When and Why Does Corporate Social Responsibility Work? Exploring Insights From Psychological Theories and Perspectives

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Although much research has focused on identifying the potential benefits of corporate social responsibility (CSR), our understanding of when and why CSR leads to positive outcomes has been hampered by a lack of integration of CSR with theories and research related to individuals’ perceptions, attitudes, and reactions. Building on the foundation provided by Aguinis and Glavas (2013), I argue that exploring CSR as a perceptual phenomenon can provide important insights by allowing researchers to integrate CSR with theories from social psychology and organizational justice that can help predict individuals’ reactions to CSR efforts.

Psychological Perspectives on CSR

Although the CSR literature has typically been studied as a macro-level phenomenon, recent research has suggested that exploring CSR as a perceptual phenomenon can help bridge the gap between macro- and microlevels, thereby allowing researchers to tap into the wealth of theories and knowledge related to topics such as attitudes, emotions, and behaviors that can help shed light on how individuals contribute and react to an organization’s CSR efforts (e.g., Aguilera, Rupp, Williams, & Ganapathi, 2007; Rupp, Ganapathi, Aguilera, & Williams, 2006). This perspective, however, has not been widely adopted and research using this perspective is at a nascent stage. I argue that exploring CSR as a perceptual phenomenon has the potential to generate important insights because it provides a way to leverage the rich theories of psychology. Moreover, these benefits are not limited to exploring employee reactions. Instead, this approach opens up avenues related to other stakeholders, such as job seekers and the general public, which can influence the effectiveness of an organization’s CSR efforts.

One current issue that can benefit from further integration with the social psychology literature is that of how stakeholders know whether CSR is motivated by genuine concerns or is simply used as a “greenwashing” strategy. Aguinis and Glavas identify several mechanisms by which employees may make this distinction (e.g., by evaluating the congruence between the organization’s apparent commitment to CSR and the contents of their own job). Although
this approach helps to formulate potential answers to the question of when CSR will lead to positive reactions as opposed to cynicism and suspicion from current employees, I suggest that further application of psychological theory can provide further insight into how stakeholders—especially those external to the organization (e.g., consumers and job seekers)—form perceptions of CSR.

**Attributions of CSR Motives**

An example of a theory from social psychology that may help form predictions about when and why CSR is effective in eliciting positive reactions from (external) stakeholders is attribution theory, which encompasses a number of theoretical models that explain how individuals interpret the causes of behavior and events (e.g., Heider, 1958; Kelley, 1967). According to attribution theory, individuals have a basic need to predict their environments, and understanding the motives underlying others’ behaviors may help make such predictions (Heider, 1958). The causal attributions that individuals make, in turn, determine their subsequent attitudinal and behavioral reactions. One distinction that individuals make when forming attributions of behavior is between internal and external locus of causality. When behavior is attributed to internal causes, the behavior is assigned to characteristics of the individual, such as their disposition or attitudes. When external attributions are made, the behavior is perceived to be caused by environmental or social factors, such as pressure from others.

Attribution theory provides a useful perspective to the CSR literature by suggesting that stakeholders may be motivated to identify the causes of an organization’s CSR efforts. Specifically, it has been suggested that the organization’s various stakeholders have instrumental (self-interest driven), relational (driven by concerns about group relationships), and morality-based motives that lead them to pressure the organization into acting in a socially responsible manner (Aguilera et al., 2007). For example, shareholders may push an organization to engage in CSR in order to protect the organization’s reputation, and consumers may put pressure on an organization out of ethical concern for the environment. Thus, CSR can result from both internal and external pressures (Aguilera et al., 2007).

Applying attribution theory to CSR efforts can lead to interesting predictions regarding individuals’ perceptions of and reactions to CSR. For instance, it follows from attribution theory that job seekers who perceive that an organization’s CSR efforts are a response to pressure from external stakeholders should be more likely to attribute the CSR efforts to external causes—which suggests that the organization is unlikely to reap the benefits of these efforts because these efforts may not be perceived as genuine. By contrast, when such pressures are absent, job seekers should be more likely to attribute CSR efforts to genuine concerns for the cause that the organization supports. Moreover, given that individuals tend to respond more positively to CSR efforts when the underlying motives of the organization appear to be genuine (e.g., Maignan & Ralston, 2002), it could be hypothesized that job seekers who attribute CSR efforts to internal (vs. external) causes will have more positive attitudes toward the organization and be more motivated to pursue a job with the organization.

**Organizational Justice and Reactions to CSR**

The CSR literature would also benefit from further integration with organizational justice theories (i.e., theories that are concerned with individuals’ perceptions of fairness in the workplace). Uncertainty management theory (cf. Lind & Van den Bos, 2002; Van den Bos & Lind, 2002), for example, can be particularly helpful for understanding reactions to CSR from job seekers and consumers. According to this theory, fairness is important to
individuals because it helps them cope with uncertainty. External stakeholders, such as job seekers or consumers, often have highly uncertain relationships with the organization. Job seekers, for instance, face a “fundamental social dilemma” (Lind, 2001), as they must place themselves in a vulnerable position (i.e., a position in which they risk rejection) in order to facilitate their goals (e.g., to get a job), while having little information about the authority’s trustworthiness.

Uncertainty management theory proposes that because the experience of uncertainty is aversive, individuals who lack explicit information about the fairness of their treatment may reduce their uncertainty by using other information as a “heuristic” substitute for the fairness information that they lack (Lind, 2001). Some scholars have previously suggested that CSR may act as such a heuristic for fairness (Aguilera et al., 2007; Rupp, 2011; Rupp et al., 2006). In other words, it has been proposed that individuals (e.g., job seekers) should expect to be treated more fairly when the organization engages in CSR, which in turn should lead to positive attitudes and intentions toward the organization. The idea that perceptions of CSR should be influenced by external cues such as CSR is further supported by signaling theory (e.g., Breaugh, 1992), which suggests that individuals who lack information about an organization may interpret information they receive as signals about the norms and values of the organization.

The implications of uncertainty management theory go beyond suggesting that individuals may use CSR as a heuristic substitute for fairness, however. The theory also suggests that the impact of information about CSR will depend on when this information is received. Research on decision making has demonstrated that information that is received first often serves as a reference point (“anchor”) that is subsequently adjusted to arrive at a final estimate (e.g., Tversky & Kahneman, 1974). Uncertainty management theory extends the anchoring principle to the justice domain by noting that individuals often feel uncertain about their relationship with authorities with whom they have not interacted before because ceding to an authority puts one at risk for exploitation (Lind, 2001). The theory proposes that individuals can reduce their uncertainty using information about the fairness of the authority. Thus, when individuals find themselves in an uncertain situation, they start looking for fairness information, which they subsequently use to interpret the authority’s behavior. An important implication is that because early fairness information provides certainty, individuals are less likely to be influenced by subsequent information (Van den Bos, Vermunt, & Wilke, 1997).

Extending this rationale to the CSR literature can lead to interesting predictions about the relative impact of CSR information on individuals’ attitudes and behavior toward the organization. Specifically, individuals who know little about the organization may be more likely to use information about CSR to reduce their feelings of uncertainty. Thus, it could be hypothesized that information about CSR will have a relatively strong influence on job seekers who first learn about an organization and its CSR efforts at a job fair. Conversely, CSR should be less predictive of individuals’ reactions to the organization when job seekers already have information about the trustworthiness of the organization before they are exposed to information about the organization’s CSR efforts (e.g., from interacting with current employees).

**Violations of Expectations**

As a final example, theories from social psychology and organizational justice may also contribute to the understanding of when CSR backfires and elicits negative as opposed to positive reactions from external stakeholders, for instance, by drawing attention to the impact of expectancy violations. There is strong evidence that individuals have a general need to confirm—and are more likely to process—information that
is consistent with their expectations (e.g., Higgins & Bargh, 1987). Moreover, individuals’ interpretations of events are often biased in the direction of their expectations. For example, individuals tend to perceive their treatment as more fair if they expected fair treatment and as less fair if they expected unfairness (Lind, Kray, & Thompson, 2001; Van den Bos, Lind, Vermunt, & Wilke, 1997). However, when expectations are violated (e.g., when fair treatment is expected but unfair treatment is received), this unexpected situation may act as a “phase-shifting” event that leads the individual to reexamine available information (Lind, 2001). Violated expectations often trigger highly negative reactions including greater retaliation intentions (Jones & Skarlicki, 2005).

The literature on expectancy violations may not only help identify boundary conditions of the effectiveness of CSR but also highlight a need for caution. Specifically, it follows from the above discussion that individuals who perceive that an organization’s CSR is “embedded” may also form more positive expectations of, for example, the fairness of the organization’s selection system or the quality of the organization’s products. Although I certainly do not deny the potential benefits associated with embedded CSR, it is important to explore the potentially negative outcomes that follow when such positive expectations are violated.

**Conclusion**

Along with Aguinis and Glavas, I propose that exploring the psychological foundations of CSR and integrating psychological theories into CSR research has the potential to contribute to a more complete understanding of “when” and “why” CSR leads to positive outcomes. It is my hope that the future directions outlined in the present commentary, which highlight the importance of considering individuals’ perceptions of CSR, will inspire future research at the intersection of CSR, social psychology, and organizational justice. Such research may ultimately help differentiate among “degrees of CSR seriousness” (Aguilera et al., 2007, p. 855) and enhance the ability to predict the effectiveness of an organization’s CSR efforts.

**References**


