

Corporate Social Responsibility: An Examination of Leader Morality as Antecedents

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Abstract

In this study we examine the varying mechanisms used by American businesses to address public corporate social responsibility expectations and how management's moral foundations determine how their corporate citizenship is manifested in society. American corporations are changing their social behaviors to that of being a "good citizens" in society. Appropriateness of corporate behavior has long been debated. Perspectives on corporate social responsibility (CSR) fall along a continuum with purely economic responsibility to ownership (profit maximization) at one extreme and philanthropic citizenship (benevolent programs) at the other (Carroll, 1977; Farmer & Hogue, 1973). One certainty is that public CSR expectations are changing. This study investigates the relationships between (1) corporate social responsibility (CSR): economic, legal, ethical or philanthropic; (2) executive moral underpinning: immoral, intentionally amoral, unintentionally amoral or moral; (3) CSR activities: profit maximization, legal compliance, stakeholder management, altruistic programs; and (4) signal: annual social responsibility report, CSR executive, etc.

Keywords: social responsibility, corporate citizenship, benevolent programs, philanthropic citizenship, profit maximization, stakeholder management, altruistic programs

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Introduction

Increasingly American corporations are becoming or appearing to become “good citizens” in society. Fraser (2005) suggests that, in the post-Enron era, corporate reporting of its social and environmental impact on society has increased immeasurably. This increase in reporting may in part be due to increased public demand for accountability. One certainty is that public expectations of corporation behavior and responsibilities to society are changing. In response, corporations are employing more and more mechanisms (e.g., annual social responsibility reports, CSR executive officers) to ensure actions and appearance that are congruent with public expectations. McDonald’s annually issues a “social responsibility report.” Levi Strauss & Co. maintains a code of conduct known as “the global sourcing and operating guidelines.” Nike, GM, Canon, 3M, and Ben & Jerry’s all issue similar types of reports on sustainability or social responsibility. All the Big Four accounting firms offer consulting and/or analysis services on environmental and social issues (Tschopp, 2003). Tschopp also has called for “triple bottom line” (TBL) reporting. He, as does Leduc (2001), suggests that corporations should issue reports, separate from its traditional annual report, that focus on three issues: economic, social, and environmental performance. No longer is corporate social responsibility an “either-or proposition (Fraser, 2005). This scholar further suggests that recent research indicates increasing activity by “critical stakeholders” in seeking to do business with socially responsible companies. Critical stakeholders are customers, employees and socially responsible investors according to Fraser. Additionally, as economic globalization becomes increasingly pervasive so do the challenges of corporate social responsibility. Globalization puts at issue concern for

human rights, just wages and safe working conditions, child and forced labor and sustainable community development (Shilling & Rosenbaum, 1995). It appears that public pressure is increasing and corporate response is attempting to meet the challenge.

Appropriateness of corporate behavior and responsibility has long been debated. Perspectives on corporate social responsibility (CSR) fall along a continuum with purely economic responsibility to ownership (profit maximization) at one extreme and philanthropic citizenship (benevolent programs) at the other (Carroll, 1977; Farmer & Hogue, 1973). Are corporate socially responsible activities merely attempts to appease the current public outcry? Are there other phenomena that perhaps serve as antecedents to good corporate citizenship?

Our study involves examination of varying antecedents to corporate behavior toward the society in which it operates. One antecedent that has been suggested is motivation to manage the corporate image to a public that is increasingly skeptical (Carroll, 2000; Maignan, et al., 1999). Often the result of increased societal outcry is increased government involvement such as greater regulation. Therefore, another potential antecedent could be the need to be legally compliant (Carroll, 2000). Yet another suggested precursor to CSR activity is an organizational culture that involves an ethical/moral foundation (Fraser, 2005). Closely associated to organizational culture is the influence of firm leadership on corporate actions. In leadership literature, those at the top of an organization are often recognized to significantly influence and perhaps determine the corporation's culture. Therefore, we acknowledge the indirect influence of leaders on corporate social behavior through determining that culture. In leadership literature, those at the top of an organization are often recognized to significantly influence and perhaps determine the corporation's culture. Therefore, we acknowledge

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Of particular interest in this study are the moral underpinning and ethical development of organizational leaders as antecedents to corporate social responsibility and corporate citizenship (Carroll, 2000). While acknowledging the likely influence of managing the corporation's public image as an influence on corporate citizenship, we believe that the executive's ethical and moral foundations contribute to how corporate citizenship might be executed in society and signaled to the public. Specifically, this study attempts to investigate the relationships between corporate leadership's moral/ethical underpinnings and the corporations CSR perspective and socially responsible actions.

This study represents a first attempt to examine leader ethical development and moral foundation as antecedent to CSR. First, we define constructs and briefly review relevant literature. Second, we propose relationships among the focal proposed antecedents and corporate social postures. Third, we describe data collection and analysis procedures utilized. Forth, we describe results of statistical analyses. Finally, we draw conclusions and acknowledge limitations of the study.

Definitions and Terminology

Often in scholarly literature language and meaning becomes confused due to varying usage of terminology. One researcher may not define a term in the same way a colleague uses it. As well discussions among practitioners often use differing terms to represent the same phenomenon. This is the case with terminology relevant to corporation and society arena.

While sometimes corporate social responsibility and corporate citizenship are used interchangeably to represent the same phenomenon. Others make a clear distinction between the two terms. Additionally, what is meant by being social responsibility for corporations can vary based on the users perspective on what actions are necessary. The perspective of Milton Friedman and many that agree with him is that a firm's responsibility begins and ends with making a profit (Friedman, 1970). Carroll (2000) suggests there are four levels of corporate social responsibility: economic, legal, ethical and discretionary (philanthropic). At the economic level, the Friedman perspective, the sole responsibility of business to society is to be a profitable enterprise. Even though profit is not the purpose of business (societal perspective), it is essential to survival. Thus, the firm contributes to society through providing goods & services to customers and employment to citizens. This perspective suggests doing anything more would require activity that would detract the firm from its purpose. The underlying assumption is that the firm's first and only responsibility is to its owners. At the legal level, social responsibility adds compliance to legal and regulatory constraints on corporation to be socially responsible. This perspective advocates that corporations complying with society's legal sanctions are being socially responsible. The third level suggested by Carroll is that of ethicality. This perspective indicates there are practices, policies and behaviors necessary of corporations that surpass the "codified ethics" required in the legal perspective. These un-codified ethics can be expected in a positive sense or prohibitive in a negative sense. These are often imposed based on the legitimate expectations or moral rights of firm stakeholders. Philanthropy is the highest level of corporate social responsibility. Carroll (2000) originally used the term discretionary rather than philanthropic. In doing so, choice rather than obligation is inferred. Discretionary resources are uncommitted resources, those not obligated to profit, required

by law or expected by un-codified ethical standard. Increasingly, societal expectations of corporate discretionary resources are for philanthropic purpose. While each level commitment to society can define CSR, based on one's perspective, a firm must achieve the fourth level, philanthropy, to be deemed a "good" corporate citizen of society, by the definition of many. Thus, the corporation worthy of "citizenship" in society "gives back" to that society that allows its existence. Good corporate citizenship is present when the firm engages in discretionary/philanthropic activities. Specifically, these activities can include monitoring the potential negative impacts of our activities on our community, being a firm that is recognized as a trustworthy company, requires employees to provide full and accurate information to all customers, encourages employees to join civic organizations that support our community, gives adequate contributions to charities, initiates programs to reduce the amount of energy and materials wasted in our business, encourages partnerships with local businesses and schools, and supports local sports and cultural activities. Good corporate citizenship is present when the firm engages in discretionary/philanthropic activities. It should be noted that CSR at the philanthropic level does not exclude CSR at the other three levels. Conversely, for a firm to survive enabling it to give back requires it be profitable. For its responsible giving to be accepted by society the organization must comply with law and must endeavor to converge with societal ethical expectations. Therefore, in this study "good corporate citizenship" is the characteristic of the firm only when it engages in level four, philanthropic, forms of CSR.

As for moral underpinning and ethical development, these terms refer to learned characteristics of organizational leaders. In a 1987 treatise Carroll indicated that he embarked on a search for the "moral manager." This moral manager was contrasted against the immoral manager or the amoral manager. Carroll (2000) suggested that in the organizational context, immoral and unethical are synonymous. Therefore, these terms

will be used interchangeably in the articles. The immoral or unethical manager is one devoid of ethical principles and is actively opposed to what is right or just. Management motives are selfish. They are driven by self-interest and allow any activity to achieve success. Immoral managers exploit opportunities and cut corners when useful (Carroll, 1987).

By contrast the moral manager represents the exemplar. They act and think morally, have attitudes, decide, and act conforming to high standards of ethical behavior. They lead ethically and engage in “integrity strategies” (Paine, 1994). Lofty professional standards are their guideposts.

Conversely, the amoral manager holds that business activity, including managerial decisions, are outside the sphere of moral judgment. In this view, moral considerations have no relevance in organizational life. Carroll (1987) purported that the manager from this perspective could fall into one of two categories. He labeled these intentional amoral management and unintentional management. The intentional amoral manager is characterized by belief that moral/ethical considerations have no relevance or applicability in business. The unintentional manager is not hostile to morality but fail to understand it. The development of moral judgment is inhibited and, therefore, their sense of moral obligation and capacity for moral evaluation is deficient. For Carroll a reasonable assumption is that the unintentional amoral manager dominates the managerial landscape.

In this study we investigate relationships between (1) corporate social responsibility (CSR), (2) executive moral underpinning (3) CSR activities such as profit maximization, legal compliance, stakeholder management, and philanthropic programs. Therefore, we offer the following propositions.

P1 There is a positive relationship between leader moral concerns for employees and good corporate citizenship.

Manager's concern for the welfare of employees as individuals, with lesser regard for them as human resources suggests that the firm could engage in philanthropic activities aimed at positively impacting society.

P2 There is a negative relationship between leader concerns for profit and good corporate citizenship.

Manager's concern for profit and that which is best for the firm suggests that the firm would be less inclined to engage in philanthropic activities aimed at positively impacting society.

P3 There is a positive relationship between leader moral concerns for customers and good corporate citizenship.

Manager's concern for fair treatment of customers, with lesser regard for contractual advantage or transactional gain suggests that the firm could engage in philanthropic activities aimed at positively impacting society.

P4 There is a negative relationship between leader concerns for self and good corporate citizenship.

Manager's concern for their own welfare over others, suggests that the firm would be cause the firm to not engage in philanthropic activities aimed at positively impacting society.

P5 There is a positive relationship between manager's moral concern for community and good corporate citizenship.

Manager's concern for the outside community, suggests that the firm would engage in philanthropic activities aimed at positively impacting society.

P6 There is a negative relationship between manager's concern for legal compliance and good corporate citizenship.

Manager's concern for compliance with legal restrictions, suggests that the firm would be less likely engage in philanthropic activities aimed at positively impacting society.

Methodology

Data Collection

A sample of 900 managers, supervisors, executives and owners was drawn from approximately 1250 members of the 2005 Chamber of Commerce of a southwestern U. S. city of approximately 120,000 people. Each sample member represented a separate organization. Not-for-profits entities along with firms that appeared to be single individual operations, private citizens, doctors and dentists with private practices, veterinarians, and organizations that could be recipients of philanthropic activity were eliminated. Informants were mailed a questionnaire and a cover letter that offered respondent anonymity and a summary of the results in exchange for completed surveys. No reminder cards or other contact was made. In the cover letter responses were requested within 2 weeks. First week responses were approximately 76% of the total returned. There was no systematic difference between first week and second week respondents. Six surveys were returned undelivered resulting in effective sample of 894. Valid, completed and usable surveys returned 225. Therefore, the yielded response rate was 25.27 %.

As noted above, the research limitations included the sample location in a southwestern city of approximately 120,000 people, limited number of respondents per industry and corporation size and a data collection process that only focused on management responses without regard to gender and ethnicity. The majority of

respondents worked in service companies with fewer than 100 employees and less than \$10 million annual revenue.

Instrument Development

Two validate scales, the Corporate Citizenship Scale and the Ethical Climate Survey, were adapted for this study. Adaptation of these previously validated scales was made for brevity and inclusion of language that would better fit the target population. Brevity was sought in order to encourage responses. Previous experience with surveying samples from this and similar populations suggests the necessity of keeping the required time for completion to between 7 and 10 minutes. After adaptations were made the instrument was pre-tested and the time required was determined to be between 4 and 7 minutes which met our criteria. Both scales included language inferring all respondents represent corporations in the sense that these were large, publicly owned firms of multiple businesses. The target sample included leaders of firms that were privately held with fewer than 100 employees and annual revenues below \$10 million. The only language adaptations were to substitute the word “company” for “corporation” in many questions. Brevity was achieved through 1) reduction of items that addressed a common construct. A cover letter assuring anonymity and offering aggregate results and a postage paid business reply envelope accompanied the survey. No follow up letter or reminder card was sent.

Demographics

197 respondents or 87.6 % represented firms of 100 or fewer employees with 2.7 % reporting 400 plus employees. In terms of annual revenues, 159 or 69.8 report incomes of less that \$10 million, 30 firms or 13.3 % reported annual incomes between \$11 and \$50 million, and 18 firms or 8.0 % reported annual revenues of greater than \$1

billion. 207 firms or 92.0 % reported to be for profit organizations. The most frequently reported business type was service organization with 143 responses or 63.8 %.

Statistical Techniques

Even though the survey items were drawn from validated scales, a reliability estimate was performed to assure that scale adaptation were acceptable and had not weakened the instrument. A Cronbach's Alpha coefficient score of 0.859 supports the scales used and the adaptations employed.

Reliability Statistics

Cronbach's Alpha	N of Items
.859	43

Pearson's correlation was employed and a full scale matrix produced to provide an initial determination of variable relationships. Only those variable combinations that were found to be correlated at a statistically level, $p \leq 0.05$ or $p \leq 0.01$, were used in further analysis.

Multivariate regression was performed with a composite dependent variable created from eight individual variable that measured the organization's reported commitment to various forms of philanthropic socially responsible endeavors (i.e., good corporate citizenship). The mean for each case for this composite dependent variable was employed. The composite variable was regressed on all independent variable that were identified to be correlation with it at a statistically significant level. Additionally, regression was performed on combinations of these variable that represented separate independent constructs.

Results

As noted above, good corporate citizenship is present when the firm engages in discretionary/philanthropic activities. Specifically, these activities can include monitoring the potential negative impacts of our activities on our community, being a firm that is recognized as a trustworthy company, requires employees to provide full and accurate information to all customers, encourages employees to join civic organizations that support our community, gives adequate contributions to charities, initiates programs to reduce the amount of energy and materials wasted in our business, encourages partnerships with local businesses and schools, and supports local sports and cultural activities. These activities were represented each by an item in the research scale.

Concern for employees as individuals was represented in the research scale with four items: each individual is cared for when making decisions here (V7), each individual is a primary concern in this organization (V8), major consideration is what is best for everyone in this company (V9), managers are very concerned about what is generally best for employees (V10).

Positive and statistically significant ($p = 0.05$ or $p = 0.01$ level) relationships were found between each “employee concern” items and each “good corporate citizenship” item (See Table 1).

Table 1

	V29	V30	V31	V32	V33	V34	V35	V36
V7	.180**	.175*	.157*	.196**	.145*	.184**	.202**	.138*
V8	.190**	.180**	0.131^	.173*	.169*	.145*	.115^	.117^
V9	.227**	.198**	.147*	.224**	.241**	.227**	.222**	.202**
V10	.301**	.233**	.195**	.263**	.226**	.246**	.194**	.182**

* $p = 0.05$

** $p = 0.01$

^ not significant

Proposition 1 was strongly supported with few individual relationships unsupported. The relationship (V8) between each individual is a primary concern in this organization and (V31) requires employees to provide full and accurate information to all customers, (V35) encourages partnerships with local businesses and schools, and (V36) supports local sports and cultural activities were statistically not significant.

Concern for that which is best for the firm including profit and efficiency was represented by 4 items in the scale: decisions here are primarily viewed in terms of contributions to profit (V3), managers are concerned with the company's interests—to the exclusion of all else (V4), managers are expected to do anything to further the company's interests (V5), and the major responsibility for managers in the company is to consider efficiency first (V6). The only statistically significant relationship found was between (V6) The major responsibility for managers in the company is to consider efficiency first and (V30) being a firm that is recognized as a trustworthy company. Therefore, Proposition 2 was not supported.

Concern for customers was represented in the scale by a single item. (V12) Managers in this company are actively concerned about the customer's, and the public's interest. Proposition 3 was strongly supported with managerial concern for customers being statistically significant at the .01 level for all items representing "good corporate citizenship."

Managerial concern for self interests was represented in the scale by two items. Managers protect their own interest above other considerations. (V1) and Successful managers in this company strictly obey the company policies. (V18) Proposition 4 was not supported even though 7 relationships being statistically significant ($p = 0.05$ or $p = 0.01$). (V1) own interests above other considerations was negatively related significantly to (V32) encourages employees to join civic organizations that

support our community ($p = 0.01$) and (V36) supports local sports and cultural activities ($p = 0.05$). (V18) Successful managers in this company strictly obey the company policies, was positively related significantly to (V29) and (V34) at $p = 0.01$. It was positively related significantly to (V30), being a firm that is recognized as a trustworthy company (V31), requires employees to provide full and accurate information to all customers, requires employees to provide full and accurate information to all customers and (V32) encourages employees to join civic organizations that support our community at $p = 0.05$.

Managerial concern for community was represented in the scale by a single item: Managers have a strong sense of responsibility to the outside community (V13). As expected there was a strong, positive statistically significant relationship ($p = 0.01$) with each variable representing “good corporate citizenship.” Therefore, Proposition 5 was supported.

Managerial concern for legal compliance was represented in the scale by two items: the law or ethical code of their profession is the major consideration (V20) and the first consideration is whether a decision violates any law (V22). (See Table 2.)

Table 2

	V29	V30	V31	V32	V33	V34	V35	V36
V20	0.249**	.234**	.213**	.275**	.200**	.150*	.115^	.143*
V22	.349**	.309**	.292**	.241**	.264**	.232**	.121^	.168*

* $p = 0.05$

** $p = 0.01$

^ not significant

With the exception of (V35), encourages partnerships with local businesses and schools, both items representing managerial concern for legal compliance were

statistically significantly related to items representing “good corporate citizenship.” The correlation coefficients were all positive. Therefore, Proposition 6 was not supported.

In order to determine if manager moral/ethical beliefs predict CSR, stepwise regression was performed. Because the research question involves corporate citizenship as an aggregate of corporate social responsibilities, a composite dependent variable, good corporate citizenship, (using eight dependent variables from the scale) was formed and the mean score was calculated for each case. In the survey these were dependent variables that correspond to statements 29-36 (see Appendix A) and are as follows:

- Monitor the potential negative impacts of our activities on our community. (V29)
- Recognized as a trustworthy company. (V30)
- Salespersons and employees are required to provide full and accurate information to all customers. (V31)
- Encourages employees to join civic organizations that support our community. (V32)
- Gives adequate contributions to charities. (V33)
- Program to reduce the amount of energy and materials wasted in our business. (V34)
- Encourage partnerships with local businesses and schools. (V35)
- Supports local sports and cultural activities (V36)

Additionally, statistically significant independent variables, identified through the Pearson’s correlation procedure, were combined based on construct. Specifically, the following constructs were identified:

- concern for employee welfare (V7, V8, V9, V10),
- concern for company interests and profit (V3, V4, V5, V6),
- concern for customers (V12),
- concern for manager’s own personal interests (V1, V18),
- sense of responsibility to outside community (V13),

- concern for compliance with the law (V20, V22),
- use of own personal ethics and morals (V2, V14, V15, V16), and
- concern for following rules, policies, codes and professional standards (V17, V18, V19, V21).

The following table (Table 3) summarizes partial regression results when each independent construct was regressed on the composite dependent variable, corporate citizenship. Only two constructs were found to be statistically significant as predictors. Each of these, concern for customers and sense of responsibility to outside community, were single item constructs. When concern for company interests and profit as construct was regressed on corporate citizenship, no variable was found to be a statistically significant predictor. For concern for employee welfare, a four item construct (V7, V8, V9, V10), only two variables were found to be statistically significant. One of two variables that made up the construct, manager's concern for own personal interests, was found to be a statistically significant predictor. Each of the remaining constructs, use of personal morals and ethics and concern for rules, policies, and standards, consisted of four items but had only a single item found to be statistically significant as predicting corporate citizenship.

Table 3
Partial Regression Results

Independent Constructs	Variables	Composite Dependent Variable (V29 – V36)
Concern for Employee Welfare	(V7, V8, V9, V10)	Only V10 & V9 were statistically significant as predictors
Concern for company interests and profit	(V3, V4, V5, V6)	No variables were statistically significant as predictors
Concern for customers	(V12)	Was statistically significant as predictor
Concern for own interests	(V1, V18)	Only V18 was statistically significant as predictor
Sense of responsibility to outside community	(V13)	Was statistically significant as predictor
Concern for legal compliance	(V20, V22)	Were statistically significant as predictors
Use of personal moral & ethics	(V2, V14, V15, V16)	Only V15 was statistically significant as predictor
Concern for rules, policies & standards	(V17, V18, V19, V20)	Only V19 was statistically significant as predictor

(Note: Statistical significance is defined as $p < \alpha = 0.05$)

When stepwise regression was performed on the full model, 21 independent variables on the composite dependent variable, corporate citizenship, two variables were found to be statistically significant predictors. A third variable, strict adherence to legal or professional standards, was found to be very nearly statistically significant at $p = 0.054$. Only one of the three significant variables was found to account for much of the variance in corporate citizenship. Variable 13, managers have a strong sense of responsibility to the outside community, had an R^2 score of 0.225 suggesting 22.5% explanation of variance.

Table 4
Full Regression Result

Independent Construct	Variables	Composite Dependent Variable (V29 – V36)
Moral & Ethical Underpinning	V1-V10 & V12-V22	Only V13 & V22 were found to be statistically significant as predictors with V19 being near significance at $p = 0.054$

(Note: Statistical significance is defined as $p \leq 0.05$)

Discussion and Conclusions

Much of corporate social responsibility literature purports that acting socially responsibly and performing as a good corporate citizen is multifaceted. Generally, this multifaceted characteristic is developed around a concept of concern for various stakeholders to the organization. These stakeholders are often identified but not always restricted to employees, customers, governments and communities that consist of many entities such as sports and cultural activities, civic service organizations, schools, other local businesses, healthcare providers, and charities. Further, literature suggests that characteristics of the organization and its perspectives toward social issues serve as antecedents to the firm's engagement in and promotion of socially responsible activities. The culture of the organization is often intimated to be a source of issue perspectives and associated to those characteristics that might engender particular behaviors. As stated previously, leadership literature strongly associates organizational culture to those in leadership roles. Thus, we entered this study with certain expectations about antecedents to corporate behavior toward the society in which it operates. Our expectations included identification of multiple related antecedents that correspond to those identified in previous studies. Initial correlation studies suggested strong support for our expectations. (See Results section above.) Most relationships between proposed antecedents and CSR behaviors were found to be statistically significant. It appeared our research was going to

confirm literature. Additionally, correlations between leader moral and ethical perspectives with corporate social citizenship appeared to be strong. Therefore, the anticipated contribution of this study was to add leadership morality and ethics to potential CSR antecedents.

Further analysis, in the form of multiple regression, seems to conflict with that purported in literature and our preliminary findings through Pearson's correlations. Partial regression of antecedent constructs on a composite set of CSR behaviors failed to support many constructs as antecedents. Exceptions were the manager's moral sense of responsibility to the outside community and their ethical concerns for customers. Each of these was a single item construct. Additionally, when regression of the full model was performed, only manager's moral sense of responsibility to the outside community and their concerns for legal compliance were found to be statistically significant as antecedents. A third variable, managerial compliance with professional standards and the law, was found to be virtually significant. This too indicates concern divergent from that likely to engender philanthropic social behavior. Therefore this analysis causes us to question the multifaceted explanation for that which leads to corporate social behaviors and most specifically good corporate citizenship.

Intuitive deliberation suggests that moral sense of community responsibility could lead to good corporate citizenship behaviors. Literature supports this notion and our study is in agreement. On the other hand, concern for legal compliance and professional standards does not intuitively correspond. Nor does literature agree. Compliance to any standard, including the law, as a corporate behavior is suggested to be a level of CSR well below that identified with good corporate citizenship. Our instinct requires that we question findings that diverge from intuition and previous scholarly results. We also

acknowledge that limitations, described below, of this study may account for some divergence.

Two possible conclusions from the study can be inferred from this study. First, there is strong support for the notion that the managerial sense of responsibility, at least to the outside community, is antecedent to good corporate citizenship. Second, compliance concerns are also antecedent to this higher level of CSR. Superficially, this is counter intuitive. Conversely, when the four levels of CSR, profit, compliance, ethical and philanthropic, are viewed as erected one upon the other, compliance must precede good citizenship behaviors. A firm must conform to society's requirements, law and other form of standards, before it is allowed to participate in discretionary/philanthropic endeavors.

Implications

For organizational leaders attempting to engender good corporate citizenship behaviors, this study suggests that a primary dynamic may be promoting a personal sense of responsibility to the outside community. If it is correct that leaders directly influence corporate social behavior, as well as, impact the firm's culture toward good corporate citizenship behaviors, perhaps greater sensitive, affective concern for a better society should be a focus. It has long been asserted that organizational leaders should encourage employee civic involvement, while leading the way themselves. Possibly promoting engagement in these behaviors is not adequate. Employee participation could be due to a sense of necessity to advance one's own stature in the organization. This seems very different that engendering a genuine sense of affective responsibility for the outside community. Leader genuine moral sense of responsibility and development of a congruent organizational culture might be more effective.

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Appendix

Abilene Christian University
College Of Business Administration
Research Survey – Business & Social Responsibility

To: Business Professional

From: Dr. David Wright and Dr. Phil Vardiman

Subject: Research Project – Fall 2005

Date: August 5, 2005

Please find attached a short survey involving attitudes toward business social responsibility. Our research focuses on understanding and identifying management perceptions concerning social responsibility and how different companies respond to social needs within their community. Completing this survey will greatly help us understand the relationship between business and community from a business person's perspective.

The survey should take less than 5-8 minutes to complete. Your important responses will be kept confidential and will be reported only in aggregate.

The research findings will be presented as part of a conference of business scholars and practitioners. Results will be available to any participant if requested. Thank you for your participation. If you have any questions or would like to receive the survey results, please contact either:

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Please return the completed survey in the enclosed prepaid envelope no later than Friday, August 19, 2005.

Please answer the following questions about the general climate in your company in terms of how it really is in your company, not how you would prefer it to be. Please be as candid as possible; remember, all your responses will remain strictly anonymous and confidential.

Please indicate the extent to which you agree with each of the following statements about your company. Use the scale below and indicate on the answer sheet next to the number of the corresponding statement the number which best represents your answer.

To what extent are the following statements true about your company?

Completely False 1	Mostly False 2	Somewhat False 3	Somewhat True 4	Mostly True 5	Completely True 6
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1. ___ In this company, managers protect their own interest above other considerations.
2. ___ There is no room for one's own personal morals or ethics in this company.
3. ___ Decisions here are primarily viewed in terms of contributions to profit.
4. ___ Managers are concerned with the company's interests—to the exclusion of all else.
5. ___ Managers are expected to do anything to further the company's interests.
6. ___ The major responsibility for managers in the company is to consider efficiency first.
7. ___ It is expected that each individual is cared for when making decisions here.
8. ___ What is best for each individual is a primary concern in this organization.
9. ___ Our major consideration is what is best for everyone in this company.
10. ___ Managers are very concerned about what is generally best for employees in the company.
11. ___ Managers in this company view team spirit as important.
12. ___ Managers in this company are actively concerned about the customer's, and the public's interest.
13. ___ Managers in this company have a strong sense of responsibility to the outside community.
14. ___ Each manager in this company decides for himself or herself what is right and wrong.
15. ___ In this company, managers are expected to follow their own personal and moral beliefs.
16. ___ In this company, managers are guided by their own personal ethics.
17. ___ It is very important to follow strictly the company's rules and procedures here.
18. ___ Successful managers in this company strictly obey the company policies.
19. ___ In this company, managers are expected to strictly follow legal or professional standards.
20. ___ In this company, the law or ethical code of their profession is the major consideration.
21. ___ Managers are expected to comply with the law and professional standards over and above other considerations.
22. ___ The first consideration is whether a decision violates any law.

Please continue survey on other side

To what extent do you agree or disagree with the following statements about your company?

Completely Disagree	Mostly Disagree	Somewhat Disagree	Somewhat Agree	Mostly Agree	Completely Agree
1	2	3	4	5	6

- 23. ____ Managers are informed about relevant environmental laws.
- 24. ____ All our products meet legal standards.
- 25. ____ Our contractual obligations are always honored.
- 26. ____ The managers of this organization try to comply with the law.
- 27. ____ Our business has a comprehensive code of conduct.
- 28. ____ Members of our organization follow professional standards.
- 29. ____ Top managers monitor the potential negative impacts of our activities on our community.
- 30. ____ We are recognized as a trustworthy company.
- 31. ____ Our salespersons and employees are required to provide full and accurate information to all customers.
- 32. ____ Our business encourages employees to join civic organizations that support our community.
- 33. ____ Our business gives adequate contributions to charities.
- 34. ____ A program is in place to reduce the amount of energy and materials wasted in our business.
- 35. ____ We encourage partnerships with local businesses and schools.
- 36. ____ Our business supports local sports and cultural activities

Please complete the following information.

Organization Size (Employees at Abilene Location):

- < 100 101 – 150 151 – 200 201 – 250 251 – 300 301 – 350 351 – 400 > 400

Your Current Position:

- Supervisor Manager Executive, Assistant Director Other _____

Ethnicity:

- White/Caucasian African-American Asian-American Hispanic Other _____

Type of Organization you work for:

- For Profit, Non-Profit

Business Focus / Type

- Manufacturing, Service, Government Distribution Other _____

Type of Leadership Style within your organization:

- Traditional (top down) Participative (bottom up) Other _____

Business Size (Total Annual Revenue for company)

- < 10 Million 11 – 50 Million 51 – 100 Million 101 Million to 1 Billion > 1 Billion