employee involvement may be limited in the initiation stages of CSR development within the organisation, as it progresses and matures, not only does their involvement increase, but it is a key factor in the success of CSR. This can help to overcome ‘greenwashing’, the phenomenon whereby companies overtly ascribe themselves as a highly socially responsible organisation, more so than is justified (Ramus and Montiel, 2005). Instead, in addition to the philanthropic endeavours of the organisation such as funding a charity; involving employees and making them visible in the company’s CSR efforts, through volunteering for example, can reinforce a positive company image as a socially responsible organisation, and can do so without the company having to expend as much financial effort (Peterson, 2004).

Similarly, Maclagan (1999) suggest that employees should be involved in formulating CSR policies. Doing so could possibly result in congruency between organisational and employee values, consequently having beneficial effects on performance, as well as motivating

employee engagement in CSR, when an organisation is also actively engaged in CSR. Certain employee demographical characteristics also make employee engagement in CSR more likely, such as level of education and professional category (Celma, Martínez-García, and Coenders, 2014).

Nevertheless there is limited research on the influence of an organisation's CSR activities on subsequent ESR outcomes. Links have been drawn between organisational CSR and employee extra-role behaviours, specifically organisational citizenship behaviours (Mueller *et al.*, 2012; Rupp *et al.*, 2013) and environmentally focused behaviours (Manika, Wells, and Gregory-Smith, and Gentry, 2015). This provides credence to the assumption that organisational CSR could lead to further types of extra-role behaviours, namely those possessing an element of social responsibility.

Ferreira and De Oliveira (2014) demonstrated the positive impact of internal CSR, that which is focused on the working environment of employees, on employee engagement; the latter defined as vigour, dedication, and absorption. Bissing-Olson, Iyer, Fielding, and Zacher (2013) note the positive effects of a pro-environmental attitude. More specifically, employee pro-environmental attitudes were seen to be positively related to both task-related and proactive pro-environmental behaviours. Furthermore, environmental strategy itself was also shown to be positively associated with employee environmental involvement (Chen, Tang, Jin, Li, and Paillé, 2014). The findings of Eberhardt-Toth and Wasieleski (2013) highlight the role of perceived moral intensity of environmental issues in explaining the intent to act in a sustainable manner. Additionally, employee engagement in CSR activities such as volunteering can have a compensatory effect for employee work which provides low task, social, and/or knowledge enrichment.

#### *2.4.2. Employee and group social responsibility*

What is important to note is that employees are the main drivers of implementing socially responsible policies and practises in their roles; as a result, ensuring their commitment and motivation to the organisation's efforts in this regard is essential (Collier and Esteban, 2007). Accordingly, it can be surmised that the effectiveness of an organisation's CSR programs, depends a fair amount on employee engagement with these programs. For instance, an organisation's efforts to develop a program in which funds are devoted to building orphanages in countries like India, as is commonplace in organisations nowadays; will only

be successful if the employees of the organisation give up their time and their creature comforts, to go and volunteer in, and fulfil these projects. Following calls from authors such as Aguilera *et al.* (2007) to address the enactment of CSR at an employee level and how such conflicting demands between the various socially responsible behaviours can be balanced, given that at the present moment there is a scarcity of research on employee involvement in CSR, efforts have been made to conceptualise CSR at an employee level.

When referring to the subsistence of CSR at the group and individual level, they are termed ESR behaviours, and these behaviours are proffered to be those that endeavour to primarily benefit the stakeholders, which have been defined as “any group or individual who can affect or is affected by the achievement of the firm’s objectives” (Freeman, 1984; pg.46). More specifically, the proposed CSR definition at the organisational level as stated earlier by Aguinis and Glavas (2012) is closely adhered to, and hence, ESR behaviours are stipulated as those behaviours which are centred on benefiting the environment (e.g. recycling), social (e.g. community support), philanthropy (e.g. fundraising/charity), stakeholder (e.g. proactive peer and customer focused behaviours), and economic (fulfilling job role duties) dimensions. This thesis will thus help to more accurately conceptualise these behaviours, and highlight the means by which they can be encouraged.

What makes ESR distinct from other behavioural outcomes that have been persistently researched is the nature of its focus, which is the stakeholder, as well as its multifaceted conceptualisation. As noted above, in this context, ESR is proposed to encompass the social, economic, philanthropic, environmental, and stakeholder facets (Dahlsrud, 2008). It can be argued that these behaviours can be approximated through other existing outcomes to a certain extent. For example stakeholder focused behaviours could be to a certain extent tapped into through the measurement of altruism/ helping behaviours (e.g. Podsakoff, Mackenzie, Moorman, and Fetter, 1990), and economic behaviours through in-role behaviours (Williams and Anderson, 1991). Nevertheless, the argument is that, given they compose an overarching construct of ESR, the behaviours from the various dimensions need to be studied collectively, and also within an occupational setting.

Currently, there are a number of examples of attempts made by researchers to scrutinise ESR. For example, in the study by Vlachos, Panagopoulos, and Rapp (2014), CSR-specific performance was measured by way of distinguishing between in-role and extra-role CSR specific performance. In-role behaviours were pitched as employee behaviours that equate to

completing “CSR-related responsibilities” in a general sense. Furthermore, extra-role behaviours were conceptualised as ‘embracing’ new CSR programs, and contributing ideas to improve existing CSR programs. Thus in both cases CSR behaviours were defined in a summative fashion, for example as CSR responsibilities, consequently providing a limited focus. The consequent issue is that when employee CSR behaviours become defined in a very general sense, the multi-dimensional essence of CSR which has been reverberated in the CSR domain, as well as specificity, is lost (Carroll, 1991).

Similarly, Ellis (2008) coins the term ‘personal social action’ to capture CSR at an employee level. These behaviours tend to centre on the philanthropic facet of CSR (e.g. Carroll, 1991), and include actions such as charitable donations and volunteering. Whilst employees engaging in activities such as charitable donating are positive outcomes in themselves, they can also further increase organisational commitment through the triggering of pro-social sense-making (Grant, Dutton, and Rosso, 2008). Nevertheless, by focusing on only subsets of the full spectrum of ESR behaviours, and ignoring for example the behaviours falling within the stakeholder, environmental, and economic facets; the richness and multi-dimensional nature of ESR is lost.

This issue regarding measurement tends to be mirrored in other research focusing on micro-level CSR, and hence limits the completeness of understanding of ESR. Indeed this further attests to the issues of specificity concerning CSR as highlighted by Rupp and Mallory (2015). The authors point out that CSR tends to be used as an umbrella term for a boundless number of organisational activities, which could be argued, are distinct domains within themselves (e.g. diversity), and thus neglecting the multifaceted nature of CSR identified by many authors when conceptualising CSR (e.g. Dahlsrud, 2008).

However one such study by Chen and Hung-Basecke (2014) did attempt to formulate a multi-dimensional measurement of ESR. They developed a list of behaviours, which fell into the three categories of social and environment, stakeholder relationship building, and community support (in-kind/ financial donations). Employees were asked to indicate the extent to which they had engaged in these behaviours and anticipated engaging in, in the coming 12 months. Whilst this study provides a more proximate reflection of the multi-dimensional nature of ESR, it still neglects to account for the economic dimension, and does not make a clear distinction between the social and philanthropy dimensions. Furthermore, it specifically asks employees to merely note the activities they engage in, and is reflective of a more formative

scale. Finally, the list of socially responsible activities is context-specific, thus precluding its use in other organisations. As a result, whilst it was a more commendable attempt to capture the multi-faceted nature of ESR, the shortcomings are significant enough for it to be deemed an unsuitable measurement of ESR.

Another failing is the inability to address calls to examine the conflicting nature of such socially responsible behaviours (e.g. Aguilera *et al.*, 2007). Aguilera *et al.* (2007), whilst placing focus on organisational-level CSR, pay tribute to the possible inherent conflict between different types of CSR activities. Specifically, they provide the example where organisations might provide genetically modified seeds to aid underdeveloped countries' agricultural development, what could be considered as a behaviour falling within the philanthropy dimension of CSR; may conflict with objective of attaining long-term environmental sustainability. A parallel argument can be drawn from their discussion on macro-level CSR activities, to micro-level ESR behaviours. That is, employees may likewise experience conflict between engaging in more social type behaviours such as volunteering in the community, which may conflict with employees' efficiency in their work tasks.

As such, ESR research efforts, such as those by Chen and Hung-Basecke (2014) and Vlachos *et al.* (2014), as well as others (e.g. Bissing-Olson *et al.*, 2013; Crilly, Schneider, and Zollo, 2011), fail to take account of this conflict. They either, like Chen and Hung-Basecke (2014), focus on multi-dimensional ESR activities, but neglect to pay heed to possible conflict between the various activities, or like Robertson and Barling (2013), they focus on a specific facet of ESR, in their case environmental behaviours, and neglect to consider the multi-dimensionality of ESR. As a result, they disregard the possible conflict between the various dimensions of ESR.

What is more, although relatively scarce, the literature linking organisational CSR to employees at the individual level subsists; to date however, there seems to be no evident research which inspects either the impact of CSR on group outcomes, or the way in which group engagement in CSR could be encouraged. Rupp and Mallory (2015) note that one of the obstacles that remain with regards to CSR is the way it is operationalized at different levels of analysis. It is becoming increasingly important to focus on the group level of analysis also, given the proliferation of team working in organisations (Mathieu, Maynard, Rapp and Gilson, 2008). In the present research therefore, such a niche will be addressed by examining ESR at the group and individual level.

For instance, in the study by Crilly *et al.* (2011), the focus was on middle managers and how their individual values affected the propensity to engage in socially responsible behaviours (see also Mazereeuw-van der Duijn Schouten, Graafland, and Kaptein, 2014). When examining employee pro-environmental behaviours, Robertson and Barling (2013) examined leader-subordinate dyads, and the effect of the leader's pro-environmental behaviours on employee pro-environmental behaviours. Similarly, Bissing-Olson *et al.* (2013) also investigated the role of affect on individual level employee environmental behaviours. Other studies on individual level ESR outcomes, specifically targeting the environmental dimensions include the likes of Graves, Sarkis, and Zhu (2013), Paille and Meija-Morelos (2014), and Manika *et al.* (2015). More general to ESR, Vlachos *et al.* (2014) investigated the cascading effects of managerial CSR-specific performance on employee CSR-specific performance, whilst Chen and Hung-Basecke (2014) evidenced the role of leader modelling on individual level employee CSR participation.

Kim, Kim, Han, Jackson, and Ployhart (in press) however did attempt to examine ESR from a multi-level perspective, even though the focus was narrowly placed on the environmental dimension of ESR. They were able to demonstrate the positive effects of group level leader voluntary workplace green behaviour (VWGB), on individual level group member VWGB. Furthermore, they also evidenced the effects of work green advocacy, defined as the group's influence in encouraging individuals to commit to environmental responsibility, on individual group member VWGB. The current thesis proposes to examine both group and individual level ESR, in order to address the scarcity of research which examines both the individual and group level of ESR. It is argued that it is important to look at both the group and individual levels, as inevitably individuals, in many cases compose teams within organisations, especially significant given the rise of team working in organisations (West and Lyubovnikova, 2012).

As can be seen from Table 2.01, there are currently a number of ESR measurement tools. Nonetheless it is argued that whilst such scales are in rotation, they do not sufficiently capture ESR and are thus debilitating the growth of research on ESR. The issue pertaining to existing scales, as apparent from the table, is that they either focus narrowly on one facet of ESR, such as the environmental facet (e.g. Robertson and Barling, 2003), or they take too broad a view and thus do not capture specific ESR behaviours (e.g. Vlachos *et al.*, 2014). Thus what is crippling, in the current state of research on ESR, is the lack of an employee behavioural measurement tool which captures the full spectrum of ESR behaviours. As a result, ESR is

not it provided full due, as a result of ignoring the conflicting nature between the various dimensions. This table highlights the necessity for an ESR behavioural measurement tool, and consequently, before the thesis can explore the antecedent and boundary conditions of ESR, it will first seek to establish a valid and reliable ESR measurement scale (chapter five). Accordingly, given that there is very little research on ESR, especially that which focuses on ESR through a multi-level lens; the need to place greater focus on ESR and examine it at multiple-levels of analysis, is crucial. This current thesis makes efforts to embrace this notable task by exploring possible antecedents of ESR at the group and individual levels.

**Table 2.01**

**Existing measures of ESR**

<b>Scale</b>	<b>Example</b>	<b>Comments</b>
<p><i>Propensity to engage in socially responsible behaviour</i></p> <p>(Crilly <i>et al.</i>, 2011)</p>	<p>Scenario-based; based on the Multidimensional Ethics Scale developed by Reidenbach and Robin (1990)</p>	<p>Examining the propensity to engage in ESR, as opposed to actual socially responsible behaviour</p>
<p><i>Workplace pro-environmental behaviour</i></p> <p>(Robertson and Barling, 2013)</p>	<p>“I turn off lights when not in use”</p> <p>“I print double-sided whenever possible”</p>	<p>Consideration is only paid to the environmental dimension of ESR</p>
<p><i>Daily task-related pro-environmental behaviour</i></p> <p>(Bissing-Olson <i>et al.</i>, 2013)</p>	<p>Items adapted from the in-role behaviour scale by Williams and Anderson (1991)</p> <p>“Today, I fulfilled responsibilities specified in my job description in environmentally-friendly ways”</p>	<p>Only measuring one (environmental), of the five identified dimensions of ESR</p>
<p><i>Daily proactive pro-environmental behaviour</i></p> <p>(Bissing-Olson <i>et al.</i>, 2013)</p>	<p>Adapted from Frese, Fay, Hilburger, Leng, and Tag (1997)</p> <p>“Today, I took initiative to act in environmentally-friendly ways at work”</p>	<p>Only the environmental dimension of ESR is measured</p> <p>The scale lacks specificity of the actual environmental behaviours engaged in</p>

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<p><i>Pro-environmental behaviours</i> (Graves, Sarkis, and Zhu, 2013)</p>	<p>“Find ways of working that are better for the environment” “Recycle and reuse material”</p>	<p>Only measuring one (environmental), of the five identified dimensions of ESR</p>
<p><i>CSR Behaviour</i> (Mazereeuw-van der Duijn Schouten <i>et al.</i>, 2014)</p>	<p>“How often do you personally contribute more than required by law within your organisation with respect to each of the different items: Safety and health of employees Reduction of waste and/or pollution within your own company”</p>	<p>Neglect of philanthropy and social dimensions of ESR</p>
<p><i>Voluntary Workplace Green Behaviour</i> (Kim <i>et al.</i>, in press)</p>	<p>Items centred on: Avoiding unnecessary printing to save papers Using stairs instead of elevators when going from floor to floor in the building</p>	<p>Predominant focus on the environmental dimension of ESR, and neglect of the other four dimensions (economic, philanthropy, social, and stakeholder)</p>
<p><i>Organisational citizenship behaviour for the environment</i> (Boiral and Paillé, 2012)</p>	<p>“I encourage my colleagues to adopt more environmentally conscious behaviour” “I voluntarily carry out environmental actions and initiatives in my daily work activities”</p>	<p>Focus is only on the environmental dimension of ESR, without considering the full spectrum of ESR Behaviours measured are general and lack specificity</p>

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<p><i>Extra-role CSR specific performance</i> (Vlachos <i>et al.</i> 2014)</p>	<p>“I contribute many ideas for improving my organisation’s CSR programs”</p>	<p>The scale is too broad and does not capture the multi-dimensional and behavioural nature of ESR</p>
<p><i>In-role CSR specific performance</i> (Vlachos <i>et al.</i>, 2014: adapted from Williams and Anderson, 1991)</p>	<p>“I perform the CSR-related tasks that are expected as part of my job” “I adequately complete my CSR-related responsibilities”</p>	<p>The scale lacks specificity and does not indicate what the ‘CSR-related’ tasks in fact are</p>
<p><i>Green behaviours (i.e. recycling, energy savings and printing reduction)</i> (Manika <i>et al.</i>, 2015)</p>	<p>“I switch off lights when not needed” “I tend to print e-mails for ease of reference”</p>	<p>Focus is on ‘green’ environmental behaviours, and as a result, neglects the behaviours within the other four dimensions of ESR (social, philanthropy, stakeholder, and economic)</p>
<p><i>Employee green behaviour</i> (Norton, Zacher, and Ashkanasy, 2014: adapted from Bissing-Olson <i>et al.</i>, 2013)</p>	<p>“I fulfil responsibilities specified in my job description in environmentally friendly ways” “I take initiative to act in environmentally friendly ways at work”</p>	<p>Only the environmental dimension of ESR is measured thus ignoring the multi-dimensionality of ESR behaviours</p>
<p><i>Organisational citizenship behaviours towards the environment</i> (Lamm, Tosti-Kharas, and Williams, 2013)</p>	<p>“I am a person who prints double-sided” “I am a person who turns off my lights when leaving my office for any reason”</p>	<p>Only looking at environmental behaviours, as opposed to the full spectrum of ESR</p>

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<p><i>Employees' environmental involvement</i> (del Brío, Fernández, and Junquera, 2007)</p>	<p>“In our firm, environmental issues are included in our tasks”</p>	<p>Focus is only on environmental behaviours, thus barring consideration of the other dimensions of ESR</p>
<p><i>Employee participation in CSR activities</i> (Chen and Hung-Basecke, 2014)</p>	<p>Not a behaviourally anchored scale; instead participants selected their current and future (next 12 months) participation in 23 CSR activities.</p> <p>Activities not listed in their paper, but were organized into categories of: social and environmental activities, stakeholder relationship-building activities, and local community support (e.g. donating)</p>	<p>The behaviours falling within the social and philanthropy dimensions of ESR are not distinguished from one another</p> <p>Economic dimension of ESR is neglected</p> <p>Indicative of a more formative measurement tool</p>

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## 2.5. Predictors of ESR

Case studies have been conducted into organisations to showcase the way in which employees can successfully engage in socially responsible behaviours, and thus contribute to the organisations CSR activities. Recent research by Barkay (2012) has highlighted how an active CSR organisation can encourage employees to get on board, and assist the organisation in attaining the mission of becoming socially responsible. For example, in the ethnography analysis of a Coca Cola franchise, Barkay (2012) demonstrated that through effective communication to all employees consistently, management commitment at various levels, and motivating employees; engendered employee acceptance and contribution to the CSR project, through volunteering in the community projects.

As highlighted previously, when exploring ESR behaviours, the need to bear its multi-dimensional nature in mind is important, given that there appears to be conflict inherent between the different dimensions of ESR. Aguilera *et al.* (2007) notes, that the multidimensionality of socially responsible behaviours carries with it the imposed conflicting nature that is placed upon the incumbent. On the one hand, the employee is required to fulfil his/her job duties, comply with environmental procedures, and generate a profit for the company. Whilst conversely, they are also expected to dedicate their time to volunteering and providing an exceptional level of service to customers, as well as assisting colleagues, which can in many cases take a greater amount of time.

This conflict is an indicative example of role conflict. The role theory suggests that role conflict arises when there are incompatible demands placed upon the incumbent in the work setting (Katz and Kahn, 1978). As a result, in order to facilitate ESR, a combination of factors are needed which are capable of balancing the conflict between the various ESR behaviours, and thus evading employees' experience of role conflict. Here the roles of TF, CSR climate, and assigned CSR priority are highlighted as particularly useful, based on prior research highlighting their utility in balancing conflict of demands, as will be explored in greater detail below. Furthermore, the choice of these factors is additionally informed by the goal-setting theory (e.g. Locke and Latham, 2002), on the basis of which it is argued that the combination of TF, assigned CSR priority, and CSR climate, set challenging ESR goals for individual and teams, motivate and support goal-directed efforts, and manage expectations of CSR, and communicate the importance of CSR; thus providing a consistent message on the need to

engage in ESR behaviours holistically, more specifically, and reinforcing the salience of CSR more generally.

Such a conundrum between conflicting behaviours that employees are encouraged to engage in, mirrors that of behaviours such as innovation versus routine behaviours (e.g. West, 2002), and between service quality and efficiency of customer transactions (e.g. Schneider, Holcombe, and White, 1997). This issue has been even greatly resonated in the safety behaviours domain where research has been striving to deduce how this conflict of safety behaviours versus the need for efficiency can be allied and mutually enforced, without compromising one for the other (e.g. Hofman, Morgeson, and Gerras, 2003; Wu, Chen, and Li, 2008; Zohar, 2000, 2002a, 2002b, 2010). Here the roles of leadership and safety climate have been significant. For example Kapp (2012) demonstrated the role of transformational leadership in facilitating safety compliance, as moderated by the safety climate, with similar findings reported by Zohar (2002a).

Zohar (2000) further noted that safety climate could predict the number of accidents, highlighting the prominent role of supervisory action in helping to balance the conflicting demands. Following this, he designed an intervention in which he was able to demonstrate that through improving supervisory practices to help reduce role conflict, there was an improvement in negative safety indicators such as injury rate, as well as in employees' perceptions of the safety climate.

Consequently, a similar relationship can be inferred in the context of ESRs. It is suggested that the role of leadership can assist in balancing the conflicting demands of the various socially responsible behaviours for the employees. The focus specifically is on TF, which research has shown to be consistently linked to many positive work outcomes, and is noted to be helpful in balancing the conflict between various behaviours (e.g. see Judge and Piccolo, 2004 for a meta-analysis). Furthermore, the role of assigned CSR priority in providing a CSR-specific focus to these TF behaviours is proposed to further assist in balancing the conflict between the multi-dimensional ESR behaviours, by managing employee expectations regarding ESR (see Zohar, 2002a). Finally, as with the safety domain, the role of a CSR climate is considered imperative here in outlining the commitment of the group/ organisation to CSR, and reinforcing the importance of such behaviours at the individual and group levels. Indeed, the role of organisational and supervisory support is positively related to employees'

likelihood of developing and implementing ideas aimed at positively impacting upon their environment (Ramus and Steger, 2000).

## **2.6. Leadership and ESR**

Effective leadership is accepted as integral to ensuring many positive individual and organisational outcomes, in addition to the deterrence of negative outcomes; with effective leaders being considered key drivers of positive behaviour (Ones and Dilchert, 2012). The past leadership literature has encompassed a breadth of outcomes to demonstrate this, ranging from project success, employee wellbeing, and firm performance, to fighting corruption (Carmeli, Gelbard, and Gefen, 2010; Nielsen, Randall, Yarker, and Sten-Olof, 2008; Prabhakar, 2005; Ruzindana, 1997).

Management commitment to ethics is noted as a key driver of corporate social performance (Muller and Kolk, 2010). Hemingway and Maclagan (2004) also note the importance of managerial values as an important factor in the implementation and facilitation of CSR practices and policies. Snell (2000) pointed out that leaders' moral development in conjunction with norms and expectations of the industry, inform the organisational moral ethos. This organisational moral ethos consequently engenders positive outcomes such as integrity, equal opportunity and environmental protection.

Moreover, decision-making concerning CSR is influenced by the political ideology of the chief executive officer (CEO) and whether he/she comes from a liberalism versus conservatism ideology; the former being more positively associated with CSR (Chin, Hambrick, and Treviño, 2013). Additionally, an open executive orientation in CEOs, which the researcher defines as reflecting a liberal worldview, functional background, educational background, and international experience; are all positively related to the initial adoption of corporate social strategy (Mazutis, 2013). Tang, Qian, Chen and Shen (in press) also point out that CEO hubris, defined as extreme self-confidence and pride, exhibits a negative relationship with CSR, and a positive relationship with corporate social irresponsibility (CSiR). Furthermore, Pearce and Manz (2011) clarified the role of a socialized power orientation in deterring from CSiR, whilst the converse is expected with a personalized power orientation. Moreover, personal values of CEOs, as well as when CEOs are faced with governmental and stakeholder claims; make corporate charitable donations more likely (Wang, Hodgkinson, Rousseau, and Flood, 2015).

In addition, Fabrizi, Mallin, and Michelon (2014) demonstrated the positive effects of non-monetary incentives, and the negative effect of monetary incentives on CSR, since the latter aligned the interests of the CEOs with that of the shareholders (see also Miska, Hilbe, & Mayer, 2014). The authors further noted other characteristics pertaining to the CEO which make CSR more likely; incoming CEOs, higher power and entrenchment, and lower career concerns. More recently however, Jiraporn and Chintrakarn (2013) evidenced a curvilinear relationship between CEO power and CSR engagement. They showed that when the CEO moved from having weak power to greater power, they were more likely to engage in CSR. However past a certain threshold, there was reduced engagement in CSR. Godos-Diez, Fernández-Gago, and Martínez-Campillo (2011), having applied the Agency-Stewardship approach (Davis, Schoorman, and Donaldson, 1997), were able to show that CEOs were positively related to the development and implementation of CSR, both directly and indirectly through the perceived importance of ethics and social responsibility. They were also more likely to behave ethically and in a socially responsible manner, if this was considered crucial for organisational effectiveness.

However Pedersen *et al.* (2011) put forward some abysmal findings on leader perceptions of stakeholders. Pedersen noted that leaders tended to possess a narrow perspective of who their primary stakeholders were, confining them to those that directly impact on the organisation's activities, such as the customers and employees, as opposed to the wider community for example. Whilst this could be for a variety of reasons, such as focus on these stakeholders being deemed to have a greater pay-off or to simplify processes, ultimately it represents a significant barrier to an encompassing stakeholder view of CSR, and thus impacts upon CSR implementation, which affects more than just these direct stakeholders. Nevertheless, having identified the relation of more executive leadership with CSR, the focus will now specifically be placed onto the role of leadership on individual level outcomes, especially those pertaining to social responsibility.

### *2.6.1. Leadership and individual level outcomes*

Stenmark and Mumford (2011) demonstrated that individuals are more likely to make unethical decisions when they have a person in echelons above them which they can exploit as an excuse for engaging in such behaviour; therefore, the involvement of a superior leads to a diffusion of responsibility. This is somewhat similar to Milgram's (e.g.1964) experiments,

where individuals engaged in unethical conduct through administration of ‘electric shocks’, under the influence of perceived authority. However it is contested that, if the leader in authority holds stakeholder needs and CSR paramount, employees will have no ‘scapegoat’ for abstention from following their good conduct and likewise prioritising social responsibility, and are therefore instead encouraged to partake in ESR behaviours.

In discussing CSR leadership in their letter exchange, Waldman and Siegel (2008) point out the dearth of research that looks at leadership ethics, with Siegel calling for an ethical and moral leader. More recently, Metcalf and Benn (2013) highlighted the complexity of sustainability issues and thus called for leaders which have extraordinary abilities. They discuss the possible links between authentic, ethical, moral, and transformational leadership, with CSR. Additionally, in relation to existing research in the area of social responsibility, ‘leader voluntary workplace green behaviours’ has had its links to subordinate green behaviour advocacy both directly and indirectly noted, through work group green advocacy (Kim *et al.*, in press). Those such as Vlachos *et al.* (2014) further demonstrated the key role leadership plays in prompting and encouraging employee CSR engagement. Whilst they made the case for directive leadership behaviours, it is argued that TF may indeed be more effective when considering employee engagement in CSR. Below, the various leadership styles which could possibly be noteworthy in facilitating ESR are discussed, with a specific focus on TF.

### 2.6.2. *Authentic leadership*

Authentic leaders are “individuals who are deeply aware of how they think and behave, and are perceived by others as being aware of their own and others' values/moral perspective, knowledge, and strengths; aware of the context in which they operate, and who are confident, hopeful, optimistic, resilient, and high on moral character” (Avolio, Gardner, Walumbwa, Luthans, and May, 2004, pg. 4). Authentic leadership is conceptualised as consisting of four facets of self-awareness, internalised moral perspective, balanced processing of information, and relational transparency.

Whilst authentic leadership (AL) has been shown to facilitate various positive outcomes such as job performance and OCBs, it has been shown to possess little relationship with ethical attitude (e.g. Friedrich, 2012; Walumbwa, Wang, Wang, and Schaubroeck, and Avolio, 2010). This is line with arguments from authors such as Shamir and Eliam (2005) and

Sparrowe (2005) who disrepute the fact that authentic leadership has a moral component; instead they suggest this depends on the individual's character.

However there is controversy in the literature since others argue for a moral component to AL (e.g. Avolio *et al.*, 2004; Gardner, Avolio, Luthans, May, and Walumbwa, 2005). For example Walumbwa, Avolio, Gardner, Wernsing, and Peterson (2008) argued that AL requires high levels of self-reflection which tends to coincide with high levels of moral development. More recently, Hannah, Avolio, and Walumbwa (2011) did find a positive relationship between AL, and ethical and prosocial behaviour. The findings are thus mixed, and may be explained through social desirability bias and a positive climate fostering positive ethical attitudes in followers.

As a result, it is argued that whilst AL can foster many positive individual and organisational outcomes through its open and honest leading style, it is not necessarily related to the employees' ethical attitude (e.g. Friedrich, 2012), which could be considered a close proximate to ESR. Therefore a leadership style, consistently fostering such positive ethical/CSR attitudes of employees is needed in order to generate commitment to the organisation's CSR agenda, to translate this into ESR at the individual and group level, and one that is able to motivate employees towards the various facets of ESR behaviours, by balancing the conflict between them.

### 2.6.3. *Servant leadership*

Greenleaf (1996) described servant leadership as going beyond self-interest, to serve the followers and cater for their needs. The servant leader is concerned with helping followers to develop through the provision of learning opportunities, and in doing so they generate commitment from followers as a result of their trust and reliability, which further garners a positive environment for the followers.

Through this emphasis on creating a positive atmosphere, one in which development and support of employee is core, one could argue that ESR could be encouraged (e.g. see van Dierendonck, 2011). However it is argued that the "self-sacrificial servanthood" aspect of servant leadership (Sendjaya, Sarros, and Santora, 2008, pg. 405) is chiefly motivated towards the needs of the internal stakeholders; the followers within the organisation. Whilst this may help to promote performance such as organisational citizenship behaviours of

employees (Ehrhart, 2004; Neubert, Kacmar, Carlson, Chonko, and Roberts, 2008), it is not evident how this can motivate employee behaviours that are directed towards both internal and external stakeholders, in referenced to ESR.

#### 2.6.4. *Ethical leadership*

Ethical leadership (EL) is defined as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision making” (Brown, Trevino, and Harrison, 2005, pg. 120). Based on exploratory research by Trevino, Hartman, and Brown (2000, 2003), ethical leaders have been identified in interviews as having a strong concern for others, termed ‘other awareness’. Furthermore they are considered to be fair, trustworthy, and show consideration for the society; thus characterising the facet of the leader as a *moral person*. The *moral manager* aspect of ethical leadership is typified by the leader actively managing the ethical conduct of employees through transactions and role modelling.

Much of the academic work has focused on EL which for the most part has been descriptive (Brown and Trevino, 2006). To overcome this, an increasing number of studies have looked at the antecedents and consequences of EL (e.g. Mayer, Aquino, Greenbaum, and Kuenzi, 2012). Research has noted the positive effects of EL on both job-related (e.g. job performance) and ethics-related outcomes (e.g. whistle-blowing intentions) in employees (e.g. Dadhich and Bhal, 2008; Den Hartog and De Hoogh, 2009; Johnson, Shelton, and Yates, 2012; Ponnu and Tennakoon, 2009; Ruiz-Palomino, Ruiz-Amaya, and Martinez, 2011a, 2011b); and negative relationships with unethical behaviours, deviant behaviours and relationship conflict (Avey, Wernsing, and Palanski, 2012; Mayer *et al.*, 2012).

With reference to CSR, Wu, Kwan, Yim, Chiu, and He (in press) noted that CEO ethical leadership was positively related to organisational-level CSR, through the mediating influence of organisational ethical culture. Furthermore, Eisenbeiss & Brodbeck (2014) demonstrated through interviews, that ethical leadership was seen as having a concern for both the society and the environment.

Brown and Trevino (2006) posit that EL exerts its effects through the role modelling of positive behaviours (Bandura, 1986). However, whilst this may lead to the adoption of the behaviours modelled, it is unable to deal with conflicting demands that are placed upon

employees, and motivate them adequately with regards to the various facets of ESR behaviours. As such, EL may be able to model for example ethical and prosocial behaviours, but it does not necessarily communicate to the employees how they are to both commit to prosocial behaviours whilst complying with their job requirements, as this is not something that is accounted for by the theory.

#### *2.6.5. Responsible leadership*

Responsible leadership, a relatively emergent leadership style, is defined as “a relational and ethical phenomenon, which occurs in social processes of interaction with those who affect or are affected by leadership, and have a stake in the purpose and vision of the leadership relationship” (Maak and Pless, 2006; pg.103). Thus at the core of responsible leadership is its interaction with both internal and external stakeholders, as opposed to the traditional leader-follower interaction. The aim of such leaders is accountability, trust, and moral decision making, not motivated by the self-interests of the leader and/or the organisation (Pless and Maak, 2011). Such leaders, it is put forward, can assist in the development of an ethical culture, positively impact upon perceived importance of CSR within the organisation, as well as encourage positive follower attitudes and cognitions (Voegtlin, Platzer, and Scherer, 2012). This leadership style has been shown to be positively related to job satisfaction and negatively related to unethical behaviour (Voegtlin, 2011).

Research shows that whilst responsible leadership may be similar to EL and TF, it remains distinct (Voegtlin, 2011). Pless and Maak (2011) argue that the distinguishing feature of responsible leadership, as compared to EL, is the former’s focus on the leader-stakeholder relationship. However as noted above, the same can be argued for EL, and indeed Brown and Trevino (2006) do suggest EL takes stakeholder needs into account. Thus the real ‘need’ for responsible leadership and its existence as a distinct conceptual entity from EL can be brought into disrepute.

#### *2.6.6. Transformational leadership*

Transformational leadership (TF) has been outlined as consisting of the facets of idealised influence, individualised consideration, inspirational motivation, and intellectual stimulation (Bass, 1990; Bass, 1997). Transformational leaders “raise followers’ aspirations and activate

higher order values such that followers identify with the leader and his or her mission/vision, feel better about their work, and work to perform beyond simple transactions and base expectations” (Avolio, Walumbwa, & Weber, 2009; pg. 428). A significant amount of research has yielded TF as favourable for many positive behavioural outcomes in employees (e.g. Bycio, Hackett, and Allen, 1995; Druskat, 1994; Griffith, 2004; Mackenzie, Podsakoff, and Rich, 2001; Mayfield and Mayfield, 2006, 2009; Podsakoff, Mackenzie, Moorman, and Fetter, 1990). Meta-analyses have yielded TF leadership as the most effective (Judge and Piccolo, 2004; Lowe *et al.*, 1996).

The effects of TF at multi-levels of analyses have additionally been noted. For example, the effects of TF on group outcomes such as effectiveness are consistently documented. For instance, Braun, Peus, Weisweiler and Frey (2013) demonstrated the multilevel effects of TF in positively impacting upon job satisfaction at the individual and team level, as well as on objective team performance. Indeed its effectiveness has also been demarcated at the organisational level of analysis, thus providing credence to its multi-level effects (Menges, Walter, Vogel, and Bruch, 2011).

Furthermore, TF has been shown to have a moral/ethical component through its idealised influence facet (Bass, 1997; Kark, Shamir, and Chen, 2003; Rowold, 2008; Ruiz-Palomino *et al.*, 2011b). Not only this, but leaders that are perceived to have a high level of integrity and sophisticated moral reasoning, are often identified as TF by their followers (Parry and Proctor-Thomson, 2002; Turner, Barling, and Epitropaki, 2002). Leaders with a TF style use inspirational motivation to generate effort towards the collective good, whereas pseudo-TF do so in order to maximise self-interest (e.g. Barling, Christie, and Turner, 2008). In addition, Simola, Barling, and Turner (2010) identified an association between TF and an ethic of care. Similarly, in formulating the Ethical Leadership Scale (ELS), Brown *et al.* (2005) demonstrated TF as being distinct from EL; these two being considered to have the greatest overlap. Toor and Ofori (2009) provide confirmatory evidence through the demonstration of positive relationships between EL and TF, further reinforcing its moral component. Not only this, but employee perceptions of charismatic leadership, which is considered akin to the idealised influence facet of TF (Bass, 1990), is positively related to employees attributing the organisation’s motives for CSR intrinsically (selfless, doing good), which in turn fosters employee job satisfaction (Vlachos, Panagopoulos, and Rapp, 2013).

The behaviours falling under the subset of TF can all lead to socially responsible outcomes, suggest Christensen *et al.* (2014). For instance, there is evidence that the intellectual stimulation facet of TF in CEOs is related to strategic CSR activities of the organisation, thus hinting at the influence of TF on CSR at the corporate level (Waldman *et al.*, 2006). At the technical level, sustainability focused TF leadership has also been shown to lead to sustainable outcomes such as green product development (Chen and Chang, 2013). Du, Swaen, Lindgreen and Sen (2013) demonstrated that greater TF leadership in an organisation was positively related to greater CSR activities.

Whilst there is scant literature on TF and individual level social responsibility, Den Hartog and Belschak (2012) evidence the positive relationship between TF and follower pro-activity, through the effects of autonomy and self-efficacy. Moreover Zhu and Akhtar (2014) highlighted the positive relationship between TF and employee pro-social/ helping behaviours. Indeed it can be argued that socially responsible behaviours, such as volunteering, are proactive behaviours, and thus could also be a resultant outcome of a TF style of leading.

More specifically with regards to ESR, Robertson and Barling (2013) evidenced the positive effects of environmentally specific TF on subsequent employee pro-environmental behaviours; argued to be a sub-facet of ESR. Comparable to this, Graves *et al.* (2013) demonstrated the beneficial effects of environmental TF behaviours on employee pro-environmental behaviours; both directly and indirectly through engendering autonomous motivation in employees. Furthermore, external motivation in employees was also related to their pro-environmental behaviours, when environmental TF was high. Indeed, Chen and Hung-Bascke (2014) provided evidence for certain leader behaviours, which they argue to be parallel to some TF behaviours; in encouraging employee CSR participation in employees. Namely these leadership behaviours were role modelling, which they argued to be akin to the idealised influence dimension of TF, and advocacy behaviours, similar to the intellectual stimulation dimension of TF.

This is partly reinforced by the fact that research has noted TF as being positively related to employee stakeholder-focused CSR beliefs (Groves and LaRocca, 2011). Moreover, Groves (2014) demonstrated that TF was positively associated with employee CSR stakeholder values, whilst being negatively related to employee shareholder values. Thus employees being led by a TF leader were more likely to engage in behaviours at work, whilst

maintaining stakeholder interests, as opposed to solely acting in the financial interests of shareholders.

Zohar (2002b) suggested that such a style of leading helps to establish consistency in these conflicting ESR behaviours, due to the various dimensions tapping into both in-role and extra-role type behaviours, and creates shared group perceptions regarding the equivocal importance of these behaviours. Such an argument is reinforced by Zohar (2000) who demonstrated that the conflicting demands of pro-safety behaviours and efficiency can be balanced through the appropriate supervisory action, with Zohar (2002a) further evidencing that TF is useful for balancing such conflicting job/role demands employees face (e.g. Zohar, 2002a). Moreover, Clarke (2013) additionally showed that TF is useful in leading to participation in safety behaviours, a behavioural category which has been noted to be in conflict with efficiency-related behaviours (e.g. Zohar, 2010).

For these reasons, the current research focuses on the utility of TF in engendering ESR amongst individuals and groups. Given that relationships between TF and ethical outcomes, as well as more CSR specific outcomes have been highlighted, it is reasonable to assume that it will be functional in aiding ESR behaviours, both at the group and individual levels. It is proposed that TF specifically facilitates ESR by attempting to balance the conflict between the various dimensions of ESR behaviours.

## **2.7.Mechanisms of leadership effectiveness**

In the area of CSR, authors have utilised the stakeholder theory (Freeman, 1984) to explain CSR actions as those which conform to stakeholder needs, expectations and requirements. However, the purpose of the present study is to highlight the way in which TF leadership leads to ESR at multiple levels, and therefore investigation into the explanatory mechanism of employee behaviour, derived from the OB area, is necessary. For this purpose, a number of theories can be examined which have attempted to examine CSR at the level of employees, organisations, and/or related behaviours such as ethical and unethical conduct.

### *2.7.1. Social exchange theory*

Blau (1964) defines two types of relationships, namely transactional and social exchange relationships (see also Emerson, 1976). The former is concerned with reciprocal exchanges

such as employees fulfilling their job description and being paid accordingly by the management. Blau (1964) defines social exchange in that it engenders “feelings of personal obligation, gratitude and trust” (pg.94). In its application to TF leadership, this would mean that in being treated fairly and supportively by these leaders, followers would subsequently feel an obligation to also better themselves and attempt to go beyond their formal role descriptions, and conduct themselves in a socially responsible fair manner; as they would do in being pro-social.

It has been used by the likes of Herman, Huang, and Lam (2013) to explore the effects of TF on employee turnover. In addition, Gond *et al.* (2010) used this framework to explain the link between organisational CSR and employee level outcomes, such as OCBs and deviant behaviours. More specific to ESR, Paillé and Mejía-Morelos (2014) discussed the positive impact of perceived organisational support on employees’ pro-environmental behaviours; through the explanatory framework of social exchange theory.

Whilst there is some research on the role of social exchange theory in reference to CSR, the way in which they approach the social exchange process between leaders and followers, excludes other relevant stakeholders which may be impacted by organisational CSR, through this process (e.g. Willer, Flynn, and Zak, 2012). Additionally, there are very few research efforts that apply the social exchange theory in relation to the study of TF (e.g. Tse *et al.*, 2013). The theory furthermore, does not seem to distinguish the means by which role conflict can be overcome and employees subsequently directed to achieve, what may appear to be, these conflicting ESR behavioural goals. An additional weakness is the theory’s disregard to account for individual differences. More specifically, employees may vary in their strength of exchange orientation, thus highly effective social exchange relationships may not lead to extra-role behaviours per se, if the individual is low on exchange orientation (see Cropanzano and Mitchell, 2005).

### 2.7.2. *Social identity theory*

The social identity theory proposes that the various group memberships of an individual, be they formal or informal, such as organisational membership or affiliation with a particular religious group, feed into the individual’s self-concept (Ashforth and Mael, 1989). In order to enhance their self-concept, individuals seek to bolster the reputation of their group relative to

other groups. The theory proposes that employees want to be associated with organisations with a positive image as this will enhance their self-concept (Maignan and Ferrell, 2001).

Research applying the social identity theory has shown that a positive external and internal image of a company's CSR helps to foster employee identification with the company, which is further reinforced by CSR salience (Glavas and Godwin, 2013; Turker, 2009). This enhanced employee identification can cultivate greater employee commitment to the organisation (Kim *et al.*, 2010). Research has further evidenced that job seekers are attracted to organisations with higher corporate social performance ratings (Backhaus, Stone, and Heiner, 2002). Organisational performance in terms of perceived social performance and development is positively related to organisational identification, whilst perceptions of corporate citizenship are related to greater commitment (Carmeli, Gilat, and Waldman, 2007; Peterson, 2004).

Kark *et al.* (2003) noted the mediating effects of social identification between TF and followers' empowerment. In addition, De Roeck *et al.* (2014) demonstrated the mediating influence of organisational identification, between perceived CSR and employee job satisfaction. Similarly, Shen and Benson (in press) likewise evidenced the mediating effects of organisational commitment between socially responsible human resource practices, and task performance and extra-role behaviours. More specifically, in reference to ESR, Cha, Chang, and Kim (2014) showed that employees are more likely to engage with pro-social behaviours when they and/or their organisation had high pro-social identity.

On the basis of this, it is argued that TF may be helpful in facilitating ESR, by enhancing employees' identification with their organisation. As a result, employees will commit to the organisation's CSR agenda, and become active participants in it. However, whilst the theory has been used widely to examine links between organisational CSR and employee commitment and engagement for example (e.g. Collier and Esteban, 2007; Kim *et al.*, 2010), its application to the current research problem is problematic. To be more precise, it is able to explain how employees may be encouraged to engage in ESR behaviours, but is unable to elucidate how the conflict between the various behaviours can be effectively handled and balanced, so that employees are able to engage in the various ESR behaviours without any resultant negative repercussions. Furthermore it may be difficult to engender organisational identification, leading to ESR, if employees themselves do not revere CSR (e.g. Rodrigo and Arenas, 2008).

### 2.7.3. *Social learning theory*

Groves and LaRocca (2011) suggest that in order to explain the link between (TF) leadership and attitudes towards CSR on part of followers, the use of social learning theory (SLT) can be employed (Bandura, 1986). According to the SLT, when employees perceive the leaders as credible role models, they seek to emulate their behaviour. In addition, the presence of a reward/ punishment transactional relationship serves to further reinforce this. Vicarious learning is also important, where followers observe their peers, for example being rewarded/ punished depending on their performance. The theory has been predominantly applied to the EL literature, for instance in explaining the positive effects of EL on ethical employee behaviours (Elmore, 2011). As well as demonstrating the connection between EL and positive employee outcomes, it is also used to explore the influence of EL in deterring from employee misconduct (Mayer, Kuenzi, and Greenbaum, 2010). More specific to the current research, Chen and Hung-Bascke (2014) used the SLT to examine the effects of specific leadership behaviours such as role modelling, considered akin to idealised influence in TF, on ESR.

Whilst SLT has been used to commonly explain the effects of EL on ethical and unethical conduct (e.g. Elmore, 2011; Mayer *et al.*, 2010), it can be argued nonetheless that the utility of SLT in explaining such effects is dependent upon the quality of the relationship between the leader and follower, and the frequency of interaction for example (see Piccolo and Colquitt, 2006; Piccolo, Greenbaum, Den Hartog, and Folger, 2010). Furthermore, it tends to disregard the fact that human beings have free will at their disposal and can therefore choose not to imitate the behaviour, however credible the model, especially if it goes against the grain with regards to their own vested interests. Avolio (2007) states that “most leadership research has considered the follower a passive or non-existent element when examining what constitutes leadership” (p. 26). As a result it is suggested that rather than employees passively imitating the socially responsible and ethical behaviours as modelled by their leaders, more active processes are at work. Additionally individual differences are ignored; the behaviour to be imitated by the individual may not be aligned with the values of the individual. Here other theories which emphasis these values such as value congruence (see below) become important.

#### 2.7.4. *Value-congruence*

Value congruence builds upon the person-organisation fit theory, which suggests that a fit between the values of the organisation and employees leads to beneficial outcomes such as job satisfaction and organisational identification (Edwards and Cable, 2009). Value-congruence is highlighted as a possible mechanism through which organisational CSR impacts upon employees (Aguinis and Glavas, 2013). When there is congruency between employee and organisational ethical values, ethical behaviour is propagated and unethical behaviours are less likely to be tolerated (Burchard, 2011). Groves and La Rocca (2011) also demonstrated how follower perceptions of shared stakeholder values with the leader, partially mediated the relationship between TF and employee CSR attitudes and OCBs.

The value congruence theory proposes that TF primarily exerts its effects through highlighting the congruency of follower values with leader/organisational values (e.g. Jung and Avolio, 2000). As a result, followers internalise the goals of the organisation/ leader as their own and thus commit extra effort towards them. The theory has been applied, for instance, in order to understand the influence of TF on employees' attitudes towards CSR and their propensity for OCBs (Groves and LaRocca, 2011).

In attempting to apply this theory to TF leadership and ESR, one could argue that TF leaders highlight the CSR values of an organisation and its policies, bring this to the followers' attention, and attempt to underline how these are congruent with the followers' values. Followers thus feel that they and the company both have mutual objectives of being fair, ethical and socially responsible; an objective which the employees can help to facilitate through their enactment of ESR behaviours. Nevertheless, a shortcoming of such an approach is that it is unable to explain how such congruency can facilitate ESR by balancing its conflicting demands. Furthermore, it is difficult to ensure the functional value of this theory as a motivational mechanism, if employees do not hold CSR dear to themselves.

#### 2.7.5. *Self-determination theory*

The self-determination theory (Ryan and Deci, 2000) assumes that people are intrinsically motivated to be responsible and perform at their best. However certain environmental conditions are needed to foster this sense of intrinsic motivation. To cultivate constructive social development, the core needs of competence, relatedness, and autonomy need to be fulfilled. This can be met through high autonomy, feedback/communication to enhance

competence (relates to locus of causality; where individuals are more motivated when they can see the success of their decisions and/or behaviours), and relatedness (identification and attachment to organisation).

The theory further introduces concepts of internalisation and integration, where the individual ‘takes in’ the certain values, and then the values become part of the self-concept of the individual respectively. This is important, in that after integration of the values with one’s self-concept has taken place, any behaviours in favour of those values are not carried out as a result of compliance or force, but rather because the individual *wants* to carry them out (Gagne and Deci, 2005; Ryan and Deci, 2000). These integrated values can thus be considered as an individual’s self-regulation process, the consequences of which can lead to increased effort, wellbeing, and quality of decision making (e.g. Ryan, Kuhl, and Deci, 1997). Such a theory has been used, for instance, to understand the way in which individuals are motivated towards environmentally focused behaviours (e.g. Pelletier, Tuson, Green-Demers, Noels, and Beaton, 1998).

However one could argue that such socially responsible values, once internalised, may impede job performance. The two can be considered contradictory in that more time is needed to engage in the more extra-role ESR behaviours (e.g. social and philanthropy), which can distract an individual from their core role duties (e.g. economic). Individuals may then find themselves in dissonance as to whether to complete their role duties first, possibly leaving little time for the extra-role ESR behaviours, or to prioritise certain behaviours over others. More relevant to the proposed research, SDT focuses on attempting to elucidate explanatory mechanisms as to why employees may engage in specific behaviours, as opposed to the ways in which individuals can be motivated towards specific behavioural outcomes. Therefore what is more relevant is to inspect the way in which employees regulate their behaviour, and as such the regulatory focus theory (Kark and van Dijk, 2007), as discussed next, may be particularly more suited.

#### *2.7.6. Regulatory focus theory*

Kark and van Dijk (2007) discuss the role of the promotion (PM) and prevention (PV) regulatory foci; the former referring to employees being motivated to be eager, take risks, and be creative, whereas the latter refers to a motivational focus where individuals are risk averse and assiduous with regards to detail. The authors propose that TF and transactional

contingent-reward (CR) leaders prime PM and PV focuses respectively in followers, leading to differential outcomes in employees. Such a theory has received empirical report from the leadership literature (e.g. Hamstra, Van Yperen, Wisse, and Sassenberg, 2011; Moss, 2009; Neubert *et al.*, 2008; Stam, Knippenberg, and Wisse, 2010). For example, Neubert, Wu, and Roberts (2013) demonstrated how a PM focus resulted in extra role voice behaviours, whilst a PV focus led to compliance. Furthermore, Wallace, Butts, Johnson, Stevens, and Smith (in press) evidenced the positive effects of an interaction between a PM focus and an innovation climate in leading to greater innovation. To date, this framework has not yet been employed in the context of CSR.

In its application to ESR, one could argue that the different facets of the ESR construct require different motivational focuses. For example, the economic and environmental facets require a PV focus, due to the necessary attention needed to following rules, regulations, and procedures, whilst a PM focus may be more suitable for the social, stakeholder and philanthropy facets; since these require individuals to go beyond their role and discover creative and novel ways of working, in order to for example, to organise charitable initiatives. The same leader, with their emphasis on TF and CR leader behaviours, could thus prime a PV focus leading to fulfilment of role duties, and compliance with environmental and economic policies and procedures, and a PM focus which would lead to engagement in philanthropy, social and stakeholder focused behaviours; thus the same leader draws the followers' attention to all the behaviours within the construct of ESR. There are of course other benefits. For example, evidence suggests that a fit between leader and employee regulatory focus, resulting from TF and CR behaviours, causes employees to feel valued by their leaders (Hamstra, Sassenberg, Van Yperen, and Wisse, 2014).

This theory has also been employed in the safety literature. For instance, Wallace (2004) showed that a PM focus positively predicted speed and negatively predicted safety (explained by the risk-taking nature of the PM focus), and the PV focus negatively predicted speed and positively predicted safety, thus attesting to the cautious and risk-averse nature of the PV focus. Burtscher and Meyer (2014) also noted that at the group-level, regulatory focus differentially impacted upon decision-making quality, as mediated by group information processing.

Interestingly, Mitchell and Zhang (2004) examined conflicting goal demands in consumer product choice. They showed that those in a PM focus were more likely to focus on higher

level goals as opposed to the lower level goals (i.e. ‘being healthy’ = apple versus ‘cooling off’ = ice cream), whereas the opposite was true for those in a PV focus. This research can be extrapolated to the field of ESR; here the facets of economy and environmental could reflect lower level goals, whereas stakeholder, philanthropy, and social could be indicative of higher level goals. Another important feature of such a theory is that takes into account contextual influences as opposed to other theories, such as the SLT. The regulatory focus theory agrees that contextual influences determine the internalisation and integration of values (e.g. Shamir, House, and Arthur, 1993).

Nevertheless, to date, there has been limited evidence for the theory’s utility in the domain of CSR, as well as for the clear role of prevention focus (e.g. Moss, 2009; Neubert *et al.*, 2008). One possible explanation could be that with regards to the latter, the argument that CR engenders prevention focus in followers, consequently causing them to be cautious, diligent, and risk-averse in their day-to-day work activities, does not hold much weight. Rather, CR provides exchanges for satisfactory behaviour, and so instead should motivate followers’ work behaviour so that they can reap the according rewards. This brings into question the suitability of the complete theory in relation to facilitating the various ESR behaviours.

#### 2.7.7. *Goal setting theory*

Goal-setting theory, as proposed by Locke and Latham (1990), puts forward the motivational influence of effective goal setting. Goals are said to guide performance through four mechanisms (Locke and Latham, 2002). Firstly they direct attention towards goal relevant activities. Secondly they energise individuals, and in doing so, lead to greater exertion of efforts. Thirdly, goals cause individuals to be more persistent in their efforts to achieve them, and finally, they activate goal-relevant knowledge and strategies that can aid in achievement of the goal. It is argued that the effects of goal-setting are reliable enough that any findings which find little support, usually are riddled with errors; for example, in not matching goals to performance (Locke and Latham, 1990). So much so, that Locke and Latham (2002) stated that “goal-setting theory is among the most valid and practical theories of employee motivation in organisational psychology” (pg. 714). Furthermore, efforts are also made to appreciate the goal-conflict that may occur when employees are presented with a number of conflicting goals, which causes them to prioritise one set of behaviours over the other (Locke, Smith, Erez, Chah, and Schaffer, 1994).

Related to the concept of goal-setting is self-efficacy, defined as the individual's self-belief that they are capable (Bandura, 1986). Individuals who are higher in self-efficacy are more likely to set difficult goals, and are also more likely to commit to the goal, and employ the relevant task skills and knowledge to achieve it (Locke and Latham, 1990). In addition, commitment to goals is touted as a key moderator in the relationship between goal-setting and performance (Locke and Latham, 2002). Here the role of leadership can be noteworthy in engendering commitment to the goals, as well as enhancing individual's self-efficacy (Bass, 1990; Locke and Latham, 2002).

In relation to CSR, Collier and Esteban (2007) make the argument that in order for employees to respond to and deliver on an organisation's CSR requirements, their motivation to do so, as well as committing to attaining the goals of responsible behaviour, is important. They highlight the utility of goal-setting in engendering motivation in employees. Moreover, when looking at the role of employees in supporting sustainability initiatives, Morsing and Oswald (2009) highlight the importance of communicating goals. It is even stated that, "having sustainability goals and objectives encourages employees to incorporate sustainability into their day-to-day activities" (Quinn and Dalton, 2009; pg. 30).

Galpin and Whittington (2012) point towards the prominent role of leadership in promoting sustainability initiatives. The utility of goal-setting is consistently noted in the literature, especially in conjunction with leadership. For example Colbert and Witt (2009) demonstrated the positive effects of a leader who was goal-focused, that is, he/she clarified goals and priorities. Whittington, Goodwin, and Murray (2004) further showcased the positive moderating effect of goal setting between TF, and affective commitment and performance.

It is proposed that goal-setting provides a credible explanation for why TF should be effective in engendering ESR. On the basis of the theory, it is put forward that TF exerts its positive influence on ESR by setting challenging, motivating, and effective social responsibility-related goals for employees. By setting these effective goals, employees attend to the goals and are energised towards achieving their goals, they are more persistent in their efforts, and they employ relevant knowledge and strategies, related to social responsibility practices (Locke and Latham, 1990). The TF leader further supports employees' goal-directed efforts and enhances employee self-efficacy to achieve these goals; as well as their commitment to these goals, and provides feedback in order that the employees can monitor their progress towards goal-attainment (Bass, 1990). Furthermore, the TF leader ensures goals are focused

on ESR as a holistic outcome, without prioritising some dimensions over others; helping therefore to balance the conflict between the various ESR behaviours.

At the group level, it is argued that TF causes the group to go beyond their individual interest (Bass, 1990). It is suggested that the TF leader works in a homologous fashion at the group level as at the individual level, and focuses on setting motivating and challenging effective ESR goals for the team. In addition to inspiring and supporting the team in their goal-directed efforts; the TF leader manages intra-group activities (Yukl, 1999). Moreover, TF leaders should ensure that the goals of the individuals are consistent with their team level goal, of engaging with the full range of ESR behaviours, thus avoiding conflict between the individual and team level, which would also cause employees to prioritise between individual and group level goals (DeShon, Kozlowski, Schmidt, Milner, and Weichmann, 2004). Doing so, ensures that the team is energised to exert effort towards their ESR goals, to be persistent in their efforts as a team, and draw upon the various skills and expertise present within the team to ensure success in becoming socially responsible.

It is contested however that TF alone is not sufficient. Whilst TF may set effective goals and motivate employee goal-attainment efforts, it needs to be ensured that TF leaders are drawing employees' focus towards CSR. In so doing, the noteworthy role of assigned CSR priority is put forward, which gives TF a CSR focus for its behaviours, and which manages employee expectations of CSR. Furthermore, TF in conjunction with this assigned CSR priority will not be optimally effective, if it is operating under a context in which CSR is not made salient; hence the crucial role of CSR climate is underscored. As noted previously, conflicting behavioural goals can cause employees to experience goal conflict, which causes them to prioritise one set of behaviours over the other (Locke *et al.*, 1994). However assigned CSR priority and CSR climate work together to avoid this, and do so by highlighting the importance of ESR for employees, collectively working to circumvent employees experiencing goal-conflict with regards to the various dimensions of ESR, and by consistently placing focus on the full spectrum of ESR. The roles of assigned CSR priority and CSR climate will be discussed below.

## **2.8.Assigned CSR priority**

In facilitating ESR, the notable role of assigned CSR priority is put forward, modelled on the original construct of assigned safety priority, proposed by Zohar (2002a). It is argued that this

assigned CSR priority provides the value free behaviours of TF, with a focus on CSR (Fu, Tsui, Liu, and Li, 2010). In doing so, employee attentions are directed towards CSR. Leaders prioritise CSR and thus manage employee expectations of the importance of CSR. As per the goal-setting theory, TF in conjunction with this assigned CSR priority sets ESR-specific goals for employees, and TF behaviours ensure employee commitment and motivation towards these goals.

When examining how the multi-faceted ESR behaviours can be encouraged within groups and individuals, attention needs to be paid to the apparent conflict within such behaviours (Aguilera *et al.*, 2007). On the one hand, you have the more in-role behaviours of ESR such as the economic behaviours which expect employees to comply with the work standards that are expected from them. On the other hand, you have the more extra-role behaviours such as philanthropic behaviours which encourage employees to go beyond their formal day-to-day work activities and engage in activities not part of their core duties, such as engaging with charitable endeavours. In order to encourage employees to engage with the multiplicity of ESR behaviours, this conflict between the various dimensions needs to be balanced.

Conflict has been defined as “a situation in which oppositely direct, simultaneous acting forces, of approximate equal strength, work upon the individual” (Lewin, 1935; pg. 123). Research has shown that when employees are faced with multiple goals targeting different behaviours, they may prioritise one over the other (e.g. Schmidt, Kleinbeck, and Brockmann, 1984). For instance, when a conflict is imposed between a focus on quality standards as opposed to production targets, then employees neglect one of the two (Locke *et al.*, 1994).

One of the focuses of the current research is the way in which TF can be helpful in encouraging social responsibility engagement, by balancing the conflict between these behaviours. Leaders, who display TF behaviours, are said to motivate followers, inspire them, challenge them, and support them (Bass, 1990). However as it stands, TF behaviours are value free (e.g. Fu, Tsui, Liu, and Li, 2010). That is, they may do all of these things, however the question becomes, towards what are these TF leaders motivating, inspiring, challenging and supporting followers towards, and how can they encourage them to engage with ESR in a holistic fashion?

Accordingly, efforts have been made by a few researchers in giving these TF behaviours a focus, and measuring the effects of these focused TF behaviours on work outcomes. For example, Morhart, Herzog, and Tomczak (2009) demonstrated the utility of brand-specific

TF in encouraging employee brand-building behaviours. Whilst in relation to safety research; Barling, Loughlin, and Kelloway (2002) noted the positive effects of safety specific TF on safety performance.

Morhart *et al.* (2009) and Barling *et al.* (2002) focused on the effects of TF-specific behaviours on the according outcomes. Similar in nature, yet distinct in operationalization, was the study conducted by Zohar (2002a). He addressed the value-free conundrum of TF and made the case for ‘assigned safety priority’, which was demonstrated to moderate the relationship between leadership and climate. This assigned safety priority was conceptualised as the extent to which leadership prioritises safety, without neglecting it in favour of more production-related behaviours.

In this respect, the novel role of assigned CSR priority is proposed in this research. This is modelled on the assigned safety priority construct as developed by Zohar (2002a), and examines the extent to which TF prioritises CSR, and helps to balance the conflict between the various ESR dimensions, by managing CSR-related expectations of employees. More precisely, assigned CSR priority is defined as the degree to which TF prioritises CSR and focuses on CSR in their day-to-day interactions with employees, without providing conflicting messages, and provides consistency of communication of the importance of CSR engagement, in the form of ESR behaviours. It is proposed that this assigned CSR priority will moderate the relationship between TF on group and individual ESR, by providing a CSR value to TF behaviours, and overcoming the problematic focus-free nature of TF behaviours; consequently helping to balance the experience of conflict within employees in regards to the multi-faceted ESR behaviours. It ensures that employees do not prioritise some ESR behaviours over others, rather they engage with the full five dimensions. This combination of TF with a high assigned CSR priority is consequently crucial in evading goal-conflict, which is imminent, given the conflicting nature of the ESR behaviours from within the different ESR dimensions.

The original construct of assigned safety priority was examined at the group-level (Zohar, 2002a). Nevertheless, it is maintained that the effects operate similarly at the individual level. As per the goal-setting theory, at the group level, the leaders set goals and direct their attention towards ESR, by managing the team’s expectations of the importance of ESR. The leader facilitates the dynamics within the team, and collectively motivates them towards goal attainment. The team feels encouraged by the behaviours of their TF leader, and through a

high assigned priority to CSR, they understand the importance of actively engaging in ESR in order to be a socially responsible unit. At the individual level, the leader attends to the individual needs of the employees, sets ESR-related goals, taking into account their unique skills and abilities, and relevantly supports their goal-directed efforts. The leaders assign a high priority to CSR, and consequently makes lucid for the employees, the importance of engaging with the full spectrum of ESR.

## **2.9. CSR Climate**

As noted above, TF can only partially explain the effects on ESR. Instead, contextual factors need to be accounted for, in order to understand how employees are motivated towards ESR-specific behaviours, and how goal-conflict between the various ESR behaviours is shirked. Contextual factors are important in informing individuals of the desired and non-desired behaviours, thus shaping their subsequent actions (Nadelson, 2006). An important contextual factor in doing this, in management research, is psychological climate. The psychological climate of an organisation is often discussed as an individual's perceptions, or groups of employees, regarding the policies, procedures, and practices of the company (e.g. Schneider, 1990). From a multilevel perspective it is believed that policies and procedures are set at top management/ organisational level, which are subsequently translated into practices at the lower group/individual levels (e.g. Zohar, 2000).

When these perceptions are shared by a group or an organisation, they are referred to as group or organisational climate (Neal and Griffin, 2006). Whilst psychological climate refers to the general climate at the group/ organisational level, there can be specific types of climates which reflect specific facets of the organisational/ group environment (Neal and Griffin, 2006). For example, a safety climate would thus refer to specific organisational/group policies, procedures, and practices relating to safety at work (e.g. Zohar, 2010). The effects of specific organisational/ group climates on work outcomes such as ethical behaviours, safety behaviours, and organisational citizenship behaviours have been widely documented (Appelbaum, Deguire, and Lay, 2005; Hofman *et al.*, 2003; Peterson, 2002; Schneider and Snyder, 1975; Schneider and Reichers, 1983; Trevino, Butterfield, and McCabe, 1998; Walumbwa *et al.*, 2010). Specifically, in the current thesis the role of a CSR climate will be honed into, as ensuring a consistent and salient focus on the full spectrum of CSR in conjunction with assigned CSR priority, to preclude the experience of employee goal

conflict. Particularly, the moderating role of this CSR climate is postulated in that it strengthens the effects of TF on ESR both at the group and individual levels, by providing a conducive and supportive climate that reinforces the saliency and significance of CSR.

Research has noted the direct effects of climate on employee outcomes such as job satisfaction and commitment (Fu and Deshpande, 2014). In many cases, research investigates the indirect effects of a climate, by looking at both the mediating role of climate, as well as its moderating effects. An effective climate has been shown to mediate the relationship between leadership and group performance (e.g. Mayer *et al.*, 2010; Wu *et al.*, 2008; Zohar, 2002a). Downey, van der Werff, Thomas, and Plaut (2014) also demonstrated the mediating role of a climate for trust between the effects of diversity management practices on employee engagement.

More specifically, the current study is interested in the moderating role of climate, and this has been confirmed by numerous findings (e.g. Hofman *et al.*, 2003; Kapp, 2012). For example, the moderating role of psychological climate between leader-member exchange (LMX) quality and role overload has been evidenced (Tordera, González-Romá, and Peiró, 2008). Jiang, Yu, Li, and Li (2010) have also demonstrated the positive effects of perceived colleagues' safety knowledge/ work behaviour on safety behaviours, under conditions of a positive climate for safety. In conjunction with TF, a climate for innovation moderates the relationship between perceptions of TF and employee adaptive performance (e.g. Charbonnier-Voirin, El Akremi, and Vandenberghe, 2010). Similarly, a climate for initiative facilitates the effects of TF on innovation implementation behaviour (Michaelis, Stegmaier, and Sonntag, 2010). Analogous findings have also been evidenced at the group level (Eisenbeiss, van Knippenberg, and Boerner, 2008).

In the present research however, the focus is on CSR, and so interest is directed towards a CSR-specific climate. Previously, practical examples have been highlighted which demonstrate the way in which organisational CSR policies can encourage employees to suitably comply with and translate social responsibility to their level (Dutton and Dukerich, 1991). To date however, very little research has focused on conceptualising and testing the role of a CSR-specific climate, or its closest proximate, on CSR related work outcomes (see El Akremi, Gond, Swaen, De Roeck, and Igalens, in press). The little research that has focused on CSR-related climate, has for instance, demonstrated the mediating effects of a green work climate between employee perceptions of sustainability behaviours, with their

green work behaviours (Norton *et al.*, 2014). In terms of the moderating effects of such a climate, Yim and Fock (2013) showed that a social responsibility climate had a moderating effect on the relationship between pride in volunteer work and volunteer work as a calling, on subsequent employee perceptions of the meaningfulness of volunteer work.

Given the above research evidence, it is sensible to assume that a climate for CSR will moderate the effects of TF on employee CSR outcomes. We define this CSR climate as the shared perceptions amongst employees of the CSR policies, procedures and practices, both at the group (see time-lagged study) and organisational level (see field study). A positive CSR climate signifies a climate in which employees feel the organisation/ group places great importance on CSR and supports employees to contribute to the group/ organisation's CSR efforts. We conceptualise this climate at the group and organisational level through a direct consensus model (Chan, 1998).

As noted above, when employees are faced with conflicting behavioural goals, they will resort to prioritising one over the other (Locke *et al.*, 1994). It is suggested that when however the CSR climate is positive, this reinforces the salience of CSR and provides a consistent message that the organisation holds CSR dear. Furthermore, rather than for example emphasising some facets, which are more rule-abiding in nature (e.g. economic), it focuses on the full spectrum of social responsibility behaviours. Employees as a result do not experience goal conflict, and do not have to resort to making the choice of which behaviours to prioritise. Indeed the utility of a safety climate in marrying the seemingly conflicting demands between safety behaviours and efficiency behaviours has been consistently verified, and similar effects are subsequently expected in relation to this CSR climate (e.g. Zohar, 2002a).

This relationship again is expected to operate in a homologous manner at both the individual and group levels. Research has evidenced the moderating role of climate on individual and group level outcomes (e.g. Eisenbeiss *et al.*, 2008; Liao and Chuang, 2007). At the group level, consensus amongst team members regarding the presence of a positive climate for CSR ensures that they feel supported to engage in the various ESR-related behavioural team goals, as set by their TF leader. At the individual level, similarly individuals refer to the CSR climate, and if this is positive, they feel motivated and supported to exert effort in achieving their individual ESR goals. As per the goal-setting theory, this positive CSR climate communicates a consistent message on the importance of CSR in general, and the full

spectrum of ESR specifically, thus ensuring individuals and teams do not experience conflict regarding their various ESR behavioural goals (e.g. Locke *et al.*, 1994). As a result, they will seek to embrace the various ESR activities, in order to become more socially responsible.

## **2.10. Summary**

In this chapter, efforts were made to explore the current state of affairs in the research on CSR. Specifically, in introducing the review of past literature, the determinants and the organisational benefits of actively engaging with CSR were briefly outlined. The spotlight subsequently was placed on the research niche surrounding CSR, such that, the scarcity of research on employee behavioural engagement with CSR at the micro-levels was noted. The case was made for the requirement of a micro-level employee social responsibility measurement tool, in helping to address this niche and furthering research efforts at the micro-levels of CSR. The antecedents of ESR were explored, as well as possible underlying frameworks. The next chapter (chapter three) outlines the conceptual development, and provides a more specific discussion on the interactive relationships between the postulated antecedents of TF, assigned CSR priority and CSR climate on ESR at the group and individual levels.

## Chapter 3: Model development

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### 3.1.Introduction

The objective of the following chapter is to outline the conceptual model detailing the antecedent and boundary conditions of employee social responsibility (ESR), that is transformational leadership (TF), assigned CSR priority, and CSR climate, and the postulated way in which they exert their effects, as underpinned by goal-setting theory (Locke and Latham, 2002). Specifically, as outlined in the literature review (chapter two), the noteworthy roles of TF, assigned CSR priority, and CSR climate are purported to provide optimal conditions to encourage ESR in the workplace. Through the application of goal-setting theory (Locke and Latham, 1990), it is consequently argued that TF, assigned CSR priority and CSR climate facilitate ESR by way of setting challenging social responsibility related goals, motivating and supporting employees' goal-directed efforts to attain these, and ensuring that the goal-conflict between the various facets of ESR is minimised.

As noted in chapter two, inherent in the nature of these ESR behaviours is the apparent conflict between the various dimensions. On the one hand employees are expected to engage in more in-role behaviours such as those falling within the economic dimensions, whilst also being expected to engage in the more extra-role behaviours, such as those falling within the social dimension of ESR (e.g. Aguilera *et al.*, 2007). This conflict within ESR behaviours is also resonated in other employee outcomes such as safety behaviours, where employees are required to ally the demands of efficiency and safety consciousness in their day-to-day activities (Zohar, 2010).

In balancing this conflict, the current research puts forward the noteworthy roles of TF, assigned CSR priority and CSR climate, in providing the optimal conditions for employee and group CSR engagement. The goal-setting theory (Locke and Latham, 2002) is used to illustrate the ways in which TF can facilitate group and employee social responsibility by setting challenging goals, and motivating, supporting, and inspiring employees to achieve these goals. Assigned CSR priority underscores the ways in which leaders manage employee expectations regarding these goals, thus helping to balance the inherent conflict within these multi-dimensional ESR behaviours (Katz and Kahn, 1964). Finally, CSR climate outlines the CSR policies and procedures, and ensures these are not contradictory to the former two, thus

preventing the experience of conflict upon incumbents with regards to these social responsibility behaviours, through consistency of communication of the importance of ESR.

TF has been shown to be helpful in balancing conflicting demands of various employee behaviours (Bass, 1990). For example, with regards to the safety literature, Kapp (2012) highlighted the utility of TF in facilitating safety compliance. Nevertheless, it is proposed that TF individually is not sufficient in garnering employee commitment to the various ESR behaviours, primarily because TF in itself is value-free (Fu *et al.*, 2010). Rather what is needed is a CSR focus to TF, in the form of assigned CSR priority. Assigned CSR priority is a novel construct introduced within this research, modelled on the construct of assigned safety priority as proposed by Zohar (2002a). This assigned CSR priority manages employee expectations of social responsibility and ensures that employees are made aware of the need to engage with CSR holistically. As a result, the moderating role of assigned CSR priority on the effects of TF on ESR behaviours is put forward, both at the group and individual levels.

Whilst TF may exist in tandem with a high assigned CSR priority, employees may still experience conflict if wider organisational conditions are not conducive to ESR; for instance minimal salience of CSR, and so here the role of a CSR climate is proposed. This outlines the policies and procedures with regards to CSR at the organisational level, and communicates a consistent message to employees of the importance of CSR. That is, in addition to their TF leader assigning a high priority to CSR, their organisation also underscores the importance of CSR through its policies and procedures, and so ensuring that employees are receiving a consistent message. Collectively, TF, with a high assigned CSR priority, working under a positive organisational CSR climate, provides ideal conditions for ESR. It is proposed therefore that climate moderates the relationship between TF and ESR behaviours at the group and individual level, both individually and interactively in conjunction with assigned CSR priority.

The present study examines these factors in a multi-level model in order to investigate determinants of group and individual ESR, and so addresses calls for a multi-level perspective to be taken when studying the effects of TF (e.g. Avolio *et al.*, 2009; Yukl, 1999). The interactive effects of assigned CSR priority, TF, and CSR climate were examined at the group level, as well as looking at assigned CSR priority and TF at the individual level, in addition to the cross-level effects of CSR climate; thus also addressing the contextual determinants of the effects of TF (Yukl, 1999).

### **3.2.Theory and hypotheses development**

In chapter two, it was highlighted that a significant issue in studying CSR at the micro level, especially with regards to employee involvement, is the way in which ESR is currently conceptualised. For example, whilst research by Vlachos *et al.* (2014) examines the factors affecting employee participation in CSR, they do so by conceptualising employee behaviours, in the form of employee suggestions to improve the organisation's current CSR activities; hence lacking specificity. Consequently, in the current thesis, ESR was conceptualised as a multi-dimensional construct, consisting of the social, philanthropy, stakeholder, environmental and economic dimensions, as informed by previous research (Dahlsrud, 2008; Rupp and Mallory, 2015). Social behaviours are behaviours employees engage in which are directed towards the community, whilst philanthropic behaviours concern charitable behaviours such as fundraising for specific causes. Stakeholder behaviours are behaviours such as respect directed towards ones colleagues, whereas environmental behaviours concern the environment at large and include recycling, and finally economic behaviours are those which focus on being cost-efficient, which inevitably impact upon the bottom line.

However the concern then becomes as to how we can encourage these multi-dimensional ESR behaviours simultaneously in employees. These ESR behaviours consist of behaviours which are more voluntary and extra-role in nature, such as volunteering in community projects (social), as well as more in-role behaviours which tap into core work duties such as completing work to a sufficient standard (economic). This dichotomy has been noted in the safety literature between efficiency and safety behaviours, and one of the key mechanisms to help balance these conflicting demands placed on the incumbents is proposed to be leadership, and in the present research, the case is made for the utility of TF (Zohar, 2010).

#### *3.2.1. Antecedents of ESR*

It is argued that TF can encourage ESR through setting challenging goals, and motivating employees' goal-directed efforts (Locke and Latham, 2002). Furthermore, they provide employees with the relevant support, outline the organisation's CSR vision, and inspire them to attain their goals, and in doing so contribute to this vision (Bass, 1990).

These TF behaviours however are value-free and not sufficient alone to engender ESR (Fu *et al.*, 2010). So, whilst leaders may motivate employees, and inspire and support them, the focus of these leader behaviours ultimately needs to be on CSR. With reference to the safety

literature, this safety-specific focus has been explored. Barling *et al.* (2002) looked at safety-specific leadership behaviours in ensuring that efficiency is not prioritised at the expense of safety-consciousness. Moreover, and more specific to the current research, Zohar (2002a) examined the role of assigned safety priority; that is, the extent to which leaders manage safety expectations. As a result, it is argued that along with TF leader behaviours, it is vital that these leaders also assign a high priority to CSR, and manage CSR expectations in individuals so that they understand what is expected from them.

Nevertheless, the role of TF in encouraging group and individual ESR is limited, even with this CSR focus, without the presence of an environment conducive for ESR, in which employees can be encouraged and supported to demonstrate these behaviours. An environment conducive for ESR outlines CSR policies and procedures at the organisational level and thus is consistent with CSR-focused TF. Whereas a climate that is unfavourable in this regard, does not highlight organisational policies and procedures around CSR, and as a result employees may feel that whilst their TF leader assigns priority to CSR, their organisation does not, which hampers their motivation to engage in ESR behaviours. Research has noted the positive effects of specific climates, such as a climate for innovation, in encouraging innovative behaviours in individuals, in conjunction with TF (Charbonnier-Voirin *et al.*, 2010). Thus it is argued, that the existence of a novel climate for CSR is needed to provide favourable conditions for encouraging ESR.

In the present thesis therefore, the interactive effects of TF, assigned CSR priority, and CSR climate are investigated. It is argued that together, these three factors provide the most favourable conditions for engendering ESR. They do so by setting ESR-specific goals, and supporting and motivating employees towards these goals, and ensuring that through a high assigned CSR priority, and CSR climate; CSR is made salient within the organisation at the employee level, and a lucid and unswerving message is sent out regarding the importance of CSR to the organisation, thus deterring from potential goal-conflict in employees.

### 3.2.2. *Transformational leadership and ESR*

Transformational leaders are defined as leaders that motivate and inspire their employees to go over and beyond their daily duties (e.g. Bass, 1990). According to Bass (1990), TF leadership consists of four facets, namely intellectual stimulation, inspirational motivation, idealised influence, and individualised consideration. Intellectual stimulation is the extent to

which the leader engages with followers to consult with them, he/she challenges followers to develop novel ways of working, and critically questions their way of doing things. Inspirational motivation involves the leader developing a vision which is attractive to followers, motivating them to work towards this vision, and instilling confidence in them. Idealised influence reflects the moral leader that takes a stand for what he/she believes in, one that garners respect from his/her followers, and communicates core values. And finally, individualised consideration reflects the extent to which the leader attends to each individual's needs, focuses on developing them, and provides the necessary support, uniquely tailored to each individual.

TF has had its impact on positive employee outcomes consistently established, with these outcomes ranging from satisfaction with leader, job satisfaction, to organisational citizenship behaviours and counterproductive work behaviours, to name but a few (e.g. Judge and Piccolo, 2004; Lowe *et al.*, 1996). By its definition, TF has been highlighted as having an ethical/moral component (Bass, 1997; Rowold, 2008). Christensen *et al.* (2014) speculate that the various behaviours of TF could be useful in encouraging ESR, further supported by evidence which points to the relation between TF leadership in CEOs with strategic CSR within the organisation (Du *et al.*, 2013; Waldman *et al.*, 2006).

Indeed, TF has been documented to foster greater CSR stakeholder-focused beliefs (Groves and LaRocca, 2011). Whilst research linking TF to CSR-specific employee outcomes is limited; Den Hartog and Belschak (2012) have shown that TF is helpful in encouraging employee pro-activity in general. Despite the fact that organisations may comply with CSR to a certain extent due to institutional regulations, social responsibility engagement at the employee level is in its spirit, proactive. Thus we can draw parallels between research that demonstrates the utility of TF in promoting positive outcomes such as employee pro-activity and extra-role behaviours (e.g. Podsakoff *et al.*, 1990), with the present research where the role of TF in prompting the range of ESR behaviours is surmised. Whilst TF may therefore not have been directly examined in relation to individual and group ESR behaviours, given that it is seen as a key driver of positive employee work outcomes such as pro-active and extra-role behaviours, and related to CSR engagement in general; for this reason it is also speculated to be a positive precursor for social responsibility at work.

The means by which TF is thought to exert its effects on employees, leading to subsequent positive outcomes, is through goal-setting (Locke and Latham, 2002). Goals have a well-

noted motivational effect (Locke and Latham, 1990). Consequently, TF serves to motivate employees by setting challenging CSR-relevant goals and thus directing employees' efforts accordingly. Indeed, it is suggested that goal-setting can maximise a leader's positive effects on performance (Ronan, Latham, and Kinne, 1973). Furthermore, Locke and Latham (2002) argue that leaders play a key role in facilitating goal-motivated efforts through enhancing employee self-efficacy by expressing confidence in them to achieve the goals, acting as role models, and ensuring that employees have the necessary skills and capabilities needed to successfully attain their goals.

Thus it is argued that the four facets of TF in combination can promote ESR in individuals and groups by means of enhancing their self-efficacy, so they come to believe that they have the necessary capabilities to enact ESR behaviours in their roles. The idealised influence facet denotes that the leader highlights the importance of CSR and communicates its role in the daily activities of employees, as well as providing employees with a credible role model which they can identify with, and use as a mechanism for engaging in observational learning (Podsakoff *et al.*, 1990). The inspirational motivation behaviours inspire and develop confidence in employees to embrace the organisation's CSR program and to involve it within their work. Finally, behaviours within the intellectual stimulation facet challenge employees to develop unique ways of integrating CSR concerns within their work, whilst the individualised consideration behaviours support employees in their social responsibility endeavours, and provide coaching to further enhance their efficacy of engagement.

Whilst much of the research has tended to focus on TF at the individual level, it can also be conceptualised as a group level phenomenon (e.g. Korek, Felfe, and Zaepernick-Rothe, 2010; Yammarino, Spangler, and Dubinsky, 1998). It is noted that interactions within the group serve to reinforce similar perceptions of leadership between group members (e.g. Gavin and Hofmann, 2002). Research has evidenced how group-level TF can be effective, in for example, engendering affective commitment in groups, as well as enhancing performance (Korek *et al.*, 2010; Schaubroeck, Lam, and Cha, 2007). It is suggested that "leadership may have its most important consequences for teams and thus a focus on the team level is also important" (Lim & Ployhart, 2004, p. 610)

Indeed one of the propositions of TF theory is the leader influencing individuals to go beyond their self-interests for the betterment of the group; thus leadership tends to involve behaviours directed towards a group in general (Bass, 1990). Furthermore, Yukl (1999) notes the role of

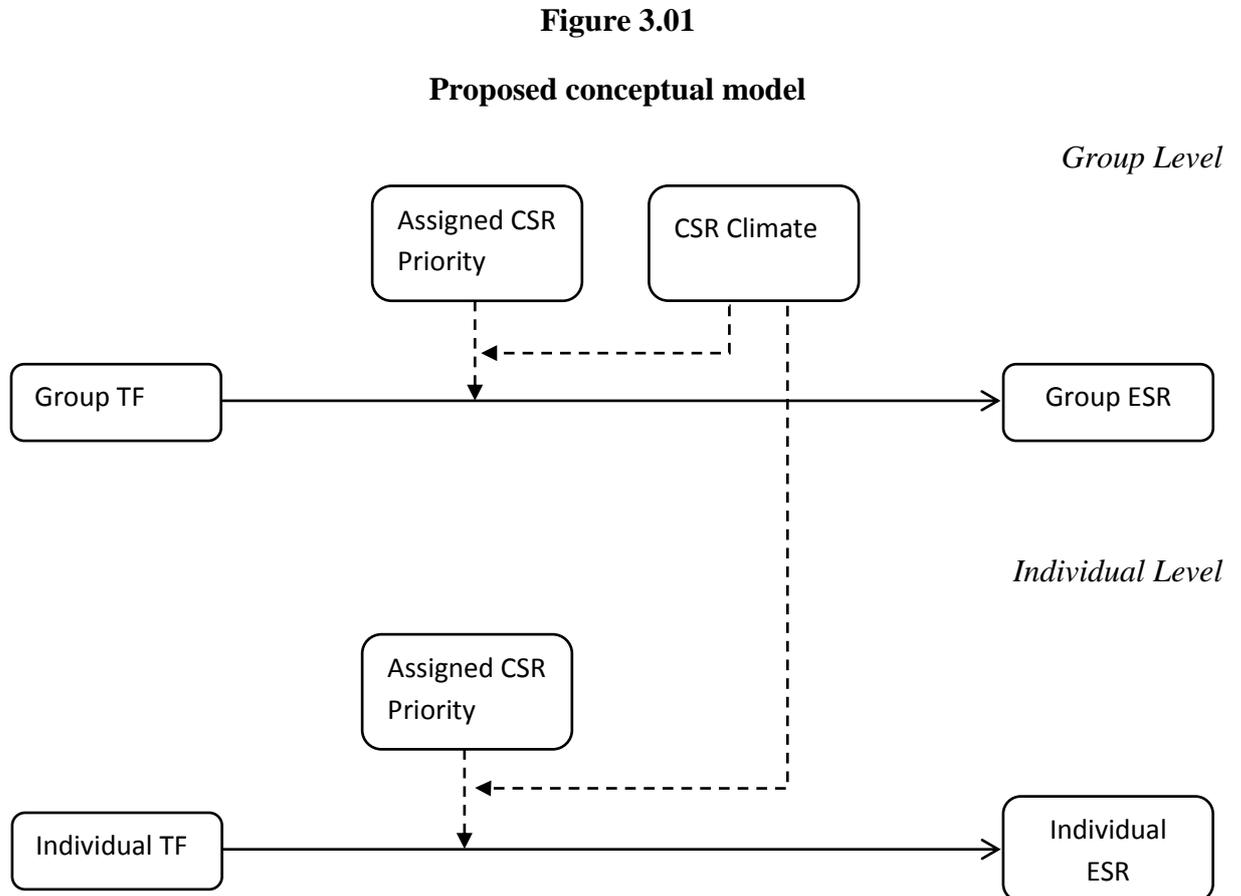
TF leaders in co-ordinating intra-group activities. This leader accordingly sets goals of enhancing involvement in ESR at the group level, and as a result, motivating goal-directed behaviour within the group. In addition, TF can also aid greater performance in groups through managing group processes such as social loafing (Kahai, Sosik, and Avolio, 2000).

Similarly, TF is also an individual level phenomenon and acts uniquely towards each of its followers, in order to influence their attitudes and behaviours. There is evidence that TF is related to outcomes at the individual level, with individual followers possessing a unique view of their leaders as a result of individual differences (e.g. Yammarino and Dubinsky, 1994). Here Yammarino *et al.* (1998) support the individual level of analysis for TF by making the case that individuals perceive their leaders in differential ways, and similarly leaders also perceive each of their followers in unique ways. The authors state that due to implicit theories of leadership, leaders and followers have their own perceptions of leaders and leader behaviours, due to their individualised information processing. Indeed within the conceptualisation of TF, whilst they cause followers to act towards the overall group goals and interests, it also focuses on attending to individual needs, and supporting and motivating them towards their own individual goals (Bass, 1990).

Thus in the current study, it is proposed that TF exerts its influence both at the group and individual levels. At the group level, TF causes the group to identify with the overarching goal of promoting group ESR behaviours, regardless of individual dispositions, motivations, and abilities. The leader focuses on motivating the group to this collective goal, and in facilitating positive within-group interactions. Whilst at the individual level, TF attends to the needs of each individual, supports them in attaining relevant ESR behavioural goals, and addresses their developmental needs. The TF leader at the individual level focuses on motivating each follower based on their own unique interests and dispositions, and in doing so differentially motivates them to achieve their individualised ESR behavioural goals.

However this idea of TF leadership encouraging CSR engagement in employees and groups is not so straightforward. It is not a case of certain leadership behaviours, engendering specific employee behaviours in an unwavering fashion, rather as Bass (1999) noted, “much more explanation is needed about the workings of transformational leadership” (p. 24). The need to specify the context within which TF operates has become increasingly important (e.g. Avolio *et al.*, 2009; Yukl, 1999). In the present thesis, the roles of assigned CSR priority and CSR climate are held as importance contextual determinants which can help foster this

relationship between TF leadership and employee social responsibility, through their effects on clarifying goals and priorities. Figure 3.01 depicts the proposed conceptual model.



### 3.2.3. Moderating role of assigned CSR priority

The present research introduces the novel concept of assigned CSR priority, modelled on the original construct of assigned safety priority developed by Zohar (2002a), as a means for leaders to communicate expectations of employees achieving CSR-related goals. As Zohar (2010) demonstrated, top management is responsible for highlighting the procedures and policies at an organisational level, with the responsibility for implementing this throughout the various levels of the organisation, resting with supervisors and middle/line managers. Whilst it is speculated that TF may be helpful in striving for effective CSR, what we are not sure of yet are the conditions under which TF can do this (Shahin and Zairi, 2007). As Bass (1990) pointed out in his works, relationships between TF and performance outcomes may

possibly be contingent on the external environment, in addition to the organisational environment and leader characteristics themselves.

As noted above, a key mechanism of effective leadership is goal-setting, which when done effectively, exerts a motivational effect on employees, resulting in enhanced employee functioning (Locke and Latham, 1990). Indeed in his theory, House (1977) noted that charismatic leadership, argued to be akin/similar to the idealised influence facet of TF (Bass, 1990), can lead to effective outcomes through its influence on setting challenging goals for followers.

Research has however demonstrated that when individuals are instructed to enhance performance on one of two tasks, the performance on the other task suffers (Schmidt *et al.*, 1984). Hence the resultant conflict between the two tasks is dealt with by prioritising one goal to the detriment of the other. This issue can be considered reflective of the nature of ESR, in that employees are expected to engage with both in-role and extra-role forms of ESR behaviours. This goal conflict which arises between competing demands/tasks has also been experimentally manipulated by Locke *et al.* (1994), through an imposed dichotomy between a quality and a quantity focus in production, manipulated through managerial instructions. So, on the one hand employees were told to emphasize quality of production, whereas on the other they were given a quantitative target which they were urged to reach. This caused individuals to neglect the goal of quantity for the goal of quality.

Lewin (1935) defined conflict as “a situation in which oppositely direct, simultaneous acting forces, of approximate equal strength, work upon the individual” (pg. 123). Locke *et al.* (1994) suggest that from this definition, it is implied that pressure to achieve incompatible goals is the cause of this intra-individual conflict. This conflict can also be juxtaposed with ESR behaviours where it can be argued that the in-role behaviours such as economic behaviours may be jeopardised for the more extra-role social responsibility behaviours; such as those within the social dimension (Pierce and Aguinis, in press). Nevertheless, further research has evidenced that regardless of there being multiple goals, when there is commitment, these goals can be achieved (Ivancevich, 1976). What may thus be of primary importance is the way in which leadership attempts to balance the conflict between the various ESR behaviours, and engendering commitment to the multiplicity of ESR.

Leadership here is crucial in engendering commitment to multiple behavioural goals from employees, as well as balancing the inherent conflict between them. More recently,

researchers have attempted to hone into focused TF behaviours, which has been shown to be helpful in balancing conflict between seemingly contrasting set of work behaviours (e.g. Zohar, 2010). As a result whilst earlier research may have examined the role of TF on employee work outcomes in a general sense, awareness has been drawn to the fact that TF behaviours in themselves are value free (Fu *et al.*, 2010). Cognizance of this point has led some researchers to investigate TF with regards to specific focuses.

In marketing research Morhart *et al.* (2009) demonstrated the beneficial effects of brand-specific TF leadership on such outcomes as extra-role behaviours as well as brand building behaviours. They define this brand-specific style as “a leader’s approach to motivating his or her followers to act on behalf of the corporate brand by appealing to their values and personal convictions” (pg.123). Similarly in the domain of safety research, Barling *et al.* (2002) also focused on domain-specific leadership and elucidated that it was safety-specific TF which was associated with safety performance, through the mediating effects of a safety climate. More closely aligned with ESR, Robertson and Barling (2013) demonstrated the positive effects of environmentally specific TF and pro-environmental leader behaviours, on subsequent employee pro-environmental behaviours.

Whilst research has focused on TF directed towards a specific focus, Zohar (2002a) examined the role of assigned safety priority, in moderating the relationship between leadership and safety climate. He asked participants to rate the extent to which they thought their superior prioritised safety using items such as, ‘turned a blind eye to safety rules when there was a tight schedule’. Through this, he found that TF was indirectly and negatively related to injury rates under conditions of high assigned safety priority. This assigned safety priority ensured that management directed attention to both efficiency and safety behaviours, thus detracting away from the potential to send employees conflicting goals to focus on. That is employees received a consistent message to try and achieve efficiency without neglecting safety, as opposed to being informed to engage in safety behaviours, and subsequently being requested to be as efficient as possible (see Locke *et al.*, 1994). It is thus proposed in the current research that the effective existence of an assigned CSR priority construct, parallel to the one used by Zohar (2002a), is needed in order to provide value to these value-free TF leadership behaviours, balance the inherent conflict between various ESR behaviours by dissuading goal conflict, and thus facilitate ESR.

Assigned CSR priority in this context is defined as the extent to which leadership prioritises and focuses on CSR in their day-to-day interactions with employees. Rather than it being a focus on the communication of the importance of social responsibility, which employees may or may not pay heed to given their individual interests in sustainability, be it being committed to CSR, to being indifferent or dissident (Rodrigo and Arenas, 2008); it instead refers to leaders communicating their expectations regarding employees acting in accordance with social responsibility standards in their work activities, thus engendering employee commitment to CSR. Much like how Zohar (2002a) defined assigned safety priority, such behaviours include whether leaders expect employees to disregard social responsibility for the benefit of efficiency, focus only on production-related issues, and displaying general indifference to social responsibility.

More recent to the findings of Zohar (2002a), Katz-Navon, Naveh, and Stern (2005) further confirmed the role of assigned safety priority. They illustrated that regardless of the presence of safety procedures, it is incorrect to assume employees will comply, unless there is a high priority attached with safety in their work unit. Indeed, their findings were more intricate in showing that assigned safety priority had a somewhat compensatory effect for insufficient or overly detailed safety procedures, ensuring fewer treatment errors. Similarly, it is argued that regardless of CSR policies and procedures at the organisational level, a high assigned CSR priority is needed in order to encourage employee commitment.

Therefore the role of TF in emphasising, encouraging, and managing expectations of social responsibility practices, through a high assigned CSR priority, helps to build consistency and reassures employees of the behaviours they need to fulfil, by not only focusing on in-role performance but also highlighting attention towards extra-role social responsibility performance (e.g. Zohar and Luria, 2004). By providing TF with the content for its behaviours, the inspirational motivation aspect of TF now uses motivational rhetoric, for instance, to communicate an appealing vision of the importance of CSR (e.g. Mayfield and Mayfield, 2006, 2009). The intellectual stimulation facet encourages creativity and innovation in generating novel means of contributing to CSR (Jung, Chow, and Wu, 2003), and the individualised consideration facet provides a network of support for social responsibility. Finally, the idealised influence facet sees the TF leader as providing an ethical and moral role model (e.g. Rowold, 2008), that lives the CSR vision in his/her day-to-day activities, and is consistent with regards to the importance (s)he places on CSR (Zohar, 2010). On a more technical level, this means the leader assigns priority to ESR, inspires

employees to commit to ESR goals, and motivates them to achieve these ESR goals through their work activities, by directing their attention towards ESR unfailingly.

Whilst research has focused on assigned (safety) priority at the group level (Zohar, 2002a), it has not yet looked at the role of assigned (safety) priority on individual level outcomes. The closest proximate is the study of TF behaviours that are specifically focused. As noted above, the likes of Morhart *et al.* (2009) demonstrated the effects of TF-specific behaviours on positive employee outcomes at the individual level; brand building behaviours in this case. Thus in the present study, the effects of assigned CSR priority are expected both at the group and individual levels.

As noted above, TF is regarded as encouraging employees to transcend their own self-interest for the betterment of the group. According to goal-setting theory, it can be argued that when TF is coupled with this assigned CSR priority, the group is encouraged to disregard their own individual interests, and act to achieve the group goal of becoming more socially responsible as a collective entity. In so doing, the leader communicates their CSR expectations to the group as a whole, and motivates the group towards this goal. The leader facilitates within group processes to ensure the group remains cohesive, and engenders commitment from the group to ESR behavioural goals. The role of TF leader is to furthermore provide groups with feedback on their progress towards goal attainment so that they can accordingly refine their strategies. Indeed, research by DeShon *et al.* (2004) showed that feedback given at the team-level encourages team performance. Additionally, providing teams with feedback is also related to the setting of team goals (Locke and Latham, 1990).

At the individual level, the TF leader attends to each employee's individual differences. In relation to the goal-setting theory, in order for goals to be most effective and possess the required challenging element needed to motivate goal-directed efforts, the goals need to be within the reach of the individual in terms of the resources which they have at hand, for example. Undeniably, there may be differences in employee affinity towards CSR, and the leader works to address this, and develops individual behavioural goals pertaining to ESR, uniquely based on each individual's needs and abilities. The leader supports employees in achieving these goals, and identifies any developmental needs and seeks to address these. Analogous to the group level, the leader provides individuals with feedback on their progress towards goals so that they can accordingly adjust their behaviours if necessary (e.g. DeShon *et al.*, 2004). Based on the above rationale, the following hypotheses are proposed:

*Hypothesis 1a: Group level assigned CSR priority moderates the effect of group level transformational leadership on group level social responsibility; such that group level transformational leadership will lead to greater group level social responsibility when there is high as opposed to low group level assigned CSR priority.*

*Hypothesis 1b: Individual level assigned CSR priority moderates the effects of individual level transformational leadership on individual level social responsibility; such that individual level transformational leadership will lead to greater individual level social responsibility when there is high as opposed to low individual level assigned CSR priority.*

#### 3.2.4. Moderating role of CSR climate

Whilst TF leadership, which communicates CSR expectations and goals, may be rife within the organisation, if the environment within which employees are expected to engage in ESR behaviours is not supportive, this will hinder employee engagement. Whereas assigned CSR priority communicates leader expectations of ESR and ensures employees are not faced with conflicting goals regarding these multi-dimensional behaviours, CSR climate captures the organisational policies and practices regarding CSR. This CSR climate communicates to employees that the organisation, in addition to the leader, holds CSR behaviours dear, and thus encourages employees to commit to the organisation's CSR efforts, and motivates them to engage in ESR behaviours.

The climate of an organisation tends to emerge at the group level, relating to the shared perceptions of employees of the organisation (e.g. Rentsch, 1990). Climate, whether it be a safety, ethical or service climate; has been shown to lead to various positive outcomes such as ethical, safety and citizenship behaviours (e.g. Appelbaum *et al.*, 2005; Trevino *et al.*, 1998; Walumbwa *et al.*, 2010). This research, more specifically is interested in the moderating effects of climate and how this can facilitate positive work behaviours. For instance, the moderating role of psychological climate has been evidenced between leader-member exchange (LMX) quality and role overload (Tordera *et al.*, 2008). With respect to LMX, a positive safety climate strengthens the relationship between high quality LMX relationships, and the extent to which employees believe safety citizenship behaviours are an integral part of their roles (Hofmann *et al.*, 2003). Jiang *et al.* (2010) further showed that when there is a positive climate for safety, perceived colleagues' safety knowledge/ behaviour has greater effects on safety behaviour. The positive moderating effects of climate on behaviour have

been widely demonstrated by additional researchers (Hofman *et al.*, 2003; Jiang *et al.*, 2010; Kapp, 2012; Tordera *et al.*, 2008)

To date however, there has been a lack of focus on a prospective climate for CSR, up until very recently (e.g. El Akremi *et al.*, in press). When we discuss the possibility of a CSR climate, we do not assume this arises from employees' knowledge of their company's actual engagement within CSR, rather their perceptions of this. Indeed, "how employees perceive the CSR of their employer may actually have more direct and stronger implications for employees' subsequent reactions than actual firm behaviours of which employees may or may not be aware" (Rupp *et al.*, 2013; pg. 897).

Research has found that within the same organisation, there can be different climates operating within the various groups (e.g. Johnston, 1976). This could be because those within the same group share the same leader, a similar work environment, as well as goals and objectives (James and Jones, 1974). Consequently, in the current research, CSR climate is defined at the group level as the perceptions of individuals that their group/ organisation make efforts to conduct themselves in a socially responsible manner.

This CSR climate can assist in balancing the noted conflicts that may be experienced by employees with regards to social responsibility behaviours, by communicating that in addition to fulfilling mundane job duties, keeping the stakeholders in mind and holding social responsibility as a priority, is paramount. Thus when individuals perceive a positive CSR climate, they feel that their group/ organisation acknowledge the importance of CSR, and encourage engagement within such activities. This helps to overcome the pressure arising from the conflict between whether individuals should focus on in-role or more extra-role behaviours of ESR. For instance, research by Zohar (e.g. 2000, 2002a, 2002b) has demonstrated the way in which the traditionally understood misalignment between safety focus and job performance and efficiency can be allied, through the cultivation of an effective safety climate.

Climate has been shown to moderate the relationship between TF and work outcomes at the micro-level in various studies. For instance, Charbonnier-Voirin *et al.*, (2010) evidenced the moderating effect of a climate for innovation between TF and adaptive performance in individuals. Liao and Chuang (2007) demonstrated the way in which TF could promote employee performance, as strengthened by a store climate for TF. Furthermore, a perceived climate for initiative moderates the relationship between TF and innovation implementation

behaviour in employees (Michaelis *et al.*, 2010). This provides support for the assumption that the effectiveness of TF is dependent upon the wider context, in this case climate, which either facilitates or hinders the effectiveness of TF.

Despite the fact that much of the research looks at the effects of a group or organisational level climate on individual level relationships, fewer look at the effects of a group climate on group level relationships. Here, scarce evidence such as that from Eisenbeiss *et al.* (2008), confirm the way in which a climate for excellence can strengthen the relationship between TF on team-innovation. Given these findings, it is sensible to assume that the proposed CSR climate at the group level will moderate the relationship between TF and CSR behaviours both at the group and employee level in a homologous manner.

At the group level, the climate reflects the degree of shared perceptions amongst employees regarding the organisation's CSR policies and practices. If the group perceives that this CSR climate is positive, they feel supported to engage in ESR behaviours, and believe that their socially responsible actions will be positively received and rewarded by the organisation. Similarly, at the individual level, once employees receive the signal from their leaders to engage in ESR behaviours, they look to the climate of the organisation to see if these ESR behaviours are indeed desired by the organisation. A positive CSR climate communicates to individuals that these ESR behaviours are highly desirable; the employees then possess the impetus to increase their social responsibility efforts.

Through ensuring a positive climate for CSR, employees are made aware of the importance the organisation assigns to CSR. Consequently, as their TF leader assigns them individual and group level goals, they will be reminded by this positive CSR climate to contribute to the organisation's CSR agenda through their day-to-day individual and group activities. Through the application of goal-setting theory, it can be argued that a positive climate for CSR communicates a consistent message regarding the significance of CSR, as opposed to providing conflicting messages, where in some instances the importance of CSR is reiterated, and in other instances, the organisation communicates that it values efficiency and speed of work. Because the latter situation is avoided through a positive climate for CSR, employees do not experience goal conflict and are not faced with the problem of prioritising behaviours such as efficiency over extra-role social responsibility behaviours (e.g. Locke *et al.*, 1994). They are instead motivated, inspired, and supported by their leaders to work towards the

organisation's goals of ensuring social responsibility in the various organisational activities the employees partake in.

*Hypothesis 2a: Climate for CSR moderates the effects of group level transformational leadership on group level social responsibility; such that group level transformational leadership will lead to greater group social responsibility when there is a positive as opposed to a weak climate for CSR.*

*Hypothesis 2b: Climate for CSR moderates the effects of individual level transformational leadership on individual level social responsibility; such that individual level transformational leadership will lead to greater individual level social responsibility when there is a positive as opposed to a weak climate for CSR.*

#### 3.2.5. *Interactive effects on ESR behaviours*

As discussed earlier, when prompting employees to engage in behaviours which seemingly appear contradictory, it is vital to ensure that conflicting messages are not being directed at employees. For instance, the study by Locke *et al.* (1994) demonstrated the way in which employees may initially be requested to conform to quality standards, but if they are then informed by their supervisor that they need to achieve a certain production target, conflict arises between prioritising quality standards versus quantity, and ultimately one suffers. Similarly Zohar (e.g. 2010) in his various studies further showed that there needs to be a consistency in what is communicated to employees regarding maintaining efficiency whilst not being at the expense of safety behaviours; he put forward the key roles of leadership and climate as being imperative here.

As previously highlighted TF behaviours are value free and so when we discuss the role of TF in encouraging the multifaceted ESR behaviours, we focus instead on the leader's assigned CSR priority, and the TF behaviours are seen as a vehicle of communicating, motivating, and role modelling, and supporting these behaviours. Whilst assigned CSR priority communicates leader expectations regarding ESR, a CSR climate communicates the organisation's CSR-relevant policies and practices. In the case that leaders were to employ TF behaviours and communicate a high assigned CSR priority, conflict would still be felt if employees perceived that the climate was sending messages to the contrary, and possibly highlighting certain facets of ESR behaviours, such as the more in-role economic behaviours

over the more extra-role behaviours, for example, philanthropic and social behaviours. Thus what needs to exist is harmony between leaders using TF behaviours and communicating a high CSR priority, under a climate which also promotes CSR.

The collective moderating influences of assigned priority and climate in the general sense have not yet been unearthed by research, and such an interaction is proposed in the current research by way of promoting optimal work conditions for ESR. As such, the effective TF behaviours interact with assigned CSR priority and CSR climate to collectively provide ideal conditions for social responsibility behaviours at the group and individual levels. Such that when employees experience effective leadership, which also assigns high priority to CSR, under conditions of a positive CSR climate, they perceive a clear message which encourages them to engage in the various ESR behaviours equivocally. The conditions provide them with the necessary support and encouragement, as opposed to receiving conflicting messages which induce pressure and goal-conflict (Locke and Latham, 2002).

At the group level, when the group perceives their TF leader prioritising ESR, they are likely to engage in ESR behaviours if they feel that the group/ organisation also holds ESR dear and encourages it. Similarly at the individual level, employees are more likely to engage in ESR behaviours if they can see that not only does their leader promote ESR, but also that ESR is also promoted through a positive CSR climate, and hence there is congruency between leaders assigning priority to ESR and ESR being encouraged via a positive CSR climate.

*Hypothesis 3a: Climate for CSR moderates the interactive effect of group level assigned CSR priority and group level transformational leadership on group level social responsibility. When climate for CSR is positive and group level assigned CSR priority is high, group level transformational leadership will lead to greater levels of group level social responsibility. When climate for CSR is weak and group level assigned CSR priority is low, group level transformational leadership will lead to lower levels of group level social responsibility*

*Hypothesis 3b: Climate for CSR moderates the interactive effect of individual level assigned CSR priority and individual level transformational leadership on individual level social responsibility. When climate for CSR is positive and individual level assigned CSR priority is high, individual level transformational leadership will lead to greater levels of individual level social responsibility. When climate for CSR is weak and individual level assigned CSR priority is low, individual level transformational leadership will lead to lower levels of individual level social responsibility.*

### **3.3.Summary**

This chapter has outlined the proposed conceptual model guiding the research series presented within this thesis. Notably, the roles of transformational leadership, assigned CSR priority, and CSR climate are assumed to precede employee social responsibility behaviours. More specifically, it is postulated that assigned CSR priority and CSR climate moderate the effects of transformational leadership on ESR at the group and individual levels, and that this effect is strongest when both assigned CSR priority and CSR climate interact with transformational leadership. Through goal-setting theory, it is argued this amalgamation proves most effective because it sets challenging social responsibility goals for groups and individuals, motivates goal-directed efforts, and consistently draws attention to the importance of CSR. In so doing, the interactive effects ensures stability of the importance placed on ESR, thus evading the experience of employee goal conflict between the various multi-dimensional ESR behaviours.

## Chapter 4: Methodology and Samples

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### 4.1. Introduction

In this chapter, the philosophical underpinnings of the current research will be outlined. Further to this, the methodological approach, as well as the details of the samples employed will be discussed. The sample characteristics, design and procedures for each of the samples will be outlined and the specifics of the measures used will be stated. The basis of this chapter is to cover the technical details of the samples and methods, so that in subsequent chapters spanning the research series, the reader has the basic knowledge in order to guide understanding.

### 4.2. Philosophical and methodological approach

Epistemology is defined as a “general set of assumptions about the best ways of inquiring into the nature of the world”, whilst ontology is defined as “assumptions that we make about the nature of reality” (Easterby-Smith, Thorpe, and Lowe, 2004; pg. 31). This thesis approaches research through the lens of a positivist epistemology which assumes reality to be objective; one that can be studied in a scientific manner, and that the conclusions drawn from the data collected, can subsequently be generalised. Related to this, an objective ontological world view is adopted, believing that research methods and tools can be applied in order to understand reality objectively and independent of the observer, in order to draw conclusions about certain phenomenon, which can be subsequently generalised, so long as a sufficiently representative sample is used (Ates, 2008). It is believed that whilst phenomenon may not be directly observable in the social sciences, as is the case in the pure sciences, they can be studied through the application of theory (Lee and Lings, 2008). For example, in the present study we will be focusing on the conditions which may possibly facilitate employee social responsibility (ESR). Whilst we cannot directly observe the factors of interest, such as CSR climate, we can surmise that they exist through application of theory and logical conjecture, and subsequently measure them accordingly using the relevant scales (e.g. Mueller *et al.*, 2012).

Such a viewpoint tends to commonly drive research through a ‘hypothetico-deductive’ methodology, involving pre-formulated hypotheses, and subjecting them to statistical analyses in order to support or refute the stipulated relationships outlined within the

hypotheses (Ates, 2008). Since the positivist approach guides the conduct of research in a scientific hypothetico-deductive manner, we are able to test our specified hypotheses using statistical techniques to minimise error, to either disprove or provide support for them. Ultimately this allows us to draw inferences about the relationships between the predictors and ESR in the current thesis, and to make certain generalisations to the wider business context, in the hope of contributing to effective business practice (e.g. Gelade, 2006).

Furthermore, not only should the epistemology and ontology be considered, when conducting management research, Edmondson and McManus (2007) additionally highlight the crucial role of methodological ‘fit’, defined as internal consistency between the different elements of a piece of research, in promoting high quality field research. The authors argue that there needs to be a fit between the theory and method used, as opposed to habitually using comparable methods to address each research question, owing perhaps to familiarity with the methods. The authors go on to further note that management theory runs on a continuum from nascent to mature. They propose that the mature end of the continuum represents well established models and constructs with broad agreement surrounding key tenets of theory, whilst the nascent end of the continuum reflects a budding domain where answers to novel questions remain tentative; with intermediate towing the middle path between the two. The authors note that with regards to the latter, “intermediate theory research draws from prior work- often from separate bodies of literature- to propose new constructs and/or provisional theoretical relationships” (pg. 1165).

According to the authors’ discussion and the noted definition of the intermediate area, ESR would be seen as falling towards the intermediate part of the continuum. When very little is known about a specific domain, thus falling into the nascent area, the authors purport the use of exploratory techniques to gain greater understanding. The reason the research series presented within this thesis does not fall into the nascent area, but rather towards intermediate, is that there is some knowledge present in the area of CSR, for instance surrounding its multi-dimensional nature; rather what is lacking currently is the focus on micro-CSR (Aguinis and Glavas, 2012). With this implying that the research focus of this thesis lies towards the intermediate area, the authors advise on the use of mixed methodologies, or in their words ‘hybrid’ methods, in order to test for relationship between new and established constructs. This seems quite fitting with the current research which takes the established construct of transformational leadership (TF), and loosely established

constructs of assigned CSR priority and CSR climate, and seeks to investigate their effects on the novel construct of ESR.

As a result, given the positivist epistemological research paradigm as well as the more intermediary nature of CSR/ESR, a mixed methods approach will be advocated in this thesis. From a philosophical standpoint the purists argue that the quantitative and qualitative methodologies cannot be mixed due to differing epistemological roots, and given that positivism is concerned with objective measurements of phenomenon, this would preclude a qualitative approach (e.g. Sale, Lohfeld, and Brazil, 2002; Smith and Heshusius, 1986). However pragmatism dictates that they are mere techniques and not reflections of epistemology, and thus are compatible at both the practice and philosophical level (Howe, 1988). This research aligns itself with the pragmatist view, believing that whilst a mixed method approach is employed, it is done so with the intention to attain greater knowledge of ESR in a systematic fashion, and apply this knowledge to the wider business context.

The choice of methodology is critical, as this will ultimately determine the type of conclusions that can be drawn (e.g. Scandura and Williams, 2000). Whilst McGrath (1982) points out that “all research strategies and methods are seriously flawed” (pg. 70), mixed methods research has the advantage in that these flaws can be greatly minimised. Mixed methods afford researchers the opportunity to be “more flexible, integrative, and holistic in their investigative techniques, as they strive to address a range of complex research questions that arise” (Powell, Mihalas, Onwuegbuzie, Suldo, Daley, 2008; pg. 306).

Harrison and Reilly (2011) suggest that quantitative methods are best for answering questions regarding the relationships between variables, and the where, when, and how questions. The qualitative approach allows an in-depth investigation of a specific phenomenon not well understood and provides rich data (Barley, 1990). In contrast, the quantitative approach permits the implementation of scientific analyses to determine associations between variables, and to provide the necessary information to accept or refute the proposed hypotheses (Lee and Lings, 2010). Furthermore, the quantitative approach has the capacity to control for extraneous variables thus allowing relationships between variables to be scrutinised under a higher degree of accuracy, and with a representative sample, the quantitative approach will allow generalisations to be made to the wider business context. Used collectively therefore, the mixed methodological approach has much to offer in terms of richness and depth to the current research.

Accordingly interviews will be used in the current thesis in order to gain greater conceptual clarity of ESR. More specifically telephone semi-structured interviews will be used which commonly involve the development of a question itinerary prior to the interview, but still maintain flexibility in terms of researcher involvement, unlike structured interviews. Since this research is from a positivist standpoint, use of interviews may be considered ill-fitting with such an epistemology. Nevertheless, as discussed above, this thesis builds upon the assumption that a positivism epistemology does not necessarily imply quantitative methodology in the rudimentary sense; rather it reflects the thought processes behind the research conducted. Given that an objective of the research was to identify manifestations of ESR, use of semi-structured interviews was considered sensible.

Conducting these semi-structured interviews will provide the initial step in the scale development process by preliminarily validating the structure and definition of ESR, and facilitating item generation. Having developed the ESR scale, in order to test the hypotheses of the current research, a quantitative survey design will be employed; a common technique in organisational behavioural (OB) research, which allows relationships between factors of interest to be measured (Lee and Lings, 2008). Used together in a mixed-method approach, the weaknesses in the individual methodologies can be counteracted. For example it contributes to triangulation, allowing the concept of interest to be viewed from various angles in order to check for convergence across methods, subsequently enhancing internal and external validity (Jick, 1979). Mixed methods research also has been shown to have a greater impact in research, with articles employing mixed methods receiving a greater number of citations, as opposed to mono-method research (Molina-Azorin, 2012).

#### **4.3. Levels of analysis**

Kozlowski and Klein (2000) discuss that processes such as leadership work to modify individual differences and perceptions, consequently leading to a similar understanding of a higher-level phenomenon between individuals. The group level constructs in this research such as leadership, assigned CSR priority, CSR climate, and group ESR behaviours are examples of shared unit properties (Kozlowski and Klein, 2000). This is because, whilst these constructs are derived at the individual level through individual factors such as perceptions, cognition, values and behaviours, they converge to exist correspondingly at higher levels, as a result of processes such as leadership and social interaction. Accordingly, the authors argue

that under these conditions, it is acceptable to aggregate individual perceptions to reflect a group level construct; in the case of this research, leadership, assigned CSR priority and CSR climate, in addition to group ESR.

Research has noted that TF can be conceptualised as a group level phenomenon (e.g. Korek *et al.*, 2010). Group TF consequently reflects the convergence of leadership perceptions between team members through their repeated interactions (e.g. Gavin and Hofmann, 2002). Furthermore, Yukl (1999) also notes the role of TF in co-ordinating intra-group activities. Indeed, the way in which TF is conceptualised by Bass (1990) is in enabling individuals to go beyond self-interest for the betterment of the group. Hence in the current research series, group TF is the extent to which the leader encourages, motivates, and supports the team as a whole, and manages within team processes in order to ensure effective functioning.

In the current research series, TF is not said to facilitate ESR in solitude, rather it needs to assign a priority to CSR, and thus manage employee expectations regarding CSR, consequently providing a CSR focus to TF behaviours. There is currently no previous research on assigned CSR priority, given that it is a novel construct developed in this thesis. Nevertheless, given that it is modelled on assigned safety priority which has been shown to exert group level effects, with only the reference changed to CSR, assigned CSR priority is also expected to function at the group level (Zohar, 2002a). Acknowledging that TF can be considered at the group level, it is a logical presumption that assigned CSR priority can also exist at the group level, given that it works in tandem with TF by providing a CSR focus for TF behaviours. As a result, group assigned CSR priority involves TF managing the team's expectations of CSR and communicating the importance of CSR in the team's work activities. Moreover the subsistence of assigned CSR priority at the individual level is also proposed. It is argued that this assigned CSR priority exists at the individual and group levels in an analogous manner, and at the individual level, it is concerned with how TF assigns importance to CSR to individuals, and manages expectations of CSR on an individual one-to-one basis.

It is commonly assumed that climate relates to team member's shared perceptions, hence it is safe to assume that this also exists at the group level (e.g. Rentsch, 1990). Research has further evidenced the effects of climate at the group level (Eisenbeiss *et al.*, 2008). In the current thesis, this climate is said to be CSR-specific and reflects the extent to which team

members possess shared perceptions regarding their group or organisation's CSR policies, procedures and practices.

Finally, ESR is a novel construct that is promoted within this thesis and one which is expected to subsist at the individual and group level. At the individual level, it refers to an individual's engagement in socially responsible activities within their work role. It is suggested that it may take the form of pro-active behaviours, such as individual employees signing up to volunteer in the local community, as well as changing the focus of more in-role behaviours. For instance, instead of disposing of paper in general waste management units, employees actively recycle using the provided outlets. At the group level, ESR relates to the consensus among individual level ESR, by means of direct consensus, and is consequently seen as the extent to which the group is a socially responsible entity (Chan, 1998). It relates to group efforts in striving to be socially responsible, and actively engaging with proactive ESR behaviours, such as organising fundraising projects; as well as ensuring their day to day activity is environmentally sustainable, for example, avoiding wasteful use of energy.

In the current thesis, the constructs of TF, assigned CSR priority, CSR climate, and ESR are thus seen to be comparable at both the individual and group level. The difference being, that at the group level, they are seen as reflecting the degree of consensus among individual ratings within a team. Constructs that are isomorphic across different levels are referred to as compositional (Kozlowski and Klein, 2000). Chan (1998) proposed a typology of compositional models which refer to equivalent content, but content that exists in different ways at different levels of analysis (e.g. individual, team, company). These models essentially are founded upon principles of isomorphism, whereby they refer to similar content at the individual level, which coalesce and congregate to the higher levels (Kozlowski and Klein, 2000). Given that the group-level constructs in the current thesis are conceptualised in tandem with this principle of isomorphism, compositional models are deemed applicable in specifying the relationships between these constructs at the group and individual levels. Chan (1998) discusses five compositional models, and how each one dictates the functional relationship between different levels, as well as how a specific construct is operationalised at a higher level.

The compositional model used in the present research is the direct consensus model, which distinguishes individual level constructs from group level constructs, as being reflected by the degree of consensus regarding the specific construct, at the individual level. This model

informs the aggregation of individual responses in order to represent the group level construct. Chan (1998) suggests that the functional relationship here is to use the within-group agreement at the individual level in order to justify the aggregation to the group level. He suggests there are 2 components to the model, firstly to operationalise the construct at both levels, and secondly the method of aggregating the individual level responses to the group level, as well as the conditions under which this aggregation can be justified.

Accordingly in the current research, TF, assigned CSR priority, and CSR climate will be conceptualised at the group level through the aggregation of individual level ratings, justified through consensus between these individual level ratings. When discussing ESR specifically, it being the newly developed construct; at the individual level, team member's responses to ESR will be used to operationalise how socially responsible an individual is, as well leader ratings of an individual's socially responsible activities, whilst the average of these will be used to operationalise how socially responsible a group is. The method used to conceptualise ESR at the group level will be to aggregate the individual responses of team members in order to represent group ESR.

In order to justify aggregation to the group level from the individual level, inter-rater reliability statistics (i.e.  $Rwg$ ) and intra-class correlations ( $ICCs$ ) will be computed. More specifically,  $Rwg_{(j)}$  will be used to determine within-group variance, and  $ICC(1)$  and  $ICC(2)$  will be used to examine the between group variance (Kozlowski and Klein, 2000).  $Rwg_{(j)}$  is a within-group agreement index, and it is suggested that this needs to be above 0.70 in order to justify aggregation (James, Demaree, and Wolf, 1984). Furthermore,  $ICC(1)$  and  $ICC(2)$  examine how much of the variance in an individual construct can be attributed to group level construct, and the reliability of the group means respectively (Bliese, 2000). With regards to  $ICC(1)$ , it is advocated that the  $F$  values, resulting from one-way ANOVAs, be significant, whilst others argue that an  $F$  value greater than one is sufficient (James *et al.*, 1984). Another opinion, as put forward by Bliese (2000) is that the  $ICC(1)$  value should be greater than 0.05, whilst the  $ICC(2)$  values should be greater than 0.50. The fulfilment of these criteria collectively justifies subsequent aggregation of data to represent the group level constructs of TF, assigned CSR priority, CSR climate, and ESR.

#### **4.4. Summary of research series**

Thus far, this chapter has outlined the positivist philosophical positioning of this thesis, the mixed-method approach to suit the intermediate maturity level of research in CSR, and explored levels of analysis issues, given that this thesis adopts a multi-level examination of ESR. Below is a summary of the research series that this thesis will embark upon in order to conceptualise ESR and test for its antecedents, and this is followed with a more detailed outline of the samples, as well as the details pertaining to each study.

##### *Scale development study*

In chapter two, the discussion highlighted the lack of a measurement tool to measure ESR, which takes into account the multi-dimensional nature of ESR, as well as providing a more lucid reflection of employee manifestations of social responsibility. Of course, without the presence of a valid and reliable ESR measurement tool, the ability to explore the factors that encourage ESR, as well as further understanding on ESR, is greatly hampered. As a result, the first and foremost objective of the thesis was to develop an ESR measurement tool. The recommendations of DeVellis (2012) and Hinkin (1995) on scale development processes was used to inform the scale development study. Firstly semi-structured telephone interviews were conducted with employed individuals from various occupational backgrounds, in order to confirm the multi-dimensional, five-faceted structure of ESR, as informed by prior research (Dahlsrud, 2008; Rupp and Mallory, 2015). In addition, the majority of the interview consisted of asking interviewees to discuss behavioural manifestations of ESR, which was subsequently used to generate scale items. Following this, subject-matter expert ratings were used to refine the number of scale items to those with the greatest content validity. The initial 32 item scale was then validated in a company sample and business game sample (see below). Firstly, in the company sample, EFA and CFA were used in an iterative fashion to finalise the scale to a ten-item scale (two items per dimension), as well as to confirm the factor structure of ESR. Subsequently, this was replicated in the business game sample, and furthermore, the psychometric properties of the scale were established.

##### *Field study*

After having developed the scale (chapter five), the next objective was to provide a preliminary test for the conceptual model (outlined in chapter three), in the field study (chapter six). This was done in a company sample, composed of teams from a commercial banking organisation and a professional financial services organisation. A cross-sectional survey design was used to test the hypotheses in order to test for the moderating effects of

assigned CSR priority and CSR climate, on the effects of TF on ESR; at the group and individual levels.

#### *Time-lagged study*

Finally, attempts were made to replicate the findings resulting from the field-study in a larger and more diverse sample, involving teams working within a simulated business game environment. Moreover, an overarching objective of this study was to provide a preliminary examination of the directionality of the relationships. In order to do this, a time lagged design was utilised, whereby individuals completed measures at three time points, over a seven week period. Hypotheses were then tested by examining the effects of predictors measured at time 1, on subsequent ESR, measured at time 2 and 3. Furthermore, in order to assess for an increase in ESR behaviours, time 1 ESR was controlled for in subsequent analyses.

### **4.5. Study one: Scale development and validation**

#### *4.5.1. Research design*

The recommendations for scale development provided by Hinkin (1995), and more recently by DeVellis (2012), were followed. This involved the initial process of conducting qualitative interviews with forty employed individuals with diverse occupational backgrounds and demographical characteristics. These interviews focused on confirming the five-faceted multi-dimensional nature of ESR, as well as asking interviewees to provide examples of behavioural manifestations of ESR. These interviews then facilitated item generation, leading to an initial item pool of 112 items. These were further refined, by subject matter-experts in a content validity exercise, to 32 items. These 32 items were subject to validation processes in two samples: the company sample and the business game sample. In the company sample, exploratory factor analysis and confirmatory factor analysis were used to finalise the scale items, as well as to confirm its factor structure, and establish preliminary reliability. The resultant ten item scale with a five-faceted structure of ESR was further validated and confirmed in the business game sample, and in this sample, its psychometric properties were established.

#### 4.5.2. *Sample*

Two samples were used for scale development and validation purposes. The first sample, the company sample, consisted of 101 team members nested within 32 teams/ team leaders. The second sample, the business game sample, was composed of 232 team members nested within 67 teams/ team leaders; see below for a more detailed outline of each sample. The sample sizes of these two samples fall short of the recommendations from Nunnally (1976) who advised on a sample size of around 300 for scale development and validation purposes, in order to eliminate subject variance, as well as safeguard internal consistency, with Rummel (1970) recommending an item to response ratio of 1:4. An increased sample size is more likely to reveal statistical significance in findings (Cohen, 1988). Commonly a sample size of 150 is considered sufficient as long as item inter-correlations are strong. From this it can be surmised that the sample size, in the business game sample at least, was appropriate for its purpose, whilst the company sample would still fall short of this recommendation. Nevertheless determining the most appropriate sample size for precision and power in analysis, for example factor analysis, is difficult as various other elements also exert an influence, such as size of the model and missing data (Schmitt, 2011).

Furthermore, it may be argued that the qualitatively distinct nature of the business game sample to the intended corporate/ business population may be problematic, and lead to an atypical grouping of interrelated items emerging through factor analysis. That is, the scale was validated on groups of participants studying at university, whereas the application is for the working population (DeVellis, 2012). Nevertheless it is contended that due to the nature of the construct, regardless of whether the setting is that of an educational one or an industrial one, the nature of ESR behaviours remains intact. Furthermore, due to the generalised way in which the items were framed, efforts were made to ensure non-context specificity. Finally, because the scale was first validated in the company sample, and then confirmed in the business game sample, this issue is accounted for.

#### 4.5.3. *Measures*

In the time-lagged study (see below), along with the newly developed scale, existing measures which represented comparable constructs to the five ESR dimensions; were included. This was for the purposes of examining the ‘nomological network’ whereby the relationships with existing measures are established as part of the scale development process

(Hinkin, 1998). Where necessary, items were adapted so as to reflect the academic context. So for instance, employee(s) was replaced with student(s), and manager/leader with 'managing director'. Below are the additional measures, added to the survey in the time-lagged study, for scale development and validation purposes specifically. In addition to these, the assigned CSR priority scale and the CSR climate scale measured in the time-lagged study were also used. All the below scales, excluding team effectiveness, were measured in the BG leader survey (see below). The team effectiveness scale was responded to by tutors and can be found in Appendix 3. The other scales can be found in the BG leader questionnaire in Appendix 4.

*Deviant Behaviours:* The Deviant Behaviour scale (Bennett and Robinson, 2000) was used. The questionnaire was adapted and only 5 of the 12 items were included, which were deemed more suitable for the sample. Example of an item includes "put little effort into their work". Leaders responded to the items on a five-point Likert scale (1 = Strongly disagree; 5 = Strongly agree). This scale had a Cronbach's alpha of 0.69, 0.81, and 0.90 for times 1, 2 and 3 respectively. Whilst at time 1, the reliability fell below the cut-off of 0.70 (Nunnally, 1976), given that it was borderline, and later was acceptable, no amendments were made.

*Task/ Job Performance:* The seven-item in-role behaviour scale developed by Williams and Anderson (1991) was utilised in order to measure task performance. An example of an item is "completes assigned duties". Here leaders indicated the extent of their agreement with the statements on a five-point Likert scale (1 = Strongly disagree; 5 = Strongly agree). This scale had reasonable reliability throughout the 3 time periods, with Cronbach's alphas of 0.91, 0.89, and 0.91 for times 1, 2 and 3 respectively.

*OCB Performance:* This was measured using items from the scale developed by Podsakoff *et al.* (1990). For efficiency purposes, one item was extracted from each dimension of the scale resulting in a five-item measure (e.g. "is one of my most conscientious members in the group"). Items were rated by leaders using a five-point Likert scale (1 = Strongly disagree; 5 = Strongly agree). Initially, the scale had Cronbach's alphas of 0.57, 0.62, and 0.62 for times 1, 2 and 3 respectively. After further examination, the second item, which was reverse-scored, proved problematic. After deleting this item from the scale to yield a four item scale, the reliability was reasonable with the new Cronbach's alphas of 0.75, 0.79, and 0.72 for times, 1 2, and 3 respectively.

*Co-Operation:* Four items belonging to the sub-facet co-operation of the pro-social behaviours scale (Bettencourt and Brown, 1997) was used in the current study. An example of an item is “helps other students who have heavy workloads”. Leaders responded to these items on a seven point Likert scale (1 = Strongly disagree; 7 = Strongly agree). The Cronbach’s alphas across times 1, 2 and 3 were 0.92, 0.95, and 0.96 respectively.

*Pro-environmental behaviours:* Five items were adapted from the pro-environmental behaviours scale (Whitmarsh and O’Neil, 2010). Example of an item is “turns off lights they are not using”. Leaders provided their ratings on a four point Likert scale (0 = Not at all; 3 = Always). Cronbach’s alphas for this scale were 0.65, 0.85, and 0.82 for times 1, 2 and 3 respectively. Again, given that the Cronbach’s alpha for the time 1 was just below the cut-off of 0.70 (Nunnally, 1976), which was not the case for either time 2 or 3, the scale was not revised.

*Team Effectiveness:* The six item team productivity scale was used to measure team effectiveness (Kirkman and Rosen, 1999). In addition to the six original items measuring team effectiveness (e.g. “This group meets or exceeds its goals”), three items were added to the scale which specifically sought to tap into team effectiveness regarding social responsibility (e.g. “This group recycles”).

Given that three novel items were added to the original established scale, exploratory factor analysis (EFA) was conducted in order to check the factor structure of the team effectiveness scale. Specifically, principal axis factoring was used to extract the factors, with Varimax rotation method. Factors were retained based on Eigenvalues greater than one, and factor loadings below 0.40 were suppressed. The choice of these specific EFA criteria is discussed in greater detail in the following chapter (chapter 5). EFA revealed that across times 1, 2 and 3, two factors were extracted with Eigenvalues greater than 1; accounting for 71.6%, 78.5%, and 82.5% respectively. The Tables 4.01, 4.02, and 4.03 below depict the rotated factor solution for each time point. As expected the six items from the original scale loaded on factor 1, and the three additional ESR-specific items loaded on factor 2. At time 1, item 7 had a loading smaller than .40, and was thus not displayed in the output.

**Table 4.01****Team effectiveness: Time 1 EFA**

<b>Time 1</b>	<b>Factor 1</b>	<b>Factor 2</b>
<b>Item</b>	<b>(Team effectiveness-general)</b>	<b>(Team effectiveness-ESR)</b>
TE-1	.822	
TE-2	.761	
TE-3	.817	
TE-4	.853	
TE-5	.820	
TE-6	.830	
TE-7 (ESR)		
TE-8 (ESR)		.763
TE-9 (ESR)		.785

*Note:* Extraction method = principal axis factoring; rotation method = Varimax; Eigenvalues greater than 1 extracted, and factor loadings below 0.4 suppressed; TE= team effectiveness

**Table 4.02****Team effectiveness: Time 2 EFA**

<b>Time 2</b>	<b>Factor 1</b>	<b>Factor 2</b>
<b>Item</b>	<b>(Team effectiveness-general)</b>	<b>(Team effectiveness-ESR)</b>
TE-1	.901	
TE-2	.801	
TE-3	.726	
TE-4	.853	
TE-5	.921	
TE-6	.799	
TE-7 (ESR)		.602
TE-8 (ESR)		.854
TE-9 (ESR)		.726

*Note:* Extraction method = principal axis factoring; rotation method = Varimax; Eigenvalues greater than 1 extracted, and factor loadings below 0.4 suppressed; TE= team effectiveness

**Table 4.03**

**Team effectiveness: Time 3 EFA**

<b>Time 3</b>	<b>Factor 1</b>	<b>Factor 2</b>
<b>Item</b>	<b>(Team effectiveness-general)</b>	<b>(Team effectiveness-ESR)</b>
TE-1	.867	
TE-2	.905	
TE-3	.889	
TE-4	.844	
TE-5	.850	
TE-6	.887	
TE-7 (ESR)		.508
TE-8 (ESR)		.824
TE-9 (ESR)		.927

*Note:* Extraction method = principal axis factoring; rotation method = Varimax; Eigenvalues greater than 1 extracted, and factor loadings below 0.4 suppressed; TE= team effectiveness

Cronbach's alphas for this scale are presented in Table 4.04, which lists the reliability values for the full nine item scale (including the three additional ESR items), for the original six item scale, and for the three item ESR-specific scale. The only instance in which the Cronbach's alpha fell below the cut-off of 0.70 was for the ESR specific part of the scale at time 1. However given that at time 2 and time 3, the value met the cut-offs, all items were retained. Tutors, responded to these items on a five point Likert scale (1 = Strongly disagree; 5 = Strongly agree).

**Table 4.04**

**Reliability: Team effectiveness scale**

Scale	Time	Cronbach's alpha
Team effectiveness - Full		0.89
Team effectiveness - Original	1	0.94
Team effectiveness - ESR		0.57
Team effectiveness - Full		0.93
Team effectiveness - Original	2	0.95
Team effectiveness - ESR		0.80
Team effectiveness - Full		0.94
Team effectiveness - Original	3	0.97
Team effectiveness - ESR		0.81

*Note:* 'Full' includes all original 6 items of the team productivity scale, as well as the additional 3 ESR-specific items added to the scale for the purposes of this research.

*4.5.4. Ethics*

Ethical approval for the research proposal for the qualitative interviews, drafted in accordance with the University's ethical guidelines for research, was attained from the Aston University Research and Ethics Committee. Employed individuals were opportunistically approached by the primary researcher to participate. Informed consent was obtained orally from the interviewees, and they were reassured they were able to withdraw from the interviews at any time, as well as reiterating confidentiality and anonymity procedures. For instance no information that could potentially identify the individuals such as their name and the organisation they worked for, was collected. After the interview, they were provided with the primary researcher's details, should they need to get in touch. The transcriptions were stored in a secure folder, and will be destroyed after disseminating the research findings

## **4.6. Study two: Field Study (Company sample)**

### *4.6.1. Research design*

A preliminary test of the model was conducted in this field study within a duo-organisational sample. It was a cross-sectional survey design, and as a result respondents completed the questionnaire at one point in time. A cross-sectional survey design allows the testing of the proposed relationship in hypotheses, and is able to demonstrate if the postulated constructs are significantly related to one another. Team members provided ratings of TF, assigned CSR priority, and CSR climate, as well as self-ratings of ESR, whilst team leaders rated team members' ESR.

### *4.6.2. Sample*

The sample was comprised of thirty working teams from a financial services company (Company X) and two teams from a banking institution (Company Y). Both companies that were sampled were based in the United Kingdom. Within the rest of the thesis, the sample will merely be referred to as the company sample.

Company X is a financial services company which is headquartered within the United Kingdom and operates internationally. It is a member of the FTSE 100 and its overall funds total just fewer than £500 billion. The sample itself was derived from various areas in the company such as customer services, sales, marketing, and operations. The teams were comprised of a team leader, and 2-5 team members, with a median of three team members.

Company Y is a banking organisation which operates within the United Kingdom. The two-group sample was derived specifically from the commercial banking division of the company. The two teams here were composed of a team leader and three team members.

Initially the total sample consisted of 32 team leaders and 118 team members. Providentially, all 32 leaders completed the survey leading to no attrition and a 100% response rate. Of the team members, only 101 responded to the survey thus resulting in a response rate of 85.6%. Nevertheless, the attrition rate was relatively insignificant, and left all teams with at least 2 members that completed the survey.

#### 4.6.3. *Sample characteristics*

*Leader:* Of the leaders, 59% were female and 41% male. The formal job roles varied for the leaders, examples included Customer Services Manager, Key Supplier Account Manager, Team Leader, and Head of Product and Propositions. On average the leaders had worked for 5.3 years in their current role (range 0-18 years) and were responsible for eight people on average (range 0-15).

The leaders ranged in ages from 27-56 years, with a mean of 37.2 years. With regards to ethnicity, 84% were British White, 9% were British Indian, 3% were Irish White, and 3% were British Bangladeshi. Of these, 35% were educated to Bachelor Degree level, 22% to Advanced Levels, and 16% to GCSE level. The rest had a Master's degree, a Doctorate, a professional degree, or unreported (6%, 3%, 6%, and 13% respectively).

*Team Members:* The sample consisted of 55% females, and 44% males (1% unreported). The formal job roles varied widely for the team members, examples include Claims Handler, Analyst, Customer Services Adviser, and Marketing Assistant. On average, team members had worked in their current role for 4.8 years (range 0-37 years), and had worked for their current leader on average for 15 months (range 1-84 months).

The ages of the team members ranged from 19-60 years, with an average age of 35.6 years. The majority were of British White ethnicity (74%), with the rest being Irish White (2%), British Indian (14%), British Pakistani (5%), Black/British Caribbean (2%), and Mixed (1%). With regards to highest level of education, 22% were educated to GCSE level, 39% to Advanced Levels, 24% had a Bachelor Degree, 5% had a Master's degree, and 6% had a professional degree (5% unreported).

#### 4.6.4. *Procedure*

The design of the study was a cross-sectional survey design. The survey was hosted online via Limesurvey on a web page specifically created to host this survey. A token system was used whereby the study contacts were added, and they were e-mailed with a unique id to participate in the survey. There were two surveys created, one specific to the leaders, and one specific to the team members.

The team leaders provided information on the ESR behaviours of each of the team members within their team. The team members provided information on assigned CSR priority, TF,

and CSR climate, in addition to self-ratings of ESR. Both sample groups provided demographical information, and there were no differences in the surveys completed by those in company X and those in company Y. See Table 4.05 for an outline of the measurement structure.

**Table 4.05**  
**Measurement schedule: Field study**

Scale	Team Leader	Team-member
Transformational Leadership		✓
Assigned CSR Priority		✓
CSR Climate		✓
Leader-rated ESR	✓	
Self-rated ESR		✓

Firstly, all team members received an automated e-mail invitation to participate in the survey. They received two weeks to complete the survey and reminders were sent throughout this period to ensure that as many individuals as possible completed the survey. Additionally the team leaders were sent an automated e-mail invitation asking them to participate in the survey. In a separate e-mail they were provided with the names of the employees and the generic labels used in the survey to refer to them (e.g. ‘team member 1’); so that the leaders were able to insert the ratings for each of their team members in the appropriate response cells. Reminders were also sent to the team leaders to ensure maximum completion rates.

#### 4.6.5. *Measures*

Below is a list of the measures that the respondents were asked to complete. These measures were chosen due to their ability to sufficiently capture the relevant construct as well as due to desirable psychometric properties. The full list of items per scale for the leader questionnaire can be found in Appendix 1, and the full list for the team member questionnaire can be found in Appendix 2.

### *Team Member Questionnaire*

*Transformational Leadership:* Transformational leadership style was assessed using the multi-factor leadership questionnaire (MLQ; Bass and Avolio, 1990). In order to use this, a license was obtained from Mind Garden Inc. This questionnaire was used to assess the four facets of transformational leadership, namely individualised consideration, intellectual stimulation, inspirational motivation, and idealised influence. Team members responded to the questions on a five point Likert scale (0 = Not at all/ 4 = Frequently if not always) regarding the leadership behaviours of their team leader. An example of an item is: ‘Seeks differing perspectives when solving problems’. The scale possessed a Cronbach’s alpha of 0.95 in the current study. In order to analyse leadership style at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

*Assigned CSR Priority:* The scale used by Zohar (2002a) to assess assigned safety priority was used; here the referent was amended so that items tapped into assigned CSR priority instead. The team members were asked to indicate the extent to which their team leader conformed to each statement, on a five-point scale (1 = Not at all/ 5 = To a very large extent). An example of an item is: ‘Expect you to cut corners and neglect social responsibility’. Cronbach alpha for this scale, in the context of assigned safety priority, is noted to be 0.82 (Zohar, 2002a). When calculated, the Cronbach’s alpha of this CSR-adapted scale was 0.49. On further scrutiny, it appeared that the fifth item, which happened to be the only non-reverse scored item, was problematic. This item was therefore deleted, to yield a Cronbach’s alpha of 0.82, and the four-scale measure of assigned CSR priority (items 1-4) was henceforth used in all subsequent analyses. In order to analyse assigned CSR priority at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

*Climate for CSR:* Climate was assessed using the G-CSR scale developed by Mueller *et al.* (2012). This was a six item measure tapping into issues such as the company’s handling of CSR in general, and initiatives towards protecting the environment more specifically; the referent was the company. An example item includes: ‘My Company does enough towards protecting the environment’. Team members responded to these items on a five point Likert scale (1 = Strongly disagree/ 5 = Strongly agree). Cronbach’s alpha for this scale was noted to be 0.88 in the current study. In order to analyse CSR climate at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional ESR scale. The development and validation process for this scale is outlined in chapter five. The scale consisted of five dimensions, namely social which taps into behaviours benefiting, for example the community ('assists in community projects'), philanthropy which looks at charitable behaviours ('raises money for charity'), and stakeholder which examines behaviours towards others ('treats others with respect'). There is also the environmental dimension which taps into environmentally focused behaviours ('recycles'), and finally the economic dimension which looks at core work obligations ('completes work to a high standard'). Employees provided self-ratings of these behaviours on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). This self-rated ESR scale had a Cronbach's alpha of 0.76 in the current study. This self-rated data was not used in the hypothesis testing for the field study, but was used for scale validation purposes (see chapter five).

*Control Variables:* The control variables of company, team size, and leader tenure were controlled for throughout group-level and individual-level analysis. The variable company was controlled for since the sample was derived from two different organisations, and thus to control for any extraneous influences, resulting from unique characteristics of each company (coded as: 1 = Company X; 0 = Company Y). Team size has been shown to affect for example performance in teams, and so this was additionally controlled for (Haleblian and Finkelstein, 1993). Finally, leader tenure was controlled since the leader's experience with their subordinates may affect the ratings of leadership style (Groves, 2005).

### *Leader Questionnaire*

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional ESR scale. The following chapter (chapter five) guides the reader through the process of scale development and validation for this ESR scale. Leaders rated the extent to which their team members engaged in these behaviours. The scale consisted of five dimensions, namely social which taps into behaviours benefiting the community ('assists in community projects'), philanthropy which looks at charitable behaviours ('raises money for charity'), and stakeholder which examines behaviours towards others ('treats others with respect'). In addition, there is the environmental dimension, which taps into environmentally focused behaviours ('recycles'), and finally the economic dimension which looks at core

work obligations ('completes work to a high standard'). They responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). Leader-rated ESR behaviours had a Cronbach's alpha of 0.82 in the current study. In order to analyse leader-rated ESR behaviours at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

#### *4.6.6. Data preparation*

Means and descriptive statistics were checked for both the leader and team member data files to ensure there were no values outside the normal range of responses for the scales; specifically through examining the range of responses. There were no values falling outside the response range, and no missing values in either the team member or the team leader data files, which is in contrast to the business game (BG) sample (see below). This is due to the fact that because the team member questionnaire had no 360° rated variables (as was the case with the BG sample); the survey could be programmed in such a way that the participants could not move onto the next section until they had responded to all the items in the current section, and the responses were within the relevant response range for the particular item.

Additionally, whilst the leaders did have to provide ratings of ESR for their subordinates which could not be programmed similarly, due to different leaders having a varying number of employees; they nevertheless responded completely. In the minority of cases, when the ESR scale was not completed, the leaders were emailed by the primary researcher encouraging them to do so, and the issue was rectified. It could also be that due to the nature of the sample, the leaders were more diligent in completing the survey, especially as this was something that was reinforced by senior management who were co-operating with the research. Leader rated ESR was subsequently restructured and this revised leader file was then merged with the team files to create a multi-level data file. An additional group-level file was created consisting of aggregated variables, for the ensuing group-level analysis. Data was checked at random, by manually selecting certain teams throughout the data file, to ensure that the ESR ratings had matched up correctly with the relevant team members. In the factor analysis specific files, missing values were deleted listwise.

#### 4.6.7. Dawson's selection rate

Dawson's selection rate (Dawson, 2003) was used in order to ensure there were a minimum number of members responding per team in order to justify inclusion of the teams in subsequent data analysis. The formula to do this is  $([N-n]/Nn)$  where  $N$  is the team size, and  $n$  is the number of individuals that responded per team. It is suggested that the cut-off be 0.32; any teams falling above this should be considered as possible candidates for deletion as response rate for the group is deemed inadequate.

The maximum number of members per team was five for the company sample. If there were a maximum of five members per team, the selection rate suggested there be a minimum of two members responding per team. For example, if two members responded, then the value resulting from the calculation would be 0.3 which falls just short of the cut-off:  $([5-2]/ [5 \times 2]) = 0.3$ . Similarly, in a team of four, if a minimum of two individuals responded, the consequent value of 0.25 would fall below the cut-off and so the team would still be included. If for a team of five or four, only one member responded; then the respective selection rates of 0.8 and 0.75 respectively, would mean the teams should possibly be excluded from further analysis. In the company sample, across all teams there were two or more members that responded and so all teams met the cut-off value, and did not pose any problems.

#### 4.6.8. Ethics

Ethical approval for the research proposal for the field study, drafted in accordance with the University's ethical guidelines for research, was attained from the Aston University Research and Ethics Committee. Subsequently, prospective organisations were contacted to participate in this research, of which two agreed, one being a small division within a much larger banking organisation. Meetings were arranged to discuss the research, and the senior management within the organisations was provided a sample of questions upon request; before finalising participation. The senior management within the organisation acted as an intermediary between the researcher and the prospective participants, and any information from the researcher to the participants was communicated via this channel.

Since the questionnaire was administered online, before starting the questionnaire, a covering statement was provided which outlined the confidentiality agreement of the research, as well as the participants' right to withdraw (Appendix 1 and 2). Participants were advised that commencing the questionnaire after reading this message would indicate their informed

consent of participation. They were provided with the primary researcher's details, should they need to get in touch. The data were stored in a secure folder, and will be destroyed after disseminating the research findings.

#### **4.7. Study Three: Time-lagged study (Business Game sample)**

##### *4.7.1. Research design*

A time-lagged survey design spanning seven weeks was used in this study in order to assess the influence of predictors at time one (week 1), on subsequent ESR at times two (week 4) and three (week seven), at the group and individual levels. A time lagged design is useful in helping to determine the directionality of hypothesised relationships, as well as providing an exploration of the time at which predictor and outcomes occur (Mitchell and James, 2001). Leaders and team-members completed questionnaires across the three time points. Leaders rated individuals' ESR on the newly developed scale (see chapter five), whilst team members provide ratings of TF, assigned CSR priority, and CSR climate, as well as providing peer 360° ratings of ESR. By utilising both leader and individual ratings, efforts were made to preclude common method biases (e.g. Podsakoff *et al.*, 2003).

##### *4.7.2. Sample*

The sample was comprised of second-year undergraduates at a prestigious international business school within the United Kingdom. In teams of four to six, they worked together on a business simulation course, delivered over two terms. Participants were randomly and systematically assigned to their teams on the basis of their demographical background, as well as their degree programme and current academic performance. For instance, efforts were made to ensure that each team had at least one high performing member, and that gender balance was equivocal. This was to ensure a fair allocation as much as possible and this was done by the administration staff of the university prior to the commencement of the academic year.

The teams consisted of one team leader and three to four team members, with various roles within their team. The team members assigned the roles between themselves, with the key decision being appointing an individual to be the team leader, formally known as the

Managing Director within the team. The remaining team members took roles of Finance, Operations, Human Resources, and Marketing Director. The initial sample consisted of 67 team leaders (i.e. Managing Directors) and 245 team members. The final number of participants that completed the surveys was reduced due to natural attrition. For time 1 this resulted in a total of 66 team leader (98.5% response rate) and 232 team members (94.7% response rate). In total 5 team members and 1 team leader that completed the survey in time 1 did not do so in time 2 and/or 3, leading to a 2.2% and 1.5% attrition rate from time 1 respectively. The magnanimity of attrition was reduced greatly by providing an incentive of extra module credits in the form of engagement with the module. However those who did not wish to complete the surveys had other means accessible in order to earn these credits; this was reiterated throughout the module.

Teams worked together in a simulated car manufacturing environment, hosted by the EUROCAR<sup>®</sup> software (Orange, 2005). This software simulated the European car industry, and groups were required to work on setting up and developing their car manufacturing company in a time-restrictive and competitive environment. The groups were required to make numerous strategic decisions together, such as the type of car they would produce, which European markets they would sell to, how they would advertise and manufacture their cars, as well as how they would handle human resource issues such as staffing and motivation. Participants were provided instruction manuals which afforded them guidance on the operation of the software, as well as receiving direction from their tutors, in order to assist them in setting up their car-manufacturing plant, along with overseeing general team functioning.

This was a double credit module and as a result, was run over two university calendar terms. In the first term, groups attended an hourly tutorial every other week along with a maximum of six other teams, where their tutor provided information on the simulation, on setting up their business plan, and finally hosting a mock simulation session in week 10 (of term one). The mock simulation session provided teams the opportunity to test their strategy and make any necessary revisions before the simulation actually commenced in the second term. In the first term, teams were required to deliver a business plan presentation to industry professionals, as well as submit a written business plan. The simulation started in the second term and was run over five hourly sessions on alternate weeks. The participants would attend the simulations bi-weekly and a class session with their tutor on alternate weeks. Here the tutors would provide them with the performance metrics from the previous simulation session

for each company, and teams would then be given time to strategize for the upcoming simulation accordingly. In the second term, teams were required to submit a three-year (fictional time in the simulation) company performance report, as well as an individual piece of work. Alongside the formal timetabled sessions that the participants attended, they were also required to meet outside of these times with their team to work on their academic-related and simulation-related tasks.

Participants' performance in the module was calculated based upon their group work (60%), individual assignment (30%), and company performance in the simulation (10%). However these were not used to assess participant performance in the current research, as the interest of the research was not in their performance as typified by the above metrics, but rather in ESR specifically. Whilst the team's performance in the simulation was a valid contender for assessing the effectiveness of teams in a general sense, due to it being calculated through various objective metrics such as retained profit and loss in the simulation and share price; due to some technical glitches with the software which affected some participating teams and not others, this was considered a biased indicator and so initial plans to use these metrics were rebuffed.

The study took place in the second term exclusively. In the first term, the participants had newly formed their team and could be considered to be at the nascent stages of team working, before actually reaching the performing stage (e.g. Tuckman, 1965). Therefore by conducting the study in the second term, it was assumed the teams would have already progressed through a full team development cycle, especially since two major group pieces of work, the group presentation and business plan, were due in week ten, of term one. This would allow stronger conclusions on the directionality of results. Additionally it should be noted that the simulation also took place in the second term, and this is where the teams demonstrated their ability to work together in a pressurised environment, competing against other teams.

The teams within this sample can be considered to be 'real' teams, as opposed to teams that are merely co-located, and which work on related yet independent tasks (Katzenbach and Smith, 1993; West and Lyubovnikova, 2012). West and Lyubovnikova (2012) define real teams as those that meet the following six criteria of interdependence, reflexivity, shared objectives, autonomy, boundedness, and specified roles. *Interdependence* can be thought of as the dependency of team members upon one another in successful completion of tasks for example (e.g. Campion, Medsker, and Higgs, 1993). Because the study took place in the

second half of the business game module, this had allowed the participants to have many team meetings together and submit a group piece of work, as well as deliver a group presentation. The majority of the marks for the module were dependent upon group work, and so team members relied on the collective group effort to attain good marks. Accordingly, it could be argued that these teams had high interdependence, both task/structural and social/psychological (Wageman, 1995). Furthermore the teams possessed the *shared objective* of achieving high performance in the simulation, as well as attaining good academic performance, and demonstrated *reflexivity*; in the tutorials following each practical session where they reflected on their performance and developed strategies for the coming simulation session. They were *bounded* within an academic institution, all had *specified roles* within their team, and had *autonomy*; not only in their academic exercises, but also in the operation of their simulated company.

In order to enhance response rates, previously proven measures were adopted (Anseel, Lievens, Schollaert, and Choragwicka, 2010). Firstly, advance notice was given to the participants informing them of the study that was to take place, in one of their lectures a few weeks prior to the research starting. Further to this, tutors were also requested to communicate the upcoming study during tutorials in term one, and e-mails were sent to the participants leading up to, and during the study. By giving advance notice, participants may feel obliged in some way to ensure their participation (Allen, Schewe, and Wijk, 1980). If participants had not completed the questionnaire on the first communication, a further personalised reminder e-mail was sent informing them that they had yet to complete the questionnaire if they still wanted to participate, thus instilling some form of remorse, and hence encouraging completion (Paxson, 1995). Additionally, due to the salience of the topic of research being directly relevant to their business game teams, it was also anticipated that this would further enhance response rates (e.g. Edwards, Roberts, Clarke, DiGuseppi, Pratap, and Wentz *et al.*, 2002).

#### 4.7.3. *Sample characteristics*

*Leaders:* The team leaders ranged in age from 18-31 years, although predominantly most were between the ages of 19-21 years (24%, 42%, and 18% respectively). The sample consisted of 59% males and 41% females. Majority of the participants were 'Home' participants, that is they were residing within the United Kingdom (82%), and 15% were

from within the EU states, and 3% from overseas. With regards to ethnicity, the majority were British White (21%), White Other (17%), British Indian (26%), British Bangladeshi (8%), British Pakistani (12%), and Black British African (6%).

Additionally, on average the leaders had 24 months of work experience. This speaks to the suitability of the sample for this study, and helps to minimize concerns over the generalizability of results arising from the use of a student sample, to an occupational setting. On average, team leaders reported they tended to meet with their team for approximately 20 hours in the academic term, outside of tutorials, practical sessions and lectures.

*Team Members:* Of the team members, 52% were male and 48% female. They ranged in age from 18-42 years, with the majority being between 19-22 years old (28%, 37%, 17%, and 11% respectively). Home participants comprised 45% of the sample, with the rest being from within the EU (16%), or international (38%). In terms of ethnicity, most were either British White (20%), White Other (18%), British Indian (14%), Asian Other (11%), Black/ British African (6%), and Chinese (17%).

On average team members had 11 months of work experience. Team members reported that they roughly met with their teams for 21 hours on average in the academic term, outside of tutorials, practical sessions and lectures, thus corroborating leader reports.

#### *4.7.4. Procedure*

Data was collected over a seven week period, in term two of the University calendar. Baseline questionnaires were collected in week 14 (i.e. time 1/week 1), that is the first week of term two, followed by a further 2 measurement points in weeks 17 (time 2/ week 4) and 20 (time 3/ week 7). Table 4.06 outlines the measurement schedule for this study, noting who completed the various scales, and at which time points.

**Table 4.06**

**Measurement schedule: Time-lagged study**

<b>Rater:</b>	<b>Team Leaders</b>			<b>Team Members</b>		
<b>Construct</b>	<b>Time 1</b>	<b>Time 2</b>	<b>Time 3</b>	<b>Time 1</b>	<b>Time 2</b>	<b>Time 3</b>
Transformational Leadership				✓		
Assigned CSR Priority				✓		
CSR Climate				✓		
Leader-rated ESR	✓	✓	✓			
Peer-rated ESR				✓	✓	✓

The design of the study was a time-lagged survey design. The survey was hosted online via Limesurvey on a web page solely created to host this survey, similar to the field study. This provided the participants with opportunities to complete the questionnaire as and when they liked, as well as reducing costs (due to printing and mailing), ensuring ease of administration for the researcher, and providing data in an electronic format thus avoiding manual input errors (Anseel *et al.*, 2010). A token system was used, accordingly allowing the researcher to track which participants had completed the questionnaire as well as to invite participation and send reminder e-mails.

There were two surveys created, one specific to the leaders, and one specific to the team members. Through the use of a token system, team members and their leaders received an individualised invitation via e-mail to complete the survey, with a unique link to the questionnaire, which allowed tracing of the participant id. Reminders were sent throughout the week to ensure maximum response rates. Participants were also reminded that they would receive engagement credits, as specific to the module, for completing the questionnaires to further boost response rates.

With regards to the outcomes, team members rated the performance of their fellow team members in a 360° fashion. Team leaders provided ratings for the performance of individual team members on social responsibility behaviours, in order to overcome mono-method/mono-source concerns (Hinkin, 1998). For the 360° peer ratings, individual team members were instructed to rate the other individuals in the teams barring themselves, which were

identified in the survey by their specific role within the team (e.g. 'Marketing director'). Nevertheless, for robustness, it was ensured in the data file that there were no self-ratings. For analysis, these peer ratings were averaged across team-members to provide a mean-rating per social responsibility item for a specific team-member. Similarly the leaders rated their subordinates based on the roles they had within the team, and self-ratings were precluded.

#### 4.7.5. *Measures*

The team leaders and their team members were requested to complete surveys at three time points. A baseline measurement was taken in week 14 (week 1/time 1), with the subsequent two surveys on week 17 (week 4/ time 2), and week 20 (week 7/ time 3) of term two. At all 3 time points, the team leaders provided ratings for various performance outcomes for their team members, and the team members rated the social responsibility of the other members in their team in a 360° fashion. As a result of this, it was anticipated that concerns of common method variance/ same-source bias could be minimised greatly. Podsakoff and Todor (1985) defined this bias and stated that it arises "...when self-report measures obtained from the same sample are utilized in research" (pg. 65). This tendency to collate self-reports to outcomes in addition to attitudinal and dispositional variables in research, are considered problematic as it can lead to an inflation of correlations (Organ and Ryan, 1995). Method variance "...produces a potential threat to the validity of empirical findings" (Bagozzi and Yi., 1990; pg. 547). By collecting data at different time points in this study, as well as from different raters; concerns over common method and common source variance can be minimised (Podsakoff *et al.*, 2003).

Listed below are the measures which were used in the surveys. Demographical information was collected only at time 1. The full list of items per scale for the team leader questionnaire can be found in Appendix 4, whilst the team member questionnaire scales can found in Appendix 5.

#### *Leader Questionnaire*

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional scale. The reader is referred to chapter five which provides an in-depth consideration of the development and validation process for this scale. Leaders rated

the extent to which their team members engaged in these behaviours. The scale consisted of five dimensions, namely social ('assists in community projects'), philanthropy ('raises money for charity'), stakeholder ('treats others with respect'), environmental ('recycles'), and finally economic ('completes work to a high standard'). They responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). The Cronbach's alphas for leader-rated CSR at time 1, 2 and 3 were 0.82, 0.83, and 0.87 respectively. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

#### *Team Member Questionnaire*

*Transformational Leadership:* This was assessed using the multi-factor leadership questionnaire (MLQ; Bass and Avolio, 1990). In order to use this, a license was obtained from Mind Garden Inc. This questionnaire was used to assess the four facets of transformational leadership, namely individualised consideration, intellectual stimulation, inspirational motivation, and idealised influence. Subordinates responded to the questions on a five point Likert scale (0 = Not at all/ 4 = Frequently if not always) regarding the leadership behaviours of their team leader. An example of an item is: 'Seeks differing perspectives when solving problems'. The Cronbach's alpha for this scale in the study was noted as 0.95. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Assigned CSR Priority:* The scale used by Zohar (2002a) to assess assigned safety priority was used; here the items were amended, by changing the reference from safety to CSR, so that they tapped into assigned CSR priority instead. The team members were asked to indicate the extent to which their team leader conformed to each statement, on a five-point scale (1 = Not at all/ 5 = To a very large extent). An example of an item is: 'Expect you to cut corners and neglect social responsibility'. When calculated, the Cronbach's alpha of this CSR-adapted scale was initially 0.66. On further scrutiny, it appeared that the fifth item, which happened to be the only non-reverse scored item, was problematic; as was the case in the company sample. This item was therefore deleted and the four-scale measure of assigned CSR priority (items 1-4) was henceforth used in all subsequent analyses, with a final Cronbach's alpha of 0.84. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Climate for CSR:* CSR climate was assessed using the G-CSR scale developed by Mueller *et al.* (2012). This was a six item measure tapping into issues such as the organisation's handling of CSR in general, and initiatives towards protecting the environment more specifically; the reference was adapted from the organisation to the group. An example item includes: 'My group does enough towards protecting the environment'. Team members responded to these items on a five point Likert scale regarding the behaviours of their own group (1 = Strongly disagree/ 5 = Strongly agree). Cronbach's alpha for this scale in the study was 0.86. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional scale; the reader is referred to chapter five for an in-depth discussion on the scale development and validation process of this scale. Team members were requested to rate the extent to which their peers engaged in such behaviours in a 360° fashion, excluding self-ratings. The scale consisted of five dimensions, namely social ('assists in community projects'), philanthropy ('raises money for charity'), stakeholder ('treats others with respect'), environmental ('recycles'), and finally economic ('completes work to a high standard'). They responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). The Cronbach's alphas for 360° peer-rated ESR were 0.89, 0.90, and 0.92 for time 1, 2 and 3 respectively. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Controls:* The variables of team size and intervention were controlled throughout group and individual level analysis. Team size was controlled since it has been demonstrated to impact upon team performance (Haleblian and Finkelstein, 1993). And the intervention dummy variables, both for the TF and CSR intervention session were included to control for any effects the intervention may have had; see the below section on the intervention for why this was the case. These were dummy coded so that '1' was used to identify the teams whose leaders had the intervention in time 1, and 0 for those who did not (i.e. had the intervention in time 2), and this was done for both the TF intervention and the CSR booster session.

#### 4.7.6. *Data preparation*

Standard procedures such as aggregation, restructuring and data merging were utilised in order to develop a multi-level and a group data file. Data was checked at random throughout

to ensure that the data had been matched and merged correctly. In the factor analysis specific files, missing values have been deleted listwise.

Descriptive statistics were scrutinised for both the leader and team member responses, across the three time points in order to check for any values lying outside the response range for the scales, specifically by scrutinising the range of responses. There were no such instances in all but the 360° rated scale of team-member rated ESR, in the team-member questionnaire. This issue also pertained to the scales of in-role behaviour (IRB), organisational citizenship behaviours (OCBs), co-operation behaviours (Co-op), pro-environmental behaviours, (P-ENV), and deviant behaviours (DB) in the team leader questionnaire; measured across the three time points, for purposes of scale development (see section on scale development study above). This was attributed to the nature of the online survey program Limesurvey, which could allow the non-360° scales (TF, assigned CSR priority, and CSR climate; rated by team members) to be programmed into the survey, so that respondents could only move on to the next set of questions after completing all items of the scale in the current section, as well as ensuring responses were within the response range for the specific scales. However it was not possible for the above noted scales (i.e. team-rated ESR, OCB, P-ENV, Co-op, DB, IRB), because not all parts of the scale were relevant to respondents from a particular team. That is, because the teams had a varying number of team members, not all cells (where participants imputed their responses) were pertinent. As a result, these scales were programmed so that respondents could move onto the next section even if the scale was incompletely responded to. This led rise to two main concerns. Firstly, because the respondents could move onto the next section after incomplete responses to the scale, some respondents failed to complete all relevant cells. Secondly, in some cases, respondents also incorrectly inserted a double figure into a cell, which was not flagged due to the nature of how these scales were programmed. To resolve the latter issue, these variables were re-coded into the same variable so that any value above/below the Likert scale range was considered as missing.

With regards to the non-360° scales (TF, assigned CSR priority, and CSR climate), for the team member responses at time 1, Missing Value Analysis indicated that there were no missing values. For the team member time 2 responses, there was 1.3% of missing values across all non-360° measures, and this was also the case for the team member time 3 responses. Upon further investigation, it was revealed that there were three team members who completed the survey in time 1, but did not do so in time 2 or 3. In the leader files, for time 1, there was 1.7% of missing values, and for time 2 and 3 this rose to 3.4%. When this

was further scrutinised, it was found that at time 1, the leader for one team did not complete the survey across all time points. Additionally, for time 2 and 3, the leader from a second team who had completed the survey for time 1, did not do so for time 2 or 3. The degree of these missing responses can be considered trivial. With regards to the recoded 360° scales, for both the team member and leader responses, the missing values were much larger due to the reasons noted above; ranging from 4.7% to 17.2%.

#### 4.7.7. *Dawson's selection rate*

Dawson's selection rate (Dawson, 2003) was used in order to ensure there were a minimum number of members responding per team, in order to justify inclusion of the team in subsequent data analysis. The formula to do this is  $([N-n]/Nn)$  where  $N$  is the team size and  $n$  are the number of individuals that responded per team. It is suggested that the cut-off be 0.32; any teams falling above this should be considered as possible candidates for deletion, as response rate for the team is deemed inadequate.

The maximum number of members per team was five for the BG sample. If there were a maximum of five members per team, the selection rate suggested there be a minimum of two members responding per team. For example, if two members responded, then the value would 0.3 which falls just short of the cut-off:  $([5-2]/ [5 \times 2]) = 0.3$ . Similarly, in a team of four, if a minimum of two individuals responded the value of 0.25 falls below the cut-off and so the team would still be included. If for a team of five or four, only one member responded, then the respective selection rates of 0.8 and 0.75 would mean the team should possibly be excluded from further analysis. In the BG sample, across all three time points, there was only a single team present whereby only one member responded to the surveys in time 1 and 2 (0 in time 3); this led to a selection rate of 0.75. However since this was the only team that could possibly be excluded, the decision was made to not delete the group as any effects of it on further analyses were considered very minute and as a result, negligible.

#### 4.7.8. *Ethics*

A proposal of the research to be conducted within the business game sample was forwarded to the Aston University Research and Ethics Committee, drafted according to the University's ethical guidelines for research. This outlined the intended sample, procedures,

and measures to be deployed. Once ethical approval was granted, discussions were had with the module leader, and necessary arrangements were made to communicate the study to all prospective participants, as well as to finalise the details of the research. In addition to this, after liaising with the module leader, it was agreed that the research would provide an incentive of module credits for engagement with the study. Participants were able to attain such credits without engaging with the study, through other activities, and students were made aware of this throughout the module.

Since the questionnaire was administered online, before starting the questionnaire, a covering statement was provided which outlined the confidentiality agreement of the research, as well as the right to withdraw (Appendix 4 and 5). Participants were advised that beginning the questionnaire after reading this message would indicate their informed consent to participation. They were provided with the primary researcher's details, should they need to get in touch. Efforts were made to ensure that participants were aware that participation was voluntary, they could withdraw at any stage, and that their responses were to be treated confidentially and anonymously. The subsequent data was stored in secure folders, and will be destroyed after disseminating research findings.

#### **4.8. Intervention study**

##### *4.8.1. Research design*

Note that during this seven week period in the time-lagged study, an intervention was also conducted to train TF behaviours in team leaders, as well as to develop a focus on CSR. The design of the leadership intervention was such that the team leaders participated in a half-day workshop, on a voluntary basis. Whilst previous research has conducted longer workshops such as a full day (Barling, Weber, and Kelloway, 1996), or even over 3 days (Dvir, Eden, Avolio, and Shamir, 2002), because of the nature of the sample, in addition to the constraints of timetabling whereby the only time at which participants did not have lectures/ tutorials was on a Wednesday afternoon after 1pm; it was decided that everything would be condensed and delivered in a shorter period of time. In addition to this, team leaders also engaged with a short informative vodcast on CSR, in their own time. For both the leadership and CSR interventions, participants additionally completed a self-assessment, and on the basis of this they developed actions plans which they then forwarded onto the primary researcher.

Subsequently the primary researcher provided each team leader with systematic yet individualised feedback; mimicking a coaching session conducted virtually.

An experimental switching replication design (Cook, Campbell, and Peracchio, 1990; Shannon, Robson, and Guastello, 1999) was utilised (see Table 4.07 below), to which team leaders were randomly assigned; here the participant cohort was split into four groups. It was an experimental design as opposed to quasi-experimental, because of the random assignment of teams to the different conditions; this randomisation was done using excel, through its random number generating function. Using an experimental study with computerised randomisation provides the ideal case scenario in ensuring optimum internal validity, and avoiding biases such as selection bias, whereby the groups assigned to the conditions are different to one another in important ways (Shannon *et al.*, 1999). Random assignment, whilst difficult to achieve, is considered the ‘gold standard’ by allowing causal inferences to be made between variables and excluding any effects of extraneous influences on these relationships (Mackinnon, Coxe, and Baraldi, 2012).

The advantages of this design are that those who act as a control group also receive the intervention (e.g. Shannon *et al.*, 1999). This prevents the possibility arising where the control group become resentful, due to the fact that they were not chosen to receive the intervention, and adopting behaviours which could confound the intervention. Use of a control or comparison group is always recommended in an intervention study in order to be able to judge if any change following the intervention is due to the actual intervention, thus not exhibited by the control group, as opposed to being a result of extraneous factors.

However when analysed, this intervention was not found to have successfully caused improvements in leadership behaviours and subsequent ESR; and as a result, the intervention was dismissed from any further consideration. It is possible that the student nature of the sample, as well as the limited contact time for the intervention hampered effects. It is also possible that because students previously learnt about effective leadership behaviours and CSR as part of their degree programmes, as well as receiving lectures and BG module-specific workshops on how to work effectively as teams; this interfered with the effectiveness of the intervention. That is, it is feasible that team leaders were trying to adopt TF behaviours in order to be effective and endeavour to be the team with the most successful simulation company, regardless of having taken part in the intervention or not. It could also pertain to issues surrounding transfer of training. Because team leaders received the intervention

independent of the groups, whilst they may have learnt to be able to display more TF behaviours and focus on CSR, they may have had difficulty applying this to their groups. This issue could have been exacerbated by the fact that the teams most likely had their specific routine in place, given that the intervention took place in term two, and as a result, they in all likelihood had developed norms of behaving within their teams, as well as norms regarding what was expected from the team leader and how team members responded to him/her. Nevertheless moving forward, to account for any influences the intervention may have had on the time-lagged replication of the model, it was controlled for throughout individual and group analysis through the use of dummy variables (see above). Below are greater details on how the intervention was conducted.

#### 4.8.2. Procedure

The leadership intervention was delivered through a half-day workshop which involved theoretical components of the various TF leadership behaviours, testing knowledge taught through various activities, and role modelling which allowed the team leaders to learn how they can model the newly learned leadership behaviours within the context of their teams.

**Table 4.07**

**Structure of switching-replication intervention design**

<b>Week:</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
<b>1A</b>	Q1	TF E-mail & feedback	E-mail: CSR & feedback		Q2		Q3
<b>1B</b>	Q1	TF E-mail & feedback			Q2	E-mail: CSR  feedback	Q3
<b>2A</b>	Q1		E-mail: CSR  feedback		Q2	TF E-mail & feedback	Q3
<b>2B</b>	Q1				Q2	TF E-mail & feedback	E-mail: CSR  feedback Q3

*Note:* TF = leadership workshop, CSR = CSR vodcast. E-mail = action plan and/or CSR vodcast emailed to students, and feedback = feedback given by researcher to leader after completion of relevant action plan; Q1 = time 1 questionnaire, Q2 = time 2 questionnaire, Q3= time 3 questionnaire.

As can be seen from Table 4.07, the first left-hand column denotes the splitting of the participant cohort into four groups. Groups 1A and 1B received the leadership intervention in week 15, which was followed by the team leaders having to develop a leadership action plan to implement these new leadership behaviours within the team, and in response to this, they received individualised feedback. Groups 2A and 2B received the leadership intervention in week 18, and accordingly completed a leadership action plan immediately after this.

The ‘A’ groups received the CSR intervention in week 15, whereas the ‘B’ groups received this in week 19. This entailed watching a short informational vodcast on CSR and its various dimensions, as well as BG-specific examples of behaviours within each dimension. The team leaders were then also requested to complete a CSR action plan after this, detailing how they intended to encourage such behaviours within their teams.

Baseline questionnaires were collected in week 14 (time 1), followed by a further 2 measurement points in weeks 17 (time 2) and 20 (time 3). With regards to the performance outcomes, team members rated the performance of their fellow team members in a 360° fashion, as well as responding to various other measures as detailed above. Team leaders provided ratings for the performance of individual team members on various outcome measures. Tutors of the groups were asked to rate the effectiveness of the teams, using an adjusted team effectiveness measure, outlined above. The tutors saw the teams on a weekly basis, either within the tutorial or in the simulation practical sessions, and thus were best placed to assess the teams from an objective standpoint as to how they worked in the simulation, and how they worked at a personal level during class tutorial sessions.

#### *4.8.3. Intervention design*

In comparison to the vast interest in the study of effective leadership and its effects (e.g. Avolio *et al.*, 2009), the study of leadership training on subsequent performance outcomes in an intervention design are few and far apart (e.g. Antonakis, Fenley, and Liechti, 2011; Barling, Weber, and Kelloway, 1996; Dvir, Eden, Avolio, and Shamir, 2002; Frese, Beimerl, and Schoenborn, 2003; Kelloway, Barling, and Helleur, 2000; Parry and Sinha, 2005; Zohar, 2002b). Moreover, very few have specifically focused on TF itself (e.g. Barling *et al.*, 1996; Dvir *et al.*, 2002; Kelloway *et al.*, 2000). These have generally tended to find that conducting workshops to inform and train effective TF behaviours, as well as booster sessions (e.g. one-to-one coaching/ feedback) does lead to adoption of the new behaviours as well as enhanced

subjective and objective performance. By reviewing these studies, the leadership intervention that was developed in this current research, was modelled on the common practices followed by the preceding research. The schedule of the workshop is detailed in Table 4.08.

**Table 4.08**

**Workshop schedule**

<b>Order</b>	<b>Activity</b>	<b>Detail</b>
1	Introduction and purpose	Workshop aims Improving leadership behaviours
2	Leadership theory	Detailing effectiveness of leadership behaviours and outlining what these behaviours are.
3	Leadership and Performance	Group exercise 1 (sorting exercise) – leaders sort the various behaviours into the categories to which they belong (the 4 facets of transformational leadership). Group exercise 2 – Brainstorming the way in which transformational leadership can encourage positive behaviours in groups.
4		<b>Break (refreshments provided)</b>
5	Learning leadership behaviours	Role playing in groups of four. The acting leader in each role play was rotated, and eventually all group members acted as the leader within a role play.
6	Presentations: Trainer and peer feedback	Participants presented solutions to role plays. After each role play, a discussion on what was good and/or what could be done differently according to theory followed.
7	Summarise	Trainer then demonstrated how each role play should have been handled. Effective leader behaviours Details on e-mail booster sessions

The leadership development disseminator was a senior lecturer from the university who also had experience as a training consultant in leadership development and team working skills. The same trainer was used for both workshops to ensure consistency and avoid bias. The trainer was briefed by the primary researcher on conducting the workshop beforehand. Materials were supplied, and the researcher provided the resolutions to the exercises, including the role plays, so as to make sure that participants at both workshops received comparable information. The primary researcher was present in both workshops as a facilitator; that is, distributing relevant materials, and assisting the trainer with any questions between exercises, as well as overseeing that both workshops were delivered equivalently.

The workshop commenced with an introduction to the purpose of the leadership development training, which was to improve the leadership of their teams. Firstly, theory was provided on the details of TF, which consequently would be the focus of the leadership development programme. Subsequent to this, a breakdown of the different facets was given to provide a more detailed understanding of each.

After this, a group exercise followed where, in groups of four, the students were required to sort the different leadership behaviours into the according dimensions. This was done to ensure the students were aware of the different leadership behaviours of TF and could distinguish which dimensions the behaviours belonged to. The trainer then went through the correct resolution after the exercise, thus reinforcing knowledge. This was followed by further theory where the students were provided with research to support the effectiveness of transformational leadership development, thus emphasizing the utility of what they were doing and engendering commitment to the intervention programme.

After this, another group exercise followed where team leaders were required to generate ways in which they could use the various dimensions of TF and the behaviours within the various dimensions, and channel them into their teams to enhance effectiveness. Participants reported back to the class in a brainstorming session and the role of the trainer was here to stimulate idea generation and provide some examples they may have overlooked. After this, there was a break of approximately 15-20 minutes.

After the break, everyone reconvened into the training room and the trainer briefed the leaders on the role-play exercise. Again the students were split into groups of four and were told to assign a different leader for each role play exercise, whilst the rest of the group acted as the BG team members. There were a number of role playing exercises, developed by the

primary researcher, which were specific to the BG context. These role plays were designed so as to tap into each of the leadership dimensions discussed, and to make them salient to the BG context. Leaders were provided with the role plays in written format, which were also read aloud by the trainer, and they were then asked to formulate and demonstrate the resolution to the role play within their groups. They were informed that they would be asked to role-play a specific scenario to the rest of the participants at random, who would then provide feedback. They were not told which scenario they would have to role-play, thus ensuring that each leader approached the scenario in which they were the acting leader, with diligence.

After finishing role playing the different scenarios, the trainer used lots in order to randomly deduce which group would have to role-play the scenario that was currently being discussed. The specific scenario informed which leader from within that group would play the acting leader. The relevant group would come forward and present their resolution to the scenario in front of the rest of the participants, and the remaining groups were requested to watch attentively and then provide feedback on what was good and what should have been done differently by the leader; which they enthusiastically engaged with. This was further supported by trainer suggestions. After the role play the researcher thanked everyone for their participation. Details were then provided on the CSR vodcast, and the two e-mail booster (leadership and CSR) sessions, and what the participants were required to do for these.

#### *4.8.4. CSR intervention*

The second, significantly smaller intervention was delivered as a short informative vodcast on CSR. Here the primary researcher provided Microsoft PowerPoint overheads with commentary. This provided team leaders with information on what CSR was, how companies were increasingly looking to further their CSR efforts due to the many benefits, and how performance was now classified as a multi-dimensional phenomenon. The vodcast then detailed what this multi-dimensional CSR performance construct was, and examples of behaviours that could exist within their BG team as per each dimension, was briefly discussed. At the end of the vodcast, students were provided with details of the CSR-specific booster session that was to follow.

#### 4.8.5. *Virtual booster sessions*

As highlighted above, there were two e-mail booster sessions. Due to time constraints, the booster sessions were not done face-to-face as may be the case in prior research, but rather were done via e-mail (Barling *et al.*, 1996) The booster sessions incorporated an action-plan, which may otherwise be done within the workshop, but again, this was modelled within the booster session in order to free up time within the workshop for the other activities. In a similar vein, Antonakis *et al.* (2011) conducted their coaching session via telephone in which the development plans and goals of the individuals were discussed.

As highlighted in Table 4.07 different groups received the two booster sessions, on transformational leadership and CSR at different times. As part of the TF booster session, students were required to complete a self-assessment which had been compiled on excel. This was composed of questions assessing TF, measuring the facets of individualised consideration, intellectual stimulation, idealised influence, and inspirational motivation. As soon as the team leaders completed the excel survey in their own time, they were provided with real time feedback which highlighted the scores they had on the various dimensions. These were colour coded so if they fell below a certain value, they were classed as below average (colour = red), and the participants were asked to change these behaviours now. If they fell in the average range (amber), it was indicated that these should be improved; and if above a certain score and ranked as above average (green), it was indicated that team leaders should maintain these behaviours.

On the basis of this self-assessment, team leaders were asked to then complete an action plan centred on their leadership behaviours. More specifically, they were requested to state which leadership behaviours they needed to change, improve, or maintain, and how they would demonstrate this within their BG teams; providing examples of behaviours from the various dimensions as they did so. They were additionally requested to pinpoint any barriers they may encounter which could prevent them from implementing said behaviours, and how they plan on overcoming these.

The second booster session was on social responsibility. Team leaders were e-mailed individually again and were asked to watch a short vodcast on CSR, devised by the primary researcher, and complete a self-assessment and an action plan. In the self-assessment, they completed the Zohar (2002a) assigned safety priority questionnaire, revised in order to be specific to CSR. Similar to the leadership self-assessment, on the basis of their responses,

they received real-time feedback on their score, what range their score fell in, and what action they needed to take (e.g. 'below average: change now'). In the action plan, they were asked to discuss the ways in which they would further prioritise social responsibility within their teams, in order to encourage their team to be more socially responsible. They were asked to indicate the ways in which they and their team would act socially responsible, as well as any barriers they feel they may encounter, and how they plan on overcoming them. Finally, as part of this booster session, they were asked to draft an e-mail to their team in which they would communicate to their group the importance of acting socially responsible. They were asked to send this e-mail to their team, and to copy the researcher into this e-mail, so that the full completion of this activity could be documented.

With both booster sessions, team leaders completed their action plans and e-mailed them back to the primary researcher. They were then provided with feedback from the researcher, who afforded them with further recommendations, tips and means in order to motivate and encourage them. Feedback was individualised based on the content of the action plan but followed a certain protocol. For example with the TF action plan, if for a specific dimension they did not cover a certain leadership behaviour, then the researcher would recommend this behaviour specific to the BG context. With regards to the CSR booster, if they also excluded certain socially responsible behaviours as measured by the newly developed scale, then the researcher would endorse these. In both cases team leaders would be encouraged to maintain consistency and to remain motivated.

There are certain threats which can hinder the treatment effect of a randomised intervention design. These could range from 'diffusion of treatment' whereby the control group starts to unintentionally adopt the treatment (e.g. Blumberg and Pringle, 1983; Shannon *et al.*, 1999), or when the treatment group deliberately pass on the new knowledge they have acquired to the control group (Shannon *et al.*, 1999). In order to deter from this, it was communicated to the team leaders that they should not divulge information about the leadership and CSR development programme outside of the programme itself, as the others would receive the same training also. Furthermore, with material exchanged electronically, such as the CSR vodcast, a PowerPoint slide was included at the end of the presentation warning (falsely) that the exchange of the vodcast was being monitored and due to copyright issues, students were not to forward it on to others.

#### **4.9. Summary**

The positivist philosophical perspective and mixed methodological approach of the current thesis was discussed. The issue of levels of analysis was also explored, given that the thesis adopts a multi-level perspective on ESR. The two samples, specifically the Company sample and the Business Game sample, were described; noting the design, procedure, and sample characteristics for each one, as well as the measures used. At this stage, the decision was made to not exclude any teams from future analysis. The intervention that was initially conducted as part of the research series, but which was later omitted due to it being ineffective, was also alluded to. Before the thesis can begin to explore the determinants of ESR, a measurement tool to capture ESR is needed. The following chapter (chapter five) documents the process of developing such a tool.

### 5.1.Introduction

In the following chapter, the process of developing and validating the new employee social responsibility (ESR) scale will be outlined. Here the use of interviews to generate items, subject-matter experts to test for content validity, as well as refine the items initially, and the subsequent factor analysis to finalise the scale items, in addition to confirming the factor structure, will be discussed. The psychometric properties of the scale will be scrutinised, and the feasibility of the scale at multiple levels of analysis will be explored.

There is presently a lack of focus on employee involvement within an organisation's CSR activities (e.g. Aguinis and Glavas, 2012). The little research that exists has focused on the positive impacts of CSR on individual level outcomes such as job performance, commitment, and attractiveness of a company for prospective employees (e.g. Aguilera, *et al.*, 2007; Albinger and Freeman, 2000; Carmeli *et al.*, 2007; Greening and Turban, 2000). Aside from this, there is some further research which looks at employee engagement in CSR-related activities, but nevertheless, they narrowly focus on acute forms of socially responsible behaviours such as volunteering and donating (e.g. Muthuri *et al.*, 2009). Such research lies against the grain of current suggestions that CSR is most often defined as a multi-dimensional construct, consisting of the dimensions of social, stakeholder, environmental, economic, and voluntariness (i.e. philanthropy) (Dahlsrud, 2008). Rupp and Mallory (2015) in their recent review, themselves advocated these five facets yielded by Dahlsrud (2008), and requested researchers to also focus on an equivocal conceptualisation of CSR so that research, especially at the micro-level, could evolve.

This unaddressed niche, that is micro-level CSR, may exist largely due to the absence of a measure which taps into the richly faceted socially responsible behaviours at the micro-level. As a result, the little research that attempts to consider ESR does so through looking at a narrow form of socially responsible behaviours, such as volunteering and donating behaviours, as noted above. It can be argued that there are existing outcomes which could be approximated to represent social responsibility to some extent, for example, volunteering (Peterson, 2004) could be seen to tap into both social and philanthropic aspects of social responsibility, depending on their focus (e.g. volunteering in a charity/ volunteering at a

school in the locality). The economic facet could be tapped through the measurement of job performance, and how well employees perform at work (e.g. Williams and Anderson, 1991); whilst environmental behaviours could be assessed by noting how often individuals take certain environmentally friendly initiatives (e.g. Robertson and Barling, 2013; Whitmarsh and O'Neill, 2010). Moreover, stakeholder directed behaviours could be investigated through scales such as customer service behaviours (Bettencourt and Brown, 1997), and helping behaviours such as those within the organisational citizenship behaviours construct (e.g. Podsakoff *et al.*, 1990). Whilst there exist scales that attempt to measure multi-faceted ESR, the measures are either context-specific or they are too general and thus do not adequately capture ESR (e.g. Chen and Hung-Bascke, 2014; Vlachos *et al.*, 2014).

The shortcoming of taking the approach of using existing scales is firstly that these scales focus on single facets of ESR, and so do not sufficiently capture the multi-dimensional nature of ESR. Additionally, this therefore neglects to account for the inherent conflict that is implied within these behaviours (e.g. Aguilera *et al.*, 2007). For example, employees may constantly receive communication that they need to deal with customers quickly and efficiently; however this at the same time may impede the quality of customer service provided. In another instance, employees might possibly have tight deadlines to work towards, which would then compromise their ability to partake in volunteering activities during working hours, although they may well have an interest in doing so.

Furthermore, because these scales were in many cases not developed with the objective of tapping into what constitutes socially responsible behaviours in their entirety within an occupational setting, consequently content validity may be questionable (e.g. Podsakoff *et al.*, 1990). In addition, with comparable constructs, the focus sometimes differs in that an individual's disposition towards certain behaviours is assessed, as opposed to the enactment of behaviours being solely in a work setting (e.g. Whitmarsh and O'Neill, 2010).

Finally, the present research argues for a more clear and nuanced depiction of each facet of social responsibility. Such an issue for instance arises between social and philanthropic behaviours, which whilst similar, are argued to have different foci. Therefore, measures to elucidate the extent to which employees engage in social community-driven behaviours is necessary, as well as that which looks at an employee's propensity to act in the benefit of charitable causes whilst at work. There is some research which looks at employee donating behaviour to a specified charity at work, however these scales have not been rigorously

formulated, and their reliability and validity has not been meticulously ascertained (Raman and Zboja, 2006). Moreover they suffer from the issue of being context-specific, thus restricting their widespread use in various organisations.

Formerly, some efforts have been made to conceptualise CSR at an employee level. Vlachos *et al.* (2014) for example coined the term extra-role CSR-specific performance, whereby employees make a contribution to CSR outside of their formal role duties. However these behaviours were measured through a newly developed scale consisting of three questions which principally centred on employees identifying the extent to which they engaged in behaviours that centred on ways in which existing CSR programs could be improved and strengthened (e.g. 'I contribute many ideas for improving my organisation's CSR programs'). Similarly, Ellis (2008) proposed 'personal social action' to capture CSR at an employee level. These behaviours centred on the philanthropic facet of CSR (e.g. Carroll, 1991) and included actions such as charitable donations and volunteering. Such studies neglect to consider the multifaceted nature of CSR identified by a number of authors (e.g. Dahlsrud, 2008; Rupp and Mallory, 2015).

Recently Chen and Hung-Bascke (2014) measured social responsibility in employees by drawing on activities that could be considered as falling within the environmental, social, philanthropic and stakeholder dimensions. They however developed a context-specific measure, more typical of a formative measurement tool, which also precluded measurement of the economic facet. The state of ESR research is such that it cannot sufficiently evolve at the present moment, given that currently there is no measurement tool that taps into the full multi-dimensional spectrum of ESR behaviours, one that is not context-specific, and one that hones into specific social responsibility behaviours that may manifest in employees' day-to-day work activities.

#### *5.1.1. Dimensional nature of ESR*

Before we can begin to understand employee social responsibility, we need to explicate what these behaviours are and what they entail. Using the definition proposed by Aguinis (2011), employee social responsibility involves behaviours which take into account stakeholders' expectations, in addition to contributing to the organisation's social, economic, and philanthropic performance. This definition in itself implies a multiplicity of various types of behaviours directed at different performance outcomes within a business, and utilises the

more contemporary business performance metric of the 'triple bottom line' of *people, planet and profit* (Elkington, 1999). The concern however is that given the innumerable definitions surrounding CSR, the construct itself lacks clarity as to the actual behaviours it taps into. Rupp and Mallory (2015) summed this issue up nicely in their review suggesting that "with so many perspectives, definitions, and activities melded into the same construct, it may be unsurprising that CSR remains in a state of construct cloudiness and outcome uncertainty" (pg. 228). In order to make clear efforts in directing the future of ESR research, a mutual definition needs to be agreed upon. In their attempt to do this, Rupp and Mallory (2015) fall back on the efforts of Dahlsrud (2008). Dahlsrud (2008) collated the most commonly occurring CSR definitions and identified the recurring themes within them. In so doing, five dimensions of CSR were proposed, namely, social, stakeholder, environmental, economic, and voluntariness (i.e. philanthropy). Given the rigour of this approach, in addition to making efforts to unify the research literature regarding the definition of CSR as per Rupp and Mallory's (2015) recommendations, the present thesis also considers CSR as consisting of the dimensions of social, economic, environmental, stakeholder, and philanthropy, each of which will be further elucidated now. It should be noted here that whilst CSR refers to organisational/ macro level CSR, indicated by the word 'corporate' itself, this thesis proposes the micro-level concept of employee social responsibility/ ESR which subsists at the micro-levels, and reflects employee engagement in the organisation's CSR efforts. The objective thus is to develop a scale to sufficiently measure this ESR construct.

The stakeholder dimension implies employee behaviours which take into account stakeholder needs and expectations. These could be both internal and external stakeholders; for example colleagues and customers respectively. Therefore, positive employee behaviours in this domain for instance would be to behave amicably towards customers and/or colleagues, and providing them with correct and honest information.

The social dimension refers to the community at large which may/ may not be directly influenced by the company's business activities. Nevertheless they are in some way held to be related, for example by being in the vicinity of the company. Here, positive employee behaviours entail engagement within the community, so as to make a positive impact on local societal functioning. For instance, the employee may provide his/her time to mentor young school children, provide their expertise to benefit individuals outside of their workplace, and take part in community projects which the company may have initiated (e.g. re-building a dilapidated school playground at a local school).

The economic dimension refers to employee behaviours which attempt to target the conventional bottom line of profit and other positive performance outcomes the company may be geared towards. Such behaviours focus on efficiency, cost-cutting, and a conscientious work ethic. Their overarching aim is to contribute to the effective running of a company. Here a behavioural example could be that the employee is punctual and completes their work to a good standard.

Philanthropy, as its name implies, comprises more giving and charitable behaviours. This could be for example donating money to a local charity, as well as organising events such as a bake sale to raise money for such worthwhile causes. The philanthropic dimension is similar to the social dimension, in that there is an element of voluntariness involved. The employees may for instance, go abroad to India and help in the building of a local orphanage; projects which are becoming more common, especially amongst larger organisations.

Last but not least, the environmental dimension, commonly implicit in the discussion of corporate social responsibility, is the final dimension to comprise the multi-faceted ESR construct. Employee work behaviours here positively attempt to be environmentally sustainable. These could include taking public transport to work, recycling, and making sure energy is not inefficiently used whilst at work.

These dimensions of course overlap to some extent. For example, reducing energy wastage will no doubt have positive implications in terms of cost-savings for the company through reduction in their energy bills. In addition, a specific behaviour in one dimension may target another. In this instance, it may be that an employee takes part in a community project to plant more trees. Such behaviour would be considered to be within the social dimension, whilst it also targets the environmental aspect of social responsibility. Instead of this overlap being viewed as unhelpful, it in fact adds further credence to the role of these varying facets in comprising a mutual end goal of social responsibility, especially since these different facets compose the overarching construct of CSR, and at the micro level, ESR.

As noted above, a concern sometimes is the context specificity of socially responsible behaviours. Whilst CSR activities are argued to be context specific (e.g. Aguinis and Glavas, 2012), and rightly so, since each organisation will be engaging in varied activities, the objective is to develop a context-independent ESR measure. This is because it is argued that whilst the focus may be different, such as supporting a specific type of charity, the underlying behaviours will be the same; volunteering and donating for instance. Doing so will allow us

to have a common measure to assess ESR across organisations, to examine the factors which affect the propensity to engage in these behaviours, and to draw commonalities and differences amongst findings arising from varied research efforts; all of which will not be confounded by a context-specific measurement tool used to measure employee social responsibility.

The objective of this research was to develop such a measure which would approach ESR through a general organisational lens. Through a comprehensive literature review in conjunction with semi-structured interviews, items were generated to capture the various socially responsible behaviours that employees may partake in, which were hitherto validated in two samples. The remaining of this chapter documents this process of scale development and validation.

## **5.2.Semi-structured interviews**

In order to facilitate item generation, forty semi-structured telephone interviews were conducted with individuals that were currently employed. The individuals were opportunistically approached by the researcher to complete the interview. When doing this, care was taken so as to capture both the private and the public sectors equivalently, as well as sample the voluntary sector. Different hierarchical levels within an organisation were accounted for, in addition to the organisational size, and the different industries. Within each industry, different job roles were sampled, including those centring on social responsibility (e.g. Sustainability Director). Demographically, attempts were made to ensure the sample was as heterogeneous and diverse as possible with regards to age (mean = 31.1 years; range = 24 to 55 years), ethnicity (30% Pakistani; 25% British; 22.5% Indian; 7.5% White Other), and gender (55% males). Sample characteristics are provided in Table 5.01.

**Table 5.01**  
**Interviewee sample characteristics**

<b>Age</b>	<b>Gender</b>	<b>Ethnicity</b>	<b>Occupation</b>	<b>Position</b>	<b>Company Size</b>	<b>Industry</b>	<b>Sector</b>
43	F	British White	Sustainability Director	Senior	International	Accountancy, Banking and Finance	Private
24	F	Indian	Accounts Assistant	Junior/ Entry	International	Accountancy, Banking and Finance	Private
25	M	Pakistani	Audit Associate	Intermediate	International	Business, Consulting, and Management	Private
40	F	White Other	Managing Business Psychologist	Intermediate	International	Business, Consulting, and Management	Private
27	F	British White	Placement Support Worker	Junior/ Entry	SME	Charity and Voluntary Work	Voluntary
24	M	Indian	Team Leader	Intermediate	International	Charity and Voluntary Work	Voluntary
24	M	Mixed	Fundraiser	Junior/ Entry	International	Charity and Voluntary Work	Voluntary
25	M	Indian	Optical Assistant	Intermediate	National	Health and Social Care	Private
26	M	Bangladeshi	Youth Worker	Junior/ Entry	National	Health and Social Care	Public
48	M	British White	Consultant Clinical Psychologist	Senior	National	Health and Social Care	Public
26	F	Indian	Trainee Clinical Psychologist	Junior/ Entry	National	Health and Social Care	Public
29	F	Pakistani	Doctor	Intermediate	National	Health and Social Care	Public

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24	F	Pakistani	Customer Service Adviser	Junior/ Entry	Large	Health and Social Care	Public
31	M	Pakistani	Doctor	Senior	National	Health and Social Care	Public
39	M	Pakistani	Practice Manager	Senior	National	Health and Social Care	Public
24	F	Indian	Recruitment Consultant	Junior/ Entry	SME	HR and Recruitment	Private
28	M	Indian	Recruitment Consultant	Senior	International	HR and Recruitment	Private
26	M	Pakistani	Recruitment Consultant	Senior	SME	HR and Recruitment	Private
30	M	Pakistani	Service Manager	Intermediate	International	IT and Information Services	Private
24	F	Indian	Bus. Psychologist (non-qualified)	Junior/ Entry	International	Marketing, Advertising and PR	Private
26	M	British White	Trustee	Senior	SME	Media and Publishing	Voluntary
24	M	Chinese	Sales Negotiator	Intermediate	SME	Property and Construction	Private
25	M	Pakistani	Site Manager	Junior/ Entry	International	Property and Construction	Private
26	F	Pakistani	Technical Analyst	Intermediate	National	Property and Construction	Voluntary
25	F	Black	Customer Service Adviser	Junior/ Entry	International	Retail and Sales	Private
43	M	Black	Functional Manager	Senior	International	Retail and Sales	Private
24	F	British White	Brand Manager	Senior	International	Retail and Sales	Private

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50	F	British White	Sales Assistant	Junior/ Entry	International	Retail and Sales	Private
52	M	British White	Sustainability Director	Senior	International	Retail and Sales	Private
36	F	Pakistani	Functional Manager	Senior	International	Retail and Sales	Private
24	M	Indian	Pharmacist	Junior/ Entry	National	Science and Pharmaceuticals	Public
26	M	Pakistani	Pharmacist	Senior	SME	Science and Pharmaceuticals	Public
28	F	Bangladeshi	Secondary Teacher	Junior/ Entry	SME	Teaching and Education	Public
24	F	British White	Researcher	Junior/ Entry	Large	Teaching and Education	Public
33	M	British White	Primary Teacher	Junior/ Entry	SME	Teaching and Education	Public
28	M	British White	Researcher	Junior/ Entry	Large	Teaching and Education	Public
25	F	Indian	Primary Teacher	Junior/ Entry	SME	Teaching and Education	Public
37	F	Pakistani	Secondary Teacher	Senior	SME	Teaching and Education	Public
46	M	White Other	Lecturer	Intermediate	Large	Teaching and Education	Public
55	M	White Other	Lecturer	Junior/ Entry	Large	Teaching and Education	Public

*Note:* M = male, F = female; SME = small to medium enterprise

It is worth noting that in an attempt to do this, whilst the sample covered various ethnicities, it presented a somewhat equitable balance between the majority (British White) and ethnic minorities (e.g. British Pakistani); this therefore did not reflect the population spread currently in the United Kingdom where British White comprise the majority. According to the 2011 census (Office for National Statistics, 2011), British White accounted for approximately 79.8% of the population whereas Asian or Asian British (to which British-Pakistani and Indian belong), only accounted for 7.8%; a balance not reflected in the sample. In order to ensure that this did not confound the findings, the interviews from different ethnic groups were examined to detect any differences in the responses provided, for example the behavioural examples given of ESR, under the various dimensions. The researcher found no such nuances in responses, rather any differences that were present, were due to the different industries (e.g. education versus healthcare). The objective in ensuring such a varied sample was to ensure that the scale to be developed remained as context independent and generalizable as possible, thus allowing it to be utilised in a wide variety of settings.

The rationale of these telephone interviews was to gauge interviewees' understanding of the operationalization of ESR behaviours, as well as confirm the definition of ESR and whether interviewees felt it needed to be adjusted in any way. The majority of the interview involved presenting interviewees with a definition of each of the dimensions of the proposed ESR construct, providing an example of a behaviour that could fall under the different dimensions, and asking them to generate further behavioural examples that possibly might occur within an occupational setting. At times the interviewees generated non-context specific items, and in other instances, the items were specific to their work setting. Interviews were transcribed electronically in parallel to the interview.

As a result, these interviews fell between structured to semi-structured interviews, the former erring more towards the quantitative as opposed to the qualitative side of research, in that specific information is generated to answer the given research question. In the current research, this would involve confirming the *a priori* hypothesised multi-dimensional nature of ESR, in addition to generating examples of behaviours within each dimension; for which a structured interview can be considered suitable (DeCicco and Bloom, 2006). Whilst in a structured interview there is a script prepared beforehand as was the case in the current research, there is no room for improvisation (Myers and Newman, 2007). Consequently, whilst a structured interview set up is suitable for the present research objective, the adopted interview structure was akin to semi-structured interviews as there was a script, but there was

some room for improvisation, depending on interviewee responses to more open-ended questions in the interview; for example, when they were asked if the definition of ESR should be adapted in any way (Myers and Newman, 2007).

The interviews were structured consistently across all interviewees, with a delineated schedule that was followed. Myers and Newman (2007) recommend that a typical semi-structured interview should consist at least of a script which is prepared before-hand, an introduction from the interviewer, outlining the purpose of the interview, covering the questions planned, and closing the interview. The interviews in the current research followed such recommendations, with a pre-planned script, introduction to the research, outlining the purpose of the interview and how it was to pan out, the core element of addressing the interview script, and then closing the interview with any last comments from interviewees. Intervention from the interviewer was minimal, however interjections on part of the interviewer were allowed in order to get the interviewee to elaborate on an unclear point they may have been making, or to get them to elucidate an interesting point. In some cases, interviewees seemed confused and/or experienced difficulties in generating behavioural examples of ESR. Here the interviewer would probe them, for instance by asking them how they or others at their workplace had behaved in a socially responsible way, and/or provide an additional example of a possible behaviour in one of the ESR dimensions. Indeed Myers and Newman (2007) point out that a researcher should not follow the script too mechanically, but rather should allow improvisation and flexibility depending on interviewee responses.

After brainstorming various socially responsible behaviours, interviewees were questioned on the relevancy of all five dimensions in constituting ESR. Here the most common response was that there was believed to be a very strong overlap between the social and philanthropic dimensions, with some suggesting that it may indeed be one dimension; which in many interviews happened to be reflected in the analogous types of behaviours generated for these two dimensions. Furthermore, some individuals surmised that the economic dimensions may not accurately capture the essence of being socially responsible, whilst the majority maintained that all dimensions appeared distinct and relevant to conceptualisation of social responsibility at the employee level.

The interview reached its conclusion by allowing the interviewees an opportunity to further cogitate on whether they felt the dimensions sufficiently captured the definition of employee social responsibility, and/ or if they would add any further dimensions, or likewise, exclude

any. In this instance, many interviewees were happy with the five dimensions and felt that each dimension was broad enough, and thus adequately capturing all relevant behaviours that may fall under the umbrella of social responsibility, whilst not being too constrictive at the same time. When suggestions were made for possible changes, these centred on accounting more for individual motivations for engaging in socially responsible behaviours, such as religious outlook and moral superiority. As relevant as they may have been, these suggestions were not in line with the objective of the scale, given that the purpose of the scale was to capture employee ESRs, and not their motivations to engage with them.

The interviewees were provided the chance to proffer final comments before the interview was called to a close. The interviews lasted approximately 20 - 40 minutes depending on the competence of the interviewees to generate behaviours and/or their familiarity with social responsibility itself. The interview script can be found in Appendix 6.

### **5.3. Scale development method**

#### *5.3.1. Item generation*

When developing and validating the scale, recommendations made by DeVellis (2012) and Hinkin (1995) were followed for the most part. According to domain sampling theory, it is not possible to measure the construct of interest in its entirety; rather one has to rely upon a sample of items to adequately tap into the underlying construct (Hinkin, 1998). When generating items, both an inductive and a deductive approach were employed (Hinkin, 1995).

Inductively, items were generated through reliance upon the interviews and the views of the currently employed respondents on the behaviours that could possibly be subsumed under ESR. Ensuing from the interviews, the responses were analysed and items were formulated to measure the construct of ESR behaviours at work (Churchill, 1979). In instances where the behaviours were specific to a given work setting; the items were written and framed so as to be context-independent. For example professions such as those in education and healthcare, generated context-specific examples in many instances. In extracting a context-independent item, an example can be behaviours being changed from ‘disposing medical equipment in accordance with standardised procedures’ to ‘disposing waste appropriately’.

Items were generated deductively by relying on prior conceptualisations of CSR at the macro level, and drawing parallels to the employee level. Furthermore, general scales of social responsibility such as environmental behaviours were used as guidelines, (e.g. Whitmarsh and O'Neill, 2010). The operational definition was also used as a means to brainstorm possible items. Since items reflect the psychometric properties of a scale, efforts were made to devise items which would tap into the latent construct from many different angles, as recommended by DeVellis (2012).

Efforts were made to ensure questions were carefully worded, and used simple language so as not to threaten the validity of the questionnaire. The items were developed to avoid multiple negatives, and worded so as not to be double barrelled. Furthermore, although having a mixture of positively and negatively framed items can be beneficial in avoiding response acquiescence; due to the opinion that the disadvantages of compromised validity and introduction of systematic error, for example, outweigh this advantage, these were also avoided (DeVellis, 2012; Hinkin, 1995). The items were developed to be as short, and concise as possible in order to ensure clarity, and efforts were made to make certain non-ambiguity. The longest item in the item pool comprised of 16 words and 25 syllables, which according to Fry (1977), would roughly fall at the seventh grade reading level; deemed appropriate for the general population. The items were not temporally framed, and furthermore efforts were made to ensure that there was no indication of strong or weak assertions in the items. The final item pool consisted of 112 items (see Appendix 7). Having such a large number of items, allowed greater scope to be selective for the final scale, in order to strive for greater reliability.

A seven-point Likert scale was decided upon as the response format for the scale, as Likert scales are considered ideal for behavioural research (Hinkin, 1998). With a greater number of response options, there is also a greater chance of detecting variability which may be noteworthy (DeVellis, 2012). More specifically, greater response accuracy is yielded with a greater number of response options, yet having too many response options can be cognitively demanding. For this reason, a seven-point Likert scale provides an ideal balance between this trade-off. Churchill and Peter (1984) also show that a greater number of scale points are related to an enhanced reliability estimate. The ratings options ranged from strongly disagree to strongly agree, with neutral being the middle point, to provide respondents with the full range of responses; as well as allowing neutral responses, so as not to force choice to either agreement or disagreement with the scale items.

### 5.3.2. *Item reduction*

#### *Content validity*

Content validity concerns whether the items actually tap into the definition of the construct being examined. Whilst there is no definite approach to demonstrate content validity, certain techniques have been provided as guidelines in order to establish that the measure has content adequacy (Hinkin, 1998; Schriesheim, Powers, Scandura, Gardiner, and Lankau, 1993). These guidelines were used in order to demonstrate content adequacy for the current measure.

In order to ascertain the content validity of the items, as well as to narrow down the number of items to only six per dimension for subsequent validation purposes, subject matter-experts, specifically doctoral researchers in the field of industrial-organisational psychology, were requested to participate (APA, 1995). This provided a test for the face validity of the items; that is, the perceptions of whether the items appear to tap into the ESR construct they are purported to measure (Nunnally, 1976). The experts ( $N = 7$ ) were provided with a list of all 112 items, as well as the five dimensions of economic, environmental, social, stakeholder, and philanthropy, along with their definitions. Similar to Podsakoff *et al.* (1990), they were also provided with a sixth dimension labelled 'other'. The experts were asked to indicate for each item, which dimension they believed the item tapped into, and to what extent on a scale from 1 to 10; with 10 implying the item was a complete reflection of the dimension. Experts were advised that they could, if they deemed necessary, indicate the item as reflecting more than one dimension; what was important was their indication of the extent to which this was the case for each dimension. If however the experts felt that a particular item did not reflect any of the five dimensions, then they were instructed to indicate this as falling into the 'other' dimension, and if possible, also speculate as to what this dimension may possibly be. If items were allocated to their correct dimension, it was assumed the items appropriately tapped into the relevant dimension, whereas incorrect item allocation suggested the item tapped into extraneous content. Experts were also requested to evaluate the clarity of items as well as conciseness, and to highlight any items with concerns in these areas. The reader is referred to Appendix 8 for an outline of this exercise.

Once the ratings were acquired, efforts were made to refine the selection of items to those with the highest content validity and little overlap between dimensions. To do this, the mean rating for each item was calculated across all experts. All items that had a mean of five or

higher (out of ten) were retained for further scrutiny. This suggested that the experts did not disagree considerably over the potential utility of the item in representing a given dimension. The items with a mean of below five were prematurely discarded on the basis that they did not sufficiently tap into their respective dimension.

Subsequently the six highest scoring items were chosen in each dimension based on the mean ratings of belongingness to the respective dimensions. However in some cases, this resulted in some items being retained which in the researcher's opinion were not considered as relevant and/or completely generalizable across work contexts; this was further confirmed with two other senior research colleagues. In such cases, items below the top six were considered. This was done in order of descending ratings; those with higher ratings were considered first and judgment was exercised on whether it should replace an item in the top six.

The economic, environmental, and stakeholder categories were relatively discernible; that is, experts were easily able to distinguish items which belonged to one category whilst not overlapping with another. Therefore when rating these items and the dimension to which they belonged, they were unlikely to indicate that the item also belonged to another dimension. This was not the case however with the philanthropy and social dimensions. Often, there was an overlap of items tapping into these two categories; that is, a certain item in many cases was rated as belonging to both dimensions (to varying degrees), rather than to only one of these. This was generally indicative of the results from interviews, which also suggested that interviewees found it difficult in many cases to distinguish between the two categories. In such cases, choosing the highest scoring items was not the sole criteria, rather the items chosen for one dimension (e.g. social), had to be items which had a mean score of below five for the other dimension (e.g. philanthropy). Therefore efforts were made to choose items belonging to each category, which had a minimal overlap with the other category. As such, when selecting items, comparisons were made both within and between dimensions. Moreover, professional judgement was also exercised to a certain extent in selecting items which were widely applicable across occupational contexts, and those which at face value seemed to tap into a given category to a greater extent. In addition to these items, two further items were deductively generated and were added under a new dimension on an ad hoc basis, namely the 'legal' dimension. This was as a result of discussions with fellow senior research colleagues that there may still be scope for 'legal' aspects of social responsibility to be subsumed under the construct of ESR, given that Carroll's (1991) definition highlights the

legal dimension. The purpose was therefore to include this dimension as a safeguard and to assess its utility in the final ESR scale through subsequent validation processes. The resultant 32 items are presented in Table 5.02.

Churchill and Peter (1984) have evidenced that a greater number of final items are related to a higher reliability estimate, and so by including a greater number of items in the piloting of the scale, scope was allowed to delete problematic and/or futile items, whilst still being able to maintain a desirable reliability estimate later on in the process. Although this does entail a trade-off with keeping the measure short to avoid respondent fatigue and bias (Schriesheim and Eisenbach, 1990). Nevertheless, since it was anticipated that the final scale would consist of two to three items per dimension, it was considered advisable to contain double the final number of items at this stage (Hinkin, 1998). This is in line with recommendations that there be three to five items per anticipated factor/dimension, and so working towards the higher ideal allows flexibility at later stages (Fabrigar, Wegener, MacCallum, and Strahan, 1999).

**Table 5.02**

**Preliminary scale items and item codes**

<b>Dimension</b>	<b>Items</b>	<b>Item Code</b>
Social	1. Educates at-risk groups in the community about key issues (e.g. health, education, social)	Soc 1
	2. Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.)	Soc 2
	3. Assists in community projects	Soc 3
	4. Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice)	Soc 4
	5. Participates in events in the wider community	Soc 5
	6. Gets involved in volunteer or social groups in the wider community	Soc 6
Philanthropy	7. Participates in charity events	Phil 7

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	8. Raises money for charity	Phil 8
	9. Donates to a charity	Phil 9
	10. Organises charity events and/or fundraisers	Phil 10
	11. Volunteers in charitable initiatives	Phil 11
	12. Supports a local charity	Phil 12
	13. Is polite towards others	Stake 13
	14. Provides others with transparent and honest information	Stake 14
Stakeholder	15. Listens to the viewpoints of others	Stake 15
	16. Acts fairly towards others	Stake 16
	17. Is helpful towards others	Stake 17
	18. Treats others with respect	Stake 18
	19. Uses renewable resources where possible	Env 19
	20. Saves energy	Env 20
	21. Disposes of waste appropriately	Env 21
Environmental	22. Recycles	Env 22
	23. Behaves in an environmentally friendly manner	Env 23
	24. Reduces the environmental impact of his/her travel	Env 24
	25. Follows rules and regulations	Leg 25
Legal	26. Obeys the law	Leg 26
	27. Looks for ways to cut costs	Econ 27
	28. Is efficient in his/her daily tasks	Econ 28
	29. Completes work to a high standard	Econ 29
Economic	30. Meets deadlines	Econ 30
	31. Achieves his/her goals and objectives	Econ 31
	32. Does his/her fair share of the work	Econ 32

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*Note:* soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

#### **5.4. Scale refinement and validation: Company Sample**

After having developed a 32-item scale, with six items per dimension; the scale was subject to further refinement and subsequent validation. In order to further refine the scale, exploratory factor analysis was conducted to identify those items which did not clearly tap into a specific factor (i.e. dimension) of ESR, and/or those items which appeared to measure multiple facets. These were then subsequently deleted. The scale was then validated in confirmatory factor analysis, to confirm its multi-dimensional structure, as well as to explore if alternative best-fitting models were available. This was done with firstly the company sample, and then later confirmed in the BG sample. The company sample consisted of 101 individual employees nested within 32 teams/ team leaders, set in a professional financial services organisation and a commercial banking organisation; both within the UK. The BG sample consisted of 232 individuals nested within 67 teams/ team leaders, operating within a simulated business environment, in a prestigious UK business school. The reader is referred to the preceding chapter (chapter four) for an in-depth consideration of both samples.

##### *5.4.1. Exploratory factor analysis*

Exploratory factor analysis (EFA) is very common in management research and has proved useful especially in the development and refinement of new measures, as well as evaluation of construct validity (Ford, MacCallum, and Tait, 1986). This is deemed an effective use of EFA, as there are uncertainties as to the possible factor structure of the new measure (Conway and Huffcutt, 2003). The component model and the common factor model are the two most prominent models related to EFA (Schmitt, 2011). In the former, principal component analysis (PCA) is most often used which assumes measurement without error, and thus the resultant variances accounted for by the components can become escalated, whilst with regards to the latter, common factor model, principal axis factoring (PAF) is most commonly used (Schmitt, 2011). The method of choice predominantly is common factor analysis (i.e. PAF) as evidenced by theory and empirical evidence (Conway and Huffcutt, 2003). This is considered a non-statistical estimation method as it does not rely upon any data distribution suppositions, and is ideal for testing the latent structure of a measure (Conway and Huffcutt, 2003).

Selecting the number of factors to retain is crucial as over or under extracting can lead to significant modelling error (Schmitt, 2011). Furthermore, it is known that the technique chosen informs the number of factors retained (e.g. Fabrigar *et al.*, 1999). The Kaiser (1956) criterion selects factors based on Eigenvalues greater than 1. However this has been criticised for sometimes leading to the extraction of a superfluous number of factors (Gorsuch, 1997). Furthermore it tends to be arbitrary, as it is difficult to ascertain that an Eigenvalue of 1.01 refers to a major factor, while in comparison, a value of 0.99 does not (Fabrigar *et al.*, 1999).

An additional method is the Scree test (Cattell, 1966). Here the Eigenvalues from the correlation matrix/ reduced correlation matrix are plotted, and the graph is then examined to identify at which point the Eigenvalues dramatically level off ; so called the ‘elbow’ of the Scree test, which then indicates the number of factors to be retained. Again this approach has also been criticised as it can be quite subjective as to when the graph levels off (e.g. Kaiser, 1970). Ford *et al.* (1986) recommends that no single technique should be relied on, rather a combination of techniques should be used, since no single one has been shown to be significantly more accurate compared to the other (Conway and Huffcutt, 2003).

In terms of rotation, there are number of options. Rotating factors is useful when rotating more than one factor, as this allows a more interpretable solution to be found. When looking at interpretability, Thurstone’s (1947) notes on “simple structure” are important. Simply put, this is when a factor has a number of variables which load highly on it, and the other variables which load lowly. Furthermore variables should load highly on one/some of the factors and load lowly on the rest (Fabrigar *et al.*, 1999). There are two types of rotation, namely orthogonal which forces uncorrelated factors, and oblique which allows factors to correlate (Conway and Huffcutt, 2003). Of these, orthogonal rotation, specifically Varimax is the most commonly used which focuses on ensuring the maximum amount of variance in squared loadings on a factor (Fabrigar *et al.*, 1999).

Nevertheless, it is recommended that one also exercise the use of theory and research when deciding on the number of factors to retain, even if this is in contrast to the rotated solution, as the rotated solution may be insensible (Fabrigar *et al.*, 1999). It is also wise then to further check the sensibility of the logic used to retain factors across different samples, or split samples, if the original sample was sufficiently large (Fabrigar *et al.*, 1999).

In line with recommendations by Hinkin (1998), principal axis factoring method was used as it mixes common, specific, and random error variances (Ford *et al.*, 1986). In conjunction

with this, orthogonal rotation, specifically Varimax, was used (Hinkin, 1998). It could be argued that due to the multi-dimensional nature of ESR, oblique rotation be used which would allow the factors to correlate (Conway and Huffcutt, 2003). However, it was predicted that not all dimensions would correlate with one another, such as the philanthropy dimension with the economic dimension, due to differential focuses. This distinction between focuses of the various dimensions was something that was highlighted in a number of employee interviews. As a result, analysis proceeded with orthogonal (Varimax) rotation. Based on the above recommendations, the present study extracted factors based upon Eigenvalues greater than 1 whilst also studying the Scree test in the first instances. However, judgement was also exercised based on theory as to the number of factors to extract and therefore those with Eigenvalues below 1 (but close to 1) were also considered. Additionally, only items which predominantly loaded on the appropriate factor were retained. Here the 0.40 criterion level was used, whereby any factor loadings lower than this were suppressed (Ford *et al.*, 1986). When looking at the variance explained, 60% is advised as the minimum acceptable target, and as a result this was aimed for (Hinkin, 1998). Conducting EFA was an iterative process whereby items were deleted, and the analysis was repeated in order to reach the most effectual outcome of obtaining a factor structure, which accounted for a considerable percentage of the total item variance whilst retaining theoretically sound items (Hinkin, 1998).

Below are the EFA results for the company sample, presented individually for the leader ratings and the team member self-ratings of ESR. The findings are presented in two stages. Stage 1 refers to the initial EFA including all 32 items, and stage 2 refers to the second EFA conducted with the reduced number of 15 items, as informed by the first EFA; that is after having removed low loading and unreliable items.

For the leader-ratings in the company sample, coefficient values below 0.4 were suppressed, and factor extraction was based upon Eigenvalues greater than 1 initially. Six factors were extracted which accounted for 74% of the variance. As can be seen in Table 5.03, whilst the items for each dimension loaded in most cases on their relevant factors, what was noteworthy was that social and philanthropy items loaded on one factor, with the two legal items loading on different factors. There were a small number of cases where some items did not load on the appropriate factor and/or loaded on a second factor, albeit to a lesser extent.

Research is undecided regarding the optimal number of items in a questionnaire (e.g. Pritchard, Havitz, and Howard, 1999). Response bias can be reduced through a smaller number of questions, however content and construct validity, internal consistency, and reliability can be compromised (Churchill and Peter, 1984; Nunnally, 1976). Since the intended use of this survey is in an occupational setting, for reasons of practicality, the objective was to retain the lowest number of items, whilst minimally compromising reliability and validity.

To further refine the scale, items which did not clearly load on a single factor, those with lower loadings, and those which after being deleted could raise the reliability value (i.e. Cronbach's alpha), were candidates for deletion (Hinkin, 1995). This meant that the legal dimension was removed from the scale as both items were not clearly loading on a single factor. This did not compromise the face validity of the scale, as the decision to include the legal dimension within the scale was a contentious one, and was done solely due to one of the earlier conceptualisations of CSR by Carroll (1991), as a safeguard. As well as these statistical criteria, it was also ensured that by deleting an item, the content validity of the scale would not be compromised. In total, 17 items were deleted and the EFA was re-run with the resulting 15 items in stage 2. This led to 4 factors being extracted which accounted for 77.9% of the variance (Table 5.04). The philanthropy and social items clearly loaded on factor 1, stakeholder on factor 2, environmental on factor 3, and economic on factor 4. No double or negative loadings were present.

**Table 5.03**

**EFA results: Company sample with leader ratings at stage 1 (initial 32 item scale)**

<b>Company sample: Leader ratings Stage 1 (initial 32 item scale)</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Economic</b>	<b>Environment</b>	<b>Factor 5</b>	<b>Factor 6</b>
<b>Item</b>						
1. Educates at-risk groups in the community about key issues (e.g. health, education, social) [soc1]	.576					
2. Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.) [soc2]	.762					
3. Assists in community projects [soc3]	.827					
4. Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice) [soc4]	.723					
5. Participates in events in the wider community [soc5]	.721				.447	
6. Gets involved in volunteer or social groups in the wider community [soc6]	.871					
7. Participates in charity events [phil7]	.756					
8. Raises money for charity [phil8]	.774					
9. Donates to a charity [phil9]	.665					
10. Organises charity events and/or fundraisers [phil10]	.777					
11. Volunteers in charitable initiatives [phil11]	.752					
12. Supports a local charity [phil12]	.695					
13. Is polite towards others [stake13]			.757			
14. Provides others with transparent and			.705			

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honest information [stake14]				
15. Listens to the viewpoints of others [stake15]	.786			
16. Acts fairly towards others [stake16]	.838			
17. Is helpful towards others [stake17]	.802			
18. Treats others with respect [stake18]	.797			
19. Uses renewable resources where possible [env19]			.658	
20. Saves energy [env20]			.615	
21. Disposes of waste appropriately [env21]			.733	
22. Recycles [env22]			.724	
23. Behaves in an environmentally friendly manner [env23]			.866	
24. Reduces the environmental impact of his/her travel [env24]			.600	
25. Adheres to rules and regulations [leg25]		.675		
26. Obeys the law [leg26]	.466			
27. Looks for ways to cut costs [econ27]			.407	.506
28. Is efficient in his/her daily tasks [econ28]		.764		
29. Completes work to a high standard [econ29]		.731		
30. Meets deadlines [econ30]		.791		
31. Achieves his/her goals and objectives [econ31]		.748		
32. Does his/her fair share of the work [econ32]		.785		

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*Note:* Table shows factor loadings from the rotated factor matrix

*N* = 120; Extraction method = Principal Axis Factoring; Rotation method = Varimax

**Table 5.04**

**EFA results: Company sample with leader ratings at stage 2(reduced 15-item scale)**

<b>Company sample: Leader ratings Stage 2 (reduced 15 item scale)</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Environment</b>	<b>Economic</b>
<b>Item</b>				
2. Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.) [soc2]	.796			
3. Assists in community projects [soc3]	.858			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.885			
7. Participates in charity events [phil7]	.704			
8. Raises money for charity [phil8]	.744			
10. Organises charity events and/or fundraisers [phil10]	.747			
16. Acts fairly towards others [stake16]		.771		
17. Is helpful towards others [stake17]		.835		
18. Treats others with respect [stake18]		.774		
21. Disposes of waste appropriately [env21]			.896	
22. Recycles [env22]			.815	
23. Behaves in an environmentally friendly manner [env23]			.717	
28. Is efficient in his/her daily tasks [econ28]				.799
30. Meets deadlines [econ30]				.713
32. Does his/her fair share of the work [econ32]				.765

*Note:* Table shows factor loadings from the rotated factor matrix

*N* = 121; Extraction method = Principal Axis Factoring; Rotation method = Varimax

When EFA was run on the full ESR scale (i.e. 32 items) with the company sample consisting of team member self-ratings, five factors were extracted accounting for approximately 73.5% of the variance (Table 5.05). Again the rotation matrix showed that items pertaining to the philanthropy and social dimensions loaded on one factor, whereas the items for the other dimensions loaded on their respective factors, with some instances of cross loadings.

To further refine the scale, items were deleted as per the leader file to check if the same factor pattern could be retrieved from the two data files, in stage two. Whilst the legal items did load on one factor with team member self-ratings of ESR, because the loadings were not necessarily considered strong (both falling within the 0.6 range), and since theoretically the value of the legal dimension to the scale was originally contested (see chapter two), at this stage the decision was made to exclude this dimension conclusively. This led to four factors being extracted accounting for 81% of the variance. Here all philanthropy and social items loaded on factor 1, stakeholder items loaded on factor 2, environmental items loaded on factor 3, and finally items referring to the economic dimension loaded on factor 4 (Table 5.06).

Note, in order to ensure analytical rigour, the above was repeated using oblique rotation, specifically Direct Oblimin. This revealed rotated factor structures that were comparable, thus demonstrating a reasonable sensitivity analysis.

**Table 5.05**

**EFA results: Company sample with team-member self-ratings at stage 1(initial 32 item scale)**

<b>Company sample: Team member self-ratings Stage 1 (initial 32 item scale)</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Economic</b>	<b>Environment</b>	<b>Factor 5</b>
<b>Item</b>					
1. Educates at-risk groups in the community about key issues (e.g. health, education, social) [soc1]	.756				
2. Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.) [soc2]	.706				
3. Assists in community projects [soc3]	.854				
4. Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice) [soc4]	.674				
5. Participates in events in the wider community [soc5]	.882				
6. Gets involved in volunteer or social groups in the wider community [soc6]	.821				
7. Participates in charity events [phil7]	.716				.455
8. Raises money for charity [phil8]	.651				.473
9. Donates to a charity [phil9]					.486
10. Organises charity events and/or fundraisers [phil10]	.747				
11. Volunteers in charitable initiatives [phil11]	.769				
12. Supports a local charity [phil12]	.600				
13. Is polite towards others [stake13]		.764			
14. Provides others with transparent and honest information [stake14]	[158]	.835			

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15. Listens to the viewpoints of others [stake15]	.863	
16. Acts fairly towards others [stake16]	.930	
17. Is helpful towards others [stake17]	.911	
18. Treats others with respect [stake18]	.904	
19. Uses renewable resources where possible [env19]		.706
20. Saves energy [env20]		.753
21. Disposes of waste appropriately [env21]		.823
22. Recycles [env22]		.814
23. Behaves in an environmentally friendly manner [env23]		.872
24. Reduces the environmental impact of his/her travel [env24]		.544
25. Adheres to rules and regulations [leg25]	.652	
26. Obeys the law [leg26]	.672	
27. Looks for ways to cut costs [econ27]		
28. Is efficient in his/her daily tasks [econ28]	.700	
29. Completes work to a high standard [econ29]	.793	
30. Meets deadlines [econ30]	.828	
31. Achieves his/her goals and objectives [econ31]	.876	
32. Does his/her fair share of the work [econ32]	.834	

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*Note:* Table shows factor loadings from the rotated factor matrix

*N* = 101; Extraction method = Principal Axis Factoring; Rotation method = Varimax

**Table 5.06**

**EFA results: Company sample with team member self-ratings at stage 2**

**(Reduced 15 item scale)**

<b>Company sample: Team member self-ratings Stage 2 (reduced 15 item scale)</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Environment</b>	<b>Economic</b>
<b>Item</b>				
2. Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.) [soc2]	.616			
3. Assists in community projects [soc3]	.814			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.838			
7. Participates in charity events [phil7]	.820			
8. Raises money for charity [phil8]	.747			
10. Organises charity events and/or fundraisers [phil10]	.818			
16. Acts fairly towards others [stake16]		.910		
17. Is helpful towards others [stake17]		.919		
18. Treats others with respect [stake18]		.924		
21. Disposes of waste appropriately [env21]			.867	
22. Recycles [env22]			.888	
23. Behaves in an environmentally friendly manner [env23]			.926	
28. Is efficient in his/her daily tasks [econ28]				.748
30. Meets deadlines [econ30]				.820
32. Does his/her fair share of the work [econ32]				.776

*Note:* Table shows factor loadings from the rotated factor matrix

*N* = 101; Extraction method = Principal Axis Factoring; Rotation method = Varimax

#### 5.4.2. *Confirmatory Factor Analysis*

With EFA, a shortcoming is its inability to demonstrate goodness of fit of the resultant model. This is because, as noted above, PAF is considered an exploratory method for the purposes of finding the underlying factor structure, and as a result no standard errors are yielded by the analysis, rendering it unable to estimate model fit (Schmitt, 2011). In order to overcome this, confirmatory factor analysis (CFA) was conducted using AMOS (version 21) in order to test the overall fit of the model by way of comparison of a single common factor model with a multifactor model, as well as other possible models.

In contrast to EFA, in CFA, the model is specified *a priori*, as well as the zero and non-zero loadings on the factors (Fabrigar *et al.*, 1999). Contrary to popular belief, Borkenau and Ostendorf (1990) argue that CFA is not necessarily the logical subsequent step to EFA, rather it is a procedure with its own unique set of assumptions. CFA relies on the actual correlations not differing significantly from those predicted by the model, which would otherwise lead to the rejection of the model. Furthermore, CFA expects variables to load on the appropriate factor, with close to zero loadings on other inappropriate factors, and is concerned with how well the model specified fits the data set.

A common misunderstanding is that CFA is used to confirm the goodness of fit of the model found as a result of EFA; however in many cases this does not play out (cf. Hinkin, 1998; Schmitt, 2011). Kline (2005) in fact suggests that the model resulting from the EFA may be shown to have poor fit in CFA. This could be due to reasons such as high factor loadings in EFA being defined as free parameters in CFA, and cross loadings being reduced to zero, which runs the danger of producing large inter-factor correlations (Schmitt and Sass, 2011; van Prooijen and van der Kloot, 2001). Because of this, in the current study CFA was not used to confirm the factor structure resulting from EFA, rather the model was set up in its entirety in CFA and items were then reduced as per the modification indices and so forth. This was an iterative process and so the model resulting from CFA was further explored in EFA to ensure the best fitting and also the most conceptually sound model; a practise that is deemed reasonable (Schmitt, 2011).

Different research employs different fit statistics in order to assess the fit of the proposed model. All research tends to report the chi-square statistic ( $\chi^2$ ) as normal protocol. Aside from  $\chi^2$ , there are a number of statistics which are commonly deployed to assess model fit (Kline, 2005; Schmitt, 2011). However the utility of approximate fit statistics is debated and so as

per the recommendations of Schmitt (2011), they were used to supplement the  $\chi^2$  test. A common criticism tends to be that research uses those indices which are favourable in supporting a good model fit (Kline, 2005). To prevent this bias, indices were chosen in line with recommendations prior to analyses, and a mixture of fit indices was used to overcome any apparent weaknesses of one another (Bentler, 2007; Kline, 2005; Schmitt, 2011).

The  $\chi^2$ , Goodness of Fit index (GFI; Jöreskog and Sörbon, 1986), Root Mean Square Error of Approximation (RMSEA; Kline, 2005), Tucker-Lewis Index (TLI; Tucker and Lewis, 1973), and Comparative Fit Index (CFI; Bentler, 1990) were used to assess the fit of the model. Cut-off values are recommended for goodness of fit indices, although the advice is not to interpret these as golden rules of thumb (Marsh *et al.*, 2004). Below listed are the fit indices that were used in the current research. Theoretically, the model fit is considered acceptable when  $\chi^2$  is not significant, the RMSEA has a value of 0.08 or below, and the GFI, CFI, and TLI are all above 0.9, and more ideally, greater than 0.95 (e.g. Kline, 2005).

#### 5.4.2.1. Assessing model fit

The  $\chi^2$  test is an example of an absolute fit index which assesses how well an *a priori* model fits the data (McDonald and Ho, 2002). It is a traditional means of assessing goodness of fit, whereby it is recommended that the smaller the value, the better the fit; with non-significance being desirable (Hinkin, 1998). A  $\chi^2$  value that is two to three times larger than the degrees of freedom is also considered acceptable; although the closer it is to the degrees of freedom, the better (Carmines and McIver, 1981; Thacker, Fields, and Tetrick, 1989). A  $\chi^2$  value of zero suggests that the specified model fits the data perfectly, that is, the predicted correlations and covariances are equivalent to the actual correlations and covariances; whereas the higher the  $\chi^2$  is, the worse the model fit is (Kline, 2005). When  $\chi^2$  is not significant, we can accept the null hypothesis, which is that the specified model is acceptable.

A well-known criticism levelled against this test is its large dependence on sample size, as well as on other model characteristics. For example, high correlations can cause the  $\chi^2$  value to increase which would make it increasingly unlikely that the null hypothesis is accepted (Kline, 2005). Consequently, this has led to proposals for the use of supplementary goodness of fit indices for testing model fit (Hu and Bentler, 1998; Schmitt, 2011).

The goodness of fit index (GFI) is an example of an absolute fit index which assesses how well the model fits the data in comparison to no model at all, and was proposed as an alternative to  $\chi^2$  (Jöreskog and Sörbon, 1986). This index examines the extent to which the variance in the sample covariance matrix can be accounted for by the model. A value of 1.0 indicates a perfect fit of the model, however in reality it is recommended that as this is rarely attained, values of 0.90 or above are acceptable and indicative of a good fit (Kline, 2005). Indeed, Miles and Shevlin (1998) recommend a cut-off value of 0.95 for those models with low factor loadings and sample sizes. A weakness of this index is its sensitivity to matters such as parameter increases and sample sizes (Miles and Shevlin, 1998).

Root mean square error of approximation (RMSEA), also an absolute fit index, is a parsimony-adjusted index, and so it corrects for model complexity within the formula, and prefers the simpler model over two competing models (Kline, 2005). This fit statistic is touted as 'one of the most informative fit indices' (Diamantopoulos and Siguaaw; 2000, pg. 85). The RMSEA index assumes that the model does not fit the data perfectly, but reflects reality (Raykov and Marcoulides, 2000). The closer the RMSEA value is to zero, the better the fit; however this is rarely attained, and instead the value should ideally be no greater than 0.06, with a suggested absolute maximum of 0.08 (Hu and Bentler, 1999). Others note that a value of less than 0.05 indicates a good fit, whereas a value between 0.06 and 0.08 is indicative of a reasonable fit, and anything above 0.10 is considered to reflect a poor fit (Kline, 2005). Ideally, the lower bound of the 90% confidence interval provided should be close to zero or at least within the acceptable values listed above, and the upper bound be no greater than 0.10 (Kline, 2005).

It is recommended that in addition to absolute fit indices, two additional incremental indices also be reported (Hoyle and Panter, 1995). There are three types of incremental fit indexes, and in the present research the following two will be reported: TLI and CFI. The Tucker Lewis index (TLI), also known as the Non-Normed Fit Index (NNFI), is an example of a type two index which assesses the extent to which a model is an improvement over a baseline/null model. The TLI overcomes the issue of sensitivity to sample sizes that was apparent with the Normed Fit Index (NFI; Bentler and Bonnet, 1980). This index prefers simpler models, although results can yield poor fit with small sample sizes, in contrast to the indications of other fit indices (Kline, 2005). A cut-off value of 0.90, and in some cases, a cut-off value of 0.95 is suggested to be indicative of a good fit (Hu and Bentler, 1999). A possible

complication with this model is its indication of worse fit in correctly specified models, but with an increasing number of variables in the model (Kenny and McCoach, 2003).

The comparative fit index (CFI: Bentler, 1990) is an example of a type three index which assumes a non-central  $\chi^2$  distribution (Hu and Bentler, 1998). It compares the researcher's model to a baseline (usually null) model, and in comparison to TLI, performs well even when sample sizes are small (Kline, 2005). This index does not assume that the researcher's model fits the data perfectly; rather it measures the improvement of fit with the data compared to the null model (Kline, 2005). It is advised that CFI may be more appropriate in contrast to the  $\chi^2$  test (Kline, 2005). Here a CFI value of greater than 0.90 is considered acceptable (Hinkin, 1998). Hu and Bentler (1999) suggest a cut off of 0.95 for continuous data and 0.96 for categorical data, in order that incorrectly specified models may not be erroneously accepted. A criticism arrayed against this model usually is the fact that the null model assumes zero covariances, considered scientifically implausible, and so any improvement in fit of the researcher's model compared to this null model is somewhat blasé (Kline, 2005).

The above indices have their own individual strengths and limitations. Majority, if not all of the research, tends to report the  $\chi^2$  as normal protocol, but varies in terms of the additional goodness of fit indices used. A commonly levelled criticism tends to be that research uses those indices which are favourable in supporting a good model fit (Kline, 2005). To prevent this bias, the above indices were chosen in line with recommendations in the hope that the combination of them would overcome apparent weaknesses; this choice was made prior to conducting CFA (Bentler, 2007; Kline, 2005; McDonald and Ho, 2002; Schmitt, 2011).

#### *5.4.2.2. Confirmatory factor analysis results*

As opposed to confirming the structure found in EFA, in order to be more rigorous, confirmatory factor analysis was conducted with the full set of 32 items with the purpose of examining the model that would best fit the data in a bottom up fashion, as opposed to top-down via EFA; as per the above noted recommendations. In order to refine the scale, items were deleted through the use of modification indices, standardised residual covariances, as well as poor item loadings. This was an iterative process and items were deleted one by one to ensure no adverse effect on model fit, after having deleted a specific item. The model that appeared to work best with the data as well as make good conceptual sense was one with five individual dimensions that were allowed to co-vary.

As a result of this process, a somewhat different pattern of item deletion emerged from that informed by EFA. Within the company sample, with both the leader ratings and team member self-ratings, a good fit was achieved with this particular item deletion pattern. This reduced the scale down to a three item per dimension scale with the following items: soc2, soc3, soc6, phil8, phil11, phil12, stake16, stake17, stake18, env19, env22, env23, econ28, econ29, and econ32 (see Table 5.02 for the corresponding items to these item codes).

Following this, the 15 item scale was tested for reliability for the individual dimensions, and on the basis of this information, problematic items were deleted to ensure that the reliability was 0.70 or above. One item per dimension was deleted so that the final scale was composed of ten items, two per dimension. If there were no problematic items, the items with the lowest reliability were deleted so as to ensure an equivalent number of items across the five dimensions. As a result of this, the items soc2, phil12, stake17, env19, and econ28 were deleted. At all times, effort was made to ensure that items were being retained both for their psychometric and their theoretical value. The final items are displayed in Table 5.07.

**Table 5.07**

**Final ESR scale**

<b>Dimension</b>	<b>Items</b>	<b>Item Code</b>
Social	Assists in community projects	Soc 3
	Gets involved in volunteer or social groups in the wider community	Soc 6
Philanthropy	Raises money for charity	Phil 8
	Volunteers in charitable initiatives	Phil 11
Stakeholder	Acts fairly towards others	Stake 16
	Treats others with respect	Stake 18
Environmental	Recycles	Env 22
	Behaves in an environmentally friendly manner	Env 23
Economic	Completes work to a high standard	Econ 29
	Does his/her fair share of the work	Econ 32

*Note:* Final scale resulting from CFA on the company sample for both leader and team member self-ratings

On this reduced 10 item scale, CFA was conducted for competing models in order to ensure that the first order five factor dimensional model was indeed the best fitting model for both the leader ratings and team member self-ratings in the company sample. Here five models were tested. Firstly a null model was tested where the 10 items did not load on any factor to serve as the baseline, to which the subsequent models were compared. Following this, a first-order one factor model, where all the items loaded onto an overall ESR factor was tested, which represented a single ESR scale with no underlying dimensions. Furthermore, a first-order five factor model, where the items loaded onto their respective five dimensions, was also tested; which were all correlated, in order to represent five mutually inter-related ESR dimensions. Additionally, a second-order model was tested whereby the items loaded onto the five dimensions accordingly, which loaded on an overall ESR factor. Finally there was also a further second-order model, where items loaded onto one of the five dimensions, and here the social and philanthropy dimensions loaded onto one overarching factor, and the stakeholder environment and economic dimensions loading onto a second overarching factor; a model informed by the EFA results where the social and philanthropy items persistently loaded onto one factor, as well as interviewee responses that these two were equivalent and/or highly inter-related. Note that no constraints were added to these models.

As can be seen in Table 5.08, the first order five factor model resulted in the best fit with both the leader ratings ( $\chi^2 = 25.66$ ;  $p > 0.05$ ) and the team member self-ratings ( $\chi^2 = 27.36$ ;  $p > 0.05$ ). As well as the  $\chi^2$  being non-significant, meaning we can accept that the model fits the data, all the other indices met the cut-offs confidently. The final CFA models for the company sample for leader-ratings (Figure 5.01) and team member self-ratings (Figure 5.02) are graphically depicted below.

**Table 5.08**

**CFA results for company sample: Leader and team-member ratings**

<b>Company sample – Leader ratings<sup>1</sup></b>						
<b>Model</b>	$\chi^2$	<b>DF</b>	<b>GFI</b>	<b>RMSEA</b>	<b>TLI</b>	<b>CFI</b>
<b>Null</b>	747.39 (p<0.001)	45	0.40	0.36	0.00	0.00
<b>One Factor</b>	420.17 (p<0.001)	35	0.57	0.30	0.30	0.45
<b>Five Factors</b>	25.66 (p = 0.43)	25	0.96	0.02	1.00	1.00
<b>Second Order (5 dimensions; 1 factor)</b>	87.20 (p<0.001)	30	0.89	0.13	0.88	0.92
<b>Second Order (5 dimensions; 2 factors)</b>	34.54 (p = 0.22)	29	0.95	0.04	0.99	0.99
<b>Company sample – Team member self-ratings<sup>2</sup></b>						
<b>Null</b>	796.22 (p<0.001)	45	0.41	0.41	0.00	0.00
<b>One Factor</b>	473.14 (p<0.001)	35	0.55	0.35	0.25	0.42
<b>Five Factors</b>	27.36 (p = 0.34)	25	0.95	0.03	0.99	1.00
<b>Second Order (5 dimensions; 1 factor)</b>	103.37 (p<0.001)	30	0.86	0.16	0.85	0.90
<b>Second Order (5 dimensions; 2 factors)</b>	30.41 (p = 0.39)	29	0.94	0.02	1.00	1.00

*Note: <sup>1</sup>N = 120 <sup>2</sup>N = 101*

Figure 5.01

Final five factor model: Company sample - leader ratings

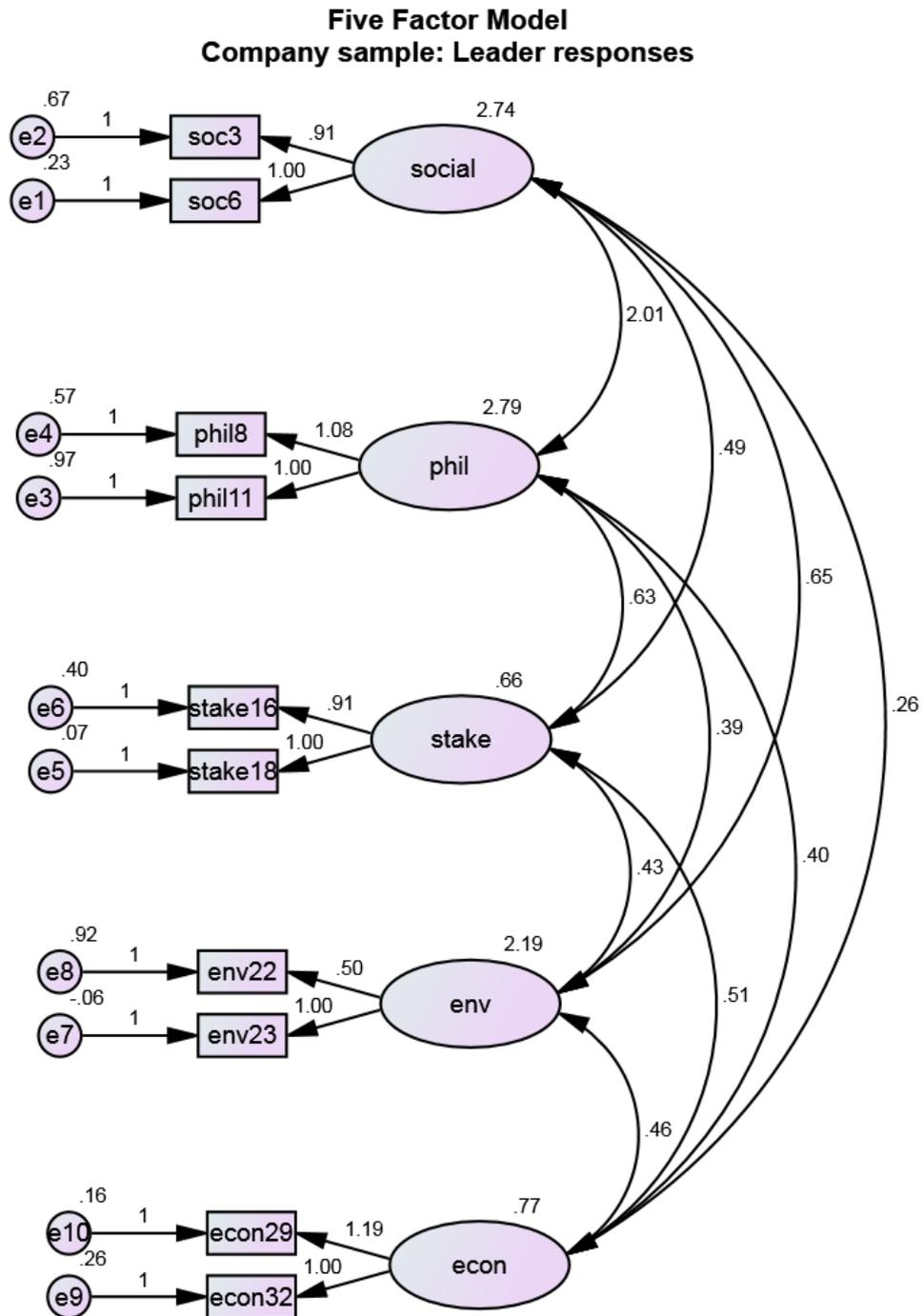
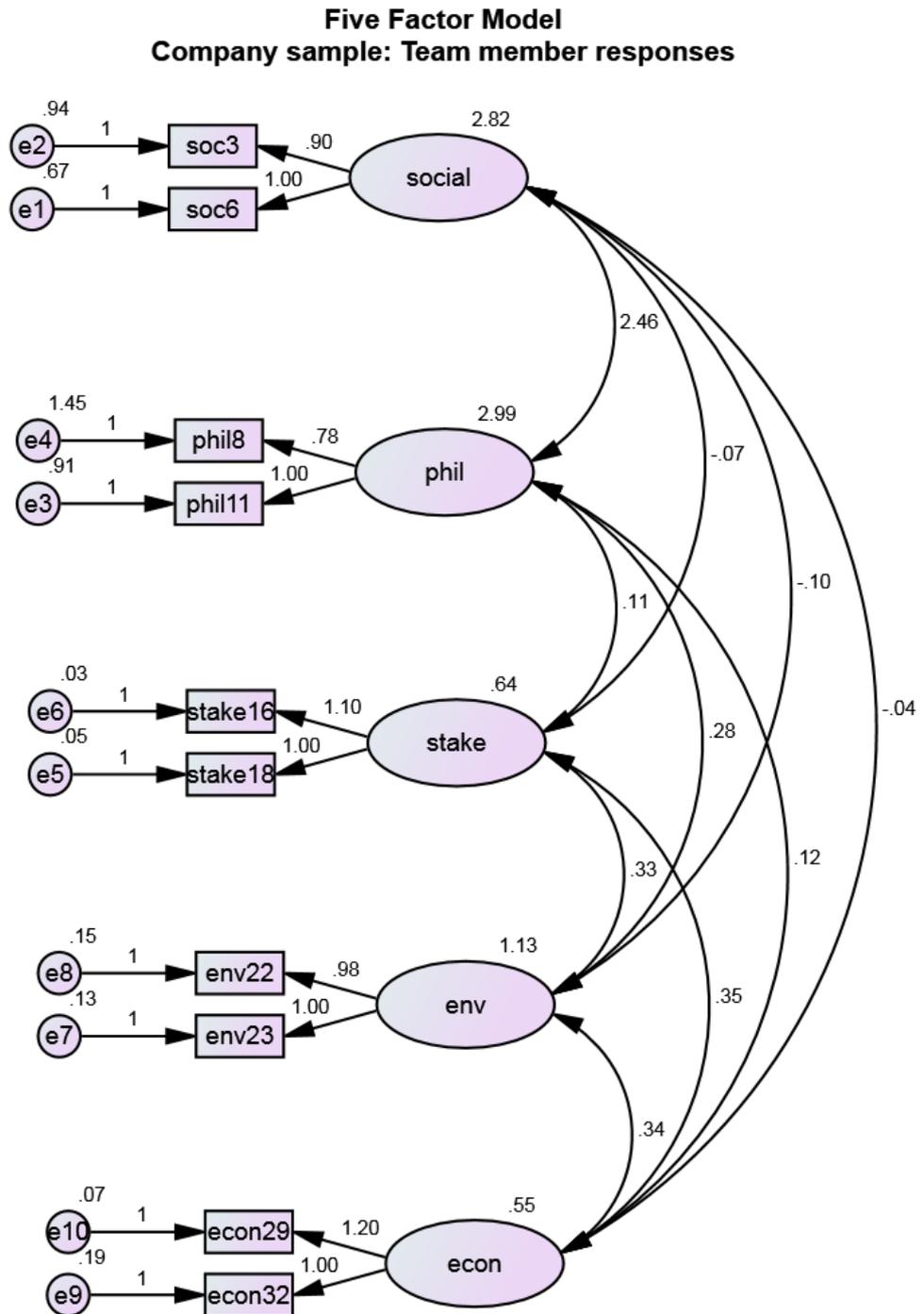


Figure 5.02

Final five factor model: Company sample - team member self-ratings



### 5.4.3. Reliability analysis

The reliability (Table 5.09) was tested for the final ten-item scale for both the leader ratings and team member self-ratings in the company sample, for the individual dimensions as well as the full scale. Internal consistency by means of Cronbach’s alpha ( $\alpha$ ) is the most common means of scrutinising reliability. A minimum  $\alpha$  of 0.70 is suggested in order to demonstrate strong item covariance and the appropriate sampling of the domain of interest (Churchill, 1979; Nunnally, 1976). For all dimensions, as well as the overall scale; in all cases the reliability exceeded 0.7, as recommended by Nunnally (1976). Given that the issue of calculating  $\alpha$  for two-item scales is a contentious one, the correlations between the two items for each dimension, were also calculated, and these are provided in brackets under the  $\alpha$  (see Eisinga, te Grotenhuis, and Pelzer, 2013). These Pearson correlation coefficients revealed that the two items within each dimensions were significantly, positively, and highly correlated with one another.

**Table 5.09**

**Reliability and Pearson correlation coefficients: Company sample**

<b>Sample</b>	<b>Social</b>	<b>Philanthropy</b>	<b>Stakeholder</b>	<b>Environmental</b>	<b>Economic</b>	<b>Full Scale</b>
<b>Leader ratings<sup>1</sup></b>	0.92 (.84**)	0.89 (.80**)	0.84 (.72**)	0.75 (.61**)	0.88 (.80**)	0.82
<b>Team member self-ratings<sup>2</sup></b>	0.86 (.76**)	0.79 (.65**)	0.97 (.94**)	0.94 (.89**)	0.90 (.83**)	0.76

Note: <sup>1</sup>N = 121 <sup>2</sup>N = 101/ \*\*p<0.01

### 5.4.4. Inter-factor correlations

Inter-factor correlations were computed for both the leader ratings and the team member self-ratings within the company sample. In reference to the leader ratings (Table 5.10), all the dimensions were moderately correlated with one another barring an exception, namely between the philanthropy and environmental dimensions. Furthermore, all dimensions were significantly and highly correlated with the overall ESR scale, thus suggesting that the individual dimensions all tapped into the overall ESR construct.

**Table 5.10**  
**Inter-factor correlations: Company sample (leader-ratings)**

<b>Company sample Leader-ratings</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Full scale	-					
2.Social	.78**	-				
3.Philanthropy	.79**	.65**	-			
4.Stakeholder	.69**	.34**	.41**	-		
5.Environmental	.49**	.18*	.06	.29**	-	
6.Economic	.59**	.19*	.22*	.61**	.35**	-

Note:  $N = 121$ ; \*\* $p < 0.01$  \* $p < 0.05$

With regards to the team member self-ratings of ESR in the company sample (Table 5.11), the social and philanthropy dimensions did not correlate significantly with the stakeholder, environmental, or economic dimensions. This most likely reflects the divide between the more extra-role nature of social and philanthropy behaviours, and the more in-role nature of stakeholder, economic, and environmental behaviours. Nevertheless, given that the intention was not to use team-member self-ratings in subsequent hypotheses testing, this issue was not given further consideration. Aside from this, all other pairings were significantly correlated, and all the dimensions were significantly and highly correlated with the overall ESR scale.

**Table 5.11**  
**Inter-factor correlations: Company sample (team member self-ratings)**

<b>Company sample Team-member ratings</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Full scale	-					
2.Social	.72**	-				
3.Philanthropy	.81**	.71**	-			
4.Stakeholder	.45**	-.05	.05	-		
5.Environmental	.47**	-.06	.13	.37**	-	
6.Economic	.46**	-.03	.05	.57**	.39**	-

Note:  $N = 101$ ; \*\* $p < 0.01$  \* $p < 0.05$

## **5.5. Scale validation: Business Game sample**

After having initially validated the scale in the company scale, to further validate the scale and thus ensure the robustness of the final scale, the findings from the company sample were replicated in the Business Game (BG) sample. This sample consisted of groups of individuals working within a simulated business game environment, with team members nested within teams/ leaders. Data from this sample was collected in a time-lagged study and so leaders and team members provided ratings at three time points over a ten week period (time1/week1, time 2/week 4, time 3/ week7). In this sample, leaders provided ratings of their subordinates' ESR, and team members provided ratings of ESR for their fellow peers in a 360° fashion. For greater details on this sample, the reader is referred to the Methodology and Samples chapter (chapter four).

### *5.5.1. Exploratory factor analysis: Leader ratings*

As with the company sample, coefficient values below 0.4 were suppressed when running the EFAs on the BG sample, but this time no criteria were used to extract the number of factors, rather the analysis was forced to extract four factors. This was so that it could be discerned if the same factor structure could be replicated in the business game sample, with the leader and team member ratings, at times 1, 2 and 3, as was the case with the company sample.

For time 1 (Table 5.12) with the leader ratings, only three factors had Eigenvalues greater than 1. Collectively the four factors accounted for 82.3% of the variance. The items loaded relevantly on their respective factors with no cross-loadings apparent. As with the company sample, items pertaining to the factors social and philanthropy loaded on one factor.

At time 2 (Table 5.13) with the leader ratings, when imposing a four factor extraction, the rotation did not converge. However when a four factor extraction was not imposed, rather factors were extracted based upon Eigenvalues greater than 1, then the rotation did converge. This surprisingly revealed a three factor structure whereby the items pertaining to the social and philanthropic dimensions loaded on one factor and items from the environmental dimension loaded onto another factor, as typical; however the items from the stakeholder and economic dimension also loaded collectively on one factor. Cumulatively, these three factors accounted for 79.7% of the variance.

For time 3 leader ratings of ESR (Table 5.14), only three of the factors had Eigenvalues greater than 1, with the four factors collectively accounting for 90.4% of the variance. All items again loaded on the appropriate factors, with social and philanthropy items loading on the same factor again. However the issue in this instance was that the two stakeholder items also tended to load on the economic dimension, as was the case at time 2, albeit with substantially reduced loading strengths.

Note, in order to ensure analytical rigour, the above was repeated using oblique rotation, specifically Direct Oblimin. This revealed rotated factor structures that were comparable, thus demonstrating a reasonable sensitivity analysis.

**Table 5.12**

**EFA results: BG sample with leader-ratings (Time 1)**

<b>BG sample: Leader ratings- Time 1</b>	<b>Social/ Philanthropy</b>	<b>Environment</b>	<b>Stakeholder</b>	<b>Economic</b>
3. Assists in community projects [soc3]	.711			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.679			
8. Raises money for charity [phil8]	.818			
11. Volunteers in charitable initiatives [phil11]	.795			
16. Acts fairly towards others [stake16]			.843	
18. Treats others with respect [stake18]			.851	
22. Recycles [env22]		.927		
23. Behaves in an environmentally friendly manner [env23]		.819		
29. Completes work to a high standard [econ29]				.758
32. Does his/her fair share of the work [econ32]				.877

*Note:* Table shows factor loadings from the rotated factor matrix - (Imposed four factor extraction)

*N* = 188; Extraction method = Principal Axis Factoring; Rotation method = Varimax

**Table 5.13**

**EFA results: BG sample with leader ratings (Time 2)**

<b>BG sample: Leader ratings- Time 2</b>	<b>Stakeholder/ Economic</b>	<b>Social/ Philanthropy</b>	<b>Environmental</b>
3. Assists in community projects [soc3]		.775	
6. Gets involved in volunteer or social groups in the wider community [soc6]		.851	
8. Raises money for charity [phil8]		.888	
11. Volunteers in charitable initiatives [phil11]		.730	
16. Acts fairly towards others [stake16]	.894		
18. Treats others with respect [stake18]	.780		
22. Recycles [env22]			.768
23. Behaves in an environmentally friendly manner [env23]			.945
29. Completes work to a high standard [econ29]	.805		
32. Does his/her fair share of the work [econ32]	.810		

*Note:* Table shows factor loadings from the rotated factor matrix - (Factors extracted with Eigenvalues greater than 1)

*N* = 213; Extraction method = Principal Axis Factoring; Rotation method = Varimax

**Table 5.14**

**EFA results: BG sample with leader ratings (Time 3)**

<b>BG sample: Leader ratings-Time 3</b>	<b>Social/ Philanthropy</b>	<b>Economic</b>	<b>Environment</b>	<b>Stakeholder</b>
3. Assists in community projects [soc3]	.821			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.926			
8. Raises money for charity [phil8]	.875			
11. Volunteers in charitable initiatives [phil11]	.931			
16. Acts fairly towards others [stake16]		.412		.792
18. Treats others with respect [stake18]		.427		.773
22. Recycles [env22]			.945	
23. Behaves in an environmentally friendly manner [env23]			.741	
29. Completes work to a high standard [econ29]		.899		
32. Does his/her fair share of the work [econ32]		.837		

*Note:* Table shows factor loadings from the rotated factor matrix - (Imposed four factor extraction)

*N* = 209; Extraction method = Principal Axis Factoring; Rotation method = Varimax

*5.5.2. Exploratory factor analysis: Team member ratings*

In regards to the team member 360° ratings of ESR in the BG sample, for time 1 (Table 5.15), two of the factors had Eigenvalues greater than 1. The four factors collectively accounted for 87.3% of the variance. At time 2 (Table 5.16), the four factors accounted for 87.4% of the variance, and only two had Eigenvalues greater than one. Finally, at time 3 (Table 5.17), the four factors accounted for 89% of the variance, and as with time 1 and 2; two factors had Eigenvalues greater than one. Across all time points, the items loaded onto their respective factors. When cross-loadings were present, the loadings onto the second irrelevant factor tended to be significantly lower, and thus relatively trivial. On the whole, the four-factor

structure yielded by the company sample, tended to be replicated in the BG sample with leader and team-member ratings of ESR, albeit with occasional instances of cross-loadings.

Note, in order to ensure analytical rigour, the above was repeated using oblique rotation, specifically Direct Oblimin. This revealed rotated factor structures that were comparable, thus demonstrating a reasonable sensitivity analysis.

**Table 5.15**

**EFA results: BG sample with team member ratings (Time 1)**

<b>BG sample: Team member ratings- Time 1</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Environment</b>	<b>Economic</b>
3. Assists in community projects [soc3]	.825			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.835			
8. Raises money for charity [phil8]	.825			
11. Volunteers in charitable initiatives [phil11]	.843			
16. Acts fairly towards others [stake16]		.794		
18. Treats others with respect [stake18]		.867		
22. Recycles [env22]			.846	
23. Behaves in an environmentally friendly manner [env23]			.765	
29. Completes work to a high standard [econ29]		.448		.737
32. Does his/her fair share of the work [econ32]				.835

*Note:* Table shows factor loadings from the rotated factor matrix - (Imposed four factor extraction)

*N* = 218; Extraction method = Principal Axis Factoring; Rotation method = Varimax

**Table 5.16**

**EFA results: BG sample with team member ratings (Time 2)**

<b>BG sample: Team member ratings- Time 2</b>	<b>Social/ Philanthropy</b>	<b>Stakeholder</b>	<b>Economic</b>	<b>Environment</b>
3. Assists in community projects [soc3]	.847			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.683			
8. Raises money for charity [phil8]	.908			
11. Volunteers in charitable initiatives [phil11]	.825			
16. Acts fairly towards others [stake16]		.806		
18. Treats others with respect [stake18]		.805	.413	
22. Recycles [env22]				.850
23. Behaves in an environmentally friendly manner [env23]				.719
29. Completes work to a high standard [econ29]			.784	
32. Does his/her fair share of the work [econ32]			.750	

*Note:* Table shows factor loadings from the rotated factor matrix - (Imposed four factor extraction)

*N* = 218; Extraction method= Principal Axis Factoring; Rotation method=Varimax

**Table 5.17**  
**EFA results: BG sample with team member ratings (Time 3)**

<b>BG sample: Team member ratings- Time 3</b>	<b>Social/ Philanthropy</b>	<b>Economic</b>	<b>Environment</b>	<b>Stakeholder</b>
3. Assists in community projects [soc3]	.802			
6. Gets involved in volunteer or social groups in the wider community [soc6]	.886			
8. Raises money for charity [phil8]	.819			
11. Volunteers in charitable initiatives [phil11]	.782			
16. Acts fairly towards others [stake16]		.401		.812
18. Treats others with respect [stake18]		.424		.727
22. Recycles [env22]			.790	
23. Behaves in an environmentally friendly manner [env23]			.793	
29. Completes work to a high standard [econ29]		.802		
32. Does his/her fair share of the work [econ32]		.844		

*Note:* Table shows factor loadings from the rotated factor matrix - (Imposed four factor extraction)

*N* = 217; Extraction method = Principal Axis Factoring; Rotation method = Varimax

### 5.5.3. *Confirmatory factor analysis*

In the company sample, confirmatory factor analysis revealed that whilst EFA was indicating a four factor structure, with social and philanthropy items loading onto the same factor, the first-order five factor model demonstrated a better model fit. That is, the five factor model, where the items loaded onto their respective dimensions, which were inter-related; had a better fit compared to the null model, the one factor model (all items tap into an overarching construct of ESR), the second-order model where the five dimensions of ESR tapped into an overall ESR construct, and an alternative second-order model where the social and philanthropy dimensions tapped into an overarching factor, and the stakeholder, environmental, and economic dimensions tapped into a second overarching factor. To further validate and confirm this five factor model, the model fit for the models discussed was compared in the BG sample for both team member and leader ratings across times 1, 2 and 3, in order to deduce if the five factor model was indeed the best fitting model in this sample, to further ensure robustness of the final model.

Confirmatory factor analysis (CFA) was henceforth conducted on the five competing models in order to test for model fit. As with the company sample, the five models consisted of the null model, a first-order one factor model where all items loaded onto an overall ESR factor, a first-order five factor model where the five ESR dimensions were correlated with one another, a second-order model with the five individual dimensions loading onto an overall ESR factor, and an additional second-order model whereby the social and philanthropy dimensions loaded onto one overarching factor, and the stakeholder, environment and economic dimensions onto another overarching factor. This was done for both leader and team member ratings of ESR in the BG sample, across all three time points. Note that no constraints were added to these models.

With regards to the leader ratings in the BG sample (Table 5.18), for time 1, the five factor model and the second-order two factor model (five dimensions tapping into two overarching factors), were comparable in terms of fit. The five factor model had a lower chi-square value; however, the second order model had a more ideal RMSEA and TLI score, making both models competitive. For time 2 and time 3, the best fitting model was the five factor model (time 2:  $\chi^2 = 47.67$ ;  $p < 0.05$  | time 3:  $\chi^2 = 114.16$ ;  $p < 0.001$ ). It should be noted however that the RMSEA score of 0.15 was above the absolute cut-off of 0.10 for time 3. Nevertheless, given that the other indices met the cut-off criteria, this was considered negligible.

**Table 5.18**

**CFA results: BG sample with leader ratings**

<b>BG sample with leader ratings-Time 1</b>						
<b>Model</b>	$\chi^2$	<b>DF</b>	<b>GFI</b>	<b>RMSEA</b>	<b>TLI</b>	<b>CFI</b>
<b>Null</b>	987.14 (p<0.001)	45	0.43	0.35	0.00	0.00
<b>One Factor</b>	568.73 (p<0.001)	35	0.60	0.30	0.27	0.43
<b>Five Factors</b>	54.33 (p<0.05)	25	0.94	0.08	0.94	0.97
<b>Second Order (5 dimensions; 1 factor)</b>	146.12 (p<0.001)	30	0.86	0.15	0.82	0.88
<b>Second Order (5 dimensions; 2 factors)</b>	55.69 (p<0.01)	29	0.94	0.07	0.96	0.97
<b>BG sample with leader ratings -Time 2</b>						
<b>Null</b>	1261.59 (p<0.001)	45	0.38	0.40	0.00	0.00
<b>One Factor</b>	750.86 (p<0.001)	35	0.54	0.35	0.24	0.41
<b>Five Factors</b>	47.67 (p<0.05)	25	0.95	0.07	0.97	0.98
<b>Second Order (5 dimensions; 1 factor)</b>	183.68 (p<0.001)	30	0.85	0.17	0.81	0.87
<b>Second Order (5 dimensions; 2 factors)</b>	62.56 (p<0.001)	29	0.93	0.08	0.96	0.97
<b>BG sample with leader ratings -Time 3</b>						
<b>Null</b>	1730.56 (p<0.001)	45	0.31	0.47	0.00	0.00
<b>One Factor</b>	1071.58 (p<0.001)	35	0.45	0.42	0.21	0.39
<b>Five Factors</b>	114.16 (p<0.001)	25	0.90	0.15	0.91	0.95
<b>Second Order (5 dimensions; 1 factor)</b>	456.75 (p<0.001)	30	0.74	0.29	0.62	0.75
<b>Second Order (5 dimensions; 2 factors)</b>	138.74 (p<0.001)	29	0.88	0.15	0.90	0.94

*Note:* Confirmatory factor analysis results for the leader ratings in the BG sample across all three time points;  $N = 170$

When CFA was run on the BG sample with team-member ratings (Table 5.19), the best fitting model again was the five factor model across all 3 time points. At time 1, the  $\chi^2$  value of 28.39 ( $p>0.05$ ) was not significant allowing us to accept the null hypothesis. At time 2, the  $\chi^2$  of 50.59 was significant ( $p<0.05$ ), however all other indices of fit were acceptable. At time 3, the  $\chi^2$  again was not significant ( $\chi^2 = 33.85$ ;  $p>0.05$ ), allowing us to accept the null hypothesis once again. Across all three time points, the other indices of fit were at acceptable levels and indicated that the five factor model was indeed the best fitting model. The graphical models of these final five factor models, for both the team member and leader ratings within the BG sample can be found in Appendix 9.

#### 5.5.4. Reliability analysis

Reliability analysis was conducted on the final ten-item ESR measure, for the individual dimensions as well as the overall ESR scale (Table 5.20). This was done for leader ratings of ESR as well as team member ratings of ESR in the BG sample, for all three time points. With the exception of one case, all other reliability values exceeded the recommended cut-off of 0.70. The  $\alpha$  for the social dimension, with the leader ratings at time 1, was 0.69 thus just falling short of the cut-off of 0.70. However since it was on the fence, and was not recurrent at any other point in the BG sample, this was not considered problematic. Given that there is disagreement as to whether  $\alpha$  should be calculated for two-item scales, Pearson's correlation coefficients between the two items within each dimension were additionally calculated, and these are given in brackets under the  $\alpha$  for each dimension (Eisinga *et al.*, 2013).

**Table 5.19**

**CFA results: BG sample with team member ratings**

<b>BG sample with team member ratings-Time 1</b>						
<b>Model</b>	$\chi^2$	<b>DF</b>	<b>GFI</b>	<b>RMSEA</b>	<b>TLI</b>	<b>CFI</b>
<b>Null</b>	1557.37 (p<0.001)	45	0.32	0.40	0.00	0.00
<b>One Factor</b>	727.20 (p<0.001)	35	0.55	0.31	0.41	0.54
<b>Five Factors</b>	28.39 (p=0.290)	25	0.97	0.03	1.00	1.00
<b>Second Order (5 dimensions; 1 factor)</b>	174.05 (p<0.001)	30	0.86	0.15	0.86	0.91
<b>Second Order (5 dimensions; 2 factors)</b>	67.41 (p<0.001)	29	0.94	0.08	0.96	0.98
<b>BG sample with team member ratings -Time 2</b>						
<b>Null</b>	1714.12 (p<0.001)	45	0.30	0.42	0.00	0.00
<b>One Factor</b>	802.19 (p<0.001)	35	0.52	0.32	0.41	0.54
<b>Five Factors</b>	50.59 (p<0.05)	25	0.96	0.07	0.97	0.99
<b>Second Order (5 dimensions; 1 factor)</b>	256.59 (p<0.001)	30	0.84	0.19	0.80	0.86
<b>Second Order (5 dimensions; 2 factors)</b>	76.58 (p<0.001)	29	0.94	0.09	0.96	0.97
<b>BG sample with team member ratings -Time 3</b>						
<b>Null</b>	1914.76 (p<0.001)	45	0.26	0.45	0.00	0.00
<b>One Factor</b>	798.99 (p<0.001)	35	0.50	0.32	0.48	0.59
<b>Five Factors</b>	33.85 (p=0.111)	25	0.97	0.04	0.99	1.00
<b>Second Order (5 dimensions; 1 factor)</b>	206.22 (p<0.001)	30	0.84	0.17	0.86	0.91
<b>Second Order (5 dimensions; 2 factors)</b>	74.04 (p<0.001)	29	0.93	0.09	0.96	0.98

*Note:* Confirmatory factor analysis results for the team member ratings in the BG sample across all three time points; *N* = 210

**Table 5.20**  
**Reliability and Pearson correlation coefficients: BG sample**

<b>Rater</b>	<b>Time</b>	<b>Social</b>	<b>Philanthropy</b>	<b>Stakeholder</b>	<b>Environmental</b>	<b>Economic</b>	<b>Full Scale</b>
Leader <sup>1</sup>	1	0.69 (.53**)	0.82 (.69**)	0.91 (.84**)	0.87 (.78**)	0.89 (.80**)	0.82
	2	0.89 (.80**)	0.87 (.77**)	0.93 (.87**)	0.90 (.82**)	0.88 (.79**)	0.83
	3	0.91 (.83**)	0.92 (.75**)	0.92 (.86**)	0.89 (.81**)	0.95 (.90**)	0.87
Team member <sup>2</sup>	1	0.87 (.76**)	0.88 (.79**)	0.92 (.86**)	0.89 (.80**)	0.88 (.79**)	0.89
	2	0.79 (.66**)	0.90 (.81**)	0.94 (.88**)	0.90 (.82**)	0.89 (.80**)	0.90
	3	0.86 (.76**)	0.83 (.72**)	0.93 (.86**)	0.94 (.89**)	0.93 (.86**)	0.92

*Note:* Reliability and correlation coefficients for the individual dimensions and the full ESR scale for the BG sample, for both leader and team member ratings at times 1, 2 and 3; <sup>1</sup>N = 196 – 215 (range), <sup>2</sup>N = 217 – 220 (range); \*\*p<0.01

#### *5.5.5. Psychometric properties*

After having confirmed the factor structure of the scale, and deriving the final ten-item ESR scale, the next objective was to establish its psychometric properties, in the BG sample. Here inter-factor correlations were explored, in addition to convergent and discriminant validity, and predictive validity.

##### *5.5.5.1. Inter-factor correlations*

Inter-factor correlations were computed for the BG sample for leader and team member ratings across all 3 time points. With regards to the leader ratings (Table 5.21), in most cases the dimensions tended to be significantly correlated with one another at each time point. However at time 1, the environmental dimension did not correlate with the social and the philanthropy dimensions, and at time 2, the economic and stakeholder dimension did not correlate with the social and philanthropy dimensions. This was however not the case with the team-member ratings (Table 5.22). Here, all dimensions significantly correlated with one another at every time point. Furthermore, all dimensions across all time points significantly correlated with the overall ESR scale, suggesting that they were all tapping into the overall umbrella of ESR behaviours.

**Table 5.21**

**Inter-factor correlations: BG sample with leader ratings (Time 1 to 3)**

<b>Leader-ratings: Time 1<sup>1</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.65**	-				
3.Stakeholder	.20**	.17*	-			
4.Environment	.07	.05	.42**	-		
5.Economic	.16*	.16*	.56**	.35**	-	
6.Full ESR Scale	.61**	.57**	.73**	.60**	.72**	-
<b>Leader-ratings: Time 2<sup>2</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.68**	-				
3.Stakeholder	.05	.10	-			
4.Environment	.28**	.23**	.43**	-		
5.Economic	.05	.08	.70**	.36**	-	
6.Full ESR Scale	.54**	.55**	.75**	.71**	.73**	-
<b>Leader-ratings: Time 3<sup>3</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.87**	-				
3.Stakeholder	.15*	.18**	-			
4.Environment	.37**	.36**	.52**	-		
5.Economic	.19**	.18*	.72**	.45**	-	
6.Full ESR Scale	.66**	.66**	.76**	.75**	.76**	-

*Note:* <sup>1</sup>N = 200 – 208 (range), <sup>2</sup>N = 215, <sup>3</sup>N = 210 – 212 (range); \*p<0.05 \*\*p<0.01

**Table 5.22**

**Inter-factor correlations: BG sample with team-member ratings (Time 1 to 3)**

<b>Team member ratings: Time 1<sup>1</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.84**	-				
3.Stakeholder	.31**	.29**	-			
4.Environment	.44**	.51**	.45**	-		
5.Economic	.29**	.26**	.68**	.41**	-	
6.Full ESR Scale	.78**	.78**	.72**	.74**	.71**	-
<b>Team member ratings: Time 2<sup>2</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.81**	-				
3.Stakeholder	.34**	.22**	-			
4.Environment	.48**	.48**	.58**	-		
5.Economic	.36**	.23**	.74**	.53**	-	
6.Full ESR Scale	.77**	.70**	.76**	.81**	.77**	-
<b>Team member ratings: Time 3<sup>3</sup></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1.Social	-					
2.Philanthropy	.85**	-				
3.Stakeholder	.42**	.39**	-			
4.Environment	.59**	.57**	.61**	-		
5.Economic	.43**	.36**	.74**	.55**	-	
6.Full ESR Scale	.80**	.77**	.81**	.83**	.80**	-

*Note:* <sup>1</sup>N = 219, <sup>2</sup>N = 218 – 220 (range), <sup>3</sup>N = 218; \*p<0.05 \*\*p<0.01

#### 5.5.5.2. *Convergent and discriminant validity*

Here the additional scales that were included in the questionnaire are of interest. Namely, these were the deviant behaviours scale (Bennett and Robinson, 2000), in-role behaviour scale (Williams and Anderson, 1991), organisational citizenship behaviours scale (Podsakoff *et al.*, 1990), co-operation behaviours scale (Bettencourt and Brown, 1997), and finally, the pro-environmental behaviours scale (Whitmarsh and O'Neil, 2010). Greater details on these scales can be found within the Methodology and Samples chapter (chapter four). Correlations between the newly developed scale and these additional scales are examined to check for convergent and discriminant validity. When looking at convergent validity, it is expected that the newly developed scale correlates with established measures; that are related to some extent. On the contrary, discriminant validity is obtained when the newly developed scale does not correlate too strongly with these measures, such that it appears to be tapping into the same construct, and thus providing no additional value (Hinkin, 1998).

In order to test for convergent validity, the in-role behaviour (IRB), pro-environmental behaviour (ENB), co-operation (COO), and organisation-citizenship behaviour (OCB), as rated by the leaders, were correlated with the ESR dimensions, for both team member rated and leader rated ESR, across all three time points. It was anticipated that the IRBs would correlate with the economic dimension, the ENBs with the environmental dimension, COO with the stakeholder dimension and OCBs with the social and philanthropy dimensions. Research does not yield a close enough parallel, barring formative scales of volunteering for example, to the social and philanthropy dimensions, and so the closest proxy was considered OCB. This is because OCB is seen to tap into extra-role and 'voluntary' employee behaviours, and in the same vein social and philanthropy are also assumed to tap into extra-role behaviours which an employee is not obligated to perform as per their job role. Correlations were computed at time 1 and time 3, in order to avoid any bias of the intervention effects which took place between these two time points.

The correlation tables show that in most cases, the parallel constructs did correlate significantly with their respective ESR dimensions. In reference to the leader ratings of ESR however (Table 5.23 and 5.24), the OCB scale did not correlate with philanthropy behaviours in time 1. Additionally, in time 3, the correlation between pro-environmental behaviours and environmental ESR was not significant. In regards to the team member ratings of ESR, similarly there were no significant correlations between the pro-environmental behaviours

and environmental dimensions of ESR at both time 1 and 3. Moreover in time 1, OCB did not significantly correlate with social behaviours.

As noted earlier, OCB, whilst a rational approximate to social and philanthropy behaviours, is still limited in tapping into the unique behaviours within these two ESR dimensions; namely community engagement and charity. A possible explanation for why the correlation between pro-environmental behaviours and environmental ESR did not materialise could be the nature of the items. For example in the pro-environmental behaviours scale, the behaviours were specifically focused ('eats food which is organic, locally grown or in season'), whilst the environmental ESR behaviours have more of a general focus ('behaves in an environmentally friendly manner'). This difference in focus could therefore have resulted in lack of convergence.

In addition to testing for convergent validity for the above scales, deviant behaviours were also measured under the assumption that these positive ESR behaviours should be negatively correlated with deviant behaviours. Findings showed that in the vast majority of cases the ESR dimensions were significantly and negatively correlated with deviant behaviours, however there were some rare cases in which this was not so. For example with leader-ratings at time 1, there was no correlation between deviant behaviours with the social and philanthropy dimensions, with the correlation nearing zero; a neutral correlation was also found with the environmental dimension of ESR, in the team member ratings of ESR at time 1. Interestingly, it so happened that here, there was indeed positive correlations between social and philanthropy dimensions with deviant behaviours. A likely explanation for the lack of correlation of the social and philanthropy dimensions with deviant behaviours, as well as positive correlations could be that by engaging in these externally focused positive voluntary behaviours, employees feel they consequently have leverage to act passively and/or to engage in deviant behaviours, termed moral licensing (Blanken, van de Ven, and Zeelenberg, 2015).

Finally, with regards to discriminant validity, in the majority of cases, whilst the correlations were significant, they were of moderate strength. This goes to show that whilst the ESR construct and its dimensions may be measuring similar content to the parallel constructs, it is still measuring extraneous content not measured by existing constructs; evidenced by these moderate as opposed to high correlations. However with leader ratings there tended to be high correlations between the economic dimension and its parallel construct of IRB. This would suggest that the two have a significant degree of overlap, and so discriminant validity

could be considered questionable. Nevertheless, this significant overlap between the two does not come as a surprise and was expected, given that both tap into work behaviours that contribute to fulfilling mundane job specifications. Given that the utility of the ESR scale is in providing a multi-dimensional insight into the various behaviours which comprise social responsibility at work, one of which includes the more in-role work behaviours measured by the economic dimension, this was not considered a serious issue.

To further demonstrate discriminant validity, the average variance extracted (AVE) was calculated, following the recommendations of Fornell and Larcker (1981). For two variables to be discriminate, the square root of the AVE must be higher than the correlation exhibited between the two variables. As can be seen from the tables below, this condition tended to be met for the most part. However at both at time 1 and time 3, with leader ratings, this condition was not met between the economic dimension and IRB. Nevertheless as discussed above, with regards to the economic dimension, given its nature, this was anticipated.

**Table 5.23**

**Convergent and discriminant validity: BG sample with leader ratings of ESR (Time 1)**

<b>Leader ratings-Time 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
1.In-Role Behaviours	<b>.73</b>										
2.Pro-Environmental Behaviours	-.13	<b>.66</b>									
3.Co-operation	.52**	.06	<b>.84</b>								
4.OCB	.64**	.11	.70**	<b>.63</b>							
5.Deviant Behaviours	-.54**	.00	-.40**	-.50**	-						
6.Social	.07	.10	.16*	.18*	.07	<b>.80</b>					
7.Phillanthropy	.12	.07	.11	.14	.02	.65**	<b>.90</b>				
8.Stakeholder	.52**	.02	.55**	.56**	-.41**	.20**	.17*	<b>.87</b>			
9.Environmental	.32**	.20**	.43**	.49**	-.35**	.07	.05	.42**	<b>.89</b>		
10.Economic	.79**	.06	.60**	.65**	-.47**	.16*	.16*	.56**	.35**	<b>.82</b>	
11.Full ESR scale	.58**	.14	.58**	.64**	-.36**	.61**	.57**	.73**	.60**	.72**	-

*Note:*  $N = 200 - 221$  (range); \* $p < 0.05$  \*\* $p < 0.01$ . The square root of the average variance extracted (AVE) is provided across the diagonal in bold for the relevant variables.

**Table 5.24**

**Convergent and discriminant validity: BG sample with leader ratings of ESR (Time 3)**

<b>Leader ratings-Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
1.In-Role Behaviours	<b>.77</b>										
2.Pro-Environmental Behaviours	-.09	<b>.63</b>									
3.Co-operation	.63**	.06	<b>.90</b>								
4.OCB	.68**	.02	.60**	<b>.47</b>							
5.Deviant Behaviours	-.68**	-.06	-.37**	-.56**	-						
6.Social	.14*	.09	.28**	.28**	-.19**	<b>.93</b>					
7.Philanthropy	.10	-.02	.18**	.27**	-.22**	.87**	<b>.94</b>				
8.Stakeholder	.56**	-.23**	.36**	.48**	-.63**	.15*	.18**	<b>.88</b>			
9.Environmental	.34**	-.01	.26**	.40**	-.50**	.37**	.36**	.52**	<b>.92</b>		
10.Economic	.81**	-.07	.48**	.61**	-.70**	.19**	.18*	.72**	.45**	<b>.91</b>	
11.Full ESR scale	.59**	-.08	.45**	.58**	-.65**	.66**	.66**	.76**	.75**	.76**	-

*Note:* N = 198 – 214 (range); \*p<0.05 \*\*p<0.01. The square root of the average variance extracted (AVE) is provided across the diagonal in bold for the relevant variables.

Table 5.25

Convergent and discriminant validity: BG sample with team-member ratings of ESR (Time 1)

Team member ratings- Time 1	1	2	3	4	5	6	7	8	9	10	11
1.In-Role Behaviours	<b>.78</b>										
2.Pro-Environmental Behaviours	-.13	<b>.64</b>									
3.Co-operation	.52**	.06	<b>.86</b>								
4.OCB	.64**	.11	.70**	<b>.66</b>							
5.Deviant Behaviours	-.54**	.00	-.40**	-.50**	-						
6.Social	.00	-.12	.02	.09	.18*	<b>.86</b>					
7.Phillanthropy	.03	-.04	.09	.15*	.16*	.84**	<b>.91</b>				
8.Stakeholder	.07	.03	.14*	.14*	-.19**	.31**	.29**	<b>.90</b>			
9.Environmental	.06	-.06	.09	.08	.03	.44**	.51**	.45**	<b>.87</b>		
10.Economic	.38**	-.03	.29**	.33**	-.27**	.29**	.26**	.68**	.41**	<b>.87</b>	
11.Full ESR scale	.15*	-.06	.17*	.22**	-.02	.78**	.78**	.72**	.74**	.71**	-

Note: N = 200 – 221 (range); \*p<0.05 \*\*p<0.01. The square root of the average variance extracted (AVE) is provided across the diagonal in bold for the relevant variables.

**Table 5.26**

**Convergent and discriminant validity: BG sample with team-member ratings of ESR (Time 3)**

<b>Team member ratings- Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
1.In-Role Behaviours	<b>.82</b>										
2.Pro-Environmental Behaviours	-.09	<b>.69</b>									
3.Co-operation	.63**	.06	<b>.91</b>								
4.OCB	.68**	.02	.60**	<b>.55</b>							
5.Deviant Behaviours	-.68**	-.06	-.37**	-.56**	-						
6.Social	.15*	.08	.20**	.25**	-.16*	<b>.97</b>					
7.Philanthropy	.156*	.13	.16*	.24**	-.22**	.85**	<b>.86</b>				
8.Stakeholder	.28**	.08	.22**	.33**	-.36**	.42**	.39**	<b>.95</b>			
9.Environmental	.29**	.04	.23**	.32**	-.30**	.59**	.57**	.61**	<b>.94</b>		
10.Economic	.43**	.02	.30**	.44**	-.33**	.43**	.36**	.74**	.55**	<b>.96</b>	
11.Full ESR scale	.34**	.08	.28**	.41**	-.35**	.80**	.77**	.81**	.83**	.80**	-

*Note:*  $N = 198 - 218$  (range); \* $p < 0.05$  \*\* $p < 0.01$ . The square root of the average variance extracted (AVE) is provided across the diagonal in bold for the relevant variables.

### *5.5.5.3. Criterion validity*

A scale is assumed to possess criterion validity when correlations between the newly developed measure, and existing outcomes with which it is expected to relate with, are significant (Hinkin, 1998). For example, a scale measuring motivation levels should also theoretically be related to empowerment and enhanced job performance, as a result of increased motivation. Two types of criterion validity were assessed; concurrent validity and predictive validity. Concurrent validity inspects whether the new construct is correlated with other similar constructs measured at the same time, whereas predictive validity seeks to determine if the new construct measured at a former time, is related to performance outcomes at a later point of measurement.

To test for both, only measurements from time 1 and 3 were utilised so as to avoid any bias of the intervention effects which took place between these two time points. For concurrent validity, the ESR dimensions, both leader-rated and team-member rated, were correlated with assigned CSR priority (ACSR), CSR climate (CCSR), both rated by team-members, and team effectiveness-ESR; which did not look at team effectiveness in general but rather if the team was effective in regards to social responsibility, as rated by tutors. For greater details on these constructs, the reader is referred to the Methodology and Samples chapter (chapter four). These variables were correlated with one another at time 1, and again at time 3.

With regards to concurrent validity, for the leader ratings at time 1, only the correlations between the environment and economic dimensions, with team effectiveness ESR, were significant; the former being negatively correlated (Table 5.27). No significant correlations were present with leader-ratings at time 3 (Table 5.28). In reference to team member ratings of ESR at time 1, the social dimension was significantly correlated with ACSR, as were the stakeholder and economic dimensions with team effectiveness ESR (Table 5.29). With team member ratings at time 3, the environment dimension significantly correlated with CCSR, and the stakeholder dimensions significantly correlated with team effectiveness-ESR (Table 5.30). A possible explanation for the lack of significance for a number of the correlations may be whittled down to the choice of scales used to check for concurrent validity. Given there is very little in the area of employee social responsibility, there was difficulty in collating scales to assess for concurrent validity, and in the end climate for CSR, assigned CSR priority, and team effectiveness-ESR were decided upon.

**Table 5.27**

**Concurrent validity: BG sample-leader rated ESR (Time 1)**

<b>Leader-rated ESR: Time 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
1.Social	-								
2.Philanthropy	.65**	-							
3.Stakeholder	.20**	.17*	-						
4.Environmental	.07	.05	.42**	-					
5.Economic	.16*	.16*	.56**	.35**	-				
6.Assigned CSR Priority	.07	.01	-.02	-.03	.07	-			
7.CSR Climate	.10	.02	.10	.06	.03	.16**	-		
8.Team Effectiveness-ESR	.08	.09	.06	-.15*	.14*	.00	-.02	-	
9.Full ESR scale	.61**	.57**	.73**	.60**	.72**	.03	.10	.05	-

*Note: N = 200 – 232 (range); \*p<0.05 \*\*p<0.01*

**Table 5.28**

**Concurrent validity: BG sample-leader rated ESR (Time 3)**

<b>Leader-rated ESR: Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
1.Social	-								
2.Philanthropy	.87**	-							
3.Stakeholder	.15*	.18**	-						
4.Environmental	.37**	.36**	.52**	-					
5.Economic	.19**	.18*	.72**	.45**	-				
6.Assigned CSR Priority	.05	.06	.09	.10	.12	-			
7.CSR Climate	.09	.05	.05	.13	.06	.26**	-		
8.Team Effectiveness-ESR	.01	-.03	.09	.08	.00	.11	.12	-	
9.Full ESR scale	.15*	.17*	.35**	.24**	.38**	.08	.16*	.21*	-

*Note: N = 203 – 232; \*p<0.05 \*\*p<0.01*

**Table 5.29**

**Concurrent validity: BG sample-team member rated ESR (Time 1)**

<b>Team member rated ESR: Time 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
1.Social	-								
2.Philanthropy	.84**	-							
3.Stakeholder	.31**	.29**	-						
4.Environmental	.44**	.51**	.45**	-					
5.Economic	.29**	.26**	.68**	.41**	-				
6.Assigned CSR Priority	.14*	.10	.13	.12	.07	-			
7.CSR Climate	-.12	-.09	.04	.04	-.02	.16**	-		
8.Team Effectiveness-ESR	.13	.04	.16*	.03	.17*	.00	-.02	-	
9.Full ESR scale	.78**	.78**	.72**	.74**	.71**	.15*	-.04	.15*	-

*Note: N = 219 – 232 (range); \*p<0.05 \*\*p<0.01*

**Table 5.30**

**Concurrent validity: BG sample-team member rated ESR (Time 3)**

<b>Team member rated: ESR Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
1.Social	-								
2.Philanthropy	.85**	-							
3.Stakeholder	.42**	.39**	-						
4.Environmental	.59**	.57**	.61**	-					
5.Economic	.43**	.36**	.74**	.55**	-				
6.Assigned CSR Priority	.09	.10	.08	.13	.09	-			
7.CSR Climate	.12	.11	.12	.16*	.11	.26**	-		
8.Team Effectiveness-ESR	.07	.06	.19**	.08	.13	.11	.12	-	
9.Full ESR scale	.59**	.52**	.47**	.46**	.53**	-.04	.04	.21**	-

*Note: N = 218 – 232 (range); \*p<0.05 \*\*p<0.01*

In order to assess for predictive validity, the ESR dimensions measured at time 1, both leader-rated and team-member rated, were correlated with in-role behaviours (IRB), organisational citizenship behaviours (OCB), deviant behaviours (DB), team effectiveness (general effectiveness combined with ESR effectiveness), team effectiveness without ESR, and team effectiveness only concerning ESR; all measured at time 3, and as rated by the leader. This was done at the individual and group level; with aggregated scores for the latter. At the individual level, in most cases, the ESR dimensions were significantly correlated with these outcomes. Interestingly, with the leader-rated philanthropy dimension, a significantly positive correlation with DB was present whilst the others were negative (Table 5.31). As discussed above, this may be due to individuals feeling they have scope to engage in these DB, as a result of having participated in extra-role behaviours, such as philanthropic behaviours. Regarding the team member rated ESR, there were no significant correlations with DB (Table 5.32). With reference to the full ESR scale, with leader rated ESR, the full scale was positively and significantly correlated with IRB, OCB, and all team effectiveness outcomes, and significantly and negatively related to DB. This was also the case with team member rated ESR, except for this time, there was no significantly negative correlation with DB. There were a number of instances when the philanthropy and the social dimension did not correlate with many of the outcomes. A possible reason for this is, for instance, because since they involve more voluntary behaviours, it may be perceived as goodwill behaviours that the employee chooses to engage in, and these are not seen as leading to enhanced performance in other domains.

At the group level, for leader rated ESR (Table 5.33), the dimensions of ESR as well as the full ESR scale were uncorrelated with the team effectiveness measures. Likewise, the social and philanthropy dimensions did not correlate significantly with any of the outcomes. Apart from this, the other dimensions and the full scale tended to correlate significantly with the remaining outcomes. With team member ratings of ESR (Table 5.34), similar results were found, albeit some of the dimensions as well as the full ESR scale did correlate with some of the team effectiveness measures. This time however, there were no significant correlations for the deviant behaviours scale. On the whole, the below findings can be seen as providing reasonable support for the predictive validity of the ESR dimensions, both leader and team member rated and at the group and individual levels, but more so at the individual level.

**Table 5.31**  
**Predictive validity: BG sample-leader rated ESR**

<b>Predictive Validity Leader rated ESR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
1.Social <sup>1</sup>	-											
2.Philanthropy <sup>1</sup>	.65**	-										
3.Stakeholder <sup>1</sup>	.20**	.17*	-									
4.Environmental <sup>1</sup>	.07	.05	.42**	-								
5.Economic <sup>1</sup>	.16*	.16*	.56**	.35**	-							
6.Full ESR scale <sup>1</sup>	.61**	.57**	.73**	.60**	.72**	-						
7.In-Role Behaviours <sup>2</sup>	-.01	-.01	.53**	.27**	.69**	.47**	-					
8.OCB <sup>2</sup>	.16*	.15	.44**	.22**	.58**	.49**	.68**	-				
9.Deviant Behaviours <sup>2</sup>	.08	.21**	-.24**	-.28**	-.44**	-.24**	-.68**	-.56**	-			
10.Team Effectiveness-Full <sup>2</sup>	.19**	.10	.11	.23**	.14*	.23**	.16*	.24**	-.12	-		
11.Team Effectiveness-no ESR <sup>2</sup>	.17*	.10	.07	.23**	.13	.21**	.17*	.24**	-.15*	.97**	-	
12.Team Effectiveness-ESR <sup>2</sup>	.16*	.06	.20**	.11	.14*	.21**	.08	.14*	.01	.70**	.52**	-

*Note:* N = 200 – 232 (range); <sup>1</sup>measured at time 1 <sup>2</sup>measured at time 3; \*p<0.05 \*\*p<0.01

**Table 5.32**

**Predictive validity: BG sample-team member rated ESR**

<b>Predictive Validity Team member rated ESR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
1.Social <sup>1</sup>	-											
2.Philanthropy <sup>1</sup>	.84**	-										
3.Stakeholder <sup>1</sup>	.31**	.29**	-									
4.Environmental <sup>1</sup>	.44**	.51**	.45**	-								
5.Economic <sup>1</sup>	.29**	.26**	.68**	.41**	-							
6.Full ESR scale <sup>1</sup>	.78**	.78**	.72**	.74**	.71**	-						
7.In-Role Behaviours <sup>2</sup>	.03	.00	.26**	.10	.37**	.21**	-					
8.OCB <sup>2</sup>	.21**	.22**	.35**	.21**	.33**	.36**	.66**	-				
9.Deviant Behaviours <sup>2</sup>	.00	-.09	-.13	-.07	-.10	-.10	-.68**	-.59**	-			
10.Team Effectiveness-Full <sup>2</sup>	.13	.22**	.25**	.14*	.22**	.26**	.16*	.24**	-.12	-		
11.Team Effectiveness: no ESR <sup>2</sup>	.12	.21**	.23**	.14*	.20**	.24**	.17*	.23**	-.15*	.97**	-	
12.Team Effectiveness: ESR <sup>2</sup>	.11	.16*	.23**	.09	.18**	.21**	.08	.17*	.01	.70**	.52**	-

Note: N = 212 – 232 (range); <sup>1</sup>measured at time <sup>2</sup>measured at time 3; \*p<0.05 \*\*p<0.01

**Table 5.33**

**Predictive validity: BG sample-leader rated ESR (group level)**

<b>Predictive Validity Leader rated ESR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
1.Social <sup>1</sup>	-											
2.Philanthropy <sup>1</sup>	.56**	-										
3.Stakeholder <sup>1</sup>	.32*	.24	-									
4.Environmental <sup>1</sup>	.22	.17	.51**	-								
5.Economic <sup>1</sup>	.26*	.29*	.76**	.51**	-							
6.Full ESR scale <sup>1</sup>	.67**	.62**	.79**	.70**	.77**	-						
7.In-Role Behaviours <sup>2</sup>	-.002	-.02	.57**	.36**	.66**	.42**	-					
8.OCB <sup>2</sup>	.23	.11	.51**	.29*	.58**	.48**	.67**	-				
9.Deviant Behaviours <sup>2</sup>	.09	.20	-.26	-.30*	-.43**	-.20	-.70**	-.56**	-			
10.Team Effectiveness-Full <sup>2</sup>	.13	.09	.15	.22	.19	.21	.24	.31*	-.17	-		
11.Team Effectiveness-no ESR <sup>2</sup>	.12	.09	.12	.24	.19	.21	.26*	.32*	-.21	.97**	-	
12.Team Effectiveness-ESR <sup>2</sup>	.09	.04	.18	.07	.13	.15	.10	.17	-.01	.70**	.52**	-

*Note:* N = 60 – 67 (range); <sup>1</sup>measured at time <sup>2</sup>measured at time 3; \*p<0.05 \*\*p<0.01

**Table 5.34**

**Predictive validity: BG sample-team member rated ESR (group level)**

<b>Predictive Validity</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
<b>Team member rated ESR</b>												
1.Social <sup>1</sup>	-											
2.Philanthropy <sup>1</sup>	.89**	-										
3.Stakeholder <sup>1</sup>	.42**	.40**	-									
4.Environmental <sup>1</sup>	.44**	.54**	.52**	-								
5.Economic <sup>1</sup>	.37**	.36**	.70**	.50**	-							
6.Full ESR scale <sup>1</sup>	.83**	.85**	.74**	.76**	.72**	-						
7.In-Role Behaviours <sup>2</sup>	-.12	-.15	.27*	.05	.28*	.06	-					
8.OCB <sup>2</sup>	.17	.18	.44**	.30*	.27*	.33**	.70**	-				
9.Deviant Behaviours <sup>2</sup>	.03	-.05	-.15	-.08	-.05	-.07	-.70**	-.56**	-			
10.Team Effectiveness-Full <sup>2</sup>	.09	.19	.31*	.16	.31*	.26*	.24	.31*	-.17	-		
11.Team Effectiveness-no ESR <sup>2</sup>	.07	.18	.28*	.17	.31*	.25*	.26*	.32*	-.21	.97**	-	
12.Team Effectiveness-ESR <sup>2</sup>	.10	.15	.27*	.07	.21	.20	.10	.17	-.01	.70**	.52**	-

*Note:* N = 64 – 67 (range); <sup>1</sup>measured at time <sup>2</sup>measured at time 3; \*p<0.05 \*\*p<0.01

## **5.6. Inter-item correlations**

It is important to ensure that the final items are considerably inter-correlated with one another, so that they are seen to be tapping into the same construct domain. Low inter-item correlations insinuate that the items are not sampling from the same domain, thus introducing error and unreliability (Churchill, 1979). Inter-item correlations were calculated for both the company and BG samples; the inter-item correlation tables for both the company sample and the BG sample, for leader and team member ratings, can be found in Appendix 10. For the company sample, inter-item correlations were calculated for leader-ratings and team-member self-ratings. For the BG sample, inter-item correlations were calculated for leader-ratings and team-member (i.e. peer 360) ratings across all three time periods.

With regards to the company sample, for leader-rated ESR, generally the individual items within the ESR scale were significantly correlated with one another. However there were certain inter-item correlations which were not significant; predominantly this was the case for one of the environmental items (env22), and for both items in the economic dimensions (econ 29 and econ 32); see Table 5.02 for scale items and their respective item codes. Most of the inter-item correlations which were not significant here, were when these items were correlated with those belonging to either the social or philanthropy dimensions, although not consistently so. Interestingly, when the inter-item correlations were computed for the team member self-rated ESR in the company sample, this pattern was lucidly apparent. Here items which belonged to the stakeholder, environment and economic dimensions did not correlate with the items from the social and philanthropy dimensions. The stakeholder, economic and environmental items correlated with one another strongly, as did the philanthropy and social items with one another.

A likely explanation for this is that as mentioned earlier, it may be that a partition is perceived between the more extra-role social and philanthropic behaviours, compared to the environmental, stakeholder, and economic behaviours, which can be considered to be more in-role in nature. Since this is reflective of the nature of the ESR behaviours within the scale, and is something that was originally anticipated, it was not considered problematic.

As with the company sample, when the inter-item correlations were computed for the BG sample with the leader and team-member ratings across the three time points, a similar pattern emerged. With the leader ratings, for time 1 and time 2, as with the company samples, the correlations of stakeholder, environment and economic items with those from the social

and philanthropy dimensions, in many cases were not significant. Regarding the leader ratings at time 3, there were only four incidents when this was the case. It should be noted, that all the inter-item correlations were significant with team-rated ESR, across all 3 time points in the BG sample.

### **5.7. Aggregating to the group level**

One of the key objectives of the new ESR scale was for it to capture social responsibility behaviours both at the group and individual level. Whilst the scale is rated by individuals, it was argued that the responses could be aggregated to the group level, by way of direct consensus shift (Chan, 1998). In order to do this however, this aggregation to the group level needs to be justified, and this is usually done by calculating inter-rater reliability coefficients and intra-class correlations, and assessing if the resultant values meet the required cut-offs; which would consequently substantiate the aggregation of responses to the group level.

In order to justify aggregation to the group level inter-rater reliability coefficients, in the form of  $Rwg_{(j)}$  (James *et al.*, 1984), as well as intra-class correlations in the form of  $ICC(1)$  and  $ICC(2)$  were computed (Shrout and Fleiss, 1979). The  $Rwg_{(j)}$  measures within group agreement and compares this to expected random variance, and recommendations are that this be above 0.70. Additionally, intra-class correlation coefficients, calculated through the use of one-way ANOVA, are used to demonstrate greater variance between groups compared to within groups, suggesting consequently that the variance is due to group membership (Bliese, 2000). The  $ICC(1)$  looks at the variance that can be attributed to group membership, and here it is recommended that the  $F$  values be significant to demonstrate between group variance, whilst others suggest that it is sufficient that the  $F$  value be greater than 1 (e.g. Bryk and Raudenbush, 1982). Furthermore, Bliese (2000) purports that the  $ICC(1)$  values need to be greater than 0.05. Moreover, an  $ICC(2)$  looks at the reliability of group means, and it is suggested that the cut-off of this be 0.50 (Shrout and Fleiss, 1979). Analysis was conducted on the individual dimensions and the full ESR scale, and this was done for both the company sample and the BG sample, for the leader and team-member ratings; and in the case of the BG sample, across the three time points as well.

In reference to the company sample, for leader-ratings, the  $Rwg_{(j)}$  values, the  $F$  values for  $ICC(1)$ , as well as the values for  $ICC(2)$ ; were all above their respective cut-offs (Table 5.35).

That is, the  $Rwg_{(j)}$  values were greater than 0.70, and the  $ICC(1)$  values met the various criteria with significant  $F$  values,  $F$  values greater than 1, and  $ICC(1)$  values greater than 0.05. The  $ICC(2)$  values were also greater than 0.50.

However this was not as straightforward for the team-member self-ratings in the company sample (Table 5.36). Firstly, the  $Rwg_{(j)}$  values for the social and philanthropy dimensions were below 0.7. Secondly, in reference to the stakeholder and economic dimensions, the  $ICC(1)$  values were neither greater than 0.05, nor were the  $F$  values greater than 1. Finally, all  $ICC(2)$  values were below 0.50. It is however argued that in the case where aggregation is justified by theory, one should proceed with group level analysis (Chen and Bliese, 2002). Nevertheless, given that it was not the intention of the subsequent field study to utilise self-ratings of socially responsible behaviours in testing hypotheses (chapter six), this issue was not warranted further consideration.

**Table 5.35**

**Inter-rater reliability coefficients and intra-class correlations for the company sample**

**Leader ratings of ESR**

<b>Company sample Leader ratings Dimension</b>	<b><math>Rwg</math></b>	<b>Estimate of team sizes</b>	<b>MS Between groups</b>	<b>MS within groups</b>	<b><math>ICC(1)</math></b>	<b><math>ICC(2)</math></b>	<b><math>F</math></b>
Social	0.85	3.16	7.85	0.67	0.77	0.91	11.74**
Philanthropy	0.92	3.16	8.55	1.39	0.62	0.84	6.15**
Stakeholder	0.96	3.16	0.84	0.23	0.46	0.73	3.64**
Environment	0.96	3.16	4.18	0.26	0.82	0.94	15.81**
Economic	0.87	3.16	1.47	0.61	0.31	0.59	2.41**
Full Scale	0.97	3.16	2.05	0.25	0.70	0.88	8.27**

*Note: N = 221; \*\*p<0.01*

**Table 5.36**

**Inter-rater reliability coefficients and intra-class correlations for the company sample  
Team member self-ratings of ESR**

<b>Company sample Team-member self-ratings Dimension</b>	<i>Rwg</i>	<b>Estimate of team sizes</b>	<b>MS Between groups</b>	<b>MS within groups</b>	<i>ICC(1)</i>	<i>ICC(2)</i>	<i>F</i>
Social	0.45	3.16	3.99	2.51	0.16	0.37	1.59
Philanthropy	0.61	3.16	3.49	2.75	0.08	0.21	1.27
Stakeholder	0.88	3.16	0.66	0.77	-0.05	-0.17	0.86
Environment	0.80	3.16	1.33	1.13	0.05	0.15	1.18
Economic	0.86	3.16	0.56	0.82	-0.11	-0.47	0.68
Full Scale	0.87	3.16	0.79	0.54	0.13	0.32	1.46

*Note: N = 101*

With regards to the BG sample, for leader and peer ratings, (Table 5.37 and Table 5.38), all  $Rwg_{(j)}$  values were above 0.70, across both the leader and team-member ratings, across all three time periods. With regards to  $ICC(1)$  values, not only were the  $F$  values significant, the values were also above 0.05, and the  $F$  value was greater than 1; thus soundly meeting the various purported requirements. Moreover, the  $ICC(2)$  values also met the cut-off value, as all were above 0.50. It can as a result be confidently asserted that aggregation to the group level is justified.

**Table 5.37**

**Inter-rater reliability coefficients and intra-class correlations for the BG sample**

**Leader ratings of ESR**

<b>BG sample Leader-ratings</b>	<b>Time</b>	<b><i>Rwg</i></b>	<b>Estimate of team sizes</b>	<b>MS Between groups</b>	<b>MS within groups</b>	<b><i>ICC(1)</i></b>	<b><i>ICC(2)</i></b>	<b><i>F</i></b>
<b>Dimension</b>								
Social	1	0.97	3.33	3.48	0.31	0.76	0.91	11.32**
	2	0.96	3.36	2.70	0.28	0.72	0.90	9.80**
	3	0.96	3.31	3.57	0.19	0.85	0.95	19.22**
Philanthropy	1	0.97	3.33	2.82	0.12	0.87	0.96	23.97**
	2	0.97	3.36	2.34	0.19	0.77	0.92	12.16**
	3	0.96	3.31	3.20	0.16	0.85	0.95	19.89**
Stakeholder	1	0.95	3.33	3.70	0.33	0.75	0.91	11.23**
	2	0.96	3.36	4.62	0.34	0.79	0.93	13.79**
	3	0.96	3.33	5.04	0.31	0.82	0.94	16.44**
Environment	1	1.00	3.35	4.13	0.02	0.99	1.00	258.69**
	2	0.99	3.36	4.29	0.06	0.95	0.99	67.88**
	3	1.00	3.33	4.78	0.08	0.95	0.98	63.37**
Economic	1	0.79	3.35	3.49	1.06	0.41	0.70	3.30**
	2	0.90	3.36	4.14	0.87	0.53	0.79	4.75**
	3	0.86	3.33	5.09	0.84	0.60	0.83	6.04**
Full Scale	1	0.98	3.33	1.60	0.10	0.82	0.94	16.06**
	2	1.00	3.36	1.70	0.10	0.83	0.94	17.06**
	3	0.99	3.33	2.29	0.14	0.83	0.94	16.77**

*Note:* \*\*p<0.001

**Table 5.38**

**Inter-rater reliability coefficients and intra-class correlations for the BG sample**

**Team member ratings of ESR**

<b>BG sample Team-member ratings</b>	<b>Time</b>	<b>Rwg</b>	<b>Estimate of team sizes</b>	<b>MS Between groups</b>	<b>MS within groups</b>	<b>ICC(1)</b>	<b>ICC(2)</b>	<b>F</b>
<b>Dimension</b>								
Social	1	0.90	3.32	2.75	0.55	0.55	0.80	4.99**
	2	0.91	3.35	1.68	0.47	0.44	0.72	3.59**
	3	0.94	3.30	1.52	0.28	0.57	0.81	5.39**
Philanthropy	1	0.93	3.32	2.53	0.38	0.63	0.85	6.75**
	2	0.91	3.32	1.82	0.41	0.51	0.78	4.45**
	3	0.95	3.30	1.42	0.24	0.60	0.83	5.97**
Stakeholder	1	0.91	3.32	1.74	0.43	0.48	0.75	4.04**
	2	0.93	3.32	1.82	0.34	0.57	0.81	5.40**
	3	0.91	3.30	1.89	0.36	0.56	0.81	5.24**
Environment	1	0.94	3.32	2.27	0.28	0.68	0.88	8.09**
	2	0.93	3.33	2.41	0.34	0.64	0.86	7.05**
	3	0.96	3.30	1.92	0.23	0.69	0.88	8.30**
Economic	1	0.87	3.32	1.95	0.86	0.28	0.56	2.27**
	2	0.88	3.32	2.14	0.59	0.44	0.72	3.62**
	3	0.90	3.30	1.99	0.61	0.41	0.69	3.27**
Full Scale	1	0.99	3.32	1.41	0.21	0.64	0.85	6.83**
	2	0.97	3.32	1.21	0.21	0.58	0.82	5.67**
	3	0.99	3.30	1.22	0.17	0.66	0.86	7.34**

*Note: \*\*p<0.01*

## **5.8. Summary**

Semi-structured interviews with employed individuals from diverse occupational backgrounds were conducted to preliminarily confirm the five-faceted structure of ESR, as well as to generate items for the future ESR scale. From the initial pool of 112 items, 32 were retained after being subjected to a content validity test through utilising expert subject-matter ratings. These 32 items were subject to exploratory and confirmatory factor analysis in the company and BG samples, for both leader and team member ratings. Subsequently, analysis confirmed a final five dimensional structure of ESR; consisting of the dimensions of social, philanthropy, stakeholder, environmental, and economic. The final ten-item scale consisted of two items per dimension. Further analysis suggested that the scale possessed good psychometric properties, and could be aggregated to the group level.

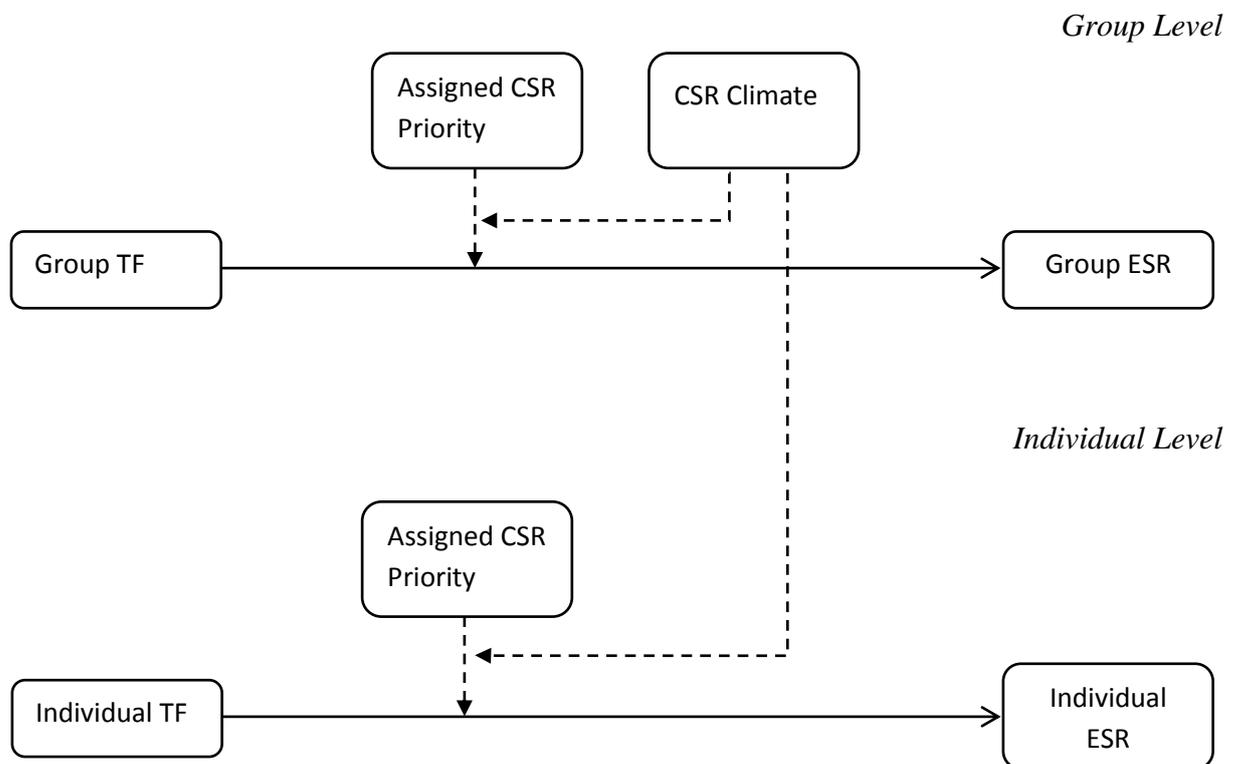
## Chapter 6: Field Study

### 6.1.Introduction

Chapter three outlined the conceptual model guiding this thesis, in which the individual and interactive moderating roles of assigned CSR priority and CSR climate, on the effects of transformational leadership (TF) on employee social responsibility (ESR) were proposed; both at the group and individual levels. This ensuing field study attempts to provide a preliminary test for these propositions in an occupational setting, within a sample of individuals ( $N = 101$ ) nested within teams/team leaders ( $N = 32$ ); situated in a commercial banking organisation and a professional financial services organisation. More details of this sample can be found in chapter four (Methodology and Samples). In order to test these hypotheses, the newly developed ESR scale, as outlined in the preceding chapter, was utilised. Presented below is a diagrammatic representation of the conceptual model (Figure 6.01), a reminder of the hypotheses to be tested (Table 6.01), as well as the measures to be used.

**Figure 6.01**

#### Proposed conceptual model



**Table 6.01**

**Outline of hypotheses: Field Study**

<b>Level of Analysis</b>	<b>No.</b>	<b>Hypothesis</b>
<b>Group</b>	1a	Group level assigned CSR priority moderates the effect of group level transformational leadership on group level social responsibility; such that group level transformational leadership will lead to greater group level social responsibility when there is high, as opposed to low, group level assigned CSR priority.
	2a	Organisational climate for CSR moderates the effects of group level transformational leadership on group level social responsibility; such that group level transformational leadership will lead to greater group social responsibility when there is a positive, as opposed to a weak, organisational climate for CSR.
	3a	Organisational climate for CSR moderates the interactive effect of group level assigned CSR priority and group level transformational leadership on group level social responsibility. When organisational climate for CSR is positive and group level assigned CSR priority is high, group level transformational leadership will lead to greater levels of group level social responsibility. When organisational climate for CSR is weak and group level assigned CSR priority is low, group level transformational leadership will lead to lower levels of group level social responsibility.
<b>Individual</b>	1b	Individual level assigned CSR priority moderates the effects of individual level transformational leadership on individual level social responsibility; such that individual level transformational leadership will lead to greater individual level social responsibility when there is high, as opposed to low, individual level assigned CSR priority.

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2b Organisational climate for CSR moderates the effects of individual level transformational leadership on individual level social responsibility; such that individual level transformational leadership will lead to greater individual level social responsibility when there is a positive, as opposed to a weak, organisational climate for CSR.

3b Organisational climate for CSR moderates the interactive effect of individual level assigned CSR priority and individual level transformational leadership on individual level social responsibility. When organisational climate for CSR is positive and individual level assigned CSR priority is high, individual level transformational leadership will lead to greater levels of individual level social responsibility. When organisational climate for CSR is weak and individual level assigned CSR priority is low, individual level transformational leadership will lead to lower levels of individual level social responsibility.

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## **6.2.Measures**

Below is a list of the measures that the respondents were asked to complete. Team members were asked to rate the leadership style of their team leader, as well as providing ratings for assigned CSR priority and CSR climate. Team leaders were requested to provide ratings of ESR for their individual subordinates. The full list of items per scale can be found in Appendix 1 for the leader questionnaire and Appendix 2 for the team member questionnaire.

### *Team Member Questionnaire*

*Leadership Style:* Transformational leadership style was assessed using the multi-factor leadership questionnaire (MLQ; Bass and Avolio, 1990). In order to use this, a license was obtained from Mind Garden Inc. This questionnaire was used to assess the four facets of transformational leadership, namely individualised consideration, intellectual stimulation, inspirational motivation, and idealised influence ( $\alpha = 0.95$ ). Team members responded to the

questions on a five-point Likert scale (0 = Not at all/ 4 = Frequently if not always) regarding the leadership behaviours of their team leader. An example of an item is: ‘Seeks differing perspectives when solving problems’. In order to analyse leadership style at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

*Assigned CSR Priority:* The procedure used by Zohar (2002a) to assess assigned safety priority was used; here the questions were amended so that they tapped into assigned CSR priority. The team members were asked to indicate the extent to which their team leader conformed to each statement, on a five-point Likert scale (1 = Not at all/ 5 = To a very large extent). An example of an item is: ‘Expect you to cut corners and neglect social responsibility’. The  $\alpha$  for this scale, in the context of assigned safety priority, is noted to be 0.82 (Zohar, 2002a). When calculated,  $\alpha$  of this CSR-adapted scale was 0.49. On further scrutiny, it appeared that the fifth item, which happened to be the only non-reverse scored item, was problematic. This item was therefore deleted, to yield a  $\alpha$  of 0.82, and the four-scale measure of assigned CSR priority (items 1 - 4) was henceforth used in all subsequent analyses. In order to analyse assigned CSR priority at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

*Climate for CSR:* This was assessed using the G-CSR scale developed by Mueller *et al.* (2012). This was a six item measure tapping into issues such as the organisation’s handling of CSR in general, and initiatives towards protecting the environment more specifically; the referent was the organisation ( $\alpha = 0.88$ ). An example item includes: ‘My company does enough towards protecting the environment’. Team members responded to these items on a five-point Likert scale (1 = Strongly disagree/ 5 = Strongly agree). In order to analyse CSR climate at the group level, individual ratings were aggregated to the group level through a direct consensus shift (Chan, 1998).

#### *Leader Questionnaire*

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional ESR scale (see chapter five for an outline of the scale development and validation processes). Leaders rated the extent to which their team members engaged in these behaviours. The scale consisted of five dimensions, namely social which

taps into behaviours benefiting the community for example ('assists in community projects'), philanthropy which looks at charitable behaviours ('raises money for charity'), and stakeholder which examines behaviours towards others ('treats others with respect'). There was also the environmental dimension which taps into environmentally focused behaviours ('recycles'), and finally the economic dimension which looks at core work obligations ('completes work to a high standard'). They responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). Leader-rated social responsibility behaviours had a  $\alpha$  of 0.82 in the current study. In order to analyse leader-rated ESR behaviours at the group level, individual ratings were aggregated to the group level, through a direct consensus shift (Chan, 1998).

*Control Variables* The control variables of company, team size, and leader tenure were controlled for throughout group-level and individual-level analysis. The variable company was controlled for since the sample was derived from two different organisations, and thus to control for any extraneous influences, pertaining to the unique characteristics of each company. Team size has been shown to affect for example performance in teams, and so this was also controlled for (Haleblian and Finkelstein, 1993). Finally, leader tenure was controlled since the leader's experience with their subordinates may affect the ratings of leadership style (Groves, 2005).

### **6.3. Analytical strategy**

The sample was multilevel in nature; assessing constructs at both the group level and individual level. More specifically, TF, assigned CSR priority, CSR climate, and ESR behaviours were all measured at the individual level, and then aggregated to the group level to analyse the group level model. TF, assigned CSR priority and ESR behaviours were also analysed at the individual level to test for the individual level model, included in which were the cross-level effects of organisational CSR climate. Teams were nested within leaders, with leaders providing ratings of social responsibility behaviours of their team members.

Considering the multi-level nature of the model, inter-rater reliability statistics were calculated in order to deduce if the constructs could be aggregated to the group level, to represent a direct consensus shift (Chan, 1998) (see Table 6.02). In terms of  $ICC(1)$  values, it is recommended that the  $F$  values be significant in order to demonstrate significant between group variance, however there is an argument to the contrary, suggesting that this is not

necessary, rather  $F$  values should be greater than one (e.g. James *et al.*, 1984). Bliese (2000) also advises that  $ICC(1)$  values be greater than 0.05, and in this regard, all but the value of assigned CSR priority, were acceptable. As can be seen from Table 6.02, all  $Rwg$  values were above the recommended cut-off value of 0.70, and all  $ICC(1)$  values had  $F$  values greater than the recommended minimum of 1 (James *et al.*, 1984; Shrout and Fleiss, 1979). Indeed, George (1990) has argued that when groups belong to the same organisation, as was predominantly the case in this study, this can hamper the differences found between groups, and so whilst the  $F$  values may not be significant, it is sufficient that they are greater than 1. The  $ICC(2)$  values were however more problematic, as all but the value of the leader-rated ESR scale fell below the cut-off of 0.50. When  $ICC(2)$  values are lower, the relationships tend to be attenuated, thus making tests of relevant relationships more conservative (Walker, Kent, and Waldman, 2008). Nevertheless, it is argued that this should not prevent aggregation if aggregation is justified by theory as well as high  $Rwg$  values (e.g. Chen and Bliese, 2002). Hence, given that the  $Rwg$  and  $ICC(1)$  values were reasonable, the decision was made to proceed with group-level analysis.

**Table 6.02**

**Inter-rater reliability statistics and intra-class correlations: Field study**

<b>Construct</b>	<b><math>Rwg</math></b>	<b><math>ICC(1)</math></b>	<b><math>ICC(2)</math></b>	<b><math>F</math></b>
Leader-rated ESR	0.97	0.70	0.88	8.27**
Assigned CSR priority	0.92	0.03	0.09	1.09
CSR climate	0.95	0.18	0.41	1.71*
Transformational leadership	0.94	0.07	0.20	1.25

*Note:* Table lists inter-rater agreement ( $Rwg$ ), intra-class correlations ( $ICC$ ), and  $F$  values resulting from one-way ANOVAs;  $N = 101$ ; \* $p < 0.05$  \*\* $p < 0.01$

The group level and individual level findings were analysed separately, given that the group level and individual level hypotheses were mutually independent. Indeed, analysing hypotheses existing at different levels of analysis independently is considered reasonable (e.g. Colbert, Kristof-Brown, Bradley, and Barrick, 2008). At the group level, the PROCESS

macro devised by Hayes (2012) was used to test for simple moderation as well as the three-way interaction effect. At the individual level, multi-level analysis was conducted using the procedure recommended by Hofmann (1997) and Aguinis, Gottfredson, and Culpepper (2013), in order to test for simple moderation, cross-level interaction effects, and three-way interaction effects via hierarchical linear modelling techniques.

### *6.3.1. Group level analysis*

The analysis at the group level was conducted using the PROCESS macro devised by Hayes (2012). The PROCESS macro has the advantages of covering various analytical problems relating to moderation and mediation analysis as well as combining the functions of previous procedural tools, using a path analysis framework. It estimates coefficients through ordinary least squares (OLS) regression, as well as generating conditional effects in a moderation model, and providing means to probe both two and three way interactions. Whilst there have been prior macros useful for conducting moderation analysis (e.g. Hayes and Matthes, 2009; O'Connor, 1998), they have shortcomings such as not being able to conduct estimation, and allowing the probing of three-way interactions, which Hayes (2012) addresses in his macro (e.g. Hayes and Matthes, 2009).

Where interactions were significant, simple slopes were probed using the simple slope data provided by the PROCESS macro, at one standard deviation below the mean and one standard deviation above the mean. In order to plot the simple slopes, the procedure by Aiken and West (1991) was used, to plot the simple slopes at one standard deviation above and below the mean for single moderation effects. For the three-way interaction effect, the plot data was derived from the PROCESS macro, and this was used to generate the graph. Here, simple slopes were plotted at one standard deviation above (high) and below the mean (low), for both moderators (i.e. assigned CSR priority and CSR climate), leading to four simple slopes representing the four combinations (low, low; high, low; low, high; high, high) between the two moderators.

The issue of centring data prior to analysis is a contentious one (e.g. Hayes, 2012). The idea that mean-centring is needed in order to reduce multi-collinearity has been disproven; rather it is argued that it by no means affects the results produced (Echambi and Hess, 2007; Hayes, 2012). However it can be useful in aiding the interpretation of results, and for this reason as opposed to others, mean-centring is considered useful, and thus, variables were centred prior

to analysis (Aguinis *et al.*, 2013; Hayes, Glynn, and Huges, 2012). In accordance with the recommendations of Aiken and West (1991), predictor variables were centred on their respective means, and the interaction terms were computed with these centred variables. The controls of company membership, leader tenure and team size were used throughout analysis.

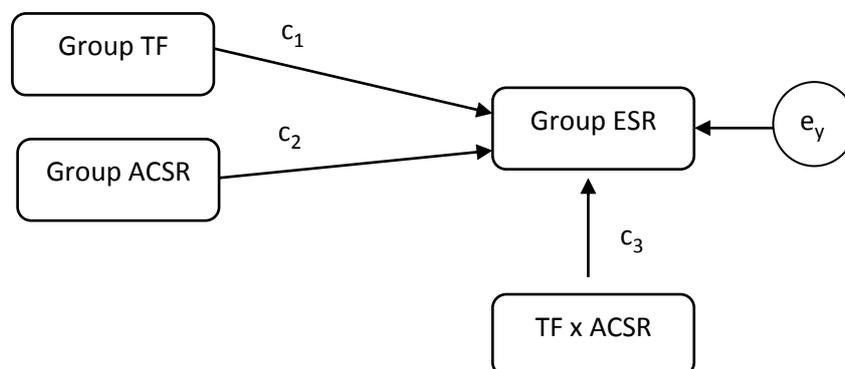
Hypothesis 1 stipulated the positive moderating effect of group level assigned CSR priority on the relationship between transformational leadership at the group level and group social responsibility behaviours (Figure 6.02). Testing this relationship involves estimating the equation below in model 1 of the PROCESS macro, where TF is transformational leadership (*X*), ACSR is assigned CSR priority (*M*), and the interaction is indicated by TF\*ACSR (*XM*); group ESR refers to group social responsibility behaviours.

$$Y = i + c_1X + c_2M + c_3XM + e_y \text{ (Hayes, 2012)}$$

$$\text{Group ESR} = i + c_1\text{TF} + c_2\text{ACSR} + c_3\text{TF*ACSR} + e_y$$

**Figure 6.02**

**Statistical model for Hypothesis 1a: Field study**



*Note:* TF = transformational leadership; ACSR = assigned CSR priority

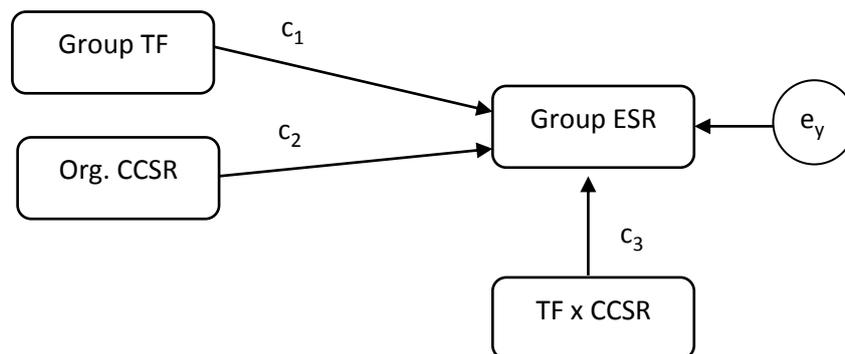
Likewise, the moderating role of organisational CSR climate ( $M$ ), between group level TF ( $X$ ) and group social responsibility behaviours, represented by the interaction TF\*CCSR ( $XM$ ) was proposed in Hypothesis 2a (Figure 6.03). This involved the estimation of the following equation, in model 1 of the PROCESS macro:

$$Y = i + c_1X + c_2M + c_3XM + e_y \text{ (Hayes, 2012)}$$

$$\text{Group ESR} = i + c_1\text{TF} + c_2\text{CCSR} + c_3\text{TF}*\text{CCSR} + e_y$$

**Figure 6.03**

**Statistical model for Hypothesis 2a: Field study**



*Note:* TF = transformational leadership; CCSR = CSR climate; Org=organisational

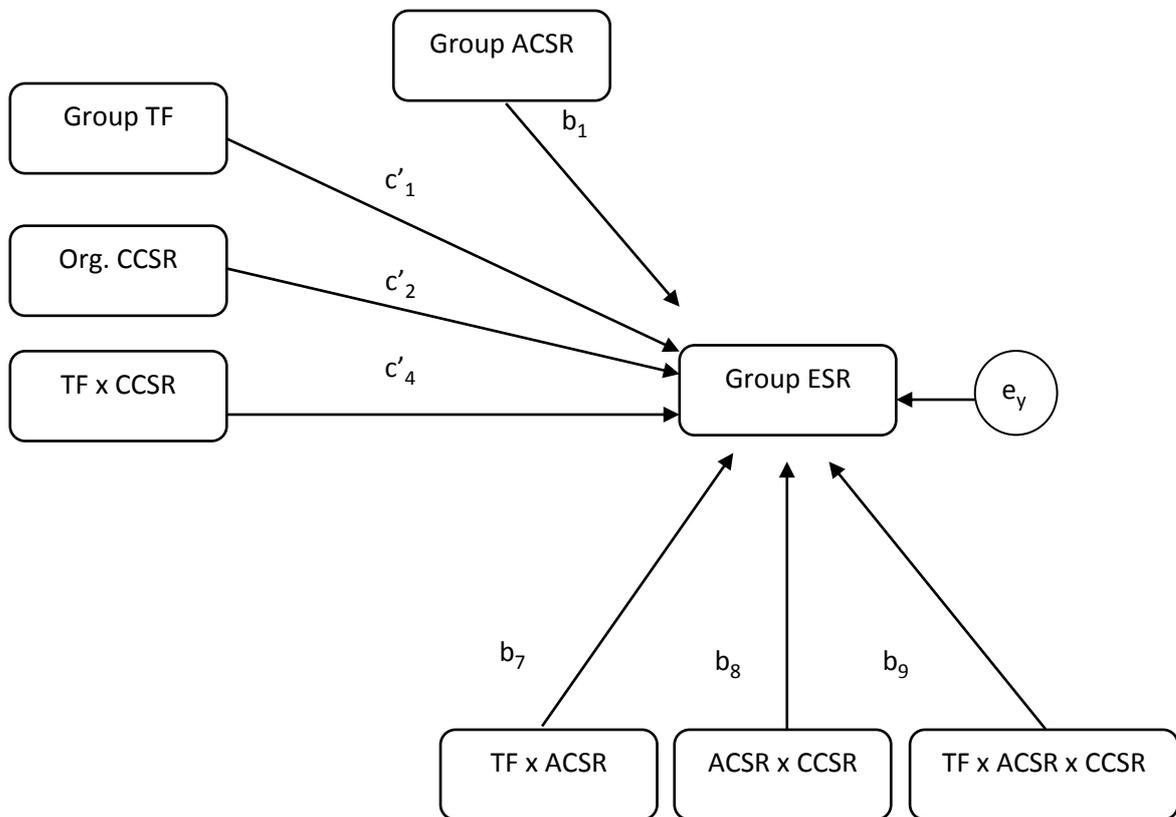
Finally, Hypothesis 3a stipulated a three-way interaction effect between group TF, organisational CSR climate and group assigned CSR priority on group social responsibility behaviours. This involved the testing of the following equation, in model 3 of the PROCESS macro (see Figure 6.04).

$$Y = i + c'_1X + c'_2M + b_1W + c'_4XM + b_7XW + b_8WM + b_9XWM + e_y \text{ (Hayes, 2012)}$$

$$\text{Group ESR} = i + c'_1\text{TF} + c'_2\text{CCSR} + b_1\text{ACSR} + c'_4\text{TF}*\text{CCSR} + b_7\text{TF}*\text{ACSR} + b_8\text{ACSR}*\text{CCSR} + b_9\text{TF}*\text{ACSR}*\text{CCSR} + e_y$$

**Figure 6.04**

**Statistical model for Hypothesis 3a: Field study**



*Note:* TF = transformational leadership; ACSR = assigned CSR priority; CCSR = climate for CSR; Org = organisational

### 6.3.2. *Individual level analysis*

At the individual level, multi-level analysis by way of hierarchical linear modelling, as per the recommendations of Hofmann (1997) was utilised to test the hypotheses. Here, the groups represented level 2, and the individuals within those groups represented level 1. As with group level analysis, variables were grand-mean centred for analysis. More specifically, predictor and moderator variables were standardised prior to computing interaction terms and subsequent analysis. Centring is useful as it can aid the interpretation of findings (Dalal and Zickar, 2002). Commonly, data is either grand-mean centred, where, as with the current analysis, all predictor variables are centred in relation to their mean at a particular level; or group-mean centred where level 1 predictors are not allowed to correlate with level 2 predictors (Enders and Tofighi, 2007). Proponents of group mean-centring suggest that it provides a more accurate understanding of cross-level interaction effects (Hofmann and Gavin, 1998). Nevertheless, it is argued that the choice of either needs to be dependent upon theoretical processes, and in some cases, grand-mean centring may indeed be a more plausible choice (Aguinis, Gottfredson, and Culpepper, 2013). Given that in the present research, deviations from group averages were not expected, rather the differences between the level 1 variables was of interest; grand-mean centring was considered appropriate (see also Bliese, 2000). Additionally, whilst group-mean centring may allow for a more meaningful interpretation of the cross-level effect, the change in parameters results in reduced statistical power in testing the model, which was already compromised due to limited sample size (Fedor, Caldwell, and Herold, 2006).

Hierarchical linear modelling is useful since it accounts for the fact that individuals within a group are likely to be more similar than individuals between groups, and as a result, factoring in this interdependence between group members by modelling both group and individual level residuals (Hofmann, 1997). Furthermore, they allow us to examine relationships within a hierarchical level and across hierarchical levels, and provide measures of individual and group level variance in the outcome variable. In order to measure relationships within and between hierarchical levels, two models are simultaneously estimated; where one models relationships within the lower level units, and the second models the variation in these relationships by their membership units (i.e. groups) (Bryk and Raudenbush, 1992).

In a model where individuals are nested within groups, as is the case in the present study, hierarchical linear models estimate the level 1 model, noted as  $Y_{ij} = \beta_{0j} + \beta_{1j}X_{ij} + r_{ij}$ , separately for each group. In this equation,  $Y$  represents the outcome variable for individuals ( $i$ ) in their

respective groups ( $j$ ). The value of the predictor variable is noted as  $X$ , whilst  $\beta_{0j}$  and  $\beta_{1j}$  refer to intercepts and slopes respectively for the individual groups ( $j$ ), with  $r$  referring to the residual (Hofmann, 1997). Testing this equation for each group can result in one of four patterns: firstly the groups can have identical slopes and intercepts, secondly they may have identical slopes but vary by intercepts, thirdly they may have comparable intercepts but vary by slope, and finally the groups may vary by both intercept and slope (see also Aguinis *et al.*, 2013).

The next part of hierarchical linear modelling addresses how group level variables can explain the variation between groups in the latter three patterns. Consequently the level 2 analysis uses the intercepts and slopes from level 1 as outcome variables, as indicated by the following equation:

$$\beta_{0j} = \gamma_{00} + \gamma_{01}G_j + U_{0j}$$

$$\beta_{1j} = \gamma_{10} + \gamma_{11}G_j + U_{1j}$$

(Hofmann, 1997)

Here,  $G_j$  refers to the group level variable, whilst  $\gamma_{00}$  and  $\gamma_{10}$  refer to the coefficients of the intercept, and the slope of the individual level predictor variable  $X$  respectively. Additionally,  $\gamma_{01}$  refers to the group level main effect of  $G$ , whilst  $\gamma_{11}$  indicates the interaction between the group-level variable  $G$  with the individual level variable  $X$ . Level 2 residuals are represented by  $U_{0j}$  and  $U_{1j}$  in the equation. The patterns of intercepts and slopes at level 1 would inform the level 2 equations accordingly (Hofmann, 1997).

Hypothesis 1b looks at the moderating role of individual assigned CSR priority on the relationship between individual level TF and individual ESR behaviours. This hypothesis was tested with the intercept at random model, with the fixed effects of TF, assigned CSR priority, and the interaction term of TF and assigned CSR priority. Hypothesis 2b proposed the moderating effect of organisational CSR climate on the relationship between individual TF on individual ESR behaviours. This hypothesis was likewise tested with the intercept at random model, with the fixed effects as TF, CSR climate, and the interaction between the two. Finally, Hypothesis 3b put forward a three-way interaction effect between individual TF, individual assigned CSR priority, and organisational CSR climate on individual ESR

behaviours. This again was tested with the intercept at random model, with TF, CSR climate, and assigned CSR priority as the fixed effects. Furthermore, the two way interactions between TF and assigned CSR priority, TF and CSR climate, assigned CSR priority and CSR climate, and the three way interaction between TF, assigned CSR priority, and CSR climate were added as fixed effects. In all hypotheses tests, the controls of team size, company and leader tenure were also factored in.

#### 6.3.2.1. Preliminary individual level analysis

In order for multi-level analysis to be justified, there has to be significant within and between group variance in the outcome variable of leader-rated ESR behaviours (Hofmann, 1997). To do this, a model in which the intercept was not allowed to vary was compared to a model in which the intercept was allowed to vary across groups; the null and unconditional models respectively. Firstly, the null model was tested with only leader-rated ESR as the outcome variable, and the intercept was not allowed to vary. This revealed a *-2 Restricted Log-Likelihood* value of 266.79. Next an unconditional model was tested whereby the intercept was allowed to vary at random, and group membership was factored in; this resulted in a *-2 Restricted Log likelihood* value of 209.85. The difference in the log likelihood values of 56.94 (1df) was shown to be significant in a chi-square test ( $p < 0.001$ ). This thus suggested that the unconditional model provided a significantly better fit, implying there was significant between-group variance; justifying the use of multi-level analysis. The variance of the intercept and residual were imputed into the following equation in order to explain the variance attributable to group membership:  $\text{variance (intercept)} / \text{variance (intercept} + \text{residual)}$ ; resulting in an *ICC(1)* value of 0.67, indicating that 67% of the variance in intercept was attributable to group membership.

In order to test for variations by slopes, the slopes of the predictors in the different hypotheses were systematically allowed to vary. When doing this, it transpired that either the model did not converge, or that when it converged, the specific slope that was allowed to vary was not significant. On a technical level, this would suggest that one should not proceed with further testing, given that there is no variation between groups on a given slope. Nevertheless, Aguinis *et al.* (2013) point out that in a number of cases, this is due to reduced statistical power given that “Tests regarding  $\tau_{11}$  [variance of slopes across teams] rely on degrees of freedom determined by the number of L2 units (e.g., teams), which is usually

much smaller than a study's total sample size regarding lower-level units (e.g., individual employees)" (pg. 1503). In related reviews, Dalton, Aguinis, Dalton, Bosco, and Pierce (2012) demonstrated that the median sample size at level 1 of analysis tends to range from 161-204 across a range of journal outlets, whilst Mathieu, Aguinis, Culpepper, and Chen (2012) noted that the median value of level 2 sample sizes was 51. In the current study, the sample was considerably smaller at both level 1 ( $N = 101$ ) and level 2 ( $N = 32$ ). Aguinis *et al.* (2013) suggest that this significantly results in underpowered tests of slopes, leading to erroneous conclusions that slopes are not significantly different from zero, when in fact they may be, but the sample size hinders detection of significance. On the basis of this, Aguinis *et al.* (2013) suggest that one should proceed with cross-level interaction testing when there is a strong theoretical basis for doing so. As a result of this, given the theoretical rationale for the proposed relationships in this study, analysis continued for all hypotheses at the individual level with the intercept at random model.

Where interactions were significant, simple slopes were probed and plotted one standard deviation below, and one standard deviation above the mean. The computational tool provided by Preacher, Bauer, and Curran (2006) was used to probe the significant interactions. In order to display the simple slopes graphically, the procedure by Aiken and West (1991) was used, and subsequently the simple slopes were plotted one standard deviation below and above the mean.

## 6.4.Results

### 6.4.1. Group level

Descriptive statistics, zero-order correlations, and scale reliabilities at the group level are presented in Table 6.03. All other scales, barring assigned CSR priority (see above), remained as complete scales for analysis purposes as these exhibited reliabilities of above .70 (Nunnally, 1978).

**Table 6.03**  
**Group level analysis: Means, standard deviations, and bivariate correlations**

Variable	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7
1. Company <sup>1</sup>	-	-	-						
2. Team size	3.69	.69	.26	-					
3. Leader job tenure	5.27	4.87	.07	-.13	-				
4. Transformational Leadership	2.90	.39	.15	.13	-.45*	(.95)			
5. CSR Climate	3.89	.47	-.03	-.08	-.06	.14	(.88)		
6. Assigned CSR Priority	4.69	.31	-.01	-.03	-.10	.33	.48**	(.82)	
7. Leader rated ESR-Full scale	5.14	.75	-.32	-.27	.21	-.15	.02	-.05	(.82)

*Note:* Cronbach's alpha are provided in brackets along the diagonal; *M* = mean; *SD* = standard deviation; *N* = 32 in all cases; <sup>1</sup>0 = commercial banking organisation, 1 = professional financial services organisation; \**p*<0.05 \*\**p*<0.01

Hypothesis 1a stipulated the positive moderating effect of group level assigned CSR priority on the relationship between TF at the group level and group social responsibility behaviours. More specifically, under conditions of high assigned CSR priority at the group level, it was predicted that group TF would be positively related to group social responsibility behaviours. As can be seen from Table 6.04, this was not significant ( $\gamma = 1.00$ ,  $SE = 1.27$ , *ns*).

**Table 6.04**

**Group level hypotheses testing: Leader-rated ESR**

Predictor	Leader-rated ESR	
	Estimate	SE
<i>Hypothesis 1a</i>		
Company	-0.93	0.58
Team size	-0.15	0.21
Leader job tenure	0.03	0.03
TF	-0.01	0.42
ACSR	0.14	0.56
TF*ACSR	1.00	1.27
<i>Hypothesis 2a</i>		
Company	-0.88	0.58
Team size	-0.19	0.20
Leader job tenure	0.03	0.03
TF	0.04	0.40
CCSR	0.04	0.29
TF*CCSR	0.61	0.65
<i>Hypothesis 3a</i>		
Company	-0.80	0.56
Team size	-0.07	0.21
Leader job tenure	0.06 <sup>†</sup>	0.03
TF	-0.80	0.56
CCSR	0.13	0.32
ACSR	-0.37	0.65
TF*CCSR	-0.37	0.93
TF*ACSR	5.25 <sup>†</sup>	2.62
ACSR*CCSR	-0.95	1.23
TF*ACSR*CCSR	7.48 <sup>†</sup>	3.65

*Note:* TF = transformational leadership; ACSR = assigned CSR priority; CCSR = CSR climate;  $N = 32$ ; \* $p < .05$ . \*\* $p < 0.01$  †  $p < 0.10$

Likewise, the moderating role of organisational CSR climate, between group level TF and group social responsibility behaviours was proposed in Hypothesis 2a. It was hypothesised that under a positive climate for CSR, group level TF would be positively related to increased group social responsibility behaviours. Results showed that this TF and CSR climate interaction was not significant ( $\gamma = 0.61, SE = 0.65, ns$ ).

Finally, Hypothesis 3a stipulated a three-way interaction effect between group TF, organisational CSR climate and group assigned CSR priority on group social responsibility behaviours. It was predicted that under conditions of high assigned CSR priority and a positive climate for CSR, group TF would be related to greater social responsibility behaviours. A negative relationship was expected when assigned CSR priority and CSR climate were predicted to be low/weak. This three-way interaction was found to be marginally significant ( $\gamma = 7.48, SE = 3.65, p < 0.10; \Delta R^2 = 0.12$ ).

Simple slope analysis (see Table 6.05) revealed that the combined moderating influence of assigned CSR priority and CSR climate was significant and positive when both were at high levels (simple slope = 1.70,  $t = 2.17, p < 0.05$ ). The simple slope for when assigned CSR priority was low and CSR climate was high, was marginally significant and negative (simple slope = -3.70,  $t = -1.91, p < 0.10$ ). As can be seen in Figure 6.05, TF had a positive effect on group CSR when both assigned CSR priority and CSR climate were high. This thus provides partial support for Hypothesis 3a.

**Table 6.05**

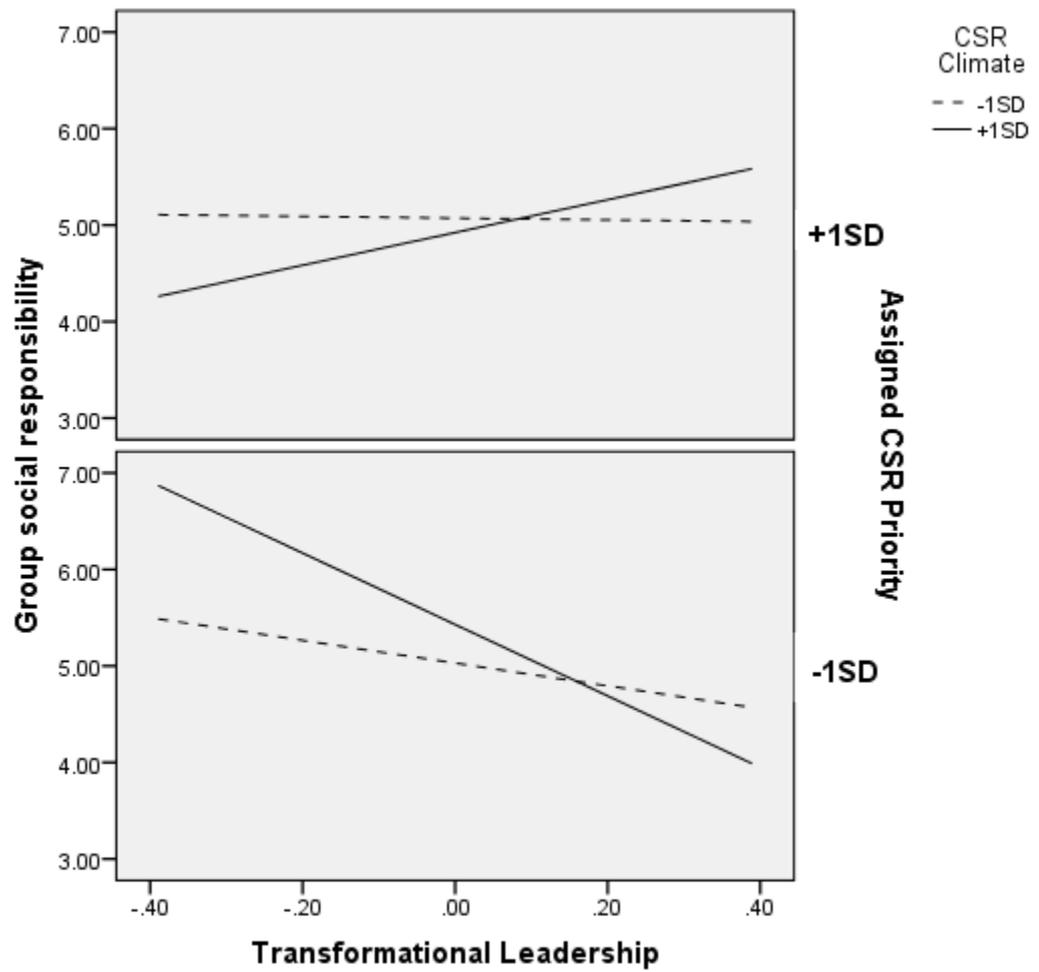
**Simple slope analysis for the three-way interaction at the group level**

<b>Simple slope analysis: TF x ACSR x CCSR → Group CSR</b>				
<b>Assigned CSR Priority</b>	<b>CSR Climate</b>	<b>Effect</b>	<b><i>t</i></b>	<b><i>p</i></b>
-1SD	-1SD	-1.18	-1.64	<i>ns</i>
-1SD	+1SD	-3.70	-1.91	<.10
+1SD	-1SD	-0.09	-0.10	<i>ns</i>
+1SD	+1SD	1.70	2.17	<.05

*Note:* Simple slope analysis at low (-1SD) and high (+1SD) levels of assigned CSR priority and CSR climate; SD = standard deviation, TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate

Figure 6.05

Three way interaction effect at the group level



#### 6.4.2. Individual level

As noted above, the procedure recommended by Hofmann (1997) to test for multi-level moderation was used, specifically using the intercept at random model. Descriptive statistics, zero-order correlations and scale reliabilities at the individual level are provided in Table 6.06.

**Table 6.06**

**Individual level analysis: Means, standard deviations, and bivariate correlations**

Variable	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7
1. Company <sup>1</sup>	-	-	-						
2. Team size	3.72	.65	.28**	-					
3. Leader job tenure	5.62	4.98	0.08	-0.08	-				
4. Transformational Leadership	2.87	.66	.07	.06	-.27**	(.95)			
5. CSR Climate <sup>2</sup>	3.90	.44	-.03	-.07	-.12	.12	(.88)		
6. Assigned CSR Priority	4.68	.53	-.01	-.01	-.05	.31**	.29**	(.82)	
7. Leader rated ESR-Full scale	5.12	.90	-.26**	-.23*	.15	-.06	-.03	.00	(.82)

*Note:* *N* = 101 in all cases; *M* = mean, *SD* = standard deviation; Cronbach's alphas are provided in brackets along the diagonal; <sup>1</sup>0 = commercial banking organisation 1 = professional services organisation; <sup>2</sup>based on aggregated scores; \**p*<0.05 \*\**p*<0.01

**Table 6.07**

**Individual level hypotheses testing: Leader-rated ESR**

Predictor	Leader-rated ESR	
	Estimate	SE
<i>Hypothesis 1b</i>		
Company	0.98 <sup>†</sup>	0.53
Team size	-0.18	0.19
Leader job tenure	0.03	0.03
Individual TF	0.04	0.06
Individual ACSR	0.09	0.06
TF*ACSR	0.20**	0.07
<i>Hypothesis 2b</i>		
Company	0.89	0.57
Team size	-0.19	0.20
Leader job tenure	0.03	0.03
Individual TF	0.04	0.06
Org. CCSR	0.004	0.13
TF*CCSR	0.07	0.06
<i>Hypothesis 3b</i>		
Company	0.97 <sup>†</sup>	0.54
Team size	-0.18	0.19
Leader job tenure	0.03	0.03
Individual TF	0.04	0.07
Org. CCSR	-0.003	0.12
Individual ACSR	0.07	0.08
TF*CCSR	0.01	0.07
TF*ACSR	0.21*	0.10
CCSR*ACSR	-0.05	0.07
TF*CCSR*ACSR	-0.001	0.07

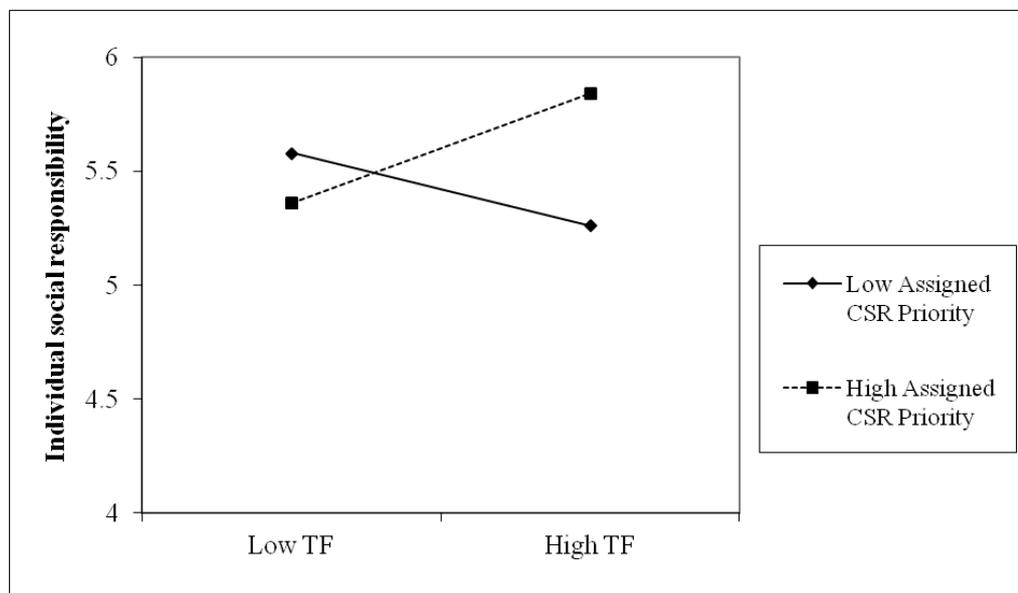
*Note:* TF = transformational leadership; ACSR = assigned CSR priority; CCSR = climate for CSR; Org. = organisational;  $N = 101$ ; \* $p < 0.05$  \*\* $p < 0.01$  <sup>†</sup> $p < 0.10$

Hypothesis 1b predicted that individual level assigned CSR priority would have a positive moderating effect between individual level TF and individual social responsibility behaviours. As is evident from Table 6.07, there was indeed a significant interaction between individual TF and assigned CSR priority on individual social responsibility behaviours ( $\gamma = 0.20$ ,  $SE = 0.07$ ,  $p < 0.01$ ;  $\Delta R^2 = 0.08$ ).

This interaction was plotted in order to decipher this significant relationship. As can be seen from Figure 6.06, individual level TF had a positive effect on individual social responsibility behaviours when assigned CSR priority was high. However when assigned CSR priority was low, then TF had a negative effect on individual social responsibility behaviours. Simple slope analysis indicated that this moderation was marginally significant and negative at low levels of assigned CSR priority (simple slope =  $-0.16$  ( $0.09$ ),  $z = -1.73$ ,  $p < 0.10$ ), and significant and positive at high levels of assigned CSR priority (simple slope =  $0.24$  ( $0.10$ ),  $z = 2.48$ ,  $p < 0.05$ ). This provides support for Hypothesis 1b.

**Figure 6.06**

**Individual level: Moderating effect of assigned CSR Priority**



Hypothesis 2b predicted that similarly, organisational CSR climate would also have a positive moderating effect between TF at the individual level with individual social responsibility behaviours. This hypothesis was not supported ( $\gamma = 0.07$ ,  $SE = 0.06$ , *ns*).

Finally, Hypothesis 3b predicted a three way interaction effect between individual TF, individual assigned CSR priority, and organisational CSR climate on individual social responsibility behaviours. It was hypothesised that under conditions of elevated assigned CSR priority and a positive climate for CSR, TF would have a positive relationship with individual employee social responsibility behaviours. The findings however revealed that this hypothesis was not supported ( $\gamma = -0.001$ ,  $SE = 0.07$ , *ns*).

## **6.5.Discussion**

Having developed a novel measurement tool to measure micro-level ESR in chapter five, the aim of this first study was to utilise this measurement tool in order to test for the contextual factors which facilitate individual and group ESR behaviours. Of interest was the combined influence of TF, assigned CSR priority, and CSR climate in propagating ESR. At the group level, this was done by testing the moderating influence of assigned CSR priority and CSR climate, individually and then combined, all at the group level, on the effects of group TF on group ESR. At the individual level, the moderating influence of individual assigned CSR priority and CSR climate, both individually and combined, on the relationship between TF and individual level ESR behaviours was investigated.

### *6.5.1. Summary of findings*

At the group level, results revealed that assigned CSR priority and CSR climate did not individually moderate the effects of group TF on group ESR, thus providing no support for Hypotheses 1a and 2a respectively. However the interactive effects of assigned CSR priority and CSR climate on the effects of TF on group social responsibility behaviours were partially supported. More specifically, the relationship between TF and group social responsibility was strongest when both assigned CSR priority was high and CSR climate was also high. This provides partial confirmation for Hypothesis 3a.

At the individual level, the moderating effect of assigned CSR priority was supported. More specifically, under conditions of high assigned CSR priority, TF was positively related to individual level ESR behaviours, whilst the opposite relationship was evident under conditions of low assigned CSR priority. This provided support for Hypothesis 1b. Hypothesis 2b proposed the moderating role of organisational CSR climate on the effects of TF on individual level ESR behaviours, such that a high climate for CSR would positively moderate the relationship between TF and individual ESR. The results however were not significant, and thus Hypothesis 2b was not supported.

Finally, at the individual level, the interactive effect of assigned CSR priority, TF, and organisational CSR climate on individual ESR behaviours was expected in Hypothesis 3b. More specifically, under conditions of a high organisational CSR climate and assigned CSR priority, TF was predicted to be positively related to individual ESR, whereas the converse was expected when assigned CSR priority and organisational CSR climate were low. Analysis however yielded non-significant results for this hypothesized relationship and consequently this hypothesis received no support.

#### 6.5.2. *Theoretical contributions*

The closest current research has come to investigating ESR is by examining behaviours such as volunteering, thus only capturing a small aspect of the multi-dimensional nature of ESR (Booth *et al.*, 2009). Not only this, but the initial conceptualisation of social responsibility behaviours at the employee level appears questionable, as generalised behaviours are used to capture these behaviours, such as employee recommendations in improving existing organisational CSR programs (e.g. Vlachos *et al.*, 2014). Thus the little research that has focused on micro-CSR has done so by narrowly focusing on aspects of social responsibility such as volunteering, or conversely by taking too broad a focus. As a result, the richness of ESR is lost, but not only this, by failing to account for the multi-dimensionality of ESR behaviours, research is unable to consider how the conflict between the various socially responsible behaviours can be balanced (Aguilera *et al.*, 2007).

This current study was unique in its multi-pronged approach to investigating the facilitating conditions for ESR, and as a result, put forward the combined influence of TF, assigned CSR priority and CSR climate. Through applying goal-setting theory, it was argued that effective

leadership behaviours set challenging goals and motivate and support employees towards these goals (Locke and Latham, 2002). Additionally, they assign a high priority to CSR and thus manage employee expectations of CSR, and avoid employee goal conflict by emphasizing the wholeness of ESR (Aguilera *et al.*, 2007). Furthermore, it was argued that TF with a high assigned CSR priority alone was not sufficient given that an organisational climate which was not conducive to CSR, could still engender goal conflict, by providing inconsistent messages on the behaviours employees should adopt, causing employees to prioritise some behaviours over others (Locke *et al.*, 1994). Thus it was proposed that a CSR climate which had policies and procedures focused on CSR, further iterated the importance of CSR at the organisational level, and ensured that this was made salient to employees.

Accordingly, at the group level, the individual moderating effects of assigned CSR priority and CSR climate were not evident. What was apparent however, was the combined moderating role of these on the effects of group TF on group ESR. This provides credence to the underlying rationale of this study, and interestingly points towards the necessary precondition of all three factors of TF, assigned CSR priority, and CSR climate to be present, in order for there to be a significant influence on group ESR, as outlined above. It seems that TF coupled with either assigned CSR priority, or CSR climate, is not sufficient in encouraging group ESR.

This further reinforces the explanatory power of goal-setting theory, in that leadership needs to set challenging goals, inspire confidence, as well as motivate and support employees to achieve these goals (Bass, 1990; Locke and Latham, 2002). Through assigned CSR priority, the leader ensures that he/she clearly manages the expectations of the groups by highlighting the significance of CSR and thus helping to thwart the experience of goal conflict (Katz and Kahn, 1964). Furthermore, a positive CSR climate ensures that the policies and procedures are CSR-orientated, further helping to prevent goal-conflict. This could as a result explain why the individual moderating effects of assigned CSR priority and CSR climate were not significant at the group level. As argued above, it is likely that alone these did not have the needed effect to motivate and support employees, reduce role conflict, and encourage ESR. Taken together, the interactive effects of TF, assigned CSR priority and CSR climate provide the optimal conditions for group ESR, and thus the fact that only the three-way interaction between these approached significance is in fact not surprising at all, but rather provides a

key theoretical contribution in demonstrating that optimal conditions necessitate both assigned CSR priority and CSR climate, in conjunction with TF.

This further elucidates the context dependent effects of TF, by examining its influence in combination with the novel constructs of assigned CSR priority and CSR climate (Yukl, 1999). The findings confirm the utility of TF in leading to positive work outcomes when fitting conditions are in place (e.g. Judge and Piccolo, 2004). That is, TF in its own accord is not unconditionally positive, rather, it exerts positive effects under the appropriate contextual conditions, which in this study were a high assigned CSR priority and a positive CSR climate, combined.

More specifically, at the group level, much like previous findings elucidating the moderating role of climate on the effects of TF on employee behaviours (Charbonnier-Voirin *et al.*, 2010), in the present study also, the positive effects of TF on group CSR behaviours were dependent upon a positive CSR climate. In particular, the current study showed the crucial moderating role of a positive CSR climate, in addition to assigned CSR priority, in facilitating group ESR. As a result, whilst very limited research has focused on a CSR-specific climate, the current study is the first to highlight the role of an organisational climate for CSR in facilitating group and individual ESR (see also El Akremi *et al.*, in press).

Assigned CSR priority was also found to be an important contextual factor, thus reinforcing previous literature on value-specific leadership behaviours (e.g. Zohar, 2002a). The present study supported the moderating role of individual assigned CSR priority on the effects of TF on ESR at the individual level. Previously, the likes of Barling *et al.* (2002) and Morhart *et al.* (2009) evidenced that TF with a focus on specific outcomes such as safety and brand-building behaviours respectively, was then positively associated with similar behaviours at the employee level; that is enhancing safety indicators and employee brand-building behaviours, in that order. More specifically, Zohar (2002a) suggested that TF was helpful in enhancing safety at work, under the moderating influence of assigned safety priority. The assigned CSR priority construct used in the current study was modelled on this assigned safety priority, and thus provided a novel test of this construct in relation to CSR. By doing so, the current study adds to the existing yet limited literature that effective leadership needs to be value specific, and as such, when considering the ability of TF to enhance specific work outcomes, in this case ESR, a specific focus is needed to these TF behaviours (CSR) in order to convert them from value-free to value-specific.

At the individual level, TF was positively related to individual ESR behaviours when assigned CSR priority was high. This further corroborates the findings of Zohar (2002a) where the construct of assigned safety priority enhanced the effects of TF in reducing injury rates. Additionally, the findings from the current research support findings which show that TF behaviours directed at specific content such as brand building behaviours, has positive effects on such behaviours (Barling *et al.*, 2002; Morhart *et al.*, 2009).

At the individual level, the individual moderating effect of CSR climate, and the interactive effect of CSR climate and assigned CSR priority were not evident. One possible explanation is that the CSR climate did not exert cross-level effects thus causing the single and interactive moderating effect to go amiss. Indeed research has shown that climate does not always exhibit cross level moderating effects (e.g. Walumbwa, Hartnell, and Oke, 2010). It may possibly be that at the individual level, assigned CSR priority has a greater importance in combination with TF. That is, when a leader uses TF behaviours, and manages expectations of CSR through a high assigned CSR priority, CSR climate becomes redundant. Instead TF assigns individual goals to employees, relevantly motivates and supports them towards these goals, and attends to their individual needs. In combination with assigned CSR priority, this is sufficient for employees to feel challenged, motivated and supported, as well as to negate any experience of goal conflict regarding the multi-dimensionality of ESR behaviours. Therefore, it may well be that individual ESR is independent of group ESR, and as a result employee buy-in to ESR, as encouraged by their leader is sufficient for them to display ESR behaviours, independent to what the group and/or organisation is encouraging.

It is also surprising that assigned CSR priority had a significant moderating effect at the individual level, given that it was not significant at the group level. One possibility may be that the group dynamics neutralized the possible effects of assigned CSR priority. For example the leadership substitutes theory, as proposed by Kerr and Jermier (1978), stipulates that certain characteristics pertaining to the individual such as skills and experience, to the context such as structured tasks, and finally to the organisation such as cohesive work groups; either substitute for, or neutralize leadership behaviours. In this case it may have been that the groups prioritised CSR within the team, thus causing assigned CSR priority behaviours on part of the leader to exert weak effects individually, but to exert a significant effect when in combination with a positive CSR climate.

From these findings, it becomes apparent that the underlying dynamics of group and individual ESR are distinct. At the group level, it seems the ideal conditions for ESR are composed of TF, high assigned CSR priority and a positive CSR climate, whereas at the individual level, effective leadership that assigns a high priority to CSR is sufficient, in and of itself. This may be because at the group level, the group needs to experience that their TF leader assigns a high importance to CSR, which is further reinforced by a positive CSR climate, otherwise they do not feel the necessary support and encouragement to engage in ESR. Whereas at the individual level, as noted above, due to the individualised relationship of a TF leader with his/ her subordinate, individually attending to the subordinate and highlighting the importance of CSR is adequate.

### *6.5.3. Limitations*

However the study is not without its limitations. First and foremost, this was a cross-sectional investigation in a field-setting thus whilst providing good external validity, as with any such study, causality cannot be inferred. At the moment we can only conclude that TF, CSR climate and assigned CSR priority are related to ESR, and not necessarily causally related. In order to more confidently be able to draw causal inferences, the need for a longitudinal investigation is necessary. Given however that this study is addressing a very limited and nascent research domain, its exploratory nature was tested ideally in a cross-sectional investigation. Nevertheless the next study, outlined in chapter seven, will address this limitation by attempting to replicate the model in a time-lagged design, and thus providing greater internal validity.

The present study also suffered from a limited sample size. Past research has demonstrated the impact of sample sizes on analysis (e.g. Collins and Morris, 2008; La Du and Tanaka, 1989; Tett, Fitzke, Wadlington, Davies, and Anderson, and Foster, 2009). Small sample sizes can lead to concerns over the validity generalisation hypothesis, with sampling error explaining a significant proportion of the variance in validity coefficients (Salgado, 1998). In the current research, it is therefore entirely possible that potentially important findings may not have materialised, due to a loss of statistical power, and the borderline significant finding of the three-way interaction may in fact have become apparent with a larger sample. All non-significant findings in the current study should therefore be considered with caution given this proportionate weakness. It is completely feasible that the individual moderating role of

CSR climate both at the group and individual level, as well as the three-way interaction at the individual level does exist, but was not detected as a result of this reduced statistical power. Nonetheless, as noted above these findings will be replicated in the time lagged study in a sample that is double the size of the existing sample, and it is anticipated that this will provide greater statistical power.

The limited sample size may have also been the cause for why slopes were not significantly different across groups during preliminary individual level analysis. Aguinis *et al.* (2013) point out that testing the differences in slopes relies on level two (i.e. group) sample sizes, which tend to be significantly smaller than level one (i.e. individual) numbers. This small sample size leads to reduced statistical power and precludes detection of possibly significant effects. It is also likely that the findings of the group level, that is the three-way interaction effect, was not replicated at the individual level because there was very little variance at the individual level, compared to the group level. Going forward, the time-lagged study has a sample size that is approximately double to the one used in the current study, and it is imagined that this will circumvent the analytical issues faced in the current study.

The current research relied upon questionnaire data. Questionnaire data, whilst allowing for the collection of data efficiently and effectively, is not without its weaknesses. Socially desirable responding has been highlighted as a common concern with this method (Holtgraves, 2004). In addition, employees provided ratings for assigned CSR priority and CSR climate, thus leading to further concerns of common method biases (Podsakoff *et al.*, 2003). Even so, the study did attempt to minimise such concerns through its use of leader-ratings of performance. It has been noted that when outcome measures are self-rated, the ratings tend to be inflated and possess weak correlations with actual behaviour (Xie, Roy, and Chen, 2006). Whilst further measures could have been taken, such as controlling for social desirability, as well as positive and negative affectivity, Podsakoff *et al.* (2003) have suggested that common method biases can be greatly minimised through various procedural actions such as measuring predictor and criterion variables from different sources, as well as ensuring respondents that there are no right or wrong responses; both of these recommendations were implemented in this study. Thus we can be more confident that TF is indeed related to greater ESR through assigned CSR priority and CSR climate.

In addition, this study was conducted in two Western organisations with the majority of respondents being British. Thus the potential to generalize findings from a Western culture to

other cultures is not straightforward. It may be that there are cultural differences regarding a performance versus human orientation, and this may as a result affect generalizability. Indeed, research has demonstrated the culturally specific views of effective leader behaviours, as a result of distinct culturally-informed implicit leadership theories (e.g. Javidan, Dorfman, de Luque, and House, 2006). In study two, the time-lagged study, a culturally diverse sample is employed and thus this limitation should hopefully be overcome.

#### 6.5.4. *Implications for practice*

Various practical implications result from the findings. Given that this study was undertaken in a field-setting in two organisations, it possesses external validity, and thus any practical contributions that arise from it can be considered sensible. Given the nature of findings, it is evident that the practical implications are distinct at the group and individual levels.

At the group level, it is important to ensure the three necessary conditions for group ESR are fulfilled; that is TF, assigned CSR priority, and CSR climate. As a result, leaders should be trained to manage expectations regarding CSR, as well as communicating standards of engaging with CSR. The need to consult with, and train leaders, so that they develop the skills to implement TF behaviours as well as understand and communicate the importance of CSR is needed. Research has shown that TF behaviours can be successfully trained with resultant positive outcomes (Barling *et al.*, 1996; Dvir *et al.*, 2002). Furthermore, research in the arena of safety has demonstrated the potential to develop those in leadership positions so that they manage the conflict between safety and efficiency behaviours (Zohar, 2010). In addition to this, the organisation needs to ensure the clear and non-contradictory CSR policies and procedures are in place, and leader communications regarding CSR are in harmony with these policies and procedures. Collectively, they can provide the optimal conditions to support group engagement in CSR, through consistency of communication.

At the individual level, it seems that TF behaviours in tandem with assigning a high priority to CSR are important. Here leaders should display effective TF behaviours so employees feel empowered and supported, as well as communicate the importance of engaging with CSR behaviours holistically. Consequently leadership training in TF behaviours, as well as training in how expectations of employee engagement in CSR can be managed, is useful here also. The importance is on individually attending to each employee and addressing his/her

specific needs, as well as tailoring communication and CSR goals to his/her abilities. Indeed, Morhart *et al.* (2009) demonstrated the ability to train TF behaviours with a specific focus on brand-specific behaviours.

Finally both at the group and the individual level, the importance of effective goal setting cannot be underestimated. Leaders need to set challenging goals for groups and individuals regarding ESR, in order to motivate employees to direct their behaviour in a goal-directed fashion. The presence of CSR climate and/or assigned CSR priority will provide optimal conditions for ESR and deter from sending conflicting messages as to what the leaders and organisations hold dear. This therefore precludes any experience of role conflict by providing employees with an unfailing message of what their leaders are encouraging, and what their organisation is encouraging.

## **6.6.Summary**

This chapter has utilised the newly developed ESR measurement tool in order to take the initial steps in investigating the determinants of ESR at the group and individual levels. At the group level, the significant moderating roles of assigned CSR priority and CSR climate, together in an interactive fashion, on the effects of TF on group ESR was revealed. At the individual level, the moderating role of individual level assigned CSR priority was identified. Implications of the findings are discussed, and the need for a more longitudinal design to aid in determining the direction of relationships is highlighted. This paves the way for the next chapter in which the model is replicated in a time-lagged design, conducted over a period of seven weeks.

### 7.1.Introduction

In chapter six, the effects of transformational leadership (TF), assigned CSR priority, and organisational CSR climate on group and individual employee social responsibility (ESR) behaviours were investigated, by utilising the newly developed ESR scale (see chapter five). Results revealed a marginally significant three-way interaction between group TF, group assigned CSR priority and organisational CSR climate on subsequent group ESR. No results were uncovered for the individual moderating roles of assigned CSR priority and organisational CSR climate, on the effects of group TF on subsequent group ESR. At the individual level, individual assigned CSR priority moderated the relationship between individual level TF and individual ESR behaviours, whilst no significant findings were yielded for the cross-level moderating effects of organisational CSR climate, and the three-way interaction between individual level TF, individual level assigned CSR priority, and organisational CSR climate.

One of the predominant weaknesses identified in this field study however was that, whilst it possessed external validity by testing the proposed conceptual model in an organisational setting, it lacked internal validity. That is, due to the cross-sectional nature of the investigation, one could not from the results ascertain that TF, in combination with CSR climate and/or assigned CSR priority, predicted enhanced group and individual engagement in ESR behaviours.

In order to overcome this, the model is replicated in this chapter in a time-lagged design to provide further credence to the model. This is done in a simulated business game (BG) setting within a British business school. Over a seven week period, measurements of the predictor variables were collected at time 1 (week 1), with the ESR behaviours being measured at time 2 (week 4) and time 3 (week 7). The data is analysed by testing the effects of the time 1 predictors, on time 2 and time 3 ESR behaviours, both at the group and the individual level. Furthermore, results are also analysed by controlling for baseline measurements of ESR behaviours (time 1) in order to assess if TF, group CSR climate, and/or assigned CSR priority predicts groups and individuals' ESR, over and beyond their initial engagement, over time.

Moreover, an additional limitation of the field study was noted to be its limited sample size in which 101 team members, nested within 32 teams/ team leaders, was used to test for the hypotheses. Given the issues experienced with analysis which possibly precluded the detection of cross-level effects, as well as the borderline significance of the three-way interaction effect at the group level; it was believed this restricted sample resulted in a loss of statistical power (Aguinis *et al.*, 2013). Furthermore, this may have been a likely explanation for why the three-way effect was not replicated at the individual level. In addition, there were concerns over the use of the primarily Western sample. In order to overcome these shortcomings, another objective of this time-lagged study was to replicate the model in the culturally diverse and significantly larger BG sample.

## **7.2.Hypotheses development**

Longitudinal research is useful for allowing us to more confidently infer the directionality of relationships between variables, than is the case with cross-sectional research. Nevertheless, much of the work investigating the effects of leadership on employee outcomes has been cross-sectional, and therefore we cannot conclusively state that certain leadership behaviours *predict* employees' behaviours (Judge and Piccolo, 2004; Lowe *et al.*, 1996). Mitchell and James (2001) highlight that survey designs in which all constructs are measured at the same time, prevent the ability to assert the direction of findings.

When we discuss time, we refer to it in its traditional sense of standard clock time (Clark, 1985). Indeed, George and Jones (2000) noted that “standard or clock time has become the dominant orientation toward time in the organisational literature” (pg. 659). As a result, our time lagged study reflects influence of predictor variables measured at week 1, on outcome variables at weeks 4 and 7. Consequently, time is allowed for individuals and groups to engage in ESR behaviours in the interim period, and thus providing a more accurate depiction of the effects of the antecedent and boundary conditions, on subsequent ESR (see Mitchell and James, 2001).

There has been some research looking at the longitudinal effects of leader behaviours. For example, Lorinkova, Pearsall, and Sims (2013) evidenced the positive effects of empowering leadership over time, on team performance. Similarly, van Dierendonck and Dijkstra (2012) revealed the positive effects of empowering leadership on follower empowerment after an interval of three months. In addition, Walker *et al.* (2008) noted how changes in team

leadership predicted changes in customer satisfaction a year later, whilst Gupta, Huang, and Niranjan (2010) noted the beneficial effects of team leadership in reducing conflict within teams after a period of ten weeks, in a business game sample comparable to that of the present study.

More specific to TF, the longitudinal effects of TF on employee work outcomes have been demonstrated. For instance, Munir and Nielsen (2009) revealed a positive effect of TF on the health of healthcare workers 18 months later, whilst Wilderom, van den Berg, and Wiersma (2012) highlighted the positive effects of charismatic leadership, considered akin to the idealised influence facet of TF, on objective financial performance measured after two years. Nielsen, Randall, Yarker, and Brenner (2008) further showed how TF measured at time 1 is positively related to employee well-being measured at time 2, after an 18 month interval; whereas Tafvelin, Armelius, and Westerberg (2011) replicated these findings in a 12 month interval. Similarly, van Dierendonck, Haynes, Borril, and Stride (2004) demonstrated longitudinal effects of TF on employee well-being, whilst Keller (2006) further evidenced the positive impact of TF on performance outcomes one year and five years later, such as schedule performance and profitability respectively; demonstrating the effects of TF after an even greater period of time.

Studies scrutinising the effects of leadership interventions on improving leadership behaviours, and consequently employee outcomes, can also be used to further reinforce the longitudinal effects of leadership. For example, Barling *et al.* (1996) demonstrated that leader training in TF behaviours could lead to enhanced objective performance outcomes as well as organisational commitment, measured five months following the intervention. Dvir *et al.* (2002) also evidenced the positive impacts of TF training on subsequent employee development and performance.

In addition, with regards to the safety literature, Zohar (2002b) noted the positive effects of an intervention to improve supervisor safety-oriented interactions with employees over an eight week period, on various safety performance indicators, such as a lowered injury rates (see also Zohar and Luria, 2004). Moreover, an intervention to improve leaders' self-regulation resulted in improved objective performance of the teams (Yeow and Martin, 2013).

With reference to the longitudinal effects of assigned CSR priority, whilst not directly inferred, as it is a novel construct introduced within this research, Zohar (2002a) was able to

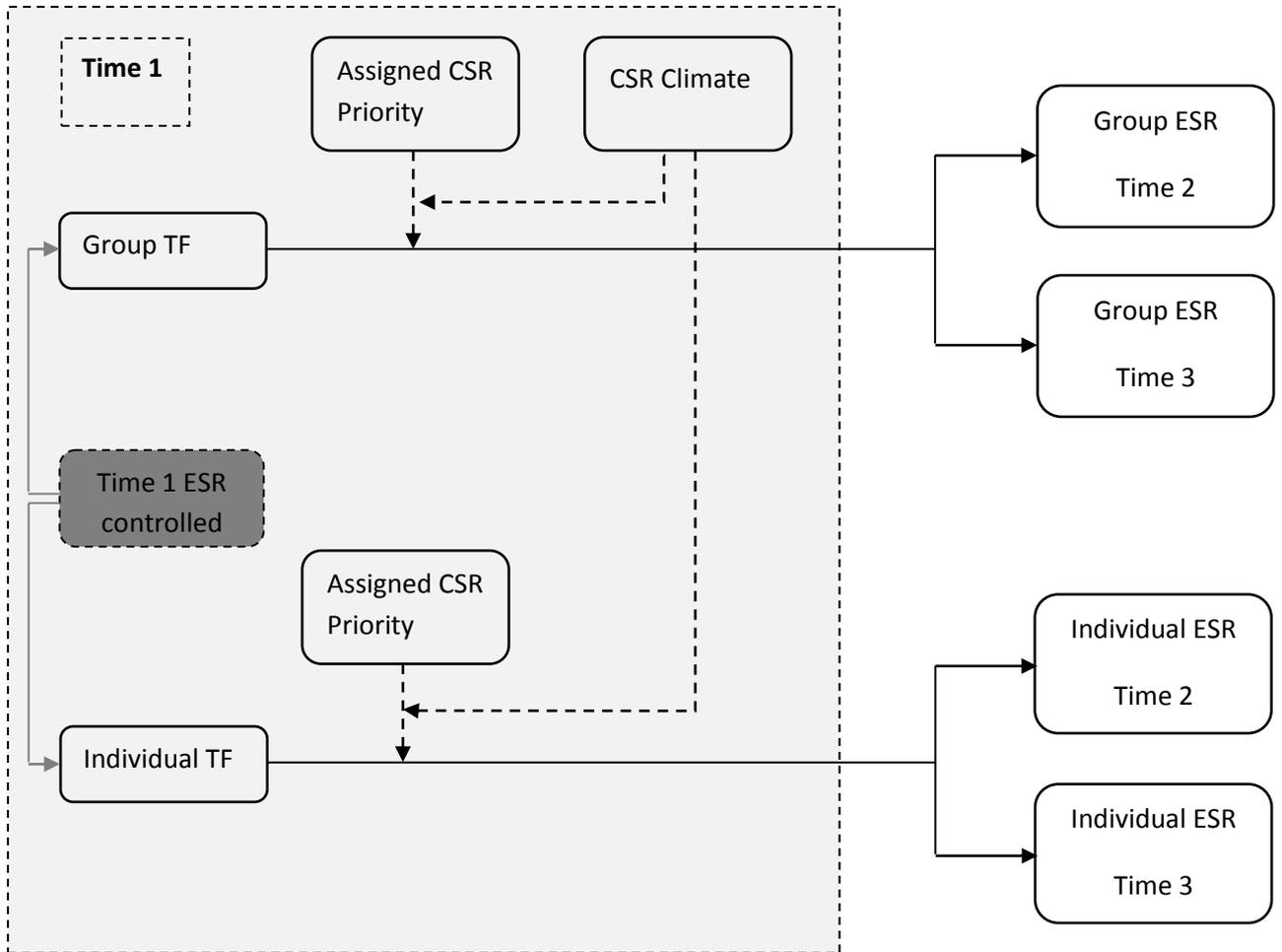
do so for assigned safety priority, on which assigned CSR priority is modelled. He showed how assigned safety priority in conjunction with TF and a safety climate, was helpful in improving safety indicators, the latter which were measured over a six month period, and as a result he was able to preclude reverse causality. Other studies which assessed proximate constructs to assigned CSR priority, such as the effects of brand-specific TF on employee brand building behaviours in the case of Morhart *et al.* (2009), have been conducted with cross-sectional designs (see also Barling *et al.*, 2002).

Finally, CSR climate is a very recent construct and so there have been no prior efforts to longitudinally relate this to positive group and individual (CSR) outcomes. Pertaining to climate in general, research has demonstrated its effects longitudinally. For example, Neal and Griffin (2006) established over a five year period that a group climate for safety was positively related to individual safety motivations, which in turn was positively related to individuals' safety participation. More specific to the current research, Liao and Chuang (2007) highlighted the moderating role of a service climate relationship between TF on employee service performance measured nine months later.

Based on the above, it is reasonable to expect the longitudinal effects of TF, assigned CSR priority, and CSR climate. Much of the research has tended to be conducted over a longer time period, in contrast to the seven week period in the present study. This as a result, should be helpful in deducing the short-term effects of TF. It is hypothesised that CSR climate and/or assigned CSR priority will have a significant moderating effect on the effects of TF, all measured at baseline (time 1/ week 1), on individual and group ESR behaviours, both at time 2 (week 4), and time 3 (week 7), in a multi-level time-lagged model (see Figure 7.01).

**Figure 7.01**

**Proposed time-lagged conceptual model**



*Hypothesis 1a: Group level assigned CSR priority at week 1 will moderate the effect of week 1 group level transformational leadership on group level social responsibility at weeks 4 and 7; such that group level transformational leadership will lead to greater group level social responsibility when there is high as opposed to low group level assigned CSR priority.*

*Hypothesis 1b: Individual level assigned CSR priority measured at week 1 will moderate the effects of week 1 individual level transformational leadership on individual level social responsibility at weeks 4 and 7; such that individual level transformational leadership will lead to greater individual level social responsibility when there is high as opposed to low individual level assigned CSR priority.*

*Hypothesis 2a: Group level climate for CSR at week 1 will moderate the effects of week 1 group level transformational leadership on group level social responsibility at weeks 4 and 7; such that group level transformational leadership will lead to greater group social responsibility when there is a positive as opposed to a weak group level climate for CSR.*

*Hypothesis 2b: Group level climate for CSR at week 1 will moderate the effects of week 1 individual level transformational leadership on individual level social responsibility at weeks 4 and 7; such that individual level transformational leadership will lead to greater individual level social responsibility when there is a positive as opposed to a weak individual level climate for CSR.*

*Hypothesis 3a: Group level climate for CSR at week 1 will moderate the interactive effect of group level assigned CSR priority at week 1 and week 1 group level transformational leadership, on group level social responsibility at weeks 4 and 7. When group level climate for CSR is positive and group level assigned CSR priority is high, group level transformational leadership will lead to greater levels of group level social responsibility. When group level climate for CSR is weak and group level assigned CSR priority is low, group level transformational leadership will lead to lower levels of group level social responsibility*

*Hypothesis 3b: Group level climate for CSR at week 1 will moderate the interactive effect of individual level assigned CSR priority at week 1 and week 1 individual level transformational leadership, on individual level social responsibility at weeks 4 and 7. When group level climate for CSR is positive and individual level assigned CSR priority is high, individual level transformational leadership will lead to greater levels of individual level social responsibility. When group-level climate for CSR is weak and individual level assigned CSR priority is low, individual level transformational leadership will lead to lower levels of individual level social responsibility.*

Furthermore, the present study aims to assess the incremental increases in ESR behaviours over time. Based on the above longitudinal literature where relationships tend to be determined over a longer time period, it is expected that the hypothesised relationships in the current study will persist, even after controlling for ESR behaviours measured at week 1, and will thus represent ESR over and beyond that measured at baseline (i.e. week 1).

Mitchell and James (2001) argue that research involving causal relationships should make explicit the way in which predictor X predicts outcome Y, within the context of time. In the present study, based on the discussion of Mitchell and James (2001), it is anticipated that the predictors in the current study occur before group and individual ESR behaviours. Furthermore, it is argued these ESR behaviours do not transpire instantly; rather they need time to develop, as employees scope out, and commit to voluntary activities, for instance. More specifically, this study refers most closely to ‘configuration 3’ proposed by Mitchell and James (2001); in that the predictors TF, assigned CSR priority, and CSR climate, interactively predict ESR, and this ESR develops/changes over time, for example as employees involve themselves in a greater number of organisational CSR initiatives.

Going beyond this, the ESR behaviours at week 1 can be considered baseline as they are measured before the effects of predictors TF, assigned CSR priority, and CSR climate are allowed to fully develop. Therefore in order to assess change in ESR from that of baseline, ESR behaviours measured at week 1 need to be controlled for. This allows presumptions to be made, relating to the enhancing effects of the predictors TF, assigned CSR priority, and CSR climate on subsequent ESR, beyond that measured at baseline, and supposedly before the predictors have had time to exert their full effects, and before employees have had sufficient time to increase their ESR. Indeed, it is recommended that to causally test the effects of a time 1 predictor on time 2 outcomes, the outcome at time 1 should be controlled for (Granger, 1969). This will assist in making the case for the persistence of ESR behaviours, which go beyond initial engagement. This leads to the following hypotheses:

*Hypothesis 4a: Group level assigned CSR priority at week 1 will moderate the effect of week 1 group level transformational leadership on group level social responsibility at weeks 4 and 7, after having controlled for week 1 group ESR. Such that group level transformational leadership will lead to an increase in group level social responsibility when there is high as opposed to low group level assigned CSR priority.*

*Hypothesis 4b: Individual level assigned CSR priority measured at week 1 will moderate the effects of week 1 individual level transformational leadership on individual level social responsibility at weeks 4 and 7, after having controlled for week 1 individual ESR. Such that individual level transformational leadership will lead to an increase in individual level social responsibility when there is high as opposed to low individual level assigned CSR priority.*

*Hypothesis 5a: Group level climate for CSR at week 1 will moderate the effects of week 1 group level transformational leadership on group level social responsibility at weeks 4 and 7, after having controlled for week 1 group ESR. Such that group level transformational leadership will lead to an increase in group social responsibility when there is a positive as opposed to a weak group level climate for CSR.*

*Hypothesis 5b: Group level climate for CSR at week 1 will moderate the effects of week 1 individual level transformational leadership on individual level social responsibility at weeks 4 and 7, after having controlled for week 1 individual ESR. Such that individual level transformational leadership will lead to an increase in individual level social responsibility when there is a positive as opposed to a weak individual level climate for CSR.*

*Hypothesis 6a: Group level climate for CSR at week 1 will moderate the interactive effect of group level assigned CSR priority at week 1 and week 1 group level transformational leadership, on group level social responsibility at weeks 4 and 7, after having controlled for week 1 group ESR. When group level climate for CSR is positive and group level assigned CSR priority is high, group level transformational leadership will lead to an increase in group level social responsibility. When group level climate for CSR is weak and group level assigned CSR priority is low, group level transformational leadership will lead to a decrease in group level social responsibility*

*Hypothesis 6b: Group level climate for CSR at week 1 will moderate the interactive effect of individual level assigned CSR priority at week 1 and week 1 individual level transformational leadership, on individual level social responsibility at weeks 4 and 7, after having controlled for week 1 individual ESR. When group level climate for CSR is positive and individual level assigned CSR priority is high, individual level transformational leadership will lead to an increase in levels of individual level social responsibility. When group-level climate for CSR is weak and individual level assigned CSR priority is low, individual level transformational leadership will lead to a decrease in individual level social responsibility.*

### **7.3.Procedure**

The above hypotheses were tested within the BG sample, where teams worked within a simulated business game environment. Team members ( $N = 232$ ) were nested within teams/team leaders ( $N = 67$ ). Greater details of the method and sample can be found within the Methodology and Samples chapter (chapter four). Nevertheless, to serve as a reminder, the measures used to test the above hypotheses are listed below. The team leaders and their team members were requested to complete surveys at three time points. A baseline measurement was taken in week 1 (time 1), with the subsequent two surveys on week 4 (time 2), and week 7 (time 3). It should be noted that initially this study was intended to host an intervention study, examining the effect of training TF behaviours, and how this affected subsequent performance outcomes over time. However subsequent analyses revealed that the intervention had no significant effects in promoting ESR, and as a result, was not warranted further consideration; refer to chapter four for a more in-depth discussion of the intervention. The full list of items in the leader questionnaire can be found in Appendix 4, and the full list of items in the team member questionnaire can be found in Appendix 5.

#### *Leader Questionnaire*

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional ESR scale. Leaders rated the extent to which their team members engaged in these behaviours. The scale consisted of five dimensions, namely social ('assists in community projects'), philanthropy ('raises money for charity'), stakeholder ('treats others with respect'), environmental ('recycles'), and finally economic ('completes work to a high standard'). They responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). The Cronbach's alphas for leader-rated ESR at time 1, 2 and 3 were 0.82, 0.83, and 0.87 respectively. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

#### *Team Member Questionnaire*

*Transformational Leadership:* This was assessed using the multi-factor leadership questionnaire (MLQ; Bass and Avolio, 1990, for which a license was obtained from Mind Garden Inc. This was used to assess the four facets of transformational leadership, namely

individualised consideration, intellectual stimulation, inspirational motivation, and idealised influence. Subordinates responded to the questions on a five point Likert scale (0 = Not at all/ 4 = Frequently if not always) regarding the leadership behaviours of their team leader. An example of an item is: ‘Seeks differing perspectives when solving problems’. The  $\alpha$  for this scale in the study was noted as 0.95. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Assigned CSR Priority:* The procedure used by Zohar (2002a) to assess assigned safety priority was used; here the questions were amended so that they tapped into assigned CSR priority. The team members were asked to indicate the extent to which their team leader conformed to each statement, on a five-point scale (1 = Not at all/ 5 = To a very large extent). An example of an item is: ‘Expect you to cut corners and neglect social responsibility’. When calculated, the  $\alpha$  of this CSR-adapted scale was initially 0.66. On further scrutiny, it appeared that the fifth item which happened to be the only non-reverse scored item was problematic. This item was therefore deleted and the four-item measure of assigned CSR priority (items 1-4) was henceforth used in all subsequent analyses, with a final  $\alpha$  of 0.84. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Climate for CSR:* Climate for CSR was assessed using the G-CSR scale developed by Mueller *et al.* (2012). This was a six item measure tapping into issues such as the organisation’s handling of CSR in general, and initiatives towards protecting the environment more specifically; the referent was adapted from the organisation to the group. An example item includes: ‘My group does enough towards protecting the environment’. Team members responded to these items on a five point Likert scale regarding the behaviours of their own group (1 = Strongly disagree/ 5 = Strongly agree). The  $\alpha$  for this scale in the study was 0.86. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Employee Social Responsibility:* These behaviours were assessed using the newly-developed ten-item multi-dimensional ESR scale. Team members were requested to rate the extent to which their peers engaged in such behaviours in a 360° fashion, excluding self-ratings. The scale consisted of five dimensions, namely social (‘assists in community projects’), philanthropy (‘raises money for charity’), stakeholder (‘treats others with respect’), environmental (‘recycles’), and finally economic (‘completes work to a high standard’). They

responded to the items on a seven-point Likert scale (1 = Strongly disagree/ 7 = Strongly agree). The Cronbach's alphas, for the 360° peer-rated ESR was 0.89, 0.90, and 0.92; for time 1, 2 and 3 respectively. For group level analysis, the individual ratings were aggregated to the group level through direct consensus shift (Chan, 1998).

*Controls:* The variables of team size and intervention were controlled throughout group and individual level analysis. Team size was controlled since it has been demonstrated to impact upon team performance (Haleblian and Finkelstein, 1993). And the two intervention dummy variables, to represent the TF and CSR interventions individually, were included to control for any effects the interventions may have had.

#### **7.4. Analytical strategy**

Data was collected at the group and individual levels, where group members were nested within team leaders, in order to test for multi-level effects. The team leaders provided objective ratings for individuals' levels of social responsibility, which were then aggregated to provide a rating of the overall group's social responsibility. In addition to this, the team members provided ratings for their peers' levels of social responsibility in a 360° fashion, barring self-ratings. In order to analyse the group-level model, TF, assigned CSR priority and CSR climate ratings were aggregated to the group level by way of direct consensus shift (Chan, 1998). To test for the cross-level model, individual ratings of TF and assigned CSR priority were used, as well as the aggregated construct of group CSR climate.

Owing to the multi-level nature of analysis, inter-rater reliability statistics were computed in order to justify if the group level variables could indeed be aggregated to the group level, by means of a direct consensus shift (Chan, 1998). Table 7.01 below provides the *ICC(1)*, *ICC(2)*, and *Rwg* calculations for the group level variables in this study.

**Table 7.01****Inter-rater reliability coefficients and intra-class correlations: Time-lagged study**

<b>Construct</b>	<b>Time</b>	<b><i>Rwg</i></b>	<b><i>ICC(1)</i></b>	<b><i>ICC(2)</i></b>	<b><i>F</i></b>
Leader-rated ESR <sup>1</sup>	1	0.98	0.82	0.94	16.06**
	2	1.00	0.83	0.94	17.06**
	3	0.99	0.83	0.94	16.77**
Team-rated ESR (360°) <sup>2</sup>	1	0.99	0.64	0.85	6.83**
	2	0.97	0.58	0.82	5.67**
	3	0.99	0.66	0.86	7.34**
Assigned CSR priority	1	0.81	0.06	0.19	1.23
CSR climate	1	0.88	<0.01	0.01	1.01
TF leadership	1	0.92	0.29	0.59	2.41**

*Note:* *Rwg* = inter-rater reliability; *ICC* = intra-class correlation; *F*= values are derived from one-way ANOVAs; <sup>1</sup>*N* = 67, <sup>2</sup>*N* = 232\*\**p*<0.01

All computed *Rwg* values were above the recommended 0.70, whilst with regards to *ICC(1)* and *ICC(2)* it is recommended that for the former the *F* value should be greater than one, and for the latter, the cut-off value is 0.50 (James *et al.*,1984; Shrout and Fleiss, 1979). Accordingly, all *ICC(1)* values were acceptable, given that the *F* value was greater than one. However, the *ICC(2)* values for both assigned CSR priority and CSR climate at time 1, were below the cut-off value of 0.50. Nevertheless, given that aggregation was justified by theory, as well as high *Rwg* values and acceptable *ICC(1)* values, it is deemed reasonable to continue with group level analysis (e.g. Chen and Bliese, 2002). Indeed, low *ICC(2)* values makes tests of relationships more conservative as opposed to more liberal (Walker *et al.*, 2008).

Data at the group and individual level was analysed as in the field study in chapter six. The reader is referred to this preceding chapter for greater detail on the analysis strategy for the group and individual levels. At the group level, the PROCESS macro by Hayes (2012) was used to test the group-level model, specifically through the use of models 1 and 3. At the individual level, hierarchical linear modelling analysis was conducted according to established recommendations by the likes of Hofmann (1997) and Aguinis *et al.* (2013).

#### 7.4.1. *Group level analysis*

Hypothesis 1a stipulated the positive moderating effect of group level assigned CSR priority on the relationship between transformational leadership at the group level and group social responsibility behaviours. This interaction between TF and assigned CSR priority was tested through model 1 in the PROCESS macro. Likewise, the moderating role of group CSR climate between group level transformational leadership and group social responsibility behaviours was proposed in Hypothesis 2a. This interaction between TF and CSR climate was again tested using model 1 of the macro. Finally, Hypothesis 3a stipulated a three-way interaction effect between group transformational leadership, organisational CSR climate and group assigned CSR priority on group social responsibility behaviours. This three-way interaction was tested in model 3 of the macro. Hypotheses 4a, 5a, and 6a involved testing the same relationships but with the added control of time 1 group ESR. They were thus tested with the same models, with the added exception that time 1 group ESR was also controlled for (in addition to controls of intervention and team size). As with analysis in chapter six, data was grand-mean centred for analysis in order to aid interpretation of the results (Aguinis *et al.*, 2013). All models at the group level were tested with the outcome of leader-ratings of ESR, which were aggregated to the group level.

Where interactions were significant, simple slopes were probed using the simple slope data provided by the PROCESS macro, at one standard deviation below the mean and one standard deviation above the mean. In order to plot the simple slopes, the procedure by Aiken and West (1991) was used to plot the simple slopes at one standard deviation above and below the mean for single moderation effects. For the three-way interaction effect, the plot data was derived from the PROCESS macro, and this was used to generate the graph. Here, simple slopes were plotted at one standard deviation above (high) and below (low) the mean, for both moderators (i.e. assigned CSR priority and CSR climate), leading to four simple slopes representing the four combinations (low, low; high, low; low, high; high, high) between the two moderators.

#### 7.4.2. *Individual level analysis*

At the individual level, multi-level analysis by way of hierarchical linear modelling, as per the recommendations of Hofmann (1997) was utilised to test the hypotheses. Here, the groups represented level 2, and the individuals within those groups represented level 1. All predictor

variables were grand-mean centred prior to computing interaction terms. The hypotheses were tested with both leader-ratings of social responsibility behaviours, as well as peer 360° ratings of social responsibility behaviours, which were averaged across group members to provide each individual within a team, a single averaged peer-rating.

Hypothesis 1b looks at the moderating role of individual assigned CSR priority on the relationship between individual level TF and individual ESR behaviours. Hypothesis 2b proposed the cross-level moderating effect of a group level CSR climate on the relationship between individual level TF and individual ESR behaviours. Finally, hypothesis 3b put forward a three-way interaction effect between individual TF, individual assigned CSR priority and group CSR climate on individual ESR behaviours. These hypotheses were tested using the intercept at random model for the peer-ratings of ESR, and with the TF at random model for leader ratings of ESR (see below). Additionally, Hypotheses 4b, 5b, and 6b proposed the same relationships respectively, which were tested in the same way with the added control of time 1 individual ESR (in addition to controls of intervention and team size); in order to test for changes in individual ESR over time. With peer-ratings of social responsibility behaviours, these hypotheses were tested with the intercept at random model. With leader-ratings, these hypotheses were tested with the TF at random model. See below for further clarity on why this was the case.

#### *7.4.2.1. Preliminary individual level analysis*

In order for multi-level analysis to be justified, there has to be significant within and between group variance in the outcome variable of ESR behaviours. To do this, a model in which the intercept was not allowed to vary was compared to a model in which the intercept was allowed to vary; the null and unconditional models respectively. Firstly, the null model was tested with only ratings of social responsibility behaviours as the outcome variable, and the intercept was not allowed to vary. Next an unconditional model was tested whereby the intercept was allowed to vary at random, and group membership was factored in. This was done for both leader-rated ESR and peer-rated 360° ESR at times 2 and 3. To compare model fit, the difference in *-2 Restricted Log Likelihood* values and degrees of freedom was computed; this difference was then checked against a chi-square table in order to test if the unconditional model provided a significantly better fit compared to the null model (see Table

7.02). In all cases, the unconditional model fit the data significantly better, thus suggesting significant between group variance; as a result multi-level analysis is justified.

**Table 7.02**

**Comparing model fit of null and unconditional models: Time-lagged study**

Outcome	Null Model	Unconditional Model	Difference in: -2 Restricted Log Likelihood Values (Degrees of Freedom)	
				$\chi^2$
Leader-rated ESR: Time 2 <sup>1</sup>	492.99	301.05	191.94 (1)	$p < 0.001$
Leader-rated ESR: Time 3 <sup>2</sup>	545.33	357.31	188.02 (1)	$p < 0.001$
Peer-rated ESR: Time 2 <sup>3</sup>	477.99	396.03	81.96 (1)	$p < 0.001$
Peer-rated ESR: Time 3 <sup>4</sup>	462.91	360.63	102.28 (1)	$p < 0.001$

*Note:* This table and uses chi-square test ( $\chi^2$ ) to assess the significance of the difference between the two -2 Restricted Log Likelihood values; <sup>1</sup> $N = 15$  <sup>2</sup> $N = 210$  <sup>3</sup> $N = 219$  <sup>4</sup> $N = 218$

Following this, the variance of the intercept and residual were imputed into the following equation in order to explain variance attributable to group membership:  $\text{variance (intercept)} / \text{variance (intercept + residual)}$ . For leader-ratings at time 2, this yielded a value of 0.84 suggesting that 84% of the variance was attributable to group membership. For time 3 leader ratings, this value was 0.83, indicating that 83% of the variance was attributable to group membership. For peer-ratings at time 2, the calculated value was 0.79, indicating that 79% of the variance was attributable to group membership. At time 3, this value was 0.70 suggesting 70% of the variance was attributable to group membership.

In order to test for variations by slopes, the slopes of the predictors in the different hypotheses were systematically allowed to vary, for both leader-rated and peer-rated ESR at times 2 and 3. For leader-ratings of social responsibility behaviours at times 2 and 3, in most cases the model did not converge. However when the model was calculated with TF at random, the model did converge; and the slope of TF was indicated to be statistically

significant in all cases. In order to decipher if the TF at random model provided a significantly better model fit compared to the TF fixed slope model, the differences in parameters and *-2 Restricted Log Likelihood* values were calculated, and this difference was compared to a chi-square table. Table 7.03 notes the differences in these values, and whether the chi-square test indicated this difference between the models to be significant. As is evident from Table 7.03, in all cases, the TF at random model provided a significantly better fit compared to the TF fixed slope model. As a result, for future hypothesis testing with the leader-ratings of ESR, the TF at random model was used to analyse data.

**Table 7.03**

**Comparing model fit of TF at random models for leader-ratings**

<b>Outcome</b>	<b>Predictor</b>	<b>TF fixed slope model</b>	<b>TF at random model</b>	<b>Difference in: -2 Restricted Log Likelihood Values (<i>df</i>) <math>\chi^2</math> test of significance</b>
Leader-rated ESR: Time 2 <sup>1</sup>	TF x ACSR	313.58	298.57	15.01 (2)**
	TF x CCSR	310.34	295.86	14.48 (2)**
	Three-Way	328.94	314.64	14.30 (2)**
Leader-rated ESR: Time 3 <sup>2</sup>	TF x ACSR	372.26	347.25	25.01 (2)**
	TF x CCSR	369.31	343.15	26.16 (2)**
	Three-Way	387.79	362.04	25.59 (2)**
Leader-rated ESR: Time 2 (time 1 ESR controlled) <sup>3</sup>	TF x ACSR	186.56	171.06	15.50 (2)**
	TF x CCSR	183.09	168.04	15.05 (2)**
	Three-Way	202.87	187.27	15.60 (2)**
Leader-rated ESR: Time 3 (time 1 ESR controlled) <sup>4</sup>	TF x ACSR	272.58	241.44	31.14 (2)**
	TF x CCSR	268.28	236.05	32.23 (2)**
	Three-Way	288.07	256.03	32.01 (2)**

*Note:* Chi-square test ( $\chi^2$ ) is used to test for the significance of the difference between the *-2 Restricted Log Likelihood* values; TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate, Three-way = three-way interaction between TF x ACSR x CCSR; <sup>1</sup>N = 215 <sup>2</sup>N = 210 <sup>3</sup>N = 199 <sup>4</sup>N = 194; \*\*p<0.01

When doing this for peer-ratings of ESR, it transpired that either the models did not converge, or that when they converged, the specific slope that was allowed to vary was not significant. This was parallel to what occurred in the field study chapter (chapter six). On a technical level, this would suggest that one should not proceed with further testing, given that there is no variation between groups on a given slope. Nevertheless, Aguinis *et al.* (2013) point out that in a number of cases, this is due to reduced statistical power given that “Tests regarding  $\tau_{11}$  [variance of slopes across teams] rely on degrees of freedom determined by the number of L2 units (e.g., teams), which is usually much smaller than a study’s total sample size regarding lower-level units (e.g., individual employees)” (pg. 1503). Given that the current sample size was approximately double that of the field study sample size, such an issue was not anticipated here ( $N$  group = 67;  $N$  individuals = 232). Nevertheless it occurred, thus hinting that the sample size was still not sufficient, possibly because the model to be tested was more complex.

Aguinis *et al.* (2013) point out that small sample sizes can significantly result in underpowered tests of slopes, leading to erroneous conclusions that slopes are not significantly different from zero, when in fact they may be but the sample size hinders detection of significance. On the basis of this, Aguinis *et al.* (2013) suggest that one should proceed with cross-level interaction testing when there is a strong theoretical basis for doing so. As a result of this, given the theoretical rationale for the proposed relationships in this study, analysis continued for all hypotheses at the individual level, with the intercept at random model, in the case of time 2 and 3 peer-ratings of ESR.

Where interactions were significant, simple slopes were probed and plotted one standard deviation below, and one standard deviation above the mean. The computational tool provided by Preacher *et al.* (2006) was used to probe the significant interactions. In order to display the simple slopes graphically, the procedure by Aiken and West (1991) was used, and subsequently the simple slopes were plotted one standard deviation below and above the mean.

## **7.5.Results**

### *7.5.1. Group level*

A time lagged approach to analysis was utilised whereby predictors were measured at time 1, and their impact on group ESR behaviours, as rated by their leaders, at time 2 (week 4) and 3 (week 7) was analysed. Descriptive statistics are provided in Table 7.04

**Table 7.04**

**Group level analysis: Means, standard deviations and bivariate correlations**

<b>Variable</b>	<b><i>M</i></b>	<b><i>SD</i></b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
1. Team size <sup>1</sup>	4.73	0.45	-						
2. Transformational Leadership <sup>1</sup>	2.28	0.59	-.01	( 0.95)					
3. CSR Climate <sup>1</sup>	3.68	0.41	.18	.51**	(0.86)				
4. Assigned CSR Priority <sup>1</sup>	3.95	0.48	.05	.47**	.33**	( 0.84)			
5. Group ESR- Time 1 <sup>2</sup>	4.71	0.77	.004	.13	.10	-.07	( 0.82)		
6. Group ESR- Time 2 <sup>3</sup>	4.80	0.75	-.08	.19	-.02	.01	.55**	(0.83)	
7. Group ESR- Time 3 <sup>4</sup>	4.88	0.86	.02	.22	.03	.13	.36**	.80**	(0.87)

*Note:* Unless otherwise stated, variables are measured at time 1 and are at the group level; group ESR is leader-rated; Cronbach's alphas are provided in brackets across the diagonal; \*  $p < 0.05$  \*\* $p < 0.01$ ; <sup>1</sup> $N = 67$  <sup>2</sup> $N = 61$  <sup>3</sup> $N = 64$  <sup>4</sup> $N = 63$

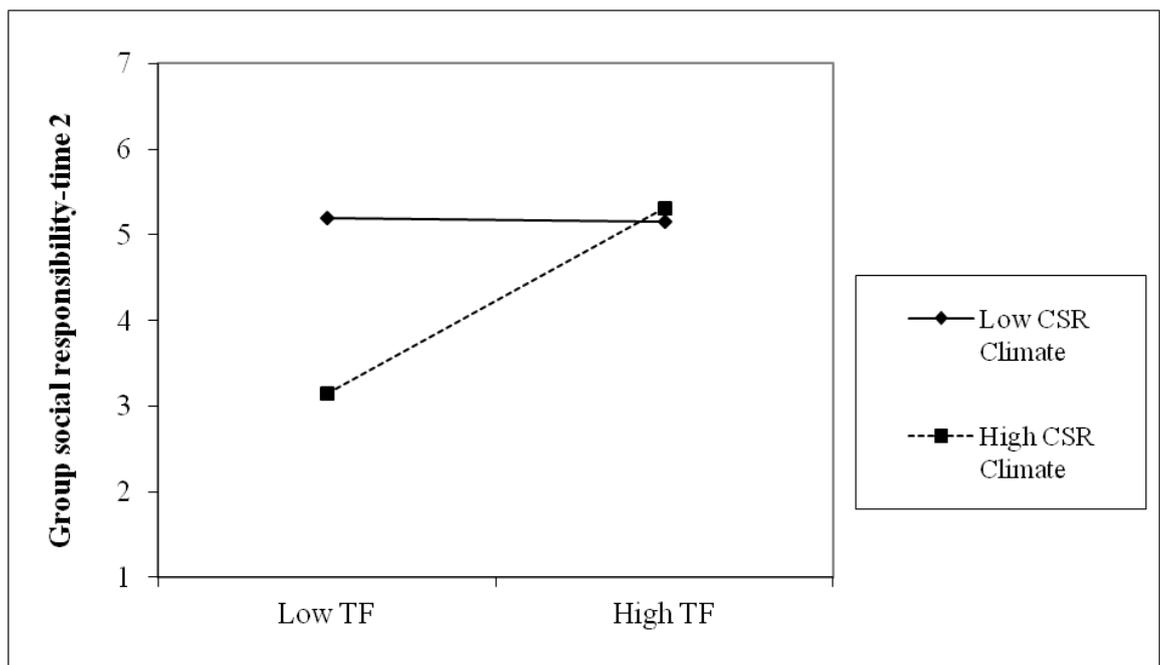
Hypothesis 1a predicted a positive moderating effect of time 1 assigned CSR priority on the effects of time 1 TF on time 2 and 3 group ESR behaviours, such that under conditions of high assigned CSR priority, TF would have stronger effects on group ESR. As is evident from Table 7.05, this hypothesis was not significant, both on time 2 group ESR ( $\gamma = 0.05$ ,  $SE = 0.44$ ,  $ns$ ) and time 3 group ESR ( $\gamma = 0.29$ ,  $SE = 0.51$ ,  $ns$ ).

Hypothesis 2a predicted a positive moderating effect of time 1 CSR climate on the relationship between time 1 TF and time 2 and 3 group ESR. More specifically, it was expected that the positive effects of TF on group ESR would be enhanced under conditions of a positive climate for CSR. This finding was marginally significant for both time 2 group ESR ( $\gamma = 0.55$ ,  $SE = 0.31$ ,  $p < 0.10$ ;  $\Delta R^2 = 0.05$ ), and time 3 group ESR ( $\gamma = 0.68$ ,  $SE = 0.35$ ,  $p < 0.10$ ;  $\Delta R^2 = 0.06$ ).

Simple slope analysis revealed that at time 2, the moderating effect of CSR climate was significant at high levels of CSR climate (simple slope = 0.75,  $t = 3.00$ ,  $p < 0.01$ ). As evident from Figure 7.02, under conditions of high CSR climate, TF was positively related to time 2 group ESR; partially supporting this hypothesis.

**Figure 7.02**

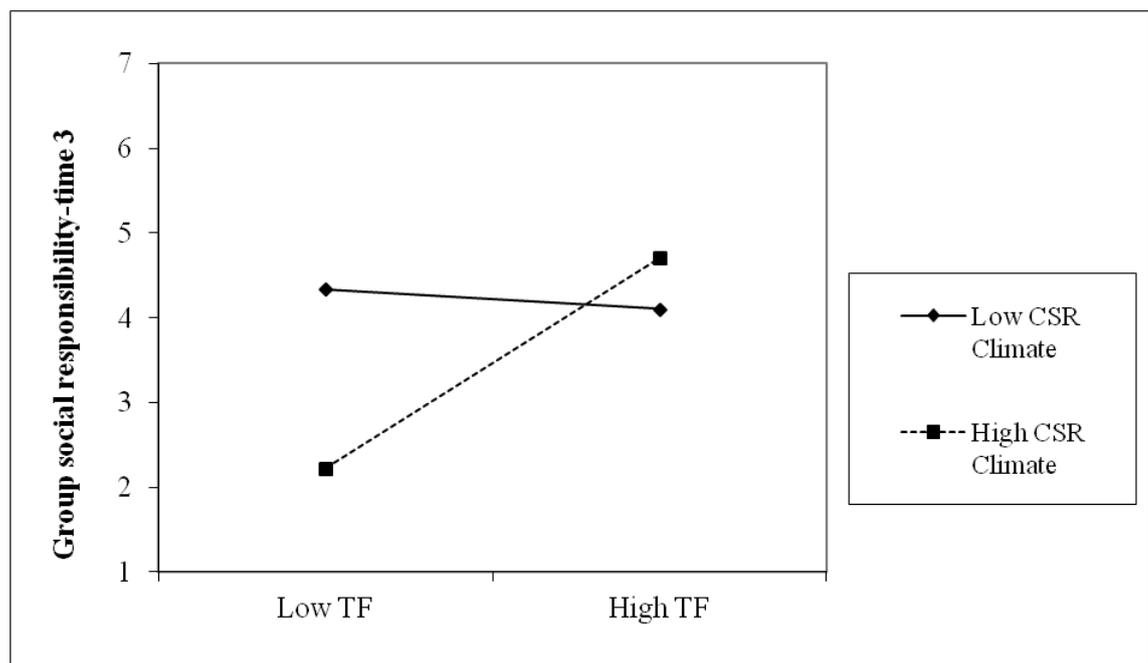
**Moderating effect of CSR climate on group ESR at time 2**



At time 3, simple slope analysis revealed that CSR climate had a significant moderating effect, likewise at high levels of CSR climate (simple slope = 0.84,  $t = 2.91$ ,  $p < 0.01$ ). As shown in Figure 7.03, under conditions of a high CSR climate, TF was positively related to time 3 group ESR; partially supporting this hypothesis.

**Figure 7.03**

**Moderating effect of CSR climate on group ESR at time 3**



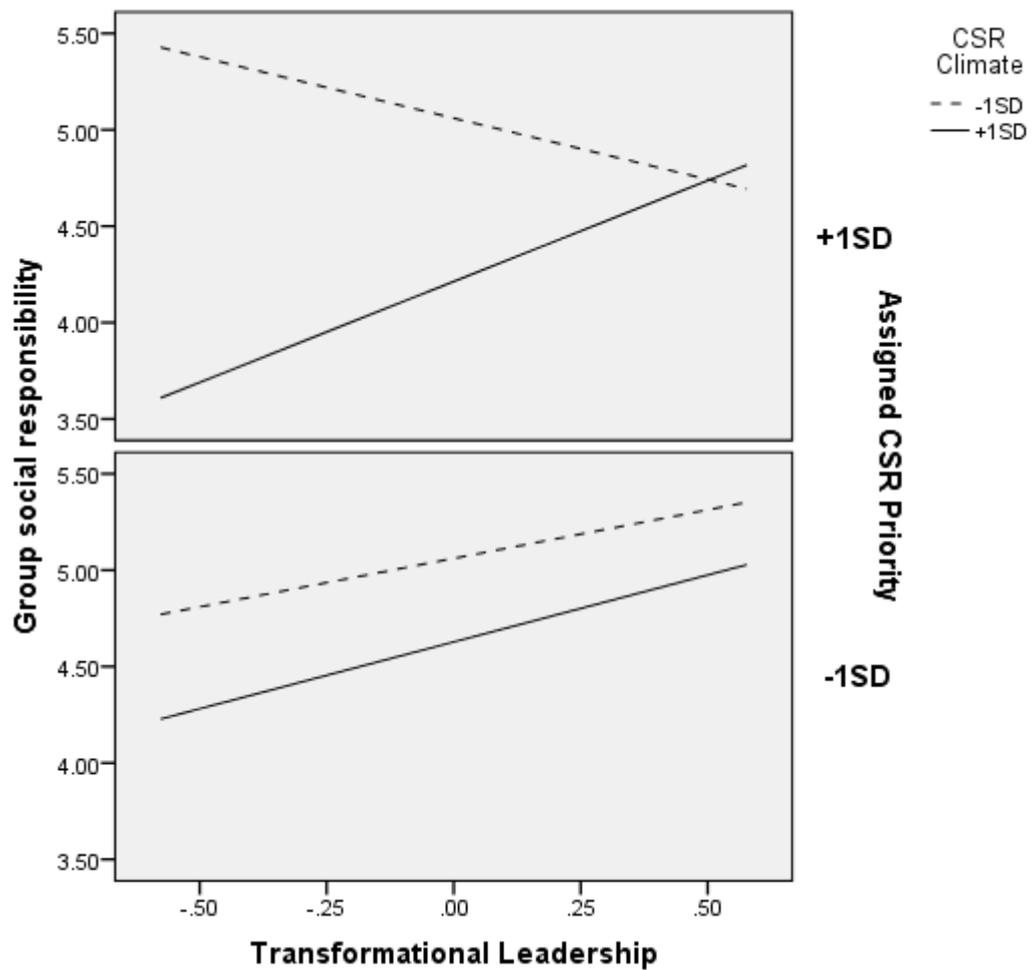
Finally Hypothesis 3a predicted a moderating effect of time 1 CSR climate on the interactive effect of time 1 TF and time 1 assigned CSR priority on time 2 and 3 group ESR. That is, when assigned CSR priority is high and CSR climate is positive, the effects of TF on group ESR behaviours were expected to be stronger. The results were significant for time 2 group ESR ( $\gamma = 1.93$ ,  $SE = 0.81$ ,  $p < 0.05$ ;  $\Delta R^2 = 0.08$ ), but not for time 3 group ESR ( $\gamma = 0.89$ ,  $SE = 0.98$ ,  $ns$ ).

As illustrated in the Table 7.06 simple slope analysis for time 2 revealed that assigned CSR priority and CSR climate only had a positive moderating effect at high levels of assigned CSR priority and high levels of CSR climate (simple slope = 1.05,  $t = 2.64$ ,  $p < 0.05$ ). Figure

7.04 illustrates that TF was positively related to time 2 group ESR, when both assigned CSR priority and CSR climate were high, thus partially supporting this hypothesis.

**Figure 7.04**

**Three-way interaction effect on group ESR at time 2**



**Table 7.05**

**Group level hypotheses testing with leader-ratings of ESR**

Group level: Leader-rated ESR				
Predictor	Time 1 on Time 2 <sup>1</sup>		Time 1 on Time 3 <sup>2</sup>	
	Estimate	SE	Estimate	SE
<i>Hypothesis 1a</i>				
TF time 1	-0.12	0.19	-0.15	0.22
CSR time 1	-0.19	0.20	-0.07	0.23
Team size	-0.08	0.22	0.09	0.26
TF	0.34 <sup>†</sup>	0.19	0.34	0.22
ACSR	-0.13	0.23	0.05	0.27
TF*ACSR	0.05	0.44	0.29	0.51
<i>Hypothesis 2a</i>				
TF time 1	-0.19	0.19	-0.20	0.23
CSR time 1	-0.29	0.19	-0.14	0.22
Team size	0.06	0.22	0.24	0.25
TF	0.53*	0.20	0.56*	0.23
CCSR	-0.47	0.29	-0.38	0.33
TF*CCSR	0.55 <sup>†</sup>	0.31	0.68 <sup>†</sup>	0.35
<i>Hypothesis 3a</i>				
TF time 1	-0.12	0.19	-0.14	0.23
CSR time 1	-0.33 <sup>†</sup>	0.19	-0.19	0.23
Team size	0.19	0.22	0.31	0.27
TF	0.40 <sup>†</sup>	0.22	0.45 <sup>†</sup>	0.26
CCSR	-0.79 <sup>†</sup>	0.44	-0.37	0.53
ACSR	-0.22	0.22	0.004	0.27
TF*CCSR	1.16*	0.52	1.28*	0.62
TF*ACSR	-0.41	0.55	-0.13	0.67
ACSR*CCSR	-0.53	0.72	-0.94	0.87
TF*ACSR*CCSR	1.93*	0.81	0.89	0.98

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR Climate; TF time 1 and CSR time 1 = intervention controls; <sup>1</sup>N = 64 <sup>2</sup>N = 63; \*p<0.05  
 \*\*p<0.01 <sup>†</sup>p<0.10

**Table 7.06**

**Simple slope analysis for the three-way interaction – Time 2 group ESR**

<b>Simple slope analysis: TF x ACSR x CCSR → Group ESR time 2</b>				
<b>Assigned CSR Priority</b>	<b>CSR Climate</b>	<b>Effect</b>	<b><i>t</i></b>	<b><i>P</i></b>
-1SD	-1SD	.50	1.50	<i>ns</i>
-1SD	+1SD	.69	1.58	<i>ns</i>
+1SD	-1SD	-.64	-1.21	<i>ns</i>
+1SD	+1SD	1.05	2.64	<.05

*Note:* Simple slope analysis at low (-1SD) and high (+1SD) levels of assigned CSR priority and CSR climate; SD = standard deviation, TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate

*7.5.1.1. Controlling for time 1 ESR*

The next step was to additionally control for time 1 ESR, in order to assess if these results remained significant. This would consequently suggest that the predictors resulted in a positive change in group ESR.

Hypothesis 4a proposed that time 1 assigned CSR priority would positively moderate the relationship between TF at time 1, and time 2 and 3 group ESR, even after having controlled for time 1 group ESR. As can be seen in Table 7.07, the moderating effect of assigned CSR priority was not significant for either time 2 group ESR ( $\gamma = 0.22$ ,  $SE = 0.40$ , *ns*), nor time 3 group ESR ( $\gamma = 0.51$ ,  $SE = 0.52$ , *ns*).

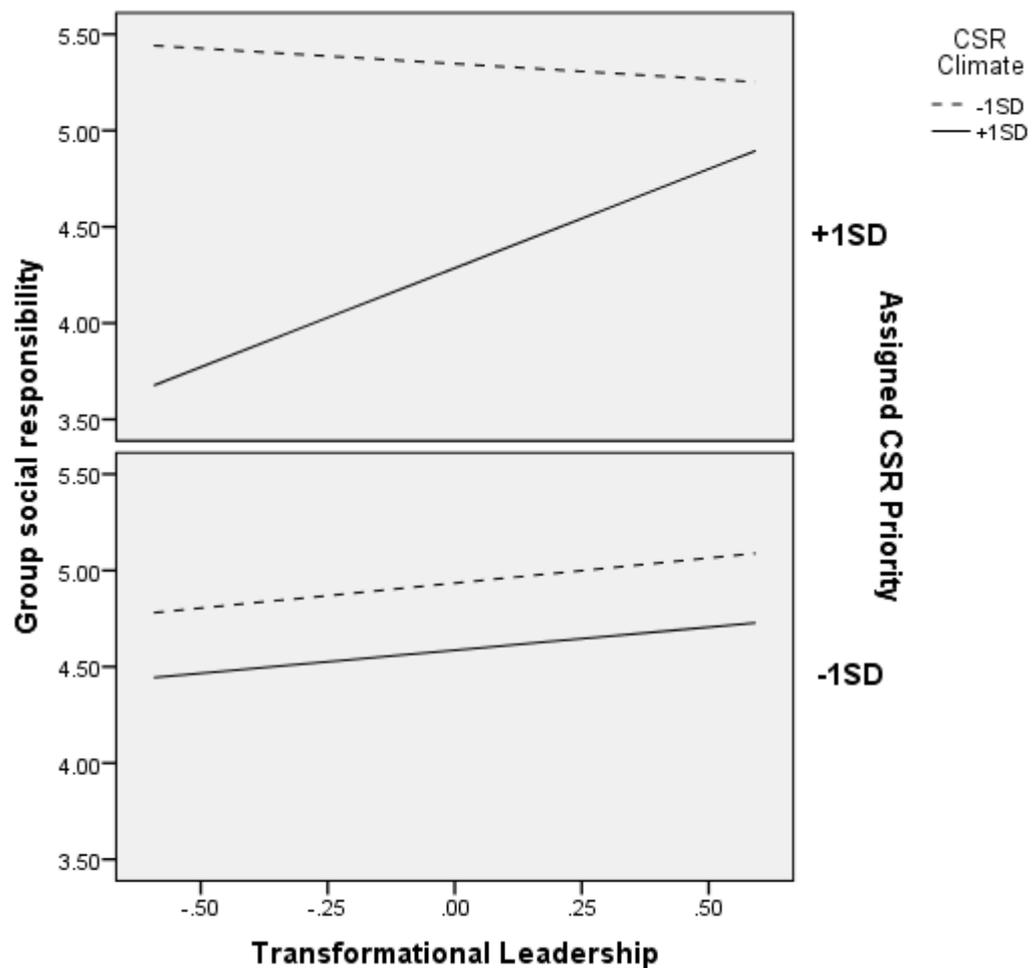
Hypothesis 5a put forward the positive moderating effect of time 1 CSR climate between time 1 TF and time 2 and 3 group ESR, after having controlled for time 1 group ESR. The moderating effect of CSR climate was neither significant for time 2 group ESR ( $\gamma = 0.30$ ,  $SE = 0.27$ , *ns*) nor for time 3 group ESR ( $\gamma = 0.55$ ,  $SE = 0.35$ , *ns*).

Finally Hypothesis 6a predicted the positive combined moderating effect of time 1 assigned CSR priority and time 1 CSR climate between TF at time 1, and time 2 and 3 group ESR, after having controlled for time 1 group ESR. The moderating role of CSR climate on the interactive effect of TF and assigned CSR priority was significant for time 2 group ESR behaviours ( $\gamma = 1.57$ ,  $SE = 0.76$ ,  $p < 0.05$ ;  $\Delta R^2 = 0.05$ ). This moderation however was not significant for time 3 group ESR behaviours ( $\gamma = 0.73$ ,  $SE = 1.02$ , *ns*).

As can be seen in Table 7.08 of the simple slope analysis results, at time 2, the combined moderating effect of assigned CSR priority was only significant when both were at high levels (simple slope = 1.03,  $t = 2.96$ ,  $p < 0.01$ ). Plotting the simple slopes (Figure 7.05) demonstrated that TF was positively related to group ESR at time 2, when both assigned CSR priority and CSR climate were high. This consequently provides partial support for this hypothesis.

**Figure 7.05**

**Three-way interaction effect on group ESR at time 2 (time 1 ESR controlled)**



**Table 7.07**

**Group level hypotheses testing: Leader-rated ESR (time 1 ESR controlled)**

<b>Group level: Leader-rated ESR (Time 1 ESR controlled)</b>				
<b>Predictor</b>	<b>Time 1 on Time 2<sup>1</sup></b>		<b>Time 1 on Time 3<sup>1</sup></b>	
	<b>Estimate</b>	<b>SE</b>	<b>Estimate</b>	<b>SE</b>
<i>Hypothesis 4a</i>				
Group ESR Time 1	0.52**	0.12	0.40*	0.15
TF time 1	-0.08	0.18	-0.05	0.23
CSR time 1	-0.03	0.18	-0.005	0.23
Team size	-0.06	0.20	0.14	0.26
TF	0.20	0.17	0.25	0.22
ACSR	0.003	0.21	0.07	0.28
TF*ACSR	0.22	0.40	0.51	0.52
<i>Hypothesis 5a</i>				
Group ESR Time 1	0.48**	0.11	0.32*	0.15
TF time 1	-0.19	0.18	-0.13	0.23
CSR time 1	-0.10	0.18	-0.07	0.23
Team size	0.04	0.20	0.24	0.26
TF	0.44*	0.18	0.48*	0.24
CCSR	-0.51 <sup>†</sup>	0.26	-0.36	0.34
TF*CCSR	0.30	0.27	0.55	0.35
<i>Hypothesis 6a</i>				
Group ESR Time 1	0.46**	0.12	0.33 <sup>†</sup>	0.16
TF time 1	-0.18	0.18	-0.14	0.24
CSR time 1	-0.19	0.18	-0.14	0.24
Team size	0.11	0.20	0.27	0.27
TF	0.34 <sup>†</sup>	0.19	0.40	0.26
CCSR	-0.87*	0.40	-0.42	0.55
ACSR	0.06	0.21	0.15	0.29
TF*CCSR	0.72	0.49	0.99	0.66
TF*ACSR	0.19	0.51	0.29	0.70
ACSR*CCSR	-0.93	0.69	-1.17	0.93
TF*ACSR*CCSR	1.57*	0.76	0.73	1.02

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR Climate; <sup>1</sup>N = 60 <sup>2</sup>N = 59; \*p<0.05 \*\*p<0.01 <sup>†</sup>p<0.10

**Table 7.08**  
**Simple slope analysis for the three-way interaction – Time 2 group ESR**  
**(Time 1 group ESR controlled)**

Simple slope analysis: TF x ACSR x CCSR → Group ESR time 2 (Time 1 Group ESR controlled)				
Assigned CSR Priority	CSR Climate	Effect	<i>t</i>	<i>P</i>
-1SD	-1SD	0.26	0.85	<i>ns</i>
-1SD	+1SD	0.24	0.57	<i>ns</i>
+1SD	-1SD	-0.16	-0.33	<i>ns</i>
+1SD	+1SD	1.03	2.96	<0.01

*Note:* Simple slope analysis at low (-1SD) and high (+1SD) levels of assigned CSR priority and CSR climate; SD = standard deviation, TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate

#### *7.5.2. Individual level*

As with the group level analysis, the hypotheses at the individual level were tested on individual ESR behaviours, measured at both time 2 and 3. The descriptive statistics are provided in Table 7.09

**Table 7.09**

**Individual level analysis: Means, standard deviations, and bivariate correlations**

<b>Variable</b>	<b>M</b>	<b>SD</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
1.Team size	4.79	.41	-									
2.Transformational Leadership <sup>1</sup>	2.28	.84	-.02	(.95)								
3.Group CSR climate <sup>1</sup>	3.69	.36	.13	.33**	(.86)							
4.Assigned CSR Priority <sup>1</sup>	3.96	.80	.01	.23**	.18**	(.84)						
5.Leader-rated ESR: Time 1 <sup>2</sup>	4.68	.74	.05	.20**	.20**	.03	(.82)					
6.Leader-rated ESR: Time 2 <sup>3</sup>	4.78	.76	-.05	.21**	.04	.01	.55**	(.83)				
7.Leader-rated ESR: Time 3 <sup>4</sup>	4.89	.88	-.02	.20**	.06	.06	.37**	.77**	(.87)			
8.Peer-rated ESR: Time 1 <sup>5</sup>	4.79	.75	-.09	.09	.33**	.15*	.24**	.19**	.16*	(.89)		
9.Peer-rated ESR: Time 2 <sup>5</sup>	4.95	.72	-.15*	.09	.16*	.18**	.13	.16*	.17*	.60**	(.90)	
10.Peer-rated ESR: Time 3 <sup>6</sup>	5.03	.69	-.08	.14*	.38**	.16*	.23**	.35**	.28**	.64**	.67**	(.92)

*Note:* Unless otherwise stated, variables are measured at time 1 and are at the individual level; Cronbach's alphas are provided in brackets across the diagonal; <sup>1</sup>N = 232 <sup>2</sup>N = 203 <sup>3</sup>N = 215 <sup>4</sup>N = 210 <sup>5</sup>N = 219 <sup>6</sup>N = 218; \*p<0.05 \*\*p<0.01

### 7.5.2.1. Leader-rated ESR as outcome

Hypothesis 1b predicted the positive moderating effect of assigned CSR priority, such that under conditions of high assigned CSR priority, the effects of TF on individual ESR behaviours, as rated by the leader, would be enhanced. As is evident from Table 7.10, this hypothesis was not significant either for time 2 ESR behaviours ( $\gamma = -0.02$ ,  $SE = 0.03$ , *ns*), nor for time 3 ESR behaviours ( $\gamma = -0.01$ ,  $SE = 0.03$ , *ns*).

Hypothesis 2b likewise argued for the moderating role of CSR climate, so that under conditions of a positive climate for CSR, the effects of TF on individual ESR behaviours, as rated by the leader, would be greater. Again, this hypothesis received no support for time 2 ESR behaviours ( $\gamma = 0.02$ ,  $SE = 0.04$ , *ns*), nor for time 3 ESR behaviours ( $\gamma = -0.03$ ,  $SE = 0.06$ , *ns*).

Finally, the moderating effect of CSR climate on the interactive effect between TF and assigned CSR priority was tested in Hypothesis 3b. It was hypothesised that when both assigned CSR priority was high, and CSR climate positive, the conditions for the effect of TF on individual ESR behaviours would be optimised. This relationship received no support either for time 2 individual ESR behaviours ( $\gamma = -0.01$ ,  $SE = 0.03$ , *ns*), or time 3 individual ESR behaviours ( $\gamma = 0.03$ ,  $SE = 0.04$ , *ns*).

**Table 7.10:**

**Cross level hypotheses testing with leader ratings of ESR**

<b>Cross-level: Leader-rated ESR</b>				
<b>Predictor</b>	<b>Time 1 on Time 2<sup>1</sup></b>		<b>Time 1 on Time 3<sup>2</sup></b>	
	<b>Estimate</b>	<b>SE</b>	<b>Estimate</b>	<b>SE</b>
<i>Hypothesis 1b</i>				
TF time 1	0.04	0.19	0.13	0.21
CSR time 1	0.16	0.18	0.03	0.21
Team size	-0.14	0.21	-0.05	0.24
TF	0.04	0.04	0.05	0.06
ACSR	0.01	0.02	-0.004	0.03
TF*ACSR	-0.02	0.03	-0.01	0.03
<i>Hypothesis 2b</i>				
TF time 1	0.06	0.19	0.15	0.22
CSR time 1	0.16	0.19	0.04	0.22
Team size	-0.12	0.22	-0.06	0.25
TF	0.05	0.04	0.04	0.06
CCSR	-0.04	0.09	-0.002	0.10
TF*CCSR	0.02	0.04	-0.03	0.06
<i>Hypothesis 3b</i>				
TF time 1	0.06	0.19	0.14	0.22
CSR time 1	0.17	0.19	0.04	0.22
Team size	-0.11	0.22	-0.05	0.25
TF	0.05	0.04	0.05	0.06
CCSR	-0.04	0.09	-0.01	0.11
ACSR	0.02	0.03	-0.01	0.03
TF*CCSR	0.02	0.04	-0.04	0.06
TF*ACSR	-0.03	0.03	-0.01	0.04
ACSR*CCSR	0.03	0.04	0.01	0.04
TF*ACSR*CCSR	-0.01	0.03	0.03	0.04

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR Climate; TF time 1 and CSR time 1 = intervention controls; <sup>1</sup>N = 215 <sup>2</sup>N = 210

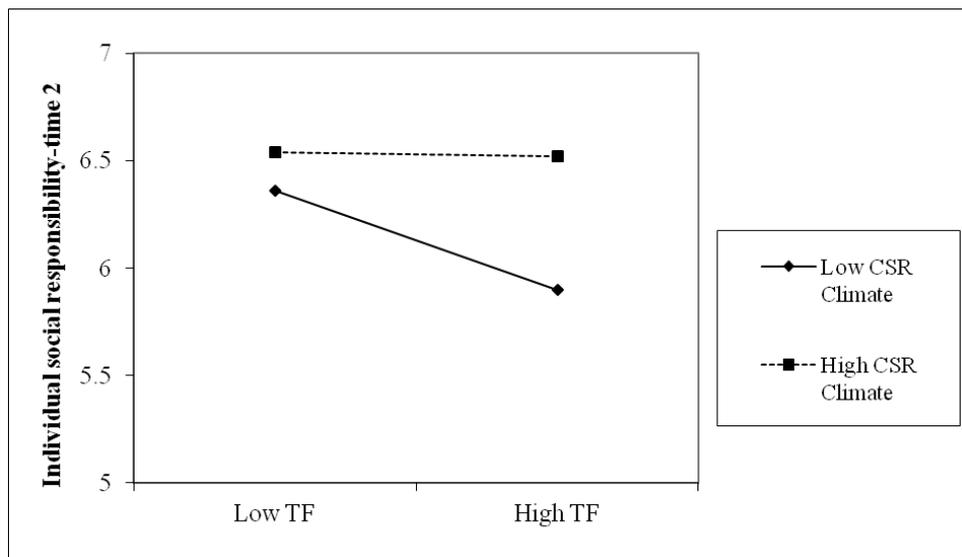
### 7.5.2.2. Peer 360° ratings of ESR as outcome

Given that none of the findings were significant at the individual level, when leader-rated ESR behaviours were examined, the hypotheses were once again tested with peer 360° ratings of ESR behaviours. Using peer-ratings of individual ESR, the positive moderating effect of assigned CSR priority on the effects of TF on individual ESR behaviours, as stipulated in Hypothesis 1b, was not significant, as evident in Table 7.11. This was the case for both time 2 ESR behaviours ( $\gamma = 0.04$ ,  $SE = 0.04$ ,  $ns$ ), and time 3 ESR behaviours ( $\gamma = 0.02$ ,  $SE = 0.04$ ,  $ns$ ).

In Hypothesis 2b, it was predicted that a positive CSR climate would enhance the relationship between TF and individual ESR behaviours, and this was significant both at time 2 ( $\gamma = 0.11$ ,  $SE = 0.04$ ,  $p < 0.01$ ;  $\Delta R^2 = 0.05$ ) and time 3 ( $\gamma = 0.10$ ,  $SE = 0.04$ ,  $p < 0.01$ ;  $\Delta R^2 = 0.07$ ). At time 2, simple slope analysis revealed that the moderation was significant at low levels of CSR climate (simple slope =  $-0.23$ ,  $z = -3.73$ ,  $p < 0.01$ ) but not at high levels of CSR climate (simple slope =  $-0.01$ ,  $z = -0.15$ ,  $ns$ ). Figure 7.06 demonstrates that under conditions of a low CSR climate, TF was negatively related to individual ESR behaviours.

**Figure 7.06**

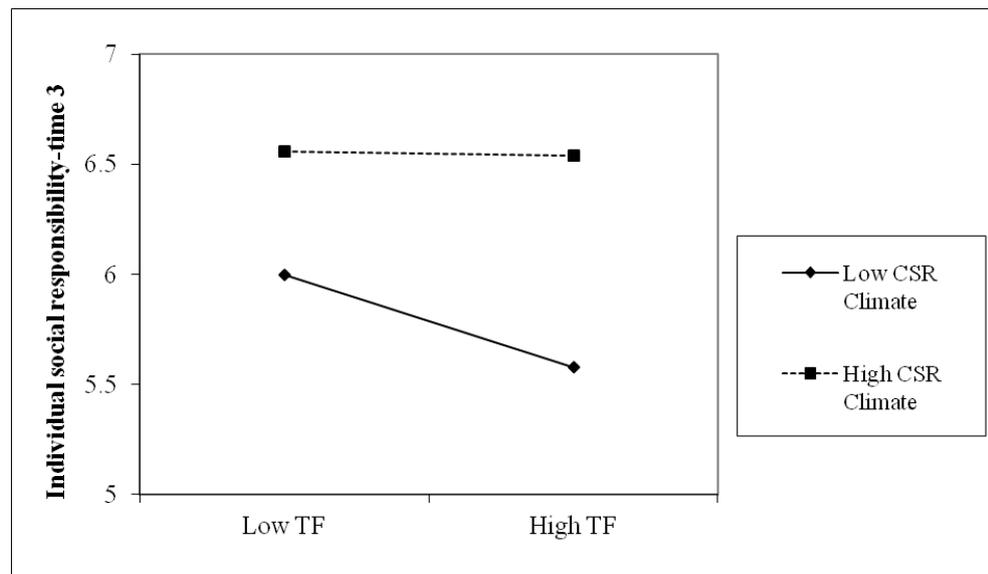
**Moderating effect of CSR climate on time 2 individual ESR**



At time 3, similarly the moderation was significant at low levels of CSR climate (simple slope = -0.21,  $z = -3.41$ ,  $p < 0.01$ ), but not at high levels of CSR climate (simple slope = -0.01,  $z = -0.15$ , *ns*). Figure 7.07 demonstrated that under conditions of a low CSR climate, TF was negatively related to individual ESR behaviours. This therefore provides partial support for this hypothesis.

**Figure 7.07**

**Moderating effect of CSR climate on time 3 individual ESR**



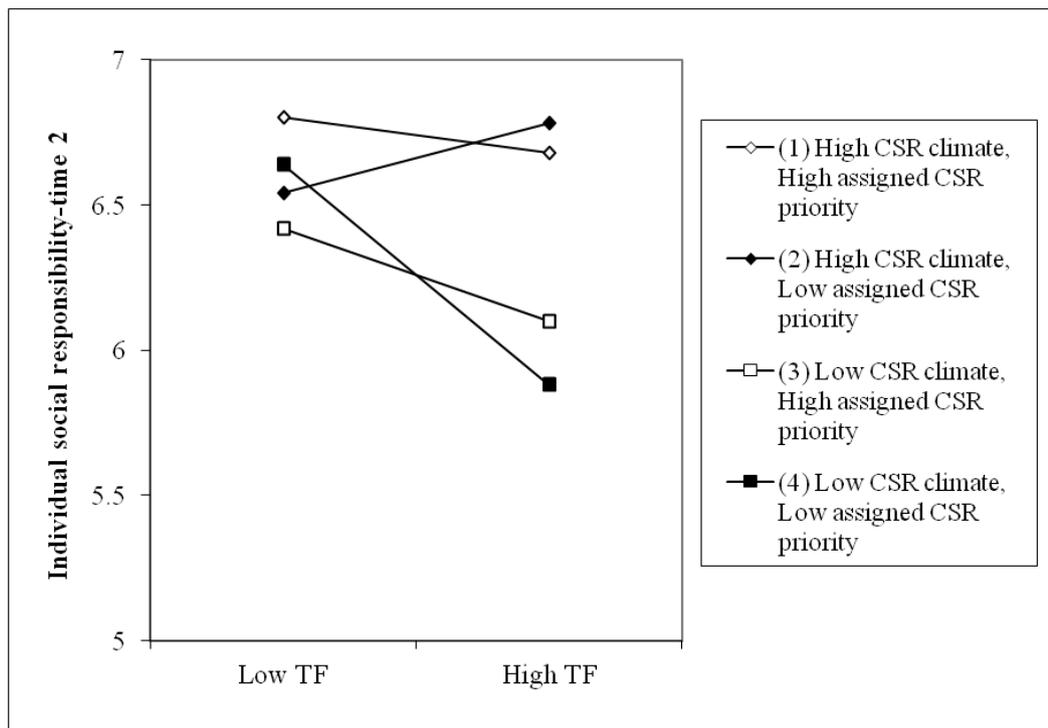
Finally Hypothesis 3b was tested. This hypothesis outlined the moderating role of CSR climate on the interactive effect between TF and assigned CSR priority. It was predicted that under conditions of a high assigned CSR priority, and a positive climate for CSR, TF would lead to greater individual ESR behaviours. This hypothesis was significant for time 2 individual ESR behaviours ( $\gamma = -0.10$ ,  $SE = 0.04$ ,  $p < 0.05$ ;  $\Delta R^2 = 0.06$ ). However this hypothesis was not significant for time 3 individual ESR behaviours ( $\gamma = -0.03$ ,  $SE = 0.04$ , *ns*).

Simple slope analysis for time 2 individual ESR behaviours, as displayed in Table 7.12, showed that the interactive moderating effect of assigned CSR priority and CSR climate was significant when both assigned CSR priority and CSR climate were at low levels (simple slope = -0.38,  $z = -4.25$ ,  $p < 0.01$ ), and when assigned CSR priority was high and CSR climate was low (simple slope = -0.16,  $z = -2.07$ ,  $p < 0.05$ ). The simple slope plot (Figure 7.08)

revealed that under conditions of a high CSR climate and low assigned CSR priority, TF was positively related to time 2 individual ESR behaviours, whereas when both assigned CSR priority and CSR climate were low, TF was negatively related to individual ESR behaviours. This provides partial support for this hypothesis.

**Figure 7.08**

**Three-way interaction effect on time 2 individual ESR**



**Table 7.11**

**Cross-level hypotheses testing with 360° peer-ratings of ESR**

Predictor	Cross-level: Peer-rated ESR (360°)			
	Time 1 on Time 2 <sup>1</sup>		Time 1 on Time 3 <sup>2</sup>	
	Estimate	SE	Estimate	SE
<i>Hypothesis 1b</i>				
TF time 1	0.10	0.16	-0.07	0.16
CSR time 1	-0.22	0.16	-0.19	0.16
Team size	-0.27	0.18	-0.11	0.19
TF	-0.11**	0.04	-0.10**	0.04
ACSR	0.02	0.04	0.01	0.03
TF*ACSR	0.04	0.04	0.02	0.04
<i>Hypothesis 2b</i>				
TF time 1	0.04	0.16	-0.16	0.14
CSR time 1	-0.21	0.16	-0.19	0.14
Team size	-0.28	0.19	-0.21	0.17
TF	-0.12**	0.04	-0.11**	0.04
CCSR	0.20*	0.08	0.38**	0.07
TF*CCSR	0.11**	0.04	0.10**	0.04
<i>Hypothesis 3b</i>				
TF time 1	0.05	0.17	-0.16	0.14
CSR time 1	-0.20	0.16	-0.19	0.14
Team size	-0.32	0.19	-0.23	0.17
TF	-0.12**	0.04	-0.11**	0.04
CCSR	0.22*	0.08	0.39**	0.07
ACSR	0.02	0.04	0.01	0.03
TF*CCSR	0.15**	0.04	0.11**	0.04
TF*ACSR	0.01	0.04	0.01	0.04
ACSR*CCSR	0.02	0.05	-0.04	0.04
TF*ACSR*CCSR	-0.10*	0.04	-0.03	0.04

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR Climate; TF time 1 and CSR time 1 = intervention controls; <sup>1</sup>N = 219 <sup>2</sup>N = 218; \*p<0.05  
\*\*p<0.01

**Table 7.12**  
**Simple slope analysis for the three-way interaction – Time 2 individual ESR**  
**(Peer-rated)**

<b>Simple slope analysis: TF x ACSR x CCSR → Individual ESR time 2 (peer-rated)</b>				
<b>Assigned CSR Priority</b>	<b>CSR Climate</b>	<b>Simple slope</b>	<b>z</b>	<b>P</b>
-1SD	-1SD	-0.38	-4.25	<.01
-1SD	+1SD	0.12	1.13	<i>ns</i>
+1SD	-1SD	-0.16	-2.07	<.05
+1SD	+1SD	-0.06	-0.73	<i>ns</i>

*Note:* Simple slope analysis at low (-1SD) and high (+1SD) levels of assigned CSR priority and CSR climate; SD = standard deviation, TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate

#### 7.5.2.3. Controlling for time 1 ESR

As with the group level analysis, hypotheses were also tested at the individual level, after having controlled for time 1 ESR. This was done in order to test if individual ESR behaviours at time 2 and time 3 persisted beyond those measured at time 1. The hypotheses were analysed with both leader-rated and peer-rated ESR.

Firstly, the hypotheses were tested with **leader-ratings of ESR**. As apparent in Table 7.13, the moderating role of assigned CSR priority between TF and individual ESR, as posited in Hypothesis 4b received no support. This was the case at both time 2 ( $\gamma = -0.03$ ,  $SE = 0.02$ , *ns*), and time 3 ( $\gamma = -0.01$ ,  $SE = 0.03$ , *ns*).

Hypothesis 5b predicted a positive moderating effect of a positive CSR climate on the relationship between TF and individual ESR behaviours. Again this hypothesis received no support, both at time 2 ( $\gamma = 0.02$ ,  $SE = 0.03$ , *ns*), and time 3 ( $\gamma = -0.05$ ,  $SE = 0.05$ , *ns*).

Finally Hypothesis 6b was tested. Here the moderating role of CSR climate on the interactive effect between TF and assigned CSR priority was put forward, such that under conditions of a positive climate for CSR and a high assigned CSR priority, the effects of TF on individual ESR would be greater. Again this received no support either at time 2 ( $\gamma = -0.002$ ,  $SE = 0.03$ , *ns*) and time 3 ( $\gamma = 0.03$ ,  $SE = 0.03$ , *ns*).

**Table 7.13**

**Cross-level hypotheses testing with leader ratings of ESR (Time 1 ESR controlled)**

Predictor	Cross-level: Leader-rated ESR (Time 1 ESR controlled)			
	Time 1 on Time 2 <sup>1</sup>		Time 1 on Time 3 <sup>2</sup>	
	Estimate	SE	Estimate	SE
<i>Hypothesis 4b</i>				
Ind. ESR Time 1	0.66**	0.05	0.52**	0.06
TF time 1	0.01	0.17	0.04	0.22
CSR time 1	-0.02	0.17	-0.05	0.22
Team size	-0.10	0.19	-0.05	0.25
TF	0.02	0.03	0.02	0.05
ACSR	0.01	0.02	0.003	0.02
TF*ACSR	-0.03	0.02	-0.01	0.03
<i>Hypothesis 5b</i>				
Ind. ESR Time 1	0.67**	0.05	0.52**	0.06
TF time 1	0.03	0.17	0.09	0.22
CSR time 1	-0.02	0.17	-0.03	0.22
Team size	-0.07	0.20	-0.06	0.25
TF	0.02	0.03	0.03	0.05
CCSR	-0.07	0.08	-0.04	0.11
TF*CCSR	0.02	0.03	-0.05	0.05
<i>Hypothesis 6b</i>				
Ind. ESR Time 1	0.66**	0.05	0.52**	0.06
TF time 1	0.03	0.17	0.07	0.22
CSR time 1	-0.01	0.17	-0.03	0.22
Team size	-0.06	0.20	-0.04	0.25
TF	0.02	0.03	0.03	0.05
CCSR	-0.09	0.08	-0.05	0.11
ACSR	0.01	0.02	-0.004	0.02
TF*CCSR	0.03	0.03	-0.04	0.05
TF*ACSR	-0.04	0.02	-0.02	0.03
ACSR*CCSR	0.03	0.03	0.02	0.03
TF*ACSR*CCSR	-0.002	0.03	0.03	0.03

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR Climate; Ind. = individual; <sup>1</sup>N = 199 <sup>2</sup>N = 194; \*p<0.05 \*\*p<0.01

Given that none of the findings were significant for when leader-ratings of ESR were used, the hypotheses were once again tested, having controlled for time 1 ESR, but with **peer 360° ratings of ESR**. Hypothesis 4b proposed a positive moderating effect of assigned CSR priority between TF and individual ESR behaviours. As can be seen from Table 7.14, this hypothesis received no support, either at time 2 ( $\gamma = 0.01, SE = 0.04, ns$ ) or at time 3 ( $\gamma = -0.004, SE = 0.03, ns$ ).

In Hypothesis 5b, the moderating effect of a CSR climate between TF and individual ESR behaviours were proposed. It was expected that when the CSR climate was positive, the effects of TF on individual ESR behaviours would be enhanced. This hypothesis received no support at time 2 ( $\gamma = 0.04, SE = 0.04, ns$ ) and time 3 ( $\gamma = 0.04, SE = 0.03, ns$ ).

Finally, Hypothesis 6b speculated upon the moderating effect of CSR climate on the interactive effect of TF and assigned CSR priority on individual ESR behaviours. It was hypothesised that under conditions of a positive CSR climate and a high assigned CR priority, the effects of TF on individual ESR behaviours would be greater. This hypothesis was marginally significant at time 2 ( $\gamma = -0.07, SE = 0.04, p < 0.10, \Delta R^2 = 0.07$ ). There was no support however for this hypothesis for individual ESR behaviours measured at time 3 ( $\gamma = -0.01, SE = 0.03, ns$ ).

At time 2, simple slope analysis (see Table 7.15) revealed that the interactive moderating effect of assigned CSR priority and CSR climate was marginally significant only when both assigned CSR priority and CSR climate were at low levels (simple slope =  $-0.16, z = -1.77, p < 0.10$ ). Figure 7.09 illustrates that the relationship between TF and individual ESR behaviours at time 2 was positive under conditions of high CSR climate and low assigned CSR priority, and was negative when both assigned CSR priority and CSR climate were low, providing partial support for this hypothesis.

**Table 7.14**

**Cross-level hypotheses testing with peer 360° ratings of ESR (time 1 ESR controlled)**

Predictor	Cross-level: 360° peer-rated ESR (Time 1 ESR controlled)			
	Time 1 on Time 2 <sup>1</sup>		Time 1 on Time 3 <sup>2</sup>	
	Estimate	SE	Estimate	SE
<i>Hypothesis 4b</i>				
Ind. ESR Time 1	0.52**	0.06	0.54**	0.05
TF time 1	0.09	0.12	-0.06	0.12
CSR time 1	-0.15	0.12	-0.12	0.12
Team size	-0.19	0.14	-0.06	0.14
TF	-0.05	0.04	-0.03	0.03
ACSR	-0.003	0.03	-0.01	0.03
TF*ACSR	0.01	0.04	-0.004	0.03
<i>Hypothesis 5b</i>				
Ind. ESR Time 1	0.51**	0.06	0.49**	0.05
TF time 1	0.08	0.12	-0.11	0.11
CSR time 1	-0.14	0.12	-0.13	0.11
Team size	-0.17	0.15	-0.13	0.13
TF	-0.05	0.04	-0.05	0.03
CCSR	0.01	0.06	0.20**	0.06
TF*CCSR	0.04	0.04	0.04	0.03
<i>Hypothesis 6b</i>				
Ind. ESR Time 1	0.51**	0.06	0.49**	0.05
TF time 1	0.09	0.13	-0.11	0.11
CSR time 1	-0.14	0.13	-0.13	0.11
Team size	-0.19	0.15	-0.13	0.13
TF	-0.04	0.04	-0.05	0.03
CCSR	0.01	0.07	0.20**	0.06
ACSR	0.005	0.03	-0.01	0.03
TF*CCSR	0.07 <sup>†</sup>	0.04	0.04	0.03
TF*ACSR	-0.02	0.04	-0.01	0.03
ACSR*CCSR	0.06	0.04	0.01	0.04
TF*ACSR*CCSR	-0.07 <sup>†</sup>	0.04	-0.01	0.03

*Note:* TF = transformational leadership; ACSR = assigned CSR Priority; CCSR = CSR

Climate; Ind. = individual; <sup>1</sup>N = 216 <sup>2</sup>N = 215; \*p<0.05 \*\*p<0.01 <sup>†</sup>p<0.10

**Table 7.15**

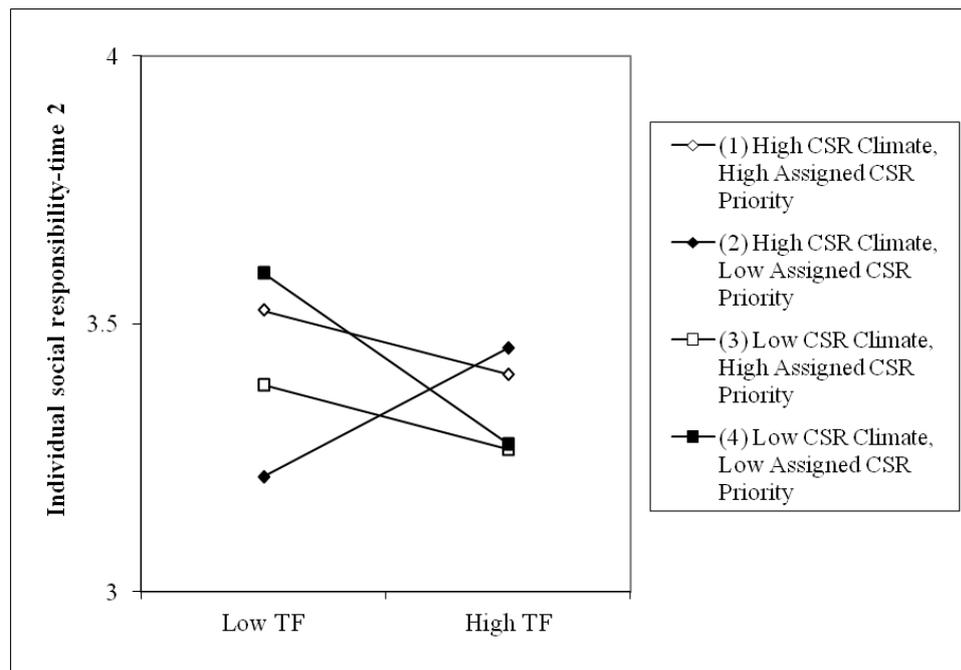
**Simple slope analysis for the three-way interaction – Time 2 individual ESR**  
**(Peer-rated: Time 1 ESR controlled)**

<b>Simple slope analysis: TF x ACSR x CCSR → Individual ESR time 2 (peer-rated)</b>				
<b>Controlling for time 1 ESR</b>				
<b>Assigned CSR Priority</b>	<b>CSR Climate</b>	<b>Simple slope</b>	<b>Z</b>	<b>p</b>
-1SD	-1SD	-0.16	-1.77	<.10
-1SD	+1SD	0.12	1.17	ns
+1SD	-1SD	-0.06	-0.74	ns
+1SD	+1SD	-0.06	-0.74	ns

*Note:* Simple slope analysis at low (-1SD) and high (+1SD) levels of assigned CSR priority and CSR climate; SD = standard deviation, TF = transformational leadership, ACSR = assigned CSR priority, CCSR = CSR climate

**Figure 7.09**

**Three-way interaction effect on time 2 individual ESR**  
**(Time 1 individual ESR controlled)**



## **7.6.Discussion**

In the field study (chapter six), where a preliminary test of the conceptual model was conducted, results revealed a marginally significant finding for the three-way interaction between TF, organisational CSR climate and assigned CSR priority on group ESR. At the individual level, an interaction between TF and assigned CSR priority on individual ESR was found to be significant. No other relationships, barring these two, were significant. Given the limitations of the field study, predominantly its cross-sectional nature and restricted sample size, the present time-lagged study was conducted. Its objectives were to provide a replication for the findings of the field study, as well as extending these findings to provide some more definitive results in a larger and more culturally diverse sample. In addition, this study wanted to provide a test for the directionality of the findings by measuring the effects of predictors at time 1 on time 2 and 3 ESR, both at the group and individual levels. Finally, the hypotheses were also tested by controlling for time 1 ESR in order to deduce if the predictors caused positive changes in ESR behaviours over time.

### *7.6.1. Summary of findings*

At the group level, with leader-ratings of social responsibility behaviours as the outcome, findings revealed that CSR climate had a marginally significant moderating effect at the group level at time 2 and 3; however this effect did not remain significant when time 1 ESR was controlled for. The three-way interaction between TF, assigned CSR priority, and group CSR climate was significant at time 2, and remained significant when time 1 ESR was controlled for. No effects were found for the moderating role of group assigned CSR priority at the group level, and the three-way interaction at time 3.

At the individual level, a similar pattern of results was uncovered, for 360° peer-ratings of social responsibility behaviours. More specifically, the moderating role of group CSR climate was found to be significant both at time 2 and 3; however this was no longer significant when time 1 ESR was controlled for. The three-way interaction between TF, assigned CSR priority, and group CSR climate on individual ESR was significant at time 2, and was marginally significant after controlling for time 1 ESR. There were no effects for the moderating role of assigned CSR priority. In addition, no evidence was found for the effects of the three-way interaction at time 3.

### 7.6.2. *Theoretical contributions*

Given the relatively comparable findings at both the group and individual level, their theoretical contributions will be collectively discussed. The results point towards a number of theoretical contributions. First and foremost, they relate to the conclusions we can derive about directionality of findings due to the time-lagged nature of the study. Because predictors were measured at time 1 and social responsibility behaviours at time 2 and 3, we can more confidently assert that the predictors exert longitudinal effects on social responsibility behaviours. This is an important conclusion, as in many cases, attempts are not made to address the causal direction of findings, and thus do not preclude reverse causality (e.g. Martin, Guillaume, Thomas, and Epitropaki, 2015). Given the infancy of micro-CSR, especially ESR, this study in conjunction with the field study not only provide a preliminary insight into some of the contextual determinants of employee engagement with CSR, but also indicates the possible direction of the effects of TF, assigned CSR priority, and CSR climate.

Indeed, Kelly and McGrath (1988) concluded that “the duration of the interval between cause and effect is left unspecified in our theoretical formulations and in our interpretation of concrete findings” (pg. 19). Given that this statement was made over two decades ago, it is disheartening to admit that this issue is still perpetuated in management research (Mitchell and James, 2001; Roe, Gockel, and Meyer, 2012). Mitchell and James (2001) argued that much of the research conducted focuses on the causal relationships between X and Y, yet a very limited amount of research subsists, which makes an active attempt to explore the timings of such relationships. They make the case, that in order to ensure the tenability of management research, the ‘when’ in theories and methods, needs to be placed under greater scrutiny. Whilst this study cannot for certain specify the timings of X (predictors) and Y (ESR); by providing more than one measurement of Y, as advised by Mitchell and James (2001), it makes an effort to determine when Y might possibly occur, and as a result helps to reduce ambiguity pertaining to timings. Hence, it affords an exploratory insight into such timings, with results indicating that the effects of the predictors may only exert short-term effects on ESR, due to the lack of findings at time 3. As a result, this explicit focus on the timing of the constructs of interest provides “...a significant advance in the study of temporal concerns in the organisational literature” (Okhuysen, 1999; pg. 23).

The findings of the current study further underpin the longitudinal effects of TF on subsequent work outcomes. The effects of TF on employee well being measured months, even years later, have been evidenced (Munir and Nielsen, 2009; Tafvelin *et al.*, 2011).

Furthermore, the longitudinal effects of TF on objective performance outcomes, as well as employee behaviours such as OCBs have also been noted (Barling *et al.*, 1996). The current findings corroborate these, as well as extend them by demonstrating the utility of TF in relation to ESR, also measured longitudinally.

The consistent findings of the moderating role of CSR climate at the group and individual levels, point towards the longitudinal effects of a CSR-specific climate on ESR. Such a finding substantiates the previous limited evidence of the longitudinal effects of climate in general. For example, Neal and Griffin (2006) evidenced the longitudinal effects of a safety climate on subsequent safety participation, whilst Liao and Chuang (2007) noted the moderating longitudinal effects of a service climate on subsequent employee service performance. Given that the research series presented in the current thesis provides the first test for the effects of a CSR climate on ESR, it goes even further and demonstrates that this CSR-specific climate is causally related to ESR at both the group and individual levels.

There was however no significant findings for the moderating role of assigned CSR priority on the relationship between TF, and group and individual social responsibility behaviours. Since this thesis provides a novel insight into the construct of assigned CSR priority, these null findings cannot be compared and contrasted in order to appreciate why this may have been the case. However, it was modelled on the construct of assigned safety priority as proposed by Zohar (2002a), who was able to evidence the longitudinal effects of assigned safety priority. Given the parallel nature of the construct, this finding is counterintuitive to what would be expected. Not only this, but given that in the field study, the individual moderating effect of assigned CSR priority was significant at the individual level, it is surprising that similar findings were not revealed in the current study.

One difference between the present study and the field study is the way in which CSR climate was conceptualised. In the field study it was conceptualised as an organisational CSR climate, whereas in the current study it was framed as a group CSR climate; thus possessing differential referents. It may be that given the proximity of the latter, this may have provided more robust effects, compared to the leader's assigned CSR priority. Indeed, Kerr and Jermier (1978), in their substitutes of leadership theory, provide various examples of instances in which leadership may become substituted for by individual, task and organisational characteristics. For instance they acknowledge how spatial distance between leader and subordinates may neutralise leader effects. When such a rationale is applied to the

current study, and specifically to CSR climate, it may well therefore be the case that because the CSR climate was at the group level, there was less spatial distance between the subordinates and the climate, and so it may have exerted stronger effects on individual and group ESR, thus making assigned CSR priority redundant. Whereas in the field study, the climate was conceptualised at the organisational level, and so there was greater spatial distance between this CSR climate, and employees at the individual level, thus assigned CSR priority was not neutralised and/or substituted, as per Kerr and Jermier's (1978) theory.

Furthermore, it can be argued that the CSR climate reflected the group characteristics of an individual's respective group, and this characteristic substituted for the leadership characteristic of assigned CSR priority. That is, individuals looked to their group for the importance of CSR, as well as how to conduct themselves in a socially responsible manner; and this in itself sufficed. Given these findings, there is room to argue that effective (TF) leadership behaviours do not need a specific focus, in order to engender specific work outcomes (e.g. Barling *et al.*, 2002; Fu *et al.*, 2010). Rather the presence of effective leadership behaviours which set behavioural goals for employees and motivate them towards these goals, along with a positive CSR climate; provides employees with a consistent focus for their goal-directed efforts.

The three-way interaction effect of TF, assigned CSR priority and CSR climate was further supported in the current study. This validates the earlier argument made in chapter six, that the combined effects of TF, assigned CSR priority, and CSR climate provide the strongest effects on subsequent ESR. They do this by collectively providing a consistent message of the importance of CSR. That is, effective leadership sets challenging socially responsible behavioural goals for employees and motivates employees towards those goals, in addition to supporting goal directed efforts (Locke and Latham, 2002). This in combination with a high assigned CSR priority manages employee expectations of CSR, and helps avert from employee role conflict as to which dimension of ESR they should prioritise (Katz and Kahn, 1964). Furthermore, the CSR climate outlines the policies and procedures regarding CSR, and iterates the saliency, as well as importance of CSR. Collectively, they emphasize that employees should engage with the full repertoire of socially responsible behaviours, and consequently employees do not feel they have to prioritise certain behaviours at the expense of others (Locke *et al.*, 1994). It should be noted that the three-way interaction was only marginally significant in the field study, nevertheless as noted above, this may have been due to the differences in conceptualisation of CSR climate, where in the present study it was

conceptualised at the group level, and in the field study, it was conceptualised at the organisational level. It is also possible, that because the sample size of the current study was proportionately larger compared to that of the field study, this provided greater statistical power in detecting significant relationships.

What is noteworthy in the current study is that the interactive effects of TF and CSR climate, as well as the three-way interaction, in most cases tended to be short-term. That is, the effects of these predictors were significant on time 2 ESR at the group and individual levels, but were rarely so at time 3. The only significant or marginally significant effects at time 3 were for the moderating role of group CSR climate on the effects of TF on ESR, which no longer remained significant when time 1 ESR, was controlled for. It may thus be that for long-term effects of TF on ESR, only CSR climate is necessary. It could also be possible that an additional factor is in operation through which TF may exert its effects indirectly, which was not accounted for by the current study. For instance, most of the studies on TF and well-being conducted longitudinally did not find direct effects but rather indirect effects (e.g. Tafvelling *et al.*, 2011). Possible underlying mechanisms for the effects of the predictors on subsequent ESR behaviours, is something that will be explored in the succeeding chapter (general discussion). On the basis of current findings, we can ascertain that TF, in conjunction with assigned CSR priority and CSR climate predicts subsequent ESR at time 2; as well as changes in this ESR at time 2, after having controlled for time 1 ESR.

It is also probable that the timing of measurement of the predictors influenced whether any relationships were found between the predictors, the interactions between them, and subsequent ESR. Indeed, Mitchell and James (2001) point to the notable roles of equilibration, equilibrium, and entropic periods. The former refers to the period in which time is taken for X to affect Y, which stabilises during the equilibrium period; with effects of X on Y, wearing off in the entropic period. Measuring the predictors and/or outcomes at incorrect times (i.e. equilibration and entropic periods), may fail to tap into measuring Y at the equilibrium period, thus affecting the results obtained. It could be that the measurement periods in the current study were not effectively honing into ESR at the equilibrium period, thus reducing the likelihood of detecting significant effects which were in operation. It is additionally feasible, given the nature of the BG simulation task, that team leaders were more motivated towards the start of the simulation (i.e. time 1), but became disengaged towards the later stages, thus leading to a reduced exertion of long-term effects. This is especially noteworthy, given that there was no assessed group work towards the end of the seven week

research period. This issue of timing of measurement is of prime importance when studying causal relationships, and as a result is explored further in the ensuing chapter.

### 7.6.3. *Limitations*

First and foremost, the current study was a quasi-longitudinal study. Whilst this helps to determine directionality, we still cannot confidently assert causal relationships from the current findings; that is, we cannot affirm that because the predictors were measured prior to the outcomes of ESR, that they indeed cause ESR. In order to do the latter, the model needs to be tested within an experimental design. As Mitchell and James (2001) point out, because we did not manipulate the predictors, we cannot rule out the likely explanation that the variance in Y, which we attribute to X, may indeed be attributable to an earlier Y. Furthermore, whilst we can preclude reverse causality, having demonstrated that predictors measured at time 1 are able to predict subsequent ESR; we cannot conclude that these predictors caused improvements and changes in ESR. Nevertheless, given the infancy of micro-CSR research, especially with regards to employee behavioural contributions, this study is an important step in investigating the directionality of findings, which can provide future research with the impetus to corroborate as well as establish the causality of such relationships more definitively.

It appears that as with the field study, sample size was also an issue within the current study. Whilst in the present study, the sample size was approximately double that of the time-lagged study, there were still some technical issues when analysing the data. For instance the model would not converge when testing for the various steps of hierarchical linear modelling, and thus yielded non-significant slopes. Whilst the analysis continued given theoretical basis to expect multi-level effects, this is something that needs to be addressed in future research with much larger sample sizes, especially at level two, in order to replicate and authenticate current findings (Aguinis *et al.*, 2013).

In addition, when testing the model at the individual level with leader-ratings of ESR, non-significant results were yielded, and consequently peer-ratings of ESR were used instead. Since findings have demonstrated medium to high correlations of peer and leader-ratings of employee work behaviours, it is surprising that the current findings at the individual level were significant for peer-ratings of ESR but not leader-ratings (see Harris and Shaubroeck, 1988). Nevertheless, it is not uncommon to use peer ratings of employee outcomes (Allen,

Barnard, Rush, and Russell, 2000). It may be that in this instance, there is a greater likelihood of peers observing an individual's social responsibility behaviours as opposed to leaders who may otherwise not be as present. This may especially be relevant given the multi-dimensional nature of ESR, which may consequently require individuals to be at different places and at non-typical work times (e.g. volunteering within the local community). All the same, this is something that remains to be confirmed by future research, in order to provide some validity to the current findings.

Finally, common method biases such as socially desirable responding and positive and negative affectivity cannot be ruled out. Nevertheless, Podsakoff *et al.* (2003) suggest that by implementing procedural measures such as measuring predictor and criterion variables from different sources, temporally separating measurement of predictor and criterion variables, as well as reassuring participants that there are no right or wrong answers; can greatly minimise such biases. Given all of these recommendations were implemented in this study, this issue is not considered too problematic.

#### *7.6.4. Implications for practice*

Similarly to the field study, the current findings point to the importance of the combined influence of TF, assigned CSR priority, and CSR climate, given that such a relationship was consistently significant; at time two at least. Furthermore, there is room to argue that TF and CSR climate alone are also sufficient in encouraging ESR. Nevertheless, given the consistency of the three-way effect in the current study and in the prior field-study, organisations would do well by focusing on the collective combination of TF, assigned CSR priority and CSR climate. This combination is also more intuitively appealing.

As a result, organisations would benefit by developing their leaders to demonstrate effective TF behaviours. Research has evidenced the effectiveness of TF training in leading to a change in leadership behaviours, as well as subsequent performance outcomes; both at the employee and organisational levels (Barling *et al.*, 1996; Dvir *et al.*, 2002). In addition to this, and as an extra measure, leaders should be developed so that they reiterate the importance of CSR and manage employee expectations of CSR. This can help to reduce any experience of role conflict in employees, in relation to the various dimensions of ESR. Indeed, research has evidenced the ability to train TF leaders with a specific focus (e.g. Morhart *et al.*, 2009). Moreover, organisations should outline CSR relevant policies and

procedures at the organisational level and make these salient. Whilst the current study conceptualised CSR climate at the group level, it is possible that just as leadership effects can trickle down from top-management levels to supervisory levels, organisational climate can also inform group climate (e.g. Mayer, Kuenzi, Greenbaum, Bardes, and Salvador, 2009).

Finally, given that TF, in conjunction with CSR climate and assigned priority tended to exert short-term effects, it is important that the above recommendations are consistently implemented within the organisation. This ensures that the leaders are continuously reinforcing the importance of CSR, and the organisation is, without fail, communicating CSR-relevant policies and procedures. The focus on developing TF leaders should not be a one-off developmental activity, rather this should also remain as a recurrent theme within the organisation. Ensuring this consistent focus on these relevant factors will help to prevent stagnation of effects on subsequent ESR.

### **7.7. Summary**

The current study provides an extension to the previous field study, and to some extent, confirms the robustness of the effects of the three-way way interaction between TF, assigned CSR priority, and CSR climate on subsequent ESR. Furthermore, there is evidence to suggest that TF, in addition to a group CSR climate, may be sufficient alone. Given the time-lagged nature of the current study, findings add some clarity to the direction of relationships, and suggest that TF, assigned CSR priority, and CSR climate indeed precede employee social responsibility behaviours. This was the case for time two employee behaviours, and rarely for employee time three ESR behaviours; as a result, they may only exert a short-term effect. In the general discussion which ensues, attempts are made to collate the findings of the research series, and explore the next steps, which future research on ESR can foray into.

## Chapter 8: Discussion

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### **8.1.Introduction**

The purpose of this chapter is to broadly reflect upon the research series presented within this thesis, specifically, the scale development and validation process, the field study, and the time-lagged study. In doing so, attempts are made to identify the theoretical contributions of this collection of studies, as well as to address any limitations. Furthermore, implications for practice are outlined and efforts are made to draw upon possible future research directions, especially given the infancy of ESR as a topic of research within the organisational behaviour (OB) domain.

### **8.2.Overview of findings**

#### *Scale development*

In the scale development chapter, qualitative interviews were conducted with a number of employed individuals from different occupational backgrounds as well as industries. These interviews confirmed the structure of ESR as a multi-dimensional construct consisting of the five unique dimensions of social, philanthropy, environmental, stakeholder, and economic; as well as producing a pool of potential scale items. These items were exposed to subject-matter expert ratings, in order to whittle them down for subsequent validation purposes, whilst ensuring content validity of resultant items. The scale was then validated in EFA and CFA, in order to reduce its length as well as to confirm its factor structure; resulting in a robust and reliable ten item scale, with good psychometric properties. It was established that this scale was useful in measuring employee social responsibility behaviours both at the individual and group levels of analysis.

#### *Test of antecedent and boundary conditions*

Chapter six and seven, the field and time-lagged study respectively, attempted to provide a test for the antecedent and boundary conditions of ESR. The findings from both the field study and the time-lagged study are outlined in Table 8.01. As can be seen from the table,

there tended to very little support for the moderating role of assigned priority, on the effects of TF on subsequent group and individual ESR. It only materialised in one instance, in the field study, at the individual level. The single moderating effect of CSR climate in contrast tended to receive greater support. The most consistent finding across the studies however was that of the three-way interaction effect between TF, assigned CSR priority, and CSR climate on subsequent group and individual ESR. In the time-lagged study, the effects tended to only materialise at time 2, and not time 3. When time 1 ESR was controlled, in order to assess the change in ESR behaviours at both the group and individual levels, these three-way interactions at time 2 remained viable.

*Field study:* In the field study, a preliminary test for the conceptual model was provided in a cross-sectional study conducted with an organisational sample. The moderating effects of assigned CSR priority and CSR climate, individually and in combination, on the relationship between TF and leader-rated group and individual ESR was tested. At the group level, only the three way interaction between group TF, group assigned CSR priority and CSR climate on leader-rated group ESR, was marginally significant. At the individual level, the moderating role of individual assigned CSR priority on the effects of individual TF on individual leader-rated ESR was significant.

*Time-lagged study:* The purpose of the time-lagged study was to replicate and extend the findings of the field study, in a time-lagged setup within a simulated Business Game setting. In the time-lagged study, all predictors were measured at time 1, and the effects of these predictors on subsequent group (leader-rated) and individual ESR behaviours (peer-rated), measured at times 2 and 3, were tested. Moreover, these same relationships were analysed once again, whilst this time controlling for time 1 ESR, in order to deduce changes in group and individual ESR engagement over time, if any.

At the group level, the moderating effects of group CSR climate, was marginally significant on both time 2 and 3 leader-rated group ESR outcomes. Furthermore, the three-way interaction on time 2 leader-rated group ESR was also significant. When time 1 ESR was controlled for, only the three-way interaction on time 2 leader-rated group ESR remained significant.

At the individual level, the moderating role of group CSR climate on the relationship between individual TF on both time 2 and time 3 peer-rated individual ESR behaviours was significant. Additionally, the three-way interaction effect was also significant for time 2 peer-

rated individual ESR behaviours. When time 1 ESR was controlled for, this three-way interaction became marginally significant; no other relationships were significant.

**Table 8.01**

**Summary of findings**

<b>Level of Analysis</b>	<b>Hypothesis</b>	<b>Field study</b>	<b>Time-lagged study</b>	<b>Time-lagged study (Time 1 ESR controlled)</b>
Group	TF x ACSR	x	x	x
	TF x CCSR	x	✓	x
	TF x ACSR x CCSR	✓	✓ [only at time 2]	✓ [only at time 2]
Individual	TF x ACSR	✓	x	x
	TF x CCSR	x	✓	x
	TF x ACSR x CCSR	x	✓ [only at time 2]	✓ [only at time 2]

*Note:* TF = transformational leadership; ACSR = assigned CSR priority; CCSR = CSR climate

### **8.3.Theoretical contributions**

Below, a general overview of the theoretical contributions pertaining to each study is provided. More specific theoretical contributions can be accessed within the respective chapters.

#### *8.3.1. Scale development*

A significant contribution made by this thesis is in developing a micro-CSR taxonomy and measurement tool, which allows us to conceptualise and measure employee socially responsible behaviours. To date, when studying employee social responsibility engagement, it tends to be conceptualised in various ways across different research efforts. For example, those such as Booth *et al.* (2009) and Caligiuri *et al.* (2013) have looked at employee volunteering, whilst others have focused on environmental/ green behaviours (Kim *et al.*, in press). Philanthropy has also been singled out by examining the amount individuals donated to charities (e.g. Raman and Zboja, 2006). As a result, the multi-dimensional nature of CSR has been, to a considerable extent, largely disregarded in micro-CSR research; through a predominant focus on a narrow subset of socially responsible behaviours.

There have been efforts made to conceptualise employee socially responsible behaviours in a more holistic fashion. However those that do this sometimes are too broad in their approach, causing the specificity of behaviours to be lost. For example Vlachos *et al.* (2014) termed ESR as extra-role CSR-specific performance, but rather than conceptualising this as behavioural engagement in socially responsible activities, such behaviours were more focused on for instance providing feedback to supervisors on how their organisation's CSR program could be improved. Whilst Vlachos *et al.* (2014) tried to go into more detail in differentiating between in-role and extra-role CSR specific performance, the conceptualisation of these socially responsible behaviours remained too broad.

More recently, Chen and Hung-Basecke (2014) attempted to formulate a more encompassing measurement of micro-CSR. However the way in which they did so was not necessarily by devising a behavioural scale, but rather by developing a list of 23 'CSR activities' of the company, which they categorized into the social and environmental facets, stakeholder relationship building, and community support; and they asked employees to indicate the behaviours they had engaged in the past 12 months. In order to calculate an employee 'CSR participation' score, the number of activities engaged in were summed up, and divided by the

total number of activities available to the employees to participate in, given that four offices were sampled. The issue with this was that it is akin to a formative assessment tool, whereas it is argued, to further research efforts on ESR, a non-time bound behavioural measurement tool is needed. Moreover the economic dimensions of CSR is missing, and given that this is identified as a common facet of CSR reverberated in many definitions of CSR, and agreed upon in a recent review by Rupp and Mallory (2015), this is an oversight (see also Dahlsrud, 2008). Not only this, but any efforts on the part of the authors to delineate the process of scale development and validation for this assessment tool are non-existent in the paper. In contrast, the current thesis makes clear efforts to firstly identify the many definitions of CSR, and on the basis of scholarly consensus, defines ESR as a five-faceted multi-dimensional construct. Items for the new ESR scale are then generated inductively via interviews, and deductively through the use of the definition and past research, which are subsequently subjected to a test of content validity by subject-matter experts. The process of then refining and validating this scale is comprehensive, and concludes in the establishment of sound psychometric properties of the ESR scale. In contrast to such rigorous scale development and validation efforts therefore, Chen and Hung-Bascke's (2014) scale apparently falls considerably short.

When research chooses to focus on a specific facet or facets of ESR, they not only neglect the multi-dimensional nature of these ESR behaviours, but also the inherent conflict between the various dimensions (Aguilera *et al.*, 2007). What is needed, as a result, is to measure ESR behaviours in their entirety, and thus provide a more accurate demonstration of how employees can engage with the multitude of ESR behaviours equivocally. In the present thesis, firstly a mutual conceptualisation of ESR was reached which highlighted the five dimensions of social, philanthropy, economic, environmental, and stakeholder dimensions, as informed by past research (e.g. Dahlsrud, 2008). Secondly, this was then used to conduct qualitative interviews with a number of employees from various industries with distinct employment backgrounds, in order to develop items. Finally, efforts were made to rigorously validate the measure in a number of samples.

Doing so has not only resulted in the first specific multi-dimensional ESR scale to measure employee behaviours, but it has also provided the much needed clarity to the domain of micro-CSR. Rupp and Mallory (2015) highlighted the 'dilemma of specificity' surrounding CSR, noting that it had become an umbrella term for a wide-ranging number of activities, some of which were distinct domains of research in themselves (e.g. diversity). They attempted to provide a more conclusive conceptualisation of CSR by building upon the works

of Carroll (1991), Aguinis and Glavas (2012) and Dahlsrud (2008), and listing the five dimensions of CSR as stakeholder obligation, social obligation, economic obligation, voluntariness dimension, and the environmental dimension. It is safe to conclude therefore, that not only did the current thesis reach a parallel conceptualisation itself, but this was incorporated in the scale development process. Such consistency can provide the much needed clarity to CSR research in general, and micro-CSR more specifically, and thus help to drive more focused research efforts in this area.

Furthermore, the robustness of the scale development and validation procedures employed to develop this scale can be attested to, since the recommendations of Hinkin (1995) and DeVellis (2012) were closely applied. Given the nascent to intermediary nature of micro-CSR research, rather than impose the possible items of this scale, both a deductive and an inductive approach were used to generate items, and efforts were made to ensure context-independence of the scale through the use of qualitative interviews with employed individuals from various industries, and with differing occupational backgrounds. Moreover, the scale was validated in a number of samples to further increase rigour of the scale development process. On the basis of this, it can be concluded that the thesis made notable efforts to develop a methodologically sound, and theoretically relevant scale to measure employee socially responsible behaviours; independent of industry and organisational-specific artefacts, as well as employee occupational and demographical backgrounds.

### 8.3.2. *Antecedents and boundary conditions*

This thesis further made efforts to not only conceptualise, and on the basis of that, develop a rigorous new ESR behavioural measurement tool, but also to then apply this scale in order to provide a preliminary test for the possible determinants of ESR. Aguinis and Glavas (2012), in their review on CSR, called for OB researchers to give CSR its due attention at the micro-level and to enhance research at the individual level, which at the time of their review consisted of only 4% of the overall research on CSR. In doing so, they developed a multilevel model in which they focused upon the outcomes of CSR, including predictors, moderators and mediators. However, whilst the authors made the call to OB researchers to investigate micro-level CSR, they neglected to consider the determinants of employee engagement in CSR in their paper. Furthermore the authors make efforts to explore the outcomes of CSR at the employee level, such as organisational attraction and job pursuit intentions; but they do

not focus on employee engagement with social responsibility itself. When focusing on employee engagement in CSR, we need to focus on the determinants of employee participation in the company's CSR activities, before we can then focus on the outcomes of said engagement. Otherwise we fall into the trap of focusing on the benefits employee engagement in CSR can bring to the organisation's table, without first clarifying how this engagement can come about in the first place. As a result, this thesis took a scrupulous stance on specifically focusing on determinants of ESR, and honed into the possibly significant roles of TF, assigned CSR priority, and CSR climate.

Goal-setting theory (e.g. Locke and Latham, 2002) was used to theoretically inform the proposed antecedent and boundary conditions of ESR. The theory suggests that effective goals have a motivational effect on employee causing them to direct their efforts towards these goals, be energised towards achieving these goals, make use of task relevant knowledge and skills, and persist in their efforts. Specifically, this theory highlights the negative role of goal-conflict which can arise when various employee goals are not properly aligned. This is especially relevant to ESR behaviours, given that the various dimensions appear to conflict with one another in their focus. Consequently, this theory informed the combination of TF, assigned CSR priority, and CSR climate, based on the utility of these in encouraging employee engagement, more specifically, in those behaviours which may conflict with one another; as suggested by prior research. Firstly TF leadership has been consistently evidenced as effective in facilitating positive work outcomes (Judge and Piccolo, 2004). The effects of TF in encouraging employee pro-active behaviours are also demonstrated, which can be argued to be similar in nature to ESR behaviours, which also require employees to be pro-active to a certain extent (Den Hartog and Belschak, 2012). The relation of TF to CSR specific outcomes has also been noted, such that TF has been shown to be related to greater organisational CSR activities (Du *et al.*, 2013; Waldman *et al.*, 2006). In addition Zhu and Akhtar (2014) have further unearthed the positive effects of TF on employee pro-social behaviours.

It was argued however in the present thesis, that TF in itself was not sufficient in encouraging social responsibility at the micro-level, as it lacked a CSR focus. Thus the role of assigned CSR priority, modelled on the original construct of assigned safety priority developed by Zohar (2002a), was put forward. Zohar (2002a) noted that when leadership prioritised safety, and did not neglect it for the purposes of solely encouraging efficiency, safety indicators within the workplace improved. Similarly, it was proposed that when TF leaders assign an

importance to social responsibility and manage employee expectations of the socially responsible behaviours employees need to engage in, social responsibility in employees would be enhanced, by minimising goal-conflict between the different behaviours. In support of this, research has shown the way in which TF, focused on a specific outcome, can engender comparable outcomes in employees. For instance Morhart *et al.* (2009) noted the effects of brand-specific TF on subsequent employee brand-building behaviours. In relation to CSR itself, the utility of environmental TF behaviours on subsequent employee environmental behaviours has also been demonstrated (Graves, Sarkis, and Zhu, 2013).

Finally, the role of a CSR climate was proposed. Climate has been shown to moderate the effects of TF on employee work outcomes (Charbonnier-Voirin *et al.*, 2010; Liao and Chuang, 2007). It was argued that even when leaders demonstrate TF behaviours and assign importance to CSR, if the group or organisational climate is not conducive, then this will still serve to hamper ESR. All three in combination, it was anticipated, would encourage employee engagement in socially responsible behaviours, by balancing the conflict between the different dimensions of ESR. They would do this, it was proposed, through communicating a consistent message with regards to CSR. That is, having a CSR climate which also supported this message through its policies and procedures, and a TF leader who used motivational leader behaviours, whilst also managing expectations with regards to CSR.

Efforts are thus made in underscoring the importance of studying TF in relation to a specific focus, so that the value free behaviours of TF become value laden towards which they are directing followers, by introducing the novel construct of assigned CSR priority (Fu *et al.*, 2010). In addition, this research is one of, if not the first, to provide a unique test of the effects of a CSR climate on ESR, and highlight its use in providing a supportive and conducive environment for employee socially responsible behaviours. Indeed in some cases, findings from the current research series suggested that TF behaviours along with a positive CSR climate may alone be sufficient in propagating employee engagement; although the most consistent findings attest to the combination of the three factors. The current thesis indeed found support for this unique amalgamation in both the field study and the time-lagged study. Findings demonstrated that the specific combination of all three constructs was needed in order to positively facilitate employee engagement consistently, both at the group and individual levels.

Through the study of this combination of factors, contributions are made to the respective research domains of each specific construct. Firstly, with regards to TF, the need to approach TF from a multi-level perspective was addressed, such that its effects were examined at the group and individual levels in a multi-level model (Yukl, 1999). Moreover, the study further made contributions to investigating the boundary conditions of TF, by looking at the facilitating roles of assigned CSR priority and CSR climate (Avolio *et al.*, 2009). In addition to this, the research series helped establish the utility of TF in encouraging social responsibility in employees, thus adding these employee outcomes to its already wide-ranging repertoire.

Furthermore, the findings of the utility of CSR climate further corroborate prior research evidence, which highlights the moderating roles of various climates on positive work outcomes (Hofman *et al.*, 2003; Tordera *et al.*, 2008). For example, a climate for innovation has been shown to moderate the relationship between TF and its effects on employee adaptive performance (Charbonnier-Voirin *et al.*, 2010). Additionally, with regards to CSR-specific outcomes, Yim and Fock (2013) have noted the moderating effects of a social responsibility climate on the relationship between pride in volunteer work and volunteer work as a calling, on subsequent perceptions of the meaningfulness of volunteer work. The findings from this thesis confirm the moderating effects of a CSR climate in the influence of TF on ESR, and thus provide a novel insight into the role of such a climate in relation to ESR.

Finally, the thesis points towards the importance of considering TF behaviours in relation to the specific focus of interest. That is, rather than considering the effectiveness of TF behaviours alone, which are argued to be value free; instead demonstrating how TF behaviours focused on a specific outcome, in this case CSR, can encourage related outcomes at the employee level (Fu *et al.*, 2010). Research has noted how a safety-specific focus can encourage safety performance (Barling *et al.*, 1996; Zohar, 2002a). Whilst in the area of marketing, TF focused on brand-building behaviours, can engender employee brand building behaviours (Morhart *et al.*, 2009). Although there was limited evidence for the utility of assigned CSR priority individually with TF; its function in combination with TF and CSR climate was evidenced, and thus the findings from this research do not entirely contrast to those previously established.

These results consequently provide a first test for some of the unique contextual determinants of ESR. In this manner, efforts are made to provide a first-hand insight into the determining

conditions of micro-level CSR, thus addressing such a niche. By so doing, it is anticipated that this research will provide the momentum to enhance further interest in exploring the conditions under, and mechanisms through which, ESR can be enhanced.

### 8.3.3. *Time-lagged investigation*

Not only did this research series provide a preliminary examination of the possible antecedent and boundary conditions to consider, when looking to encourage individual and group level engagement in socially responsible behaviours, it also made efforts to determine the causal sequence of these relationships. When studying relationships through cross-sectional studies, such as in the field study (chapter six), we can only assume that the predictors TF, assigned CSR priority, and CSR climate are related to ESR (Mitchell and James, 2001). What we cannot infer is the direction of these effects; indeed it is possible that the relationship could be operating in a reverse order. In order to overcome this limitation in the field study, which whilst providing external validity, lacked internal validity, attempts were made to replicate the findings in a time-lagged study with the business game simulation sample, over a seven week period. More specifically, attempts were made to measure the effects of time 1 (week 1) predictors on subsequent group and individual socially responsible behaviours both at time 2 (week 4) and 3 (week 7). Furthermore, time 1 ESR behaviours were subsequently controlled for in additional analyses, in order to determine change in employee engagement from that of baseline.

Kelly and McGrath (1988) stated that “the duration of the interval between cause and effect is left unspecified in our theoretical formulations and in our interpretation of concrete findings” (pg. 19). In addressing this, chapter seven specifically sought to stipulate that the predictors of TF, CSR climate, and assigned CSR priority were expected to precede group and individual ESR. Efforts were therefore made to determine the causal relationships between TF, assigned CSR priority, and CSR climate collectively on individual and group ESR, measured three, and six weeks later.

Results revealed partial support for the direction of effects between the predictors at time 1 (week 1) on subsequent ESR. Furthermore, in some cases these effects remained significant after controlling for time 1 ESR, thus suggesting that ESR does indeed positively change over time, as a result of the effects of the predictors. Currently, the focus on more longitudinal and time-lagged investigations has tended to be neglected in research in general. In most cases,

this can be attributed to practical constraints when conducting research, such that it is difficult to implement and manage a longitudinal study, especially when attrition rates can disproportionately increase over time; and/or being unable to gain access to organisations in the first instance to collect longitudinal data (Mitchell and James, 2001).

These results reinforce previous findings revealed in longitudinal investigations of TF. The longitudinal effects of TF have been demonstrated by the likes of Munir and Nielsen (2009) who confirmed that TF was useful in predicting the health of healthcare workers measured over a year later. These effects of TF on subordinate wellbeing have been evidenced by other researchers, also over varying time periods (e.g. van Dierendonck *et al.*, 2004; Wilderom *et al.*, 2012). Whilst a number of longitudinal investigations of TF look at wellbeing outcomes, research has also demonstrated longitudinal effects of TF on outcomes such as profitability (Keller, 2006). The results of the time-lagged study further corroborate such findings, over a shorter period of time, and also build upon them by demonstrating the predictive power of TF on the novel outcome of ESR.

Assigned CSR priority was unique to this research series; nevertheless, it was modelled on the construct of assigned safety priority developed by Zohar (2002a). Zohar (2002a) did evidence the longitudinal effects of assigned safety priority, in conjunction with TF, on subsequent safety performance indicators. Whilst TF and assigned CSR priority alone did not relate to enhanced ESR in the time-lagged study, they did so under conditions of a positive CSR climate. Currently there have been very little efforts to conceptualise CSR climate, and studies looking at the effects of this CSR climate are scarce (El Akremi *et al.*, in press; Yim and Fock, 2013). As a result, and as it is to be expected given the originality of the current research series, there are no efforts to demonstrate the longitudinal effects of CSR climate. Research has however demonstrated in general, the longitudinal moderating effects of different climate types in numerous other research domains (e.g. Liao and Chuang, 2007; Neal and Griffin, 2006).

Consequently the contribution of this research in examining the longitudinal effects of a novel assigned CSR priority, and the relatively recent construct of CSR climate, are especially noteworthy. The results from the time-lagged study thus substantiate previous longitudinal effects of assigned safety priority, and confirm that such effects also hold when this construct is modelled as assigned CSR priority, when considered in conjunction with TF and CSR climate. Furthermore, with regards to CSR climate, the time-lagged study provides

the first evidence of its kind demonstrating the longitudinal effects of a CSR climate on micro-level ESR, which hold after controlling for initial ESR. Given such results confirm prior findings of similar yet distinct constructs, the robustness of these new and relatively recent constructs can be acknowledged.

Furthermore, in attempting to provide a time-lagged study of the model, in order to more confidently assert directionality of relationships, efforts were made to specify the role of time in the proposed model. As such, the time-lagged study attempted to explore the possible time effects of when ESR occurs, subsequent to the effects of the combination of predictors. Thus whilst exploratory in nature, given that it was the first study of its kind, relevant measures have been taken to determine the time lag between X (the predictors) and Y (the outcome of ESR). Furthermore, by controlling for time 1 ESR, efforts were made to denote the rate of change of Y. As a result, it is believed that the time-lagged study goes some way in not only specifying generally that X precedes Y, as research is generally inclined to do, but rather also exploring the duration of effects, the time lag between relationships, in addition to exploring rates of change (George and Jones, 2000).

Nonetheless, as discussed above and explored within the respective chapter; not all hypothesized relationships materialised. Mitchell and James (2001) provide a compelling account for the role of time in research and building the case for when predictors causally relate to outcomes, and at which points do X and Y occur. Appreciating this can generate some clarity as to why some findings were not significant.

It is probable that ESR may have been measured either too early or too late, as opposed to when it had matured and had reached a consequent stage of constancy. Indeed Mitchell and James (2001) note that measuring Y, in this case ESR behaviours, either too soon or too late, can result in null findings which do not necessarily reflect the absence of a relationship, but rather the misspecification of when Y occurs. When a time lag is too great, effects may wear off, and when it is too small, then effects may not have fully matured and stabilised by the time of measurement.

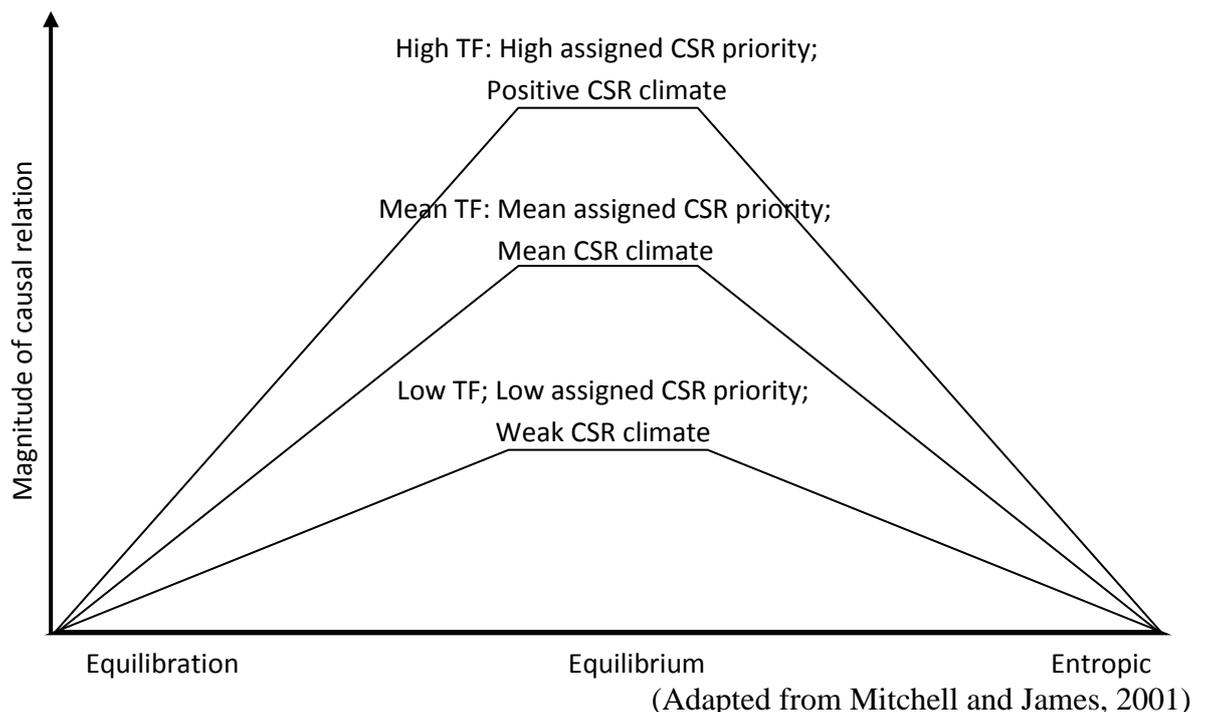
The authors go on to discuss the *causal cycle* and the *moderation by causal cycle curve* (MCC), in which they put forward the notable roles of the equilibration period, the equilibrium condition, and the entropic period, which follow one another in a linear fashion, respectively. The equilibration period is the time it takes for the effects of X to impact upon Y, whilst the equilibrium condition denotes when Y becomes stable, and the entropic period

reflects uncertain and inconsistent changes in Y based on certain measurements of X. They argue that Y should be measured when it reaches a state of constancy in the equilibrium condition, in order to provide a more accurate reflection of the effects of X on Y. Measuring Y at either the equilibration period or entropic period will lead to an underestimated value, the strength of which will differ depending on how far elapsed the equilibrium type condition is from the measurement point chosen.

As can be seen in Figure 8.01, a possible MCC curve for the current research is depicted. This is of course merely represents a prediction of what may possibly have occurred in the time-lagged study. As apparent from the figure, the moderating roles of assigned CSR priority and CSR climate are demonstrated by the different line graphs. Firstly, as would be expected, and as reinforced by the findings from the research, a combination of low assigned CSR priority and CSR climate, in combination with low transformational leadership (TF), has a lower magnitude of causal relation to ESR. However as these increased, so does the magnitude of causal relation. As the findings revealed in both the field study and the time-lagged study, the optimal conditions for ESR behaviours were when both assigned CSR priority and CSR climate were high, in combination with high TF; that is, a high magnitude of causal relation.

**Figure 8.01**

**The MCC Curve**



Now, what is notable about the graph is how small the equilibrium condition is, which is theoretically proposed in this thesis to be the cause of some of the limited causal findings in the time-lagged study. Mitchell and James (2001) suggest that the magnitude of the causal relation which draws the link between X and Y is moderated by the point at which Y is measured in the causal cycle. Based on their theorising, it is proposed that given the short time lag of seven weeks in the BG study, time 1 predictors were more likely to exert significant effects on time 2 outcomes of ESR behaviours, which was not the case for time 3 outcomes; due to a possible short equilibrium condition, as represented by the causal cycles in the figure above. Again, the MCC Figure above is based merely on theoretical conjecture, and the slopes of the curve, as well as the steepness, and the symmetry or asymmetry depends on the data at hand. Building on this, because commonly the effects of time 1 predictors on time 2 outcomes tended to be significant, it is possible that this was due to, as Mitchell and James (2001) surmise, the short-term effects of X on Y.

#### 8.3.4. Goal setting theory

When looking at micro-CSR and at employee reactions to CSR for example, various theories have been used in order to provide a theoretical underpinning for how such relationships may work. At the micro level of CSR, the most popular theories have been those such as social identity theory, signalling theory, social exchange theory, and theory of justice (Rupp and Mallory, 2015). These have been employed to explore the relationships between organisational CSR and job pursuit intentions (signalling theory), organisational identification (social identity), organisational commitment (social exchange), and job satisfaction (justice), to name but a few (Behrend, Baker, and Thompson, 2009; De Roeck *et al.*, 2014; Farooq *et al.*, 2014; Jones, 2010).

Given the robustness of the goal-setting theory and its applicability to micro-level CSR, by considering the conflicting behavioural goals of the various dimensions, it is surprising that it has not been widely touted in regards to ESR. The goal-setting theory proposes that goals, when effectively set, have a consistent motivational effect on individuals (Locke and Latham, 1990). Furthermore, the role of leaders in motivating goal-directed efforts have been noted (Locke and Latham, 2002). Given that ESR is a multi-dimensional construct, it reasonable to assume that the various dimensions, distinct in nature, could pose goal conflict. Research has

evidenced that when employees are provided with two seemingly conflicting goals, for instance of production and quality, they will prioritise one over the other (Locke *et al.*, 1994).

Goal-setting theory can also be applied at the group level. For instance DeShon *et al.* (2004) focused on the goal-setting and feedback processes within teams. They proposed a model in which they looked at individual-specific and team-specific goals, and the role of feedback loops. More specifically, they noted that when individual and team goals are congruent, thus suggesting a lack of conflict, then the feedback loops indicate similar behavioural outputs. However when there is discrepancy, and as a result suggesting goal conflict, they advocate a choice needs to be made, and this involves either the individual feedback loop having behavioural control, or the team feedback loop having behavioural control. This leads to prioritisation of either individual level or team level goals, depending on various factors, such as goal importance, as well as situational characteristics. The authors evidenced that receiving either individual level feedback or team level feedback, causes team members to either focus on individual or team performance respectively. Applied to the current context, goal-setting theory would suggest that individual ESR goals need to be consistent with group ESR goals, otherwise goal conflict is experienced, and a trade-off is incurred. Additionally, it can also be surmised that within the ESR construct itself, the conflict of the various goals need to be balanced.

Consequently, the interactive roles of TF, assigned CSR priority, and CSR climate were proposed to motivate ESR-related goal-directed efforts at both the group and individual levels, as well as to manage the conflict between the various socially responsible behaviours, by communicating a consistent message with regards to the importance of CSR, holistically. These relationships were expected to operate comparably at the group and individual levels. Given this reasoning and sound application to the current research series, it is proposed that goal-setting theory should be another theory that should be focused upon when investigating determinants of ESR, especially when the focus is on encouraging the multiplicity of ESR behaviours.

Moreover, whilst the research series presented within this thesis made attempts to explore the possible determinants of ESR, it did not consider the underlying mechanisms of such effects, which in relation to goal-setting theory; self-efficacy would be a natural consideration (see below). Whilst this is not a significant shortcoming of the current research by any means, given that its role was that of an exploratory nature, the persistent neglect of mediating

influences between predictors of, and subsequent ESR, will hinder the progress of research on ESR. As a result, future research is encouraged to start to explore the possible mediating mechanisms operating between the predictors of TF, assigned CSR priority, and CSR climate, on subsequent ESR in order to enrich this burgeoning area.

#### **8.4.Limitations**

A general overview of limitations within the current research series are explored below. Limitations more specific to each study can be accessed in the respective chapters.

##### *8.4.1. Sample size*

Sample size appeared to be a common issue across both the field study and the time-lagged study. Restricted sample sizes can have a negative effect on analysis, and so it is possible that this may have hampered the robustness of the findings derived, as a result of reduced statistical power (e.g. Collins and Morris, 2008; Tett *et al.*, 2009). The limited sample size may have been the cause of the issues experienced during hierarchical linear modelling analysis at the individual level. More specifically, in both the time-lagged and the field study, there were issues where the model would not converge, causing analysis to proceed with the intercept at random model in many cases. Not only this, in the atypical cases where the model did converge, systematic testing of slopes would, in a number of cases, reveal none that were significant. Whilst this posed a significant limitation for multi-level analysis, analysis nevertheless proceeded on the basis of recommendations of Aguinis *et al.* (2013). The authors suggested that inability to find significance in slopes may well be due to a small sample size, especially given the relevance of level two sample sizes, which tend to be much smaller than level one samples; and multi-level analysis should nonetheless continue.

What was unexpected was how this issue was reverberated in the time-lagged study which had a sample of approximately double the size of the field study. The level one sample in the time-lagged study of 232 individuals was greater than the noted median of 161-204 (Dalton *et al.*, 2012). Moreover, the time-lagged sample of 67 groups was also greater than the listed median of 51 in other research studies (Mathieu *et al.*, 2012). It may have been that the student nature of the time-lagged sample exacerbated the issue, which was not helped by an increase in sample size. Additionally, the model's complexity may have warranted an even

greater sample size. Future research would do well by confirming the current findings in a larger sample, and evading the technical issues in analysis experienced in the current thesis.

Finally, due to the limited sample sizes, it cannot be conclusively said that the non-significant findings from the current research, are indeed non-significant relationships in the wider occupational population. Rather, it is possible that with larger sample sizes, these effects may indeed materialise. Therefore conclusions regarding the absence of some relationships in the current research series should be interpreted with caution.

#### 8.4.2. *Causality*

The field study was correlational in nature which precludes conclusions being made as to the direction of effects (Mitchell and James, 2001). Whilst it provided a test of external validity, being that it was conducted in a real occupational setting embedded within an organisation, it lacked internal validity. From this study we are able to assume that the predictors of TF, assigned CSR priority, and CSR climate are related to one another, nevertheless, we do not know if these predictors are able to forecast resultant changes in ESR. Whilst this was a notable limitation of the current thesis, it was not disabling, since the time-lagged study which followed sought to offset this. Collectively, both studies conjoin to provide external and internal validity of the findings.

The time lagged study made efforts to determine the direction of effects of the predictors TF, assigned CSR priority, and CSR climate on ESR. However, it cannot be definitely concluded that these predictors did indeed *cause* changes in ESR. Due to the research still being correlational in nature, lacking the robustness of experimental methodology, it is entirely feasible that external constructs not measured by this research co-varied with TF, assigned CSR priority, CSR climate, and ESR.

When examining the time lagged effects of TF, research has varied in the time periods for measurement. Hence there was no clear guidance on the temporal frames to expect within the current research. That is, does TF exerts its effects in a relatively short amount of time, or do the effects mature and develop over time, leading to enhanced ESR? This issue is resounded by the following comment from George and Jones (2000): “although theories in organisational behaviour, more often than not, specify relationships among constructs in causal terms, the duration of effects, the time lag between causes and effects, and differences

in rates of change are often left unspecified” (pg. 670). For this reason, the research was conducted over a time period out of convenience. As Kenny (1975) pointed out, time lags are often “...because of convenience, not theory, since theory rarely specifies the exact length of the causal lag” (pg. 894).

Without making efforts to conclusively determine the causal relationships between these constructs, it is possible that reverse causality could be operating. Such that, for example whilst theoretically we might expect TF to be in some way related to ESR behaviours, it could be that employees that engage in ESR behaviours are more likely to cause their leaders to demonstrate greater TF behaviours towards them. Indeed research has speculated that employees that demonstrate greater performance at work are more likely to engender positive leader-member exchange (LMX) relationships with their leader, as opposed to the traditionally understood relationship between high-quality LMX leading to greater performance (e.g. Martin *et al.*, 2015; Uhl-Bien, 2006).

Nevertheless, the time lagged study was the first of its kind in studying the effects of the various predictors on ESR measured over an extended time frame. In so doing, it has provided an exploratory test for the possible time lags which may be operating between such relationships (Mitchell and James, 2001). Future research could further explore a wider range of time-lags in order to hone into the relevant timing of constructs.

#### 8.4.3. *Nature of sample*

Another possible limitation relates to the nature of the samples employed in both the field study and the time-lagged study. Firstly, the field study relied exclusively on a sample consisting of teams predominantly in the financial services sector, with a small proportion located within a commercial banking division. It can therefore be argued that this restricted focus constricts the ability to generalise the findings to the wider industries. Indeed it could be anticipated that the recent financial crisis of 2008 that occurred within the UK, caused such types of organisations to become hyperaware of social responsibility, and to make greater efforts to enhance employee engagement with an improved organisational CSR agenda.

Interestingly, research looking at Fortune 500 companies, to which Company X ( $N = 30$  teams) belonged to in the field study, suggests that organisational CSR efforts in fact

experienced a downturn in 2008, during the financial crisis; given that CSR initiatives require large financial investments (Karaibrahimoglu, 2010). Contrary to these findings, Giannarakis and Theotokas (2011) demonstrated that there was an increase in organisational CSR activity during the financial crisis, which dipped post-financial crisis in the period from 2009 to 2010. It may be that organisations invested heavily in CSR in order to regain trust as well as to reap the strategic benefits that are oft-noted with CSR, so as to encourage organisational survival (e.g. Porter and Kramer, 2006). What is not clear however is why there was a dip post financial crisis, and it may well be that financial resources were limited immediately after the financial crisis, and consequently organisational resources were limited. It should be pointed out that in the study by Giannarakis and Theotokas (2011); various sectors were examined, with financial services composing 17% of the total sample. Thus these effects were not industry specific, but were additionally applicable to other industries such as energy utilities and technology hardware and telecommunications.

On a technical level it should be acknowledged that the study was not necessarily concerned with the proportion of micro-level ESR, but rather the contextual factors that either enhanced or hampered this relationship at the employee level. Therefore issues of industry-specific findings arising from the study are relatively negligible. Naturally, future research would benefit from replicating these findings in various different sectors in order to assess if the same determinants, as in the current research, are relevant.

With regards to the time-lagged study, the student team sample is qualitatively unique to the intended application, which is, to organisations and employees within those organisations. As a result it can be questionable as to what extent these teams are reflective of the teams in an occupational setting. Nonetheless, it can be argued that the teams in the time-lagged study were similar in many respects to those within organisational settings. For instance they were required to work collectively together to accomplish tasks, with a large portion of their academic and simulated company performance being dependent on how the team worked together. Thus they can be argued to have possessed task and outcome interdependence, argued to be a critical factor defining teams, as well as determining consequent team performance (Barrick, Bradley, Kristof-Brown, and Colbert, 2007; Beal, Cohen, Burke, and McLendon, 2003). Furthermore, they were also located within a larger 'organisational' setting (the university), with policies and procedures and codes of conduct they needed to abide by, similar to what can be expected within an organisation.

Finally, it should be borne in mind that the outcomes of employee social responsibility behaviours, was measured with a tool that was developed with employees across various industries and sectors. Therefore, in relation to the field study, the behaviours that were being sought for can be considered to be general across the various sectors. With regards to the time-lagged study, if anything, this should have implied that tests of the relationships would have been more conservative, as the sample was qualitatively distinct from the employee sample used to develop the scale items.

#### 8.4.4. Rescaling predictors

Another possible limitation relates to the rescaling, or centring, of predictors. There are predominantly two approaches to centring predictors, namely grand-mean centring and group-mean centring. In the former all variables are centred, according to the level they subsist at; so for example, in group level analysis, variables would be centred across the total number of teams. Whereas group-mean centring alters the data, such that predictors at level one become uncorrelated with level two predictors (Enders and Tofighi, 2007). In the current research series, predictors both at the group and individual levels were grand-mean centred.

There are however concerns that when testing cross-level interactions, grand-mean centring can conflate within- and between-group effects (Aguinis *et al.*, 2013). As a result, the likes of Hofmann and Gavin (1998) have promoted the use of group-mean centring. However Bliese (2000) noted that spurious cross-level interactions were rare, and as a result, Aguinis *et al.* (2013) recommend that the choice of centring technique be based on theoretical arguments, because in some cases, grand-mean centring may indeed be more relevant. Whilst grand-mean centring was used in the current research, especially given the lack of significance of slopes, future research could bear these best-practice recommendations in mind, when replicating and extending current findings.

### 8.5. Implications for practice

At the group level, it appears that TF and CSR climate alone can be sufficient in enhancing group ESR, whilst findings also demonstrate that the optimal conditions are when high TF, high assigned CSR priority, and a positive CSR climate exist in unison. When looking to facilitate individual engagement, recommendations are comparable to the group level. Whilst

there is evidence that both at the group and individual levels, TF and CSR climate may be sufficient, and additionally at the individual level, the combination of TF assigning a high priority to CSR may also be adequate in itself, the most consistent finding has been for the three-way interaction effect, as outlined in Table 8.01 earlier. That is organisations would do well by focusing on all of the three following components: leadership interventions to train effective TF behaviours, training leaders to assign high priorities to CSR, and developing a positive climate for CSR.

The current research series provided evidence for the utility of TF, in conjunction with assigned CSR priority and CSR climate, in encouraging ESR. This results in various practical implications. Firstly it suggests that TF is indeed effective in promoting positive work outcomes, and this applies to sustainability-focused outcomes also, as was the case in this thesis (Bass, 1985; Judge and Piccolo, 2004; Lowe *et al.*, 1996). Thus organisations should focus on providing training to enhance effective TF behaviours.

Research has evidenced the positive effects of leadership interventions on subsequent behavioural outcomes. For instance Barling *et al.* (1996) showed that a TF training workshop, followed by individual booster sessions, led to an increase in TF behaviours. Not only this, but these learned effective TF behaviours resulted in positive objective performance outcomes as well as employee outcomes. Dvir *et al.* (2002) similarly evidenced the positive effects of TF leader training on subsequent subordinate development and performance, in comparison to a control group who received eclectic leadership training.

However as noted above, TF alone is not sufficient in encouraging ESR, rather TF behaviours need to be directed towards CSR. Here the novel role of assigned CSR priority was proposed. Thus organisations need to focus not only on training effective TF behaviours, but also ensuring that leaders are versed on the importance of CSR, and are trained on communicating the importance of CSR, in addition to managing employees' CSR expectations, such that the experience of conflict in employees between the various CSR dimensions is avoided. Indeed, Zohar (2002a) showed that enhancing supervisors' safety-oriented interactions with subordinates, in conjunction with superiors communicating a high priority to safety, resulted in subsequently positive safety outcomes. In addition to this, Morhart *et al.* (2009) further evidenced the utility of leadership training in developing brand-specific TF behaviours, which subsequently engendered related employee behaviours.

Furthermore, organisations should not neglect the role of the organisation's policies and procedures and ensure they are sufficiently focused on CSR, in order to facilitate the development of a positive CSR climate at the organisational level, which could also inform the CSR climate at the group level. Grojean, Resin, Dickson, and Smith (2004) provide strategies for developing an organisational ethical climate, which can also be applied to CSR. On the basis of their recommendations, the organisations should seek to establish clear expectations of socially responsible conduct. They should further train and develop leaders so that they can handle CSR-related situations effectively, and additionally they should provide the relevant training and mentoring to their subordinates in order to direct appropriate ways of working within an organisation that prioritises CSR. Moreover, value based leadership should be implemented, which motivates and inspires employees to work towards the collective good of CSR, whilst the organisation should reward desirable sustainability-focused behaviours, so that the importance of CSR is made salient. Finally, organisations should acknowledge that not all individuals are inclined towards social responsibility, and so they should make efforts to initially hire those employees whose values are congruent with the organisation's CSR focused values.

From the time lagged study, it also appears that the effects of TF, CSR climate, and assigned CSR priority are not long-term. Therefore leaders should consistently demonstrate effective TF behaviours and encourage and motivate employees towards the different dimensions of ESR. Leaders should also ensure that they assign a high importance to CSR and encourage employees to commit to CSR, and manage any goal conflict that may arise. Moreover, the organisation should ensure that the CSR climate is continuously reinforced through its policies and procedures, ensuring for example that commendable CSR efforts are rewarded, and so making certain the salience of CSR. Doing so can ensure maintenance of ESR.

Moreover, given that this thesis has made efforts to confirm the multi-dimensional nature of ESR, consisting of the five dimensions of social, philanthropy, stakeholder, economics, and environment; organisations should focus on these equivocally. As a result the predominant focus should not be on one or two of the dimensions, at the expense of the others. Doing so will engender role conflict for employees and this may lead to one dimension being prioritised at the expense of the other. Not only is this practically not desirable, given the many negative outcomes of role conflict for employees, but it also supersedes the importance of ESR as a multi-dimensional construct. If an organisation indeed wants to be authentically sincere in its sustainability efforts, then it not only should focus on the bottom line and

fulfilling work objectives, but also on ensuring minimal adverse impact to the natural environment in employees' daily work activities, encouraging philanthropic efforts, ensuring stakeholders internal and external to the organisational are treated respectfully, and finally, engaging with the local community. In so doing, the organisation can ensure that it is socially responsible throughout the various levels of the organisation and avert any cynicism to the contrary.

Finally, this thesis puts forward a novel ESR measurement tool. This addresses a clear lacking in previous research where measurement of ESR, or its closest proximate tends to be vague, imprecise, and not fully capturing the multi-dimensionality of such behaviours. Since many organisations are seeking to enhance their social responsibility, encouraging employees to engage in such activities can be considered a notable item on the organisation's agenda. Through the use of this ESR scale, human resource practitioners can deploy this in activities such as the personal development review, and ensure that employees' focus is being placed on social responsibility within their work roles. Given that robust scale development and validation procedures were closely adhered to in developing the ESR scale, practitioners can rest assured that they are using a valid and reliable tool in possibly sensitive employer-employee activities. Furthermore, this scale was rated in a multitude of ways in the current research: as self-ratings, leader-ratings, and 360° peer ratings. Whilst self-ratings were not used during hypotheses testing, it may be useful for organisations to take a multi-faceted angle and ask employees to rate themselves, as well as obtain leader and peer ratings for the specific employee. In this way, comparisons can be drawn; gaps can be identified and addressed, as well as ensuring a more accurate insight.

### **8.6.Future Research Directions**

Given the burgeoning nature of study on ESR, the current research series provides a springboard for future research to extend awareness on ESR, by taking initial steps in investigating the boundary conditions and antecedents of ESR. Below a number of recommendations for future research are explored, providing a broad scope of interesting means to build upon the current findings. Of course these recommendations are by no means exhaustive, and the reader is directed to recent reviews such as those of Rupp and Mallory (2015) and Gond *et al.* (working paper), for a more detailed list. Given that investigation of the underlying mechanisms of the proposed relationships was beyond the scope of this thesis,

this would be considered an important initial step in the right direction in furthering understanding of the means by which ESR comes about.

#### *8.6.1. Mechanisms of ESR*

Whilst the current research investigated the boundary conditions affecting employees' ESR, it did not provide a test of the underlying mechanisms through which ESR can be facilitated. For instance, goal-setting theory provided the theoretical underpinnings of the current research, with the presumption being that setting challenging and effective goals, in addition to balancing the conflict between the different social responsibility behaviours, would motivate ESR, and ameliorate experience of goal-conflict. A related construct to goal-setting theory is that of efficacy, as proposed by the social-cognitive theory (Bandura, 1997). Self-efficacy is defined as "...belief in one's capabilities to organize and execute courses of action required in managing prospective situations" (Bandura, 1997; pg.2). Self-efficacy is related to goal-setting. In fact, Locke and Latham (2002) argue that "goal setting theory is fully consistent with social-cognitive theory in that both acknowledge the importance of conscious goals and self-efficacy" (pg.714). Those deemed to possess high self-efficacy tend to set more difficult goals for themselves, are more persistent in trying to achieve them, and they also implement more effective strategies to do so (Locke and Latham, 2002). Further research therefore could benefit from explicitly testing the effects of constructs such as self-efficacy, given its natural affiliation with goal-setting theory, on the relationship between TF and social responsibility behaviours, as these have been noted to be beneficial in encouraging proactive behaviours (Den Hartog and Belschak, 2012). Consequently, it might be expected that the greater the self-efficacy, the more likely employees are to push themselves with regards to their socially responsible activities.

Indeed, a key motivational mechanism, by which TF is thought to exert its effects on employees leading to subsequent positive outcomes, is through self-efficacy (Kirkpatrick and Locke, 1996; Liu, Siu, and Shi, 2010; Nielsen, Yarker, Randall, and Munir, 2009; Pillai and Williams, 2004). At the group level, this is termed collective efficacy which refers to the group's belief in their capabilities as a whole to attain the required performance goals (Gully, Incalcaterra, Joshi, and Beaubien, 2002). Consequently, self-efficacy and team/collective efficacy have been shown to be positively related to proactive and extra-role behaviours, as well as other positive outcomes such as employee wellbeing and satisfaction (Caillier, in

press; Salanova *et al.*, 2011). By examining the role of self-efficacy, efforts will be made to assist in addressing the calls to investigate the mechanisms through which TF operates (Avolio *et al.*, 2009).

Aside from self-efficacy, and moving further afield, to date research has considered the role of value congruence, social exchange theory, social identity, and justice theory, in relation to effects of CSR on employee outcomes such as reactions to CSR and CSR attitudes; to name but a few (Collier and Esteban, 2010; Gond *et al.*, 2010; Groves and LaRocca, 2011; Rupp, Ganapathi, Aguilera, and Williams, 2006). Of these, social identity theory tends to be the most commonly applied in discussing employee reactions to organisational CSR (e.g. Rupp and Mallory, 2015). Research deploying social identity theory demonstrates for instance the positive effects of CSR on organisational commitment, organisational identification, and employee attraction (Backhaus *et al.*, 2002; Brammer *et al.*, 2007; Glavas and Godwin, 2013). More closely aligned with CSR itself, Cha *et al.* (2014) noted the positive relationship between employees' and/or their organisation's pro-social identity with employee pro-social behaviours. The premise would be that TF could facilitate employees' engagement with CSR by fostering employee identification with the organisation, and consequently the organisation's CSR agenda.

An additional interesting avenue for research investigating the underlying mechanisms of micro-CSR, would be examining the potential mediating influence of self-regulatory focus in enhancing ESR; a theory which is not usually referred to when discussing CSR (Kark and van Dijk, 2007). Self-regulatory theory suggests that TF and transactional (contingent-reward) leadership styles can prime a promotion and prevention motivational focus in followers respectively, engendering them to be both creative and prone to risk-taking, or diligent and risk-averse, in that order. Given that CSR behaviours such as environmental and economic behaviours could be considered as those which request employees to follow certain procedures and pay attention to detail, a prevention motivational focus could be argued to be useful here. Whereas behaviours such as philanthropic, require followers to go beyond their core duties, and get creative, in for example organising novel fundraising initiatives; and so here a promotion motivational focus could be argued to be helpful. It would be interesting therefore to examine, how these two motivational focuses, as elicited differentially within followers by TF and transactional leadership styles, would facilitate the diverse range of social responsibility behaviours.

Future research would additionally benefit from clarifying the roles of assigned CSR priority and CSR climate at multiple levels of analysis. The current research was able to evidence the fact that the optimal conditions for ESR necessitate TF, in conjunction with a positive climate for CSR and assigned CSR priority. Whilst the study provided some evidence of their effects, not all hypotheses were supported and so their effects still remain tentative. It could well be speculated that given larger sample sizes, the individual moderating role of assigned CSR priority and CSR climate will become more apparent.

#### 8.6.2. *Real versus pseudo-teams*

This research focused on teams and the factors affecting their collective ESR. However, when discussing teams different authors have defined teams in various ways. In fact given the trend for team work, many organisations have attempted to employ team working in order to reap the many touted benefits of team working, such as enhanced performance, creativity, and innovation (Mathieu *et al.*, 2008). However it can be argued that in many cases these teams are not reflective of *real* teams rather *pseudo* teams (West and Lyubovnikova, 2012). Pseudo teams, according to West and Lyubovnikova (2012), are “a group of people working in an organisation who call themselves or are called by others a team; who have differing accounts of team objectives; whose typical tasks require team members to work alone or in separate dyads towards disparate goals; whose team boundaries are highly permeable with individuals being uncertain over who is a team member, and who is not; and/or who, when they meet, may exchange information but without consequent shared efforts towards innovation” (pg. 26). They go on to argue that in contrast, real teams are those which share objectives, are interdependent, have autonomy, demonstrate reflexivity, and are bounded within a specific (organisational) context and have specified roles. The issue then becomes as to what extent the teams used in research contexts reflect real teams or pseudo teams. Due to romance of team-working, managers are wont to label individuals working in close proximity to one another and on related tasks for example, as teams, when in fact they are more reflective of pseudo teams (West and Lyubovnikova, 2012).

In the current thesis, the student sample in the time-lagged study can be argued to meet the criteria of real teams. That is they were working interdependently, they reflected on their performance, they were bounded within the academic context, they had autonomy to shape their simulated car manufacturing company as well as making the according decisions, they

had a shared objective to attain the highest market share compared to other teams they were competing against, and they all had specified roles within the team. This can be convincingly ascertained, given the first-hand experience of the primary researcher with such teams. On the other hand however, not much was known about the teams in the field study, barring the fact that the organisation labelled them as teams. The enquiry thus centres on the extent to which they were reflective of real teams, or if they were merely a reflection of the fad commonly associated with the romance of teamwork in organisations.

It would be interesting for future research to investigate how pseudo teams versus real teams are affected by the factors in the present research (assigned CSR priority, TF, and CSR climate). It is evidenced that pseudo teams are not able to reach the same performance standards as real teams, indeed falling significantly behind real teams in terms of performance outcomes (e.g. Dawson, West, Adamschew, and Topakas, 2011). Similarly it would be reasonable to expect that real teams are likely to exhibit greater group ESR, given the right contextual factors.

### 8.6.3. *Outcomes of ESR*

Research has evidenced the positive effects of CSR on various performance outcomes. For instance CSR is related to enhanced financial performance for the organisation (Orlitzky *et al.*, 2003; Rodgers *et al.*, 2013). Furthermore, it can also lead to market benefits for the organisation such as enhanced reputation, positive consumer reactions such as enhanced loyalty and purchase intentions, as well as employee outcomes of organisational commitment and identification (De Roeck *et al.*, 2014; Melo and Garrido-Morgado, 2011). Following on from this, it would be interesting to determine the knock-on effects of ESR on organisational-level and more general societal outcomes for example, which could provide further impetus for organisations to enhance micro-level ESR efforts; as well as determining if this increased ESR also leads to positive employee outcomes, such as enhanced job satisfaction and commitment to the organisation.

More specifically, in their recent review, Rupp and Mallory (2015) note that we are little aware of the outcomes of employee-focused micro-CSR. They point out that an alleged purpose of CSR is to ‘ameliorate human misery’ (Margolis, and Walsh, 2003). And so, when discussing micro-CSR, we need to be able to determine the true efficacy of CSR beyond an exclusive focus on objective financial organisational outcomes for example, and placing the

spotlight on those who are intended to be benefited from such CSR activities, including employees themselves, in order to not negate the humanitarian aspect of CSR. Going beyond employees, given the multi-dimensional definition of CSR adhered to in the current research, the other targeted beneficiaries of such CSR activities can be acknowledged as the local community, and the wider population, which the social and philanthropic dimensions target, as well as the environment in general. Indeed, Freeman and Moutchnik (2013) note communities to be key stakeholders. Given that CSR is also conceptualised as the triple bottom line of profit, planet, and people, it is dismaying to reveal that the ‘profit’ aspect has been predominantly focused upon when examining the benefits of CSR. Future research would benefit from re-focusing on the humanitarian aspects of CSR, and examining if ESR does indeed have significant impacts in reducing ‘human misery’.

#### *8.6.4. Specifying time lags*

A specific issue in relation to time-lagged studies of effects is when Y, the outcome, should be measured (Mitchell and James, 2001). In the current thesis, given that the study was conducted in term two of the academic calendar, the time period within which the effects of X on subsequent Y measured subsequently at various time points was limited. Measuring too soon or too late, as discussed above in the moderation by causal curve cycle, can cause the measurement of Y to be significantly attenuated, depending on how great the elapse in measurement of Y is from the equilibrium period (Mitchell and James, 2001).

Mitchell and James (2001) suggest that a key issue which needs to be resolved regarding measurement of Y is when to measure Y, and how often. Whilst theory and previous research can help here, for the current time-lagged study, there was little to go by given the novel construct of ESR. The authors recommend that in such ambiguous situations, multiple measurements of Y can be helpful. Future research could thus increase the robustness of current research efforts by specifically attempting to delineate the time point at which Y occurs following X.

#### *8.6.5. Individual Differences*

Another interesting avenue for future research would be to examine the influence of individual differences on the relationships studied within this thesis. More specifically, the

focus of the thesis was investigating the context under which ESR can be encouraged, regardless of individual affinities towards CSR and so forth. But of course, it is to be expected that individual differences will moderate the extent to which the combination of TF, assigned CSR priority, and CSR climate are effective in facilitating employee socially responsible behaviours. For instance, Rodrigo and Arenas (2008) identified three types of employees; those that were committed, indifferent or dissident, regarding their reactions to the implementation of CSR initiatives at their workplace. It would be reasonable to assume that the dissident employee, the one who according to the authors does not accept the new organisational social role, does not identify with the organisation, and has very little sense of importance of CSR; is likely to be actively opposed to engaging in socially responsible behaviours at work. In contrast, the committed employee who has a personal affinity towards social responsibility and is accepting of the new organisational role, identifies strongly with the organisation, and perceives a sense of importance in their work; is likely to make active efforts to engage with various socially responsible behaviours and initiatives, with the indifferent employee lying between the two, and adopting a more passive role.

Research has evidenced the effects of individual differences on individual reactions to CSR. For instance, when referring to organisational attraction, when individuals themselves are affined towards socio-environmental consciousness, they are also more likely to be attracted to an organisation that is socially responsible (Tsai, Joe, Lin, and Wang, 2014). Rupp *et al.* (2013) also point out the possible notable role of an individual's moral identity. In addition, Gellert and de Graaf (2012) further noted that when there are a greater number of older workers within an organisation, the more likely it is that they consider 'aging workforce management' as constituting CSR. Moreover, and more specific to ESR itself, Kim *et al.* (in press) provided evidence that those leaders who were high in conscientiousness, had greater workplace green behaviours, which in turn were positively related to individual workplace green behaviours.

Nevertheless, Rupp and Mallory (2015) point to the black box of individual differences, given the currently limited focus in research. They argue for research to address this niche and in so doing look at factors such as gender differences, culture, age, and personal orientations towards CSR. The current research thus posits this to be an interesting direction for further research, which can help to build upon the findings of the current research, and demarcate the effects of individual differences upon such relationships.

#### 8.6.6. *Dark side of ESR*

To date, the studies that have studied micro-level CSR have focused on what can be termed the 'bright side' of CSR, and have neglected what could be the 'dark side' of CSR. That is, such research has had a tendency to focus on the resulting positive effects of CSR. There is some research to suggest that outcomes of CSR are not necessarily always positive. For instance, studies in this area have shown how perceptions of misallocated resources towards CSR can engender negative reactions in the employees of an organisation (Mallory and Rupp, in press). Similarly, Rodrigo and Arenas (2008) also outline the possible 'dissident employee' who is averse to the organisation's CSR efforts, and who may thus attempt to actively sabotage such CSR efforts. Furthermore, when organisational CSR efforts are viewed as insincere, commonly termed green-washing, then this can also lead to negative outcomes (Ramus and Montiel, 2005). Recently, Ormiston and Wong (2013) revealed that prior social responsibility of CEOs was positively related to corporate social irresponsibility (CSiR). The authors termed this 'moral licensing' whereby prior ESR provided 'credits' which allowed CEOs the impetus to engage in CSiR.

Moral licensing refers to a phenomenon whereby individuals that have previously engaged in what could be considered morally praiseworthy behaviour, come to believe that they have moral leeway, and feel liberated to engage in more immoral behaviour (Monin and Miller, 2001). Merritt, Effron, and Monin (2010) argue that this is so because previously moral behaviour assures individuals of their moral self-regard, and they therefore feel able to engage in morally questionable behaviour without feeling that they are immoral beings. The authors go on to discuss that this process may occur because previous moral behaviour provides individuals with credits to engage in future negative behaviours, or because previously positive behaviours change the meaning of future behaviours. Blanken *et al.* (2015) in a recent meta-analysis on moral licensing further attested to such effects of moral licensing.

Moreover, Klotz and Bolino (2013) note that due to previously engaging in positive behaviours and thus gaining a moral license, individuals may be able to engage in negative future behaviours without significant harm to their personal reputation, due to the previous credits they have earned. They therefore point out that whilst research focuses on the positive effects of behaviours such as OCBs, attention should also be placed on the observation that engaging in these behaviours can also lead to engagement in deviant behaviours, and so a

more nuanced understanding of the interplay between positive and negative behaviours is needed.

Such findings can also be applied within groups. Kouchaki (2011) provided consistent evidence across five studies that an in-group members' previously moral (non-discriminatory) behaviour, provides a moral license for individuals to engage in morally questionable (discriminatory) behaviour in the future. This thus provides evidence that it is not just one's own moral behaviour that is significant, rather others' moral actions can also provide individuals with the moral license they need to engage in morally dubious behaviours in the near future.

More relevant to micro-CSR, Conway and Peetz (2012) investigated the effects of salient moral behaviour on subsequent pro-social behaviour, specifically willingness to volunteer and actual donations to charities. They showed that when individuals thought back to the previously moral actions, they engaged in compensatory behaviour, and consequently donated less money to charity. With regards to willingness to volunteer, when individuals recalled their recent moral behaviour, they were less likely to express willingness to volunteer. The opposite was true however, if individuals recalled their recent immoral behaviour, as they were more likely to express willingness to volunteer; the latter engaging in *moral cleansing*. Indeed, Jordan, Mullen, and Murnighan (2011) underscore the possibly dynamic nature of moral behaviour in that, typical of a pendulum, it swings from moral cleansing to moral licensing. Building upon this, it is possible that employee engagement in CSR at a certain period could provide them with these moral credits causing them to engage in socially irresponsible behaviours in the future. This again, would be a relevant area for future enquiry, as well as determining how these possible negative effects arising from engagement in ESR can be avoided.

### **8.7.Summary**

This chapter has sought to provide a general overview of the findings from the scale development, field, and time-lagged studies, and to collate them in order to provide more definitive conclusions on the antecedent and boundary conditions of ESR. In so doing, efforts have been made to identify the overarching contributions of the thesis, resulting from this research series. The key limitations of the current research series have been noted, as well as the resulting practical implications of the findings. Given the infancy of research on employee engagement in CSR, special efforts have been made to provide future directions for research, building on a multitude of possible avenues for prospective research enquiry.

## Chapter 9: Conclusion

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This thesis attempted to address the significant lacking in the research on CSR, specifically micro-level CSR, by way of investigating employee engagement in the organisation's CSR activities. A triple-pronged research series was systematically presented in order to address such a dearth. Firstly semi-structured qualitative interviews were conducted in order to verify the five-faceted multi-dimensional conceptualisation of ESR, as well as for item generation purposes. The resultant initial item pool underwent a test of content validity with subject-matter expert ratings. After having primarily refined the scale, exploratory and confirmatory factor analysis confirmed the factor structure of the ESR scale, as well as finalising the items of the scale; resulting in a ten-item ESR scale, that taps into the social, philanthropy, stakeholder, economic, and environmental dimensions of ESR.

An auxiliary aim of this thesis was to further explore possible determinants of employee social responsibility. This was made possible after having developed the ESR scale. As a result, the proposed relationships in the conceptual model underwent preliminary testing in a field sample, consisting of two organisations from the professional financial services sector and the commercial banking sector. Analyses revealed a moderating effect of assigned CSR priority on the effects of TF on ESR at the individual level. At the group level, findings demonstrated the existence of a three-way interaction effect between TF, assigned CSR priority, and CSR climate on group ESR.

Given the cross-sectional nature of the field study, the predominantly Western sample, and the limited sample size; an attempt was made to replicate the findings in a time-lagged study, set within a simulated business game environment. Whilst the single moderating effect of assigned CSR priority at the individual level was not replicated, findings indicated the possible moderating effects of CSR climate on the effects of TF on ESR, at the group and individual levels. Nevertheless the most consistent findings tended to be for the three-way interaction effect between TF, CSR climate, and assigned CSR priority, on individual and group ESR. This finding however inclined towards ESR measured at time two, as opposed to time three, suggestive of short-term effects of the determinants of ESR. This relationship remained after controlling for time one ESR, thus pointing towards a change in ESR over time. Given the nature of the results highlighting the consistency of the three-way interaction

effect, the practical implications and theoretical contributions centred on this finding in the general discussion. Moreover, the need to focus on the underlying mechanisms of the relationships found within this thesis was predominantly singled out for future research.

This thesis made notable attempts to lay the groundwork upon which research at the micro-level of CSR, specifically that which centres upon facilitating ESR, can flourish. The distinguished benefits of CSR at the macro-level, for organisations that choose to become its advocates, are commonly noted. It stands to reason, that there is also much to be gleaned from encouraging those imperative stakeholders within the organisation, viz. the employees, to become the torchbearers for their organisation's CSR efforts. In so doing, the organisation can justly hold the accolade for being socially responsible, through and through. After all, it appears being good, truly *does* make good business sense.

## 10. References

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## 11. Appendices

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### Appendix 1

#### Company sample: Leader Questionnaire

[Hosted online: LimeSurvey]

*Instruction provided prior to starting the survey*

**Instructions for Respondents:** This survey is about the team you lead whilst at work. Please complete all questions with the answers that come first to your mind; there are no right or wrong answers. Be sure to read the instructions for each set of questions before you respond. This survey should take you approximately 10 minutes to complete.

You will need to refer to the e-mail you received from Nishat in order to complete this survey.

For the survey to display optimally, please maximise your browser window.

I would be grateful if you would allow us to use your data for our research on social responsibility. If you allow us to do this, we assure you that all information would be treated in confidence. Participation in the survey is voluntary.

By completing the questionnaire you consent to participation and the use of your data. If you wish to withdraw consent at a later time, please e-mail Nishat on [n.babu1@aston.ac.uk](mailto:n.babu1@aston.ac.uk).

## **Employee Social Responsibility (ESR)**

*Seven point Likert scale (1=Strongly Disagree/ 7=Strongly Agree)*

*On behalf of your team, to what extent does this person engage in the following behaviours?*

[Social]

Educates at-risk groups in the community about key issues (e.g. health, education, social)

Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.)

Assists in community projects

Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice)

Participates in events in the wider community

Gets involved in volunteer or social groups in the wider community

[Philanthropy]

Participates in charity events

Raises money for charity

Donates to a charity

Organises charity events and/or fundraisers

Volunteers in charitable initiatives

Supports a local charity

[Stakeholder]

Is polite towards others

Provides others with transparent and honest information

Listens to the viewpoints of others

Acts fairly towards others

Is helpful towards others

Treats others with respect

[Environmental]

Uses renewable resources where possible

Saves energy

Disposes of waste appropriately

Recycles

Behaves in an environmentally friendly manner

Reduces the environmental impact of his/her travel

[Legal]

Adheres to rules and regulations

Obeys the law

[Economic]

Looks for ways to cut costs

Is efficient in his/her daily tasks

Completes work to a high standard

Meets deadlines

Achieves his/her goals and objectives

Does his/her fair share of the work

## Appendix 2

### Company sample: Team Member Questionnaire

[Hosted online: LimeSurvey]

*Instructions provided prior to starting the survey*

**Instructions for Respondents:** This survey is about you whilst at work. Please complete all questions with the answers that come first to your mind; there are no right or wrong answers. Be sure to read the instructions for each set of questions before you respond. This survey should take you approximately 10-15 minutes to complete.

For the survey to display optimally, please maximise your browser window.

I would be grateful if you would allow us to use your data for our research on social responsibility. If you allow us to do this, we assure you that all information would be treated in confidence. Participation in the survey is voluntary.

By completing the questionnaire you consent to participation and the use of your data. If you wish to withdraw consent at a later time, please e-mail Nishat on [n.babu1@aston.ac.uk](mailto:n.babu1@aston.ac.uk).

## **MLQ-5**

*Five point Likert scale (0=Not at all/ 4=Frequently or Always)*

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## **CSR Climate (Mueller *et al.*, 2012)**

*Five point Likert scale (1= Strongly Disagree/ 5= Strongly Agree)*

*To what extent do you agree with the following statements regarding your workplace?*

My company does enough towards protecting the environment

My company is a fair market participant

My company is maintaining a good reputation/positive image in public

I am satisfied with the way my company is taking responsibility for its members

My company does enough to support cultural and charitable initiatives and campaigns

Overall, I am satisfied with the way my company manages social responsibility

## **Assigned CSR priority (Revised from Zohar, 2002a)**

*Five point Likert scale (1= Not at all/ 5= To a very large extent)*

*To what extent does your team leader...?*

Expect you to cut corners and neglect social responsibility? (R)

Turn a blind eye to social responsibility issues when there is a tight schedule? (R)

Disregard social responsibility issues as long as there has been no unethical act? (R)

Comment only on production-related issues? (R)

Get angry when s/he sees a team member performing a socially irresponsible act?

### **Employee Social Responsibility (ESR)**

*Seven point Likert scale (1=Strongly Disagree/ 7=Strongly Agree)*

*Indicate the extent to which you engage in the following behaviours within your team,*

*I...*

[Social]

Educate at-risk groups in the community about key issues (e.g. health, education, social)

Organise events in the wider community (e.g. fairs, bazaars, fashion show etc.)

Assist in community projects

Provide my expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice)

Participate in events in the wider community

Get involved in volunteer or social groups in the wider community

[Philanthropy]

Participate in charity events

Raise money for charity

Donate to a charity

Organise charity events and/or fundraisers

Volunteer in charitable initiatives

Support a local charity

[Stakeholder]

Am polite towards others

Provide others with transparent and honest information

Listen to the viewpoints of others

Act fairly towards others

Am helpful towards others

Treat others with respect

[Environmental]

Use renewable resources where possible

Save energy

Dispose of waste appropriately

Recycle

Behave in an environmentally friendly manner

Reduce the environmental impact of my travel

[Legal]

Adhere to rules and regulations

Obey the law

[Economic]

Look for ways to cut costs

Am efficient in my daily tasks

Complete work to a high standard

Meet deadlines

Achieve my goals and objectives

Do my fair share of the work

## Appendix 3

### Business Game Sample: Tutor Questionnaire

[Distributed via paper copies| Consent obtained and instructions provided in person]

#### Team Productivity (Kirkman and Rosen, 1999)

*Five point Likert scale (1=Strongly Disagree/ 5=Strongly Agree)*

[General Team Effectiveness]

This group meets or exceeds its goals

This group completes its tasks on time

This group makes sure that products and services meet or exceed quality standards

This group responds quickly when problems come up

This group is a productive team

This group successfully solves problems that slow down their work

[ESR specific Team Effectiveness-these items were specifically generated for the current thesis]

This group looks out for other groups

This group recycles

This group is a socially responsible group

## Appendix 4

### Business Game sample: Leader (i.e. Managing Director) Questionnaire

[Hosted online: LimeSurvey]

*Instructions provided prior to starting the survey:*

**Instructions for Respondents:** This survey is about your Business Game group. Please complete all questions with the answers that come first to your mind; there are no right or wrong answers. Be sure to read the instructions for each set of questions before you respond. This should take you approximately 15 minutes to complete, and the resulting feedback can be utilised in your individual essays.

I would be grateful if you would allow us to use your data for our research into the relationship between leadership and group and individual performance, which will help us to generate and share knowledge about effective leadership and team working. This research will involve matching your questionnaire scores with your assignment marks for the Business Game module. To do this we need you to give us permission to obtain your demographic and assignment marks from your student records. If you allow us to do this, we assure you that all information would be treated in confidence.

By completing the questionnaire you consent to participation and the use of your data. If you wish to withdraw consent at a later time, please e-mail Nishat on [n.babu1@aston.ac.uk](mailto:n.babu1@aston.ac.uk).

**In-role Behaviours (Williams and Anderson, 1991)**

*Five point Likert scale (1= Strongly Disagree/ 5= Strongly Agree)*

*This member...*

Adequately completes assigned duties

Fulfils responsibilities specified in their role

Performs tasks that are expected of them

Meets formal performance requirements of the role

Engages in activities that will directly affect their performance

Neglects aspects of the role that they are obligated to perform (R)

Fails to performs essential duties (R)

**Pro-environmental Behaviours (Whitmarsh and O'Neill, 2010)**

*Four point Likert scale (0= Never/ 3=Always)*

*This member...*

Turns off lights they are not using

Uses public transport, cycles and/or walks to University

Buys environmentally friendly products

Eats food which is organic, locally grown or in season

Recycles

**Co-operation Behaviours (Bettencourt & Brown, 1997)**

*Seven point Likert scale (1= Strongly Disagree/ 7= Strongly Agree)*

*This member...*

Helps other students who have heavy workloads

Is always ready to lend a helping hand to those students around him/her

Voluntarily gives of his/her time to help other students

Willingly helps others who have work related problems

**OCB (Podsakoff *et al.*, 1990)**

*Five point Likert scale (1= Strongly Disagree/ 5= Strongly Agree)*

*This member...*

Is one of my most conscientious members in the group

Always find faults with what the group is doing (R)

Attends functions that are not required, but help the group image

Takes steps to try to prevent problems with other members

Is always ready to lend a helping hand to those around him/her

### **Deviant Behaviours (Bennett and Robinson, 2000)**

*Five point Likert scale (1= Strongly Disagree/ 5= Strongly Agree)*

*This member has...*

Put little effort into their work

Littered their work environment

Neglected to follow my instructions

Intentionally worked slower than they could have

Discussed confidential company information with a student from another group

### **Employee Social Responsibility (ESR)**

*Seven point Likert scale (1= Strongly Disagree/ 7= Strongly Agree)*

*On behalf of the Business Game group, to what extent does this person engage in the following behaviours?*

[Social]

Educates at-risk groups in the community about key issues (e.g. health, education, social)

Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.)

Assists in community projects

Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice)

Participates in events in the wider community

Gets involved in volunteer or social groups in the wider community

[Philanthropy]

Participates in charity events

Raises money for charity

Donates to a charity

Organises charity events and/or fundraisers

Volunteers in charitable initiatives

Supports a local charity

[Stakeholder]

Is polite towards others

Provides others with transparent and honest information

Listens to the viewpoints of others

Acts fairly towards others

Is helpful towards others

Treats others with respect

[Environmental]

Uses renewable resources where possible

Saves energy

Disposes of waste appropriately

Recycles

Behaves in an environmentally friendly manner

Reduces the environmental impact of his/her travel

[Legal]

Adheres to rules and regulations

Obeys the law

[Economic]

Looks for ways to cut costs

Is efficient in his/her daily tasks

Completes work to a high standard

Meets deadlines

Achieves his/her goals and objectives

Does his/her fair share of the work

## Appendix 5

### Business Game Sample: Team Member Questionnaire

[Hosted online: LimeSurvey]

**Instructions for Respondents:** This survey is about your Business Game group. Please complete all questions with the answers that come first to your mind; there are no right or wrong answers. Be sure to read the instructions for each set of questions before you respond. This should take you approximately 15 minutes to complete, and the resulting feedback can be utilised in your individual essays.

I would be grateful if you would allow us to use your data for our research into the relationship between leadership and group and individual performance, which will help us to generate and share knowledge about effective leadership and team working. This research will involve matching your questionnaire scores with your assignment marks for the Business Game module. To do this we need you to give us permission to obtain your demographic and assignment marks from your student records. If you allow us to do this, we assure you that all information would be treated in confidence.

By completing the questionnaire you consent to participation and the use of your data. If you wish to withdraw consent at a later time, please e-mail Nishat on [n.babu1@aston.ac.uk](mailto:n.babu1@aston.ac.uk).

## **MLQ-5**

*Five point Likert scale (0=Not at all/ 4=Frequently or Always)*

(Copyright © 1995 by Bernard Bass & Bruce J. Avolio)

## **CSR Climate (Mueller *et al.*, 2012)**

*Five point Likert scale (1= Strongly Disagree/ 5= Strongly Agree)*

*To what extent do you agree with the following statements regarding your Business Game group?*

My group does enough towards protecting the environment

My group is a fair market participant

My group is maintaining a good reputation/positive image in public

I am satisfied with the way my group is taking responsibility for its members

My group does enough to support cultural and charitable initiatives and campaigns

Overall, I am satisfied with the way my group manages social responsibility

## **Assigned CSR priority (Revised from Zohar, 2002a)**

*Five point Likert scale (1= Not at all/ 5= To a very large extent)*

*To what extent does your Managing Director...?*

Expect you to cut corners and neglect social responsibility? (R)

Turn a blind eye to social responsibility issues when there is a tight schedule? (R)

Disregard social responsibility issues as long as there has been no unethical act? (R)

Comment only on production-related issues? (R)

Get angry when s/he sees a team member performing a socially irresponsible act?

### **Employee Social Responsibility (ESR)**

*Seven point Likert scale (1=Strongly Disagree/ 7=Strongly Agree)*

*On behalf of the Business Game group, to what extent does this person engage in the following behaviours?*

[Social]

Educates at-risk groups in the community about key issues (e.g. health, education, social)

Organises events in the wider community (e.g. fairs, bazaars, fashion show etc.)

Assists in community projects

Provides his/her expertise to people in the wider community for free (e.g. mentoring, teaching, professional advice)

Participates in events in the wider community

Gets involved in volunteer or social groups in the wider community

[Philanthropy]

Participates in charity events

Raises money for charity

Donates to a charity

Organises charity events and/or fundraisers

Volunteers in charitable initiatives

Supports a local charity

[Stakeholder]

Is polite towards others

Provides others with transparent and honest information

Listens to the viewpoints of others

Acts fairly towards others

Is helpful towards others

Treats others with respect

[Environmental]

Uses renewable resources where possible

Saves energy

Disposes of waste appropriately

Recycles

Behaves in an environmentally friendly manner

Reduces the environmental impact of his/her travel

[Legal]

Adheres to rules and regulations

Obeys the law

[Economic]

Looks for ways to cut costs

Is efficient in his/her daily tasks

Completes work to a high standard

Meets deadlines

Achieves his/her goals and objectives

Does his/her fair share of the work

## Appendix 6

### Interview script

#### **Introduction**

My research is interested in examining the various ways in which employee behaviours at work can be socially responsible and contribute to the organisation's social responsibility efforts.

The purpose of today's call is to understand your views on social responsibility, and possible ways that employees can get involved in an organisation's social responsibility efforts, whilst at work. This interview will consist of outlining the definition of social responsibility, and the five dimensions it is composed of. I will give a behavioural example within each dimension and will ask for you to generate further examples that you deem to be fitting with the definition of each dimension.

#### **Definition of Social Responsibility**

Social responsibility at work is defined as: employees' behaviours which account for the expectations of relevant stakeholders and contribute to the organisation's economic, social, philanthropic, stakeholder, and environmental performance.

#### *Five Dimensions*

It is suggested that there are 5 dimensions to social responsibility: Economic, environmental, social, stakeholder and philanthropy. (Below definitions from Mueller *et al.*, 2012)

- The economic dimension focuses on actions which contribute to economic development and societal wealth such as profitability of the organisation.

-Environmental dimension refers to actions focusing on the protection of the natural environment and the consideration of environmental concerns in business operations.

-Social dimension includes concern for and dedication to the communities and individuals within society.

-Stakeholders-fair and adequate treatment of stakeholders in general such as customers and employees for example.

-Voluntariness or the philanthropy dimension focuses on voluntary actions which go beyond minimum legal requirements.

→Do you believe this definition of CSR and the different dimensions of it are accurate?

→Would you define it any other way?

### **Example of an item per dimension**

I will now generate an example of a behaviour for the dimensions of employee social responsibility, one by one, and would like for you to generate further examples of behaviours within the same dimension.

Economic: completes assigned duties.

Environmental: recycles at work.

Social: takes part in the organization's community projects.

Stakeholder: is helpful towards others, such as colleagues and customers.

Philanthropy: organizes fundraising events for charitable causes.

### **Participant Generated Behaviours**

-Economic-

-Environmental-

-Social-

-Stakeholder-

-Philanthropy-

### **Other questions**

Do you believe the five dimensions mentioned (economic, environmental, social, stakeholder, and philanthropy) are all relevant to social responsibility?

Do you consider any dimension irrelevant? If so why?

Would you add any further dimensions?

**Sample characteristics**

Could you please now provide me with some general details?

-Age:

-Gender:

-Ethnicity:

-Occupation:

-Level of position:

-Industry:

-Public or Private sector:

-Company Size (SME, national, global):

**Other/ Final comments/Not part of Interview/ Notes**

## Appendix 7

**Table A7.01: Initial item pool**

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<b>Employee Social Responsibility: Initial item pool</b>
<i>Generated from interview responses (inductively) and deductively based on prior research and definitions of CSR</i>

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1. Supports local charities
2. Behaves with integrity at work
3. Fulfils his/her promises to others
4. Follows relevant guidelines and protocols at work
5. Uses renewable resources where possible
6. Receives good performance appraisals at work
7. Mentors other employees
8. Encourages others to be environmentally friendly
9. Considers individual needs when communicating
10. Treats their colleagues in the workplace equally
11. Works beyond normal working hours
12. Is loyal towards the company
13. Empathises with others at work
14. Is respectful towards others in the workplace
15. Does not speak ill of others
16. Uses the stairs as opposed to lifts at work
17. Participates in company sponsored events for noteworthy causes (e.g. marathons)
18. Lobby's for a charity project at work
19. Raises awareness in the community about key work-related issues
20. Caters for any cultural/ religious differences that occur in their workplace
21. Caters for the requirements of others
22. Finds solutions to problems that occur in the workplace
23. Looks for improvements to be made in how their work is done
24. Completes their work duties correctly
25. Purchases goods responsibly at work (e.g. fair-trade, local produce)
26. Is hospitable towards others in the workplace
27. Manages expectations
28. Is welcoming towards new colleagues
29. Identifies new opportunities that can be exploited in their workplace
30. Publicises company events and encourages others to attend
31. Disposes of waste appropriately
32. Preserves confidentiality when required
33. Maintains positive relationships with others
34. Uses more environmentally friendly means of communication as opposed to paper-based e.g. e-mails
35. Volunteers as part of a workplace initiative
36. Completes assigned duties

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37. Involves themselves in any sort of welfare/ social groups in the company
  38. Discovers alternative ways of doing things
  39. Does not retaliate in their dealings with others
  40. Listens to the views of others in the workplace
  41. Is polite towards others in the workplace
  42. Is reliable
  43. Encourages others to give their time and volunteer in the community
  44. Is friendly towards others in the workplace
  45. Participates in charity events at work
  46. Goes over and beyond their assigned duties
  47. Proactively collects donations for company-supported charities
  48. Alerts manager or other relevant party to suspicious activity at work
  49. Maintains good communication and feedback with those linked to the company
  50. Assists colleagues who are struggling with their workload
  51. Provides their expertise to communities, free of charge
  52. Handles complaints at work effectively
  53. Organises work-based social activities
  54. Keeps themselves updated with new developments in their workplace
  55. Provides the highest level of service (e.g. to customers/ clients)
  56. Looks after their working environment
  57. Leads a green initiative in the workplace
  58. Attempts to identify community needs relevant to the workplace
  59. Puts others in the workplace before themselves
  60. Is flexible with regards to working hours
  61. Comes up with innovative ideas to improve work practices
  62. Has high levels of presenteeism (i.e. low absenteeism)
  63. Does not deceive others in the workplace
  64. Is fair towards others at work
  65. Raises public awareness of the company
  66. Reduces the impact of his/her journey of travel to work (e.g. Public transport/ car-sharing/ cycling etc.)
  67. Does not use aggressive behaviours at work
  68. Attends/organises events to raise sustainability awareness (e.g. in schools, local communities etc.)
  69. Completes work to a high standard
  70. Provides others with transparent and honest information at work
  71. Uses their own initiative at work
  72. Takes proactive steps to acquire new skills
  73. Values the opinion of others
  74. Assists with extra-role activities at work
  75. Involves others in decision making
  76. Looks for ways to cut costs at work
  77. Meets their goals and objectives at work
  78. Organises fundraisers at work to assist with disaster relief
  79. Engages with the community to identify their environmental concerns regarding the company
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80. Uses environmentally efficient products (e.g. energy saving light bulbs)
  81. Makes use of company based initiatives to network
  82. Resolves conflicts with others
  83. Is warm and welcoming at work
  84. Speaks up for injustice at work
  85. Is punctual to work
  86. Reduces energy wastage by switching off unused lights/ appliances/ electrical equipment
  87. Is efficient in their daily tasks
  88. Engages in positive word-of-mouth communication about the company
  89. Shares their skills with others in the workplace
  90. Is helpful towards others (e.g. colleagues and customers)
  91. Is attentive to the needs of others
  92. Follows the relevant waste management procedures
  93. Recycles at work
  94. Educates others at work about environmental sustainability
  95. Organises (or assists in) charity events/ fundraisers at work
  96. Is not wasteful
  97. Fulfils their job role specification
  98. Goes the extra mile with others at work
  99. Participates in the relevant training and development activities at work
  100. Uses recyclable packaging at work
  101. Participates in community based company events
  102. Organises fetes in the local community
  103. Uses resources at work efficiently
  104. Educates at-risk groups in the community about key issues
  105. Assists in the organisations community projects
  106. Donates to company-supported charities
  107. Meets deadlines at work
  108. Attends relevant meetings at work
  109. Ensures that others have access to what they need
  110. Teaches others at work about environmental sustainability
  111. Maintains professionalism in his/her dealings with others
  112. Considers the long-term impact of their activities at work
-

## Appendix 8

### Subject-matter expert ratings: Excel Template

**Figure A8.01: Instructions to subject-matter experts**

<b>Instructions</b>	<b>Definitions</b>																					
<p>This task is part of the scale development process, in order to develop a scale which can measure employee socially responsible behaviours. Social responsibility at the employee level is defined as employee behaviours which account for the expectations of relevant stakeholders and contribute to the organisation's economic, social, philanthropic, stakeholder, and environmental performance. The definitions of each dimension are on the right hand side.</p> <p>On the <i>Main Sheet</i> tab below, you have a table with all possible items for the scale and the five different dimensions, as informed by the above definition, and of the definitions of the individual dimensions. These items refer to socially responsible behaviours which individuals/groups might engage in at work. The task is for you to indicate which dimension you think the item represents, and to what extent on a scale from 1 (not at all) to 10 (completely). See below for an example.</p> <p><b>'Other' Category</b></p> <ol style="list-style-type: none"> <li>1. If you feel an item belongs to none of the five listed dimensions then insert 'x' under 'other.'</li> <li>2. If you feel an item belongs to none of the five listed dimensions, BUT you can think of another suitable category which it belongs to; indicate your name for this category under 'other'.</li> </ol> <p><i>Before you start, you may find it helpful to print this sheet out and keep it at hand while you complete the task. This task should take no longer than 15-20 minutes.</i></p>	<ul style="list-style-type: none"> <li>- <b>Economic</b>: actions which contribute to economic development and societal wealth such as profitability of the organisation.</li> <li>- <b>Environmental</b> : actions focusing on the protection of the natural environment and the consideration of environmental concerns in business operations.</li> <li>- <b>Social</b> : actions which have a concern for and dedication to the communities and individuals within society.</li> <li>- <b>Stakeholders</b>: fair and appropriate treatment of stakeholders in general such as customers and employees for example.</li> <li>- <b>Voluntariness / Philanthropy</b>: employee voluntary actions which go beyond minimum legal requirements.</li> </ul>																					
<b>Example</b>																						
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: left;">Item</th> <th style="text-align: center;">Economic</th> <th style="text-align: center;">Environmental</th> <th style="text-align: center;">Social</th> <th style="text-align: center;">Stakeholder</th> <th style="text-align: center;">Philanthropy</th> <th style="text-align: center;">Other</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Employee does X</td> <td></td> <td style="text-align: center;">8</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: left;">Employee does Y</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">x/ [name]</td> </tr> </tbody> </table>		Item	Economic	Environmental	Social	Stakeholder	Philanthropy	Other	Employee does X		8					Employee does Y						x/ [name]
Item	Economic	Environmental	Social	Stakeholder	Philanthropy	Other																
Employee does X		8																				
Employee does Y						x/ [name]																

**Figure A8.02: Example of a completed form by a subject-matter expert**

Item	Economic	Environmental	Social	Stakeholder	Philanthropy	Other
Supports local charities			8		2	
Behaves with integrity at work	5			5		
Fulfils his/her promises to others	5			5		
Follows relevant guidelines and protocols at work	5					
Uses renewable resources where possible		9				
Receives good performance appraisals at work	9					
Mentors other employees			9			
Encourages others to be environmentally friendly		8				
Considers individual needs when communicating				6		
Treats their colleagues in the workplace equally				7		
Works beyond normal working hours	6					
Is loyal towards the company	6					
Empathises with others at work				6		
Is respectful towards others in the workplace				6		
Does not speak ill of others				6		
Uses the stairs as opposed to lifts at work		7				
Participates in company sponsored events for noteworthy causes (e.g. marathons)			6			
Lobbys for a charity project at work					7	
Raises awareness in the community about key work-related issues			7			
Caters for any cultural/ religious differences that occur in their workplace				5		
Caters for the requirements of others				6		
Finds solutions to problems that occur in the workplace	7					
Looks for improvements to be made in how their work is done	7					
Completes their work duties correctly	9					
Purchases goods responsibly at work (e.g. fairtrade, local produce)			5	5		
Is hospitable towards others in the workplace				7		
Manages expectations	7			2		
Is welcoming towards new colleagues				8		

## Appendix 9

### CFA Models: BG sample

Figure A9.01: CFA model for leader-ratings-Time 1

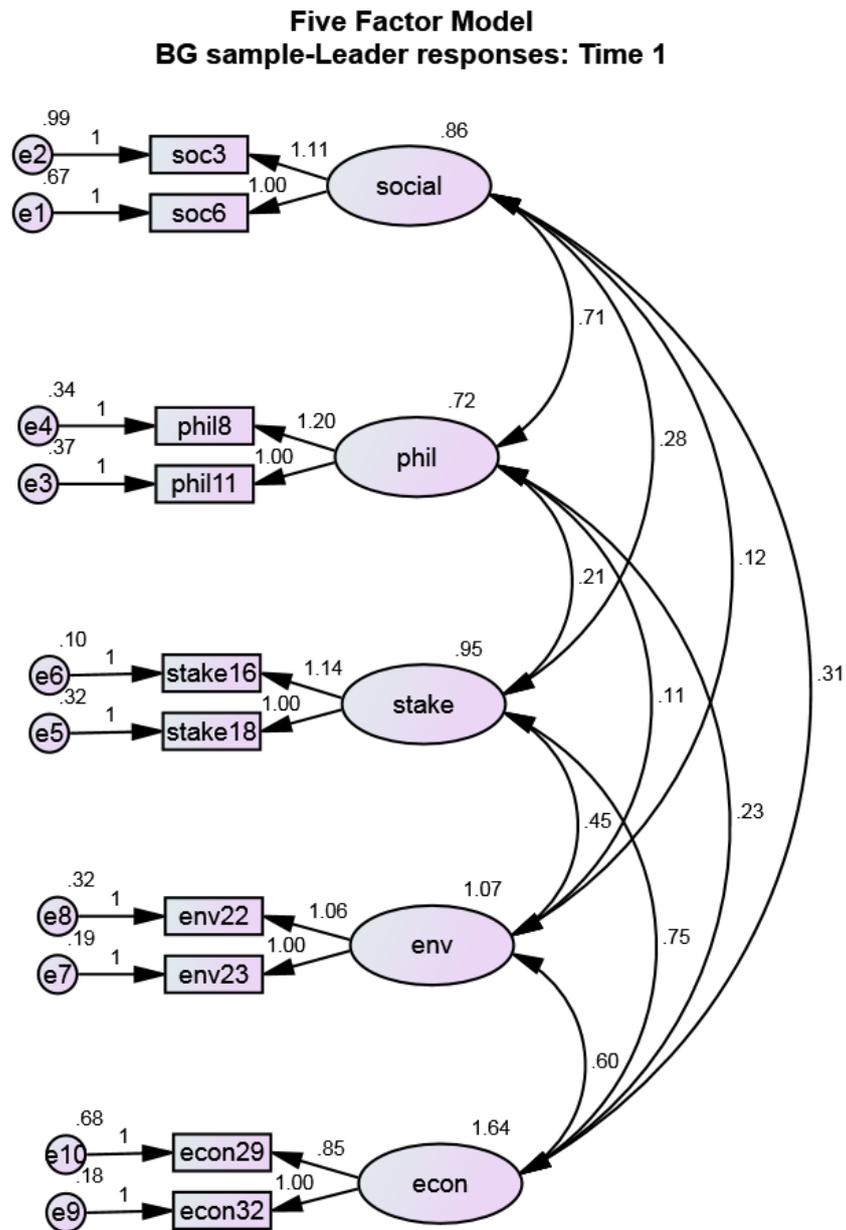


Figure A9.02: CFA model for leader ratings-Time 2

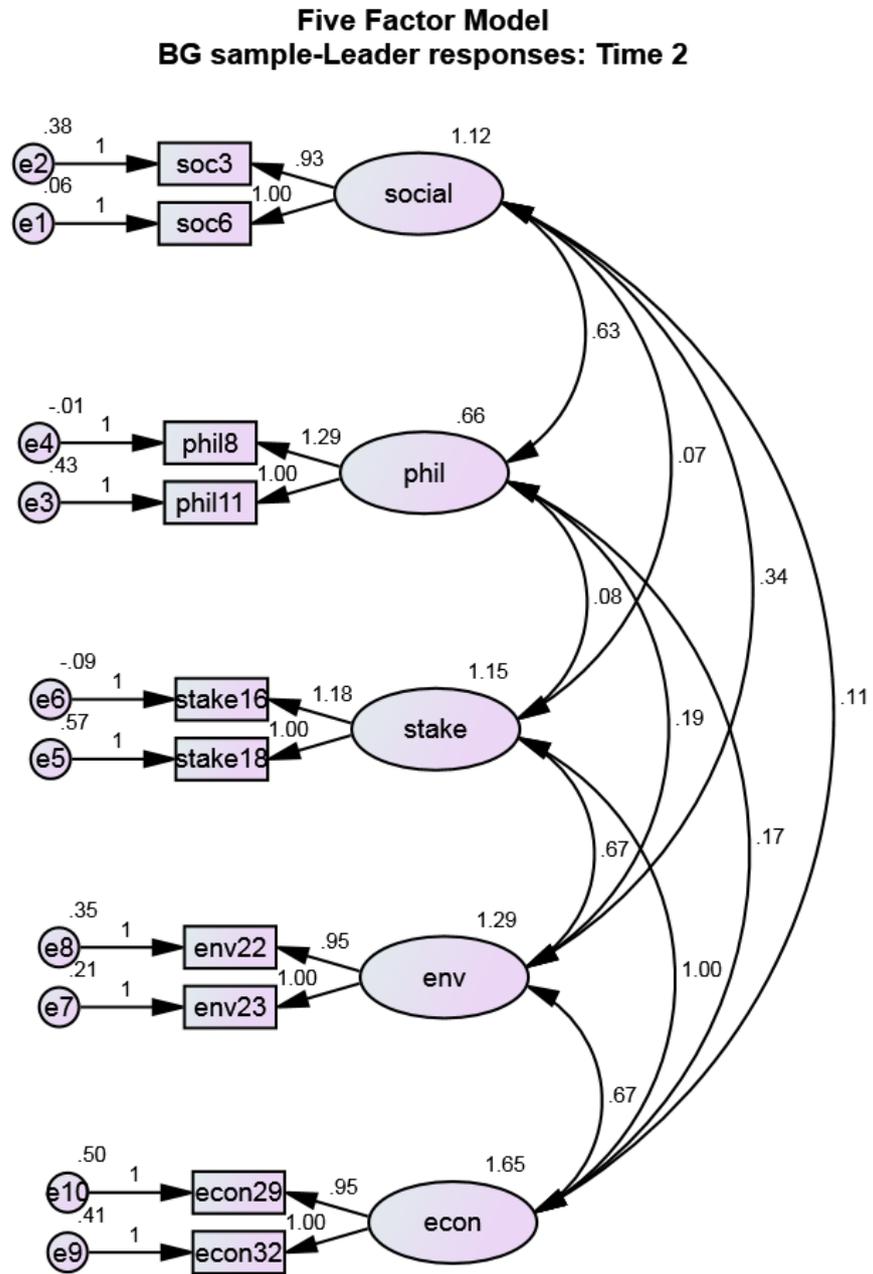


Figure A9.03: CFA model for leader ratings-Time 3

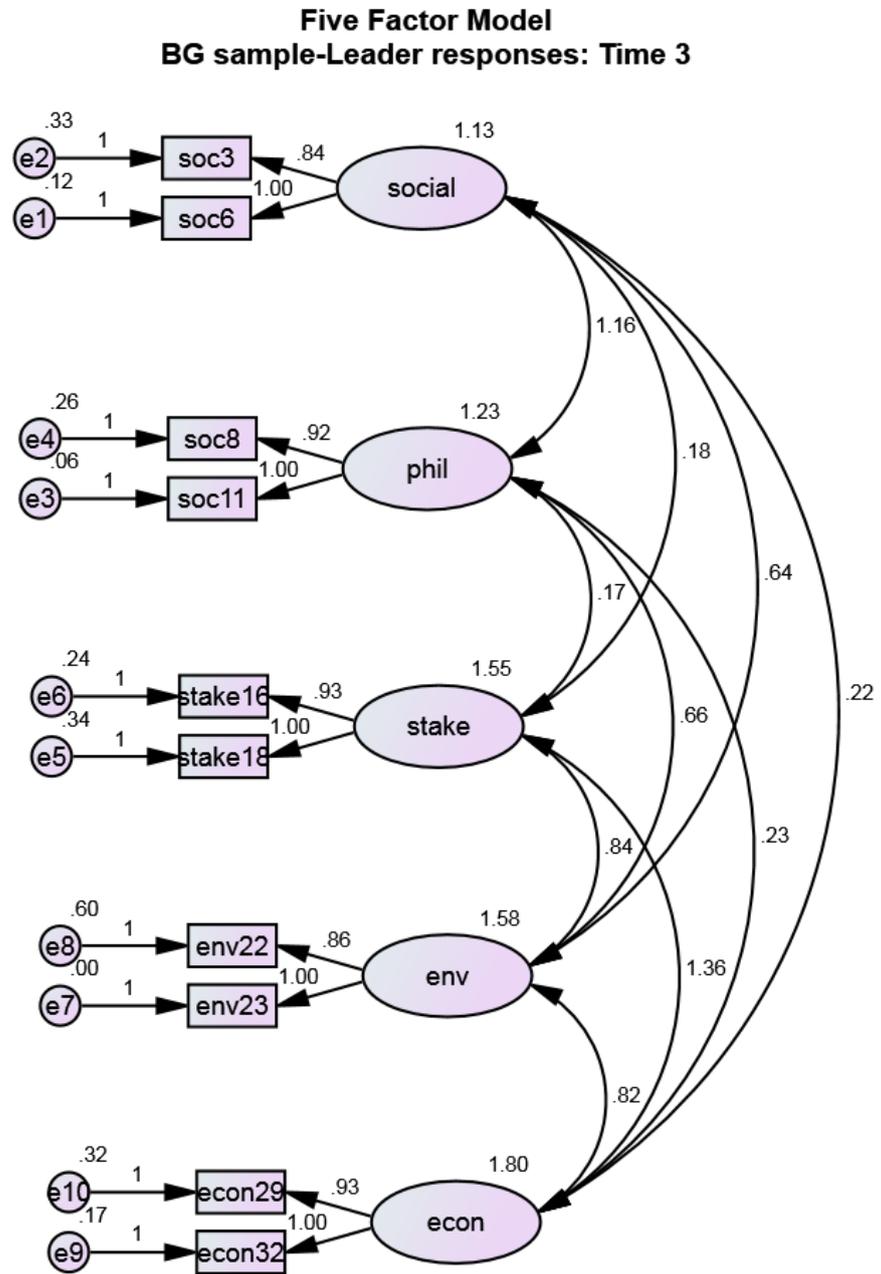


Figure A9.04: CFA model for team member ratings-Time 1

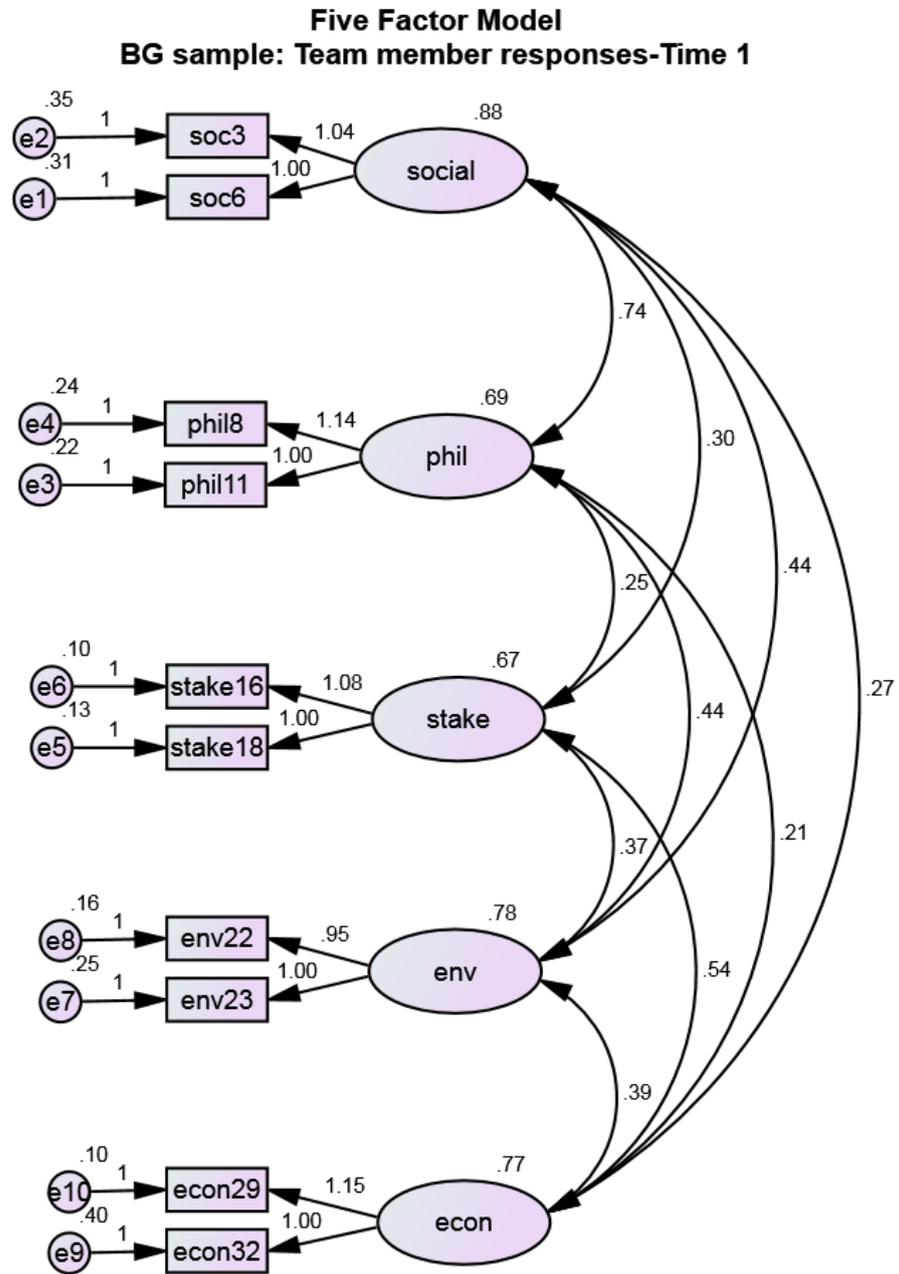


Figure A9.05: CFA model for team member ratings-Time 2

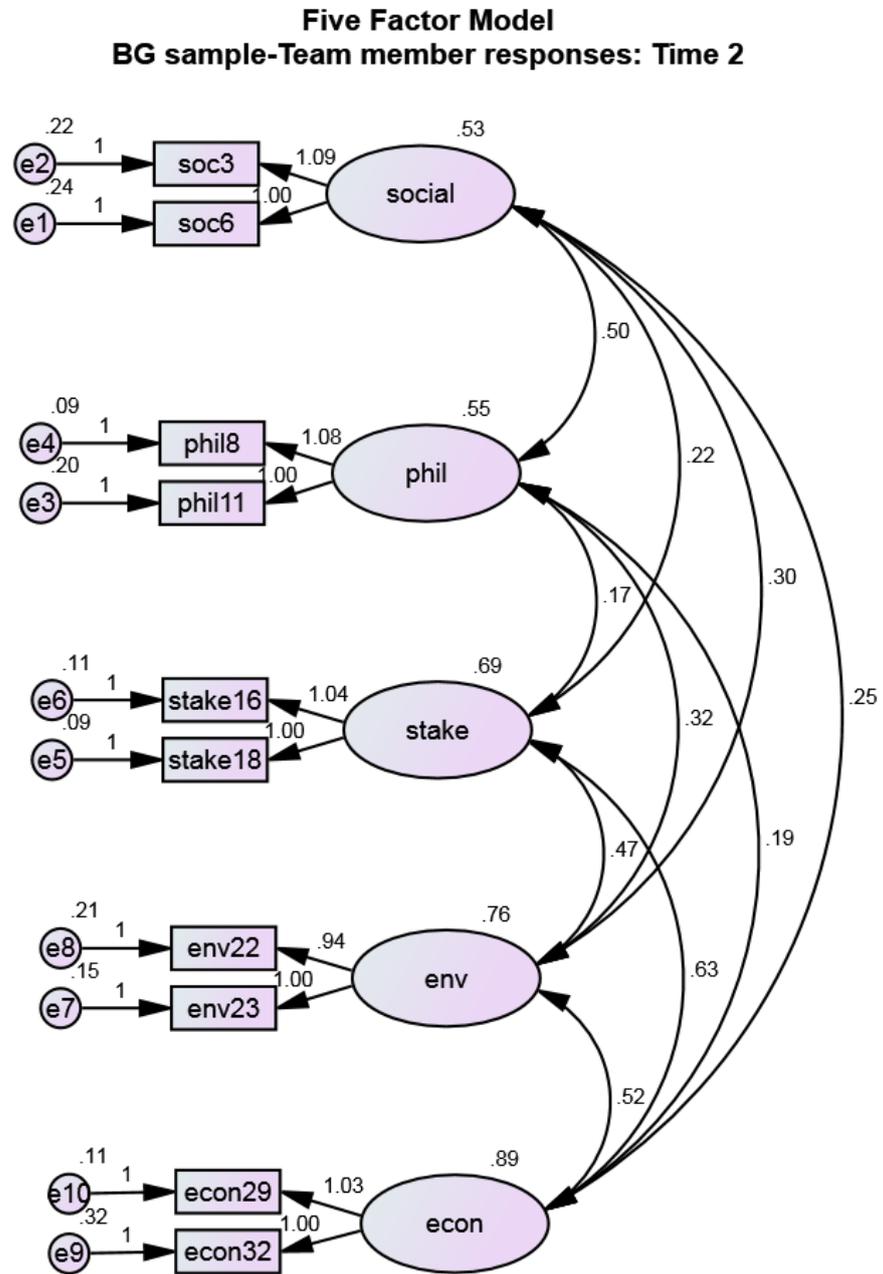
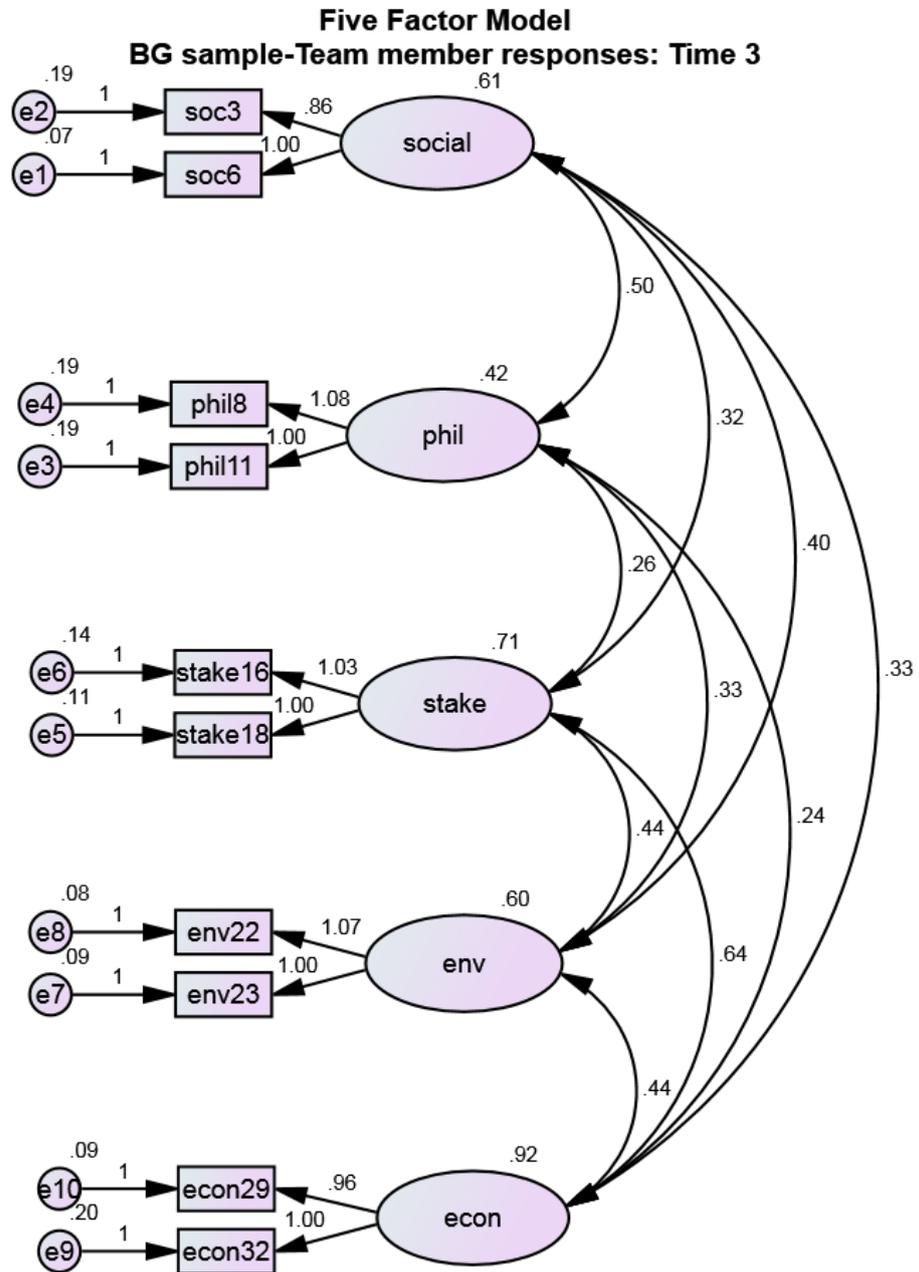


Figure A9.06: CFA model for team member ratings-Time 3



## Appendix 10

### Inter-item correlations

#### Company Sample

**Table A10.01: Inter-item correlations for company sample-leader ratings**

Leader ratings	1	2	3	4	5	6	7	8	9	10
<b>Item code</b>										
soc3	-									
soc6	.83**	-								
phil8	.63**	.69**	-							
phil11	.63**	.62**	.78**	-						
stake16	.22*	.22*	.35**	.36**	-					
stake18	.25*	.30**	.43**	.46**	.60**	-				
env22	.06	.09	-.01	.02	.18	.24*	-			
env23	.26**	.27**	.20*	.16	.32**	.31**	.61**	-		
econ29	.17	.10	.22*	.20*	.42**	.55**	.27**	.28**	-	
econ32	.14	.09	.17	.13	.28**	.46**	.23*	.25*	.76**	-

*Note:* N = 121; \*p < 0.05 \*\*p < 0.01

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.02: Inter-item correlations for company sample-team member self-ratings**

<b>Team member self-ratings</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.76**	-								
phil8	.54**	.58**	-							
phil11	.62**	.67**	.65**	-						
stake16	-.04	-.05	-.02	.10	-					
stake18	-.04	-.05	-.02	.12	.94**	-				
env22	-.10	-.10	.03	.09	.38**	.34**	-			
env23	-.05	.02	.15	.17	.35**	.32**	.89**	-		
econ29	.02	-.04	.04	.11	.55**	.54**	.39**	.41**	-	
econ32	.00	-.08	-.04	.07	.51**	.53**	.33**	.31**	.83**	-

*Note:* N=101; \*p<0.05 \*\*p<0.01

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

## Business Game Sample

**Table A10.03: Inter-item correlations for BG sample-leader ratings-Time 1**

<b>Leader ratings</b>										
<b>Time 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.53**	-								
phil8	.48**	.59**	-							
phil11	.59**	.48**	.69**	-						
stake16	.11	.23**	.17*	.145*	-					
stake18	.10	.24**	.16*	.12	.84**	-				
env22	.01	.08	.08	-.03	.39**	.40**	-			
env23	.00	.16*	.13	.05	.38**	.37**	.78**	-		
econ29	.09	.20**	.15*	.15*	.48**	.45**	.30**	.36**	-	
econ32	.06	.18**	.09	.15*	.58**	.52**	.27**	.34**	.80**	-

*Note:*  $N = 196 - 208$  (range); \* $p < 0.05$  \*\* $p < 0.01$

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.04: Inter-item correlations for BG sample-leader ratings-Time 2**

<b>Leader ratings</b>										
<b>Time 2</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.80**	-								
phil8	.63**	.72**	-							
phil11	.52**	.56**	.77**	-						
stake16	.00	.07	.09	.06	-					
stake18	.04	.07	.10	.08	.87**	-				
env22	.24**	.24**	.24**	.21**	.43**	.37**	-			
env23	.26**	.27**	.19**	.19**	.44**	.37**	.83**	-		
econ29	.01	.05	.12	-.05	.68**	.58**	.33**	.28**	-	
econ32	.05	.07	.13	.09	.70**	.60**	.36**	.35**	.79**	-

*Note:* N = 214 – 215 (range); \*p < 0.05 \*\*p < 0.01

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.05: Inter-item correlations for BG sample-leader ratings-Time 3**

<b>Leader ratings</b>										
<b>Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.83**	-								
phil8	.71**	.81**	-							
phil11	.77**	.89**	.85**	-						
stake16	.13	.17*	.24**	.12	-					
stake18	.10	.14*	.21**	.09	.86**	-				
env22	.16*	.30**	.15*	.21**	.48**	.45**	-			
env23	.37**	.47**	.44**	.46**	.47**	.45**	.81**	-		
econ29	.14*	.20**	.16*	.15*	.67**	.68**	.39**	.34**	-	
econ32	.16*	.21**	.19**	.16*	.69**	.68**	.41**	.42**	.90**	-

*Note:* N = 209 – 212 (range); \*p < 0.05 \*\*p < 0.01

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.06: Inter-item correlations for BG sample-team member ratings-Time 1**

<b>Team member ratings-Time 1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.76**	-								
phil8	.74**	.74**	-							
phil11	.73**	.76**	.79**	-						
stake16	.30**	.31**	.32**	.26**	-					
stake18	.24**	.28**	.26**	.23**	.86**	-				
env22	.39**	.41**	.49**	.48**	.42**	.40**	-			
env23	.38**	.39**	.44**	.41**	.42**	.39**	.80**	-		
econ29	.25**	.29**	.27**	.25**	.66**	.69**	.39**	.44**	-	
econ32	.23**	.23**	.18**	.21**	.57**	.56**	.29**	.37**	.79**	-

*Note: N = 218 – 219 (range); \*p<0.05 \*\*p<0.01*

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.07: Inter-item correlations for BG sample-team member ratings-Time 2**

<b>Team member ratings-Time 2</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.66**	-								
phil8	.78**	.69**	-							
phil11	.71**	.60**	.81**	-						
stake16	.24**	.35**	.23**	.17*	-					
stake18	.25**	.35**	.26**	.17*	.88**	-				
env22	.34**	.53**	.44**	.40**	.53**	.50**	-			
env23	.35**	.44**	.45**	.45**	.57**	.54**	.82**	-		
econ29	.18**	.38**	.23**	.17*	.70**	.70**	.49**	.49**	-	
econ32	.27**	.41**	.29**	.20**	.64**	.68**	.45**	.51**	.80**	-

*Note:*  $N=218 - 220$  (range); \* $p<0.05$  \*\* $p<0.01$

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic

**Table A10.08: Inter-item correlations for BG sample-team member ratings-Time 3**

<b>Team member ratings-Time 3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Item code</b>										
soc3	-									
soc6	.76**	-								
phil8	.69**	.80**	-							
phil11	.71**	.75**	.72**	-						
stake16	.34**	.41**	.30**	.43**	-					
stake18	.35**	.42**	.29**	.38**	.86**	-				
env22	.50**	.57**	.52**	.51**	.57**	.58**	-			
env23	.52**	.56**	.51**	.51**	.55**	.59**	.89**	-		
econ29	.44**	.39**	.32**	.38**	.70**	.70**	.52**	.54**	-	
econ32	.36**	.35**	.24**	.34**	.67**	.67**	.51**	.51**	.86**	-

*Note: N = 217 – 218 (range); \*p < 0.05 \*\*p < 0.01*

Soc = social; phil = philanthropy; stake = stakeholder; env = environmental; econ = economic