

Summer July 1, 2014

# Employee Judgments of and Behaviors towards Corporate Social Responsibility: A Multi-study Investigation of Direct, Cascading, and Moderating Effects

Pavlos A Vlachos  
Nick Panagopoulos  
Adam Rapp

Employee Judgments of and Behaviors towards Corporate Social Responsibility:

A Multi-study Investigation of Direct, Cascading, and Moderating Effects

Abstract

Do employee judgments of their organization's Corporate Social Responsibility (CSR) programs relate to CSR-specific performance and in-role job performance? Can middle managers influence the formation of such judgments and what factors might moderate such cascading influences? To answer these yet unaddressed questions, we conduct three studies. Study 1 takes an organizational justice perspective and tests our baseline model. Results show that employees' CSR judgments trigger their affective commitment and performance on extra-role CSR-specific behaviors; however, extra-role CSR-specific performance is unrelated to in-role job performance. Study 2 replicates Study 1's findings while, in addition, applies a social information processing approach and offers novel insights by demonstrating the cascading effects of managers' CSR judgments on employee CSR judgments. This approach argues that investments made in CSR programs in order to improve employee judgments and behaviors may be unsuccessful if employees' CSR judgments are based on social information that remains unchanged. In addition to replicating the findings from study 1 and 2, study 3 draws from middle management involvement and leadership theories to show that leadership styles and managers' involvement in implementing deliberate strategy can strengthen or weaken these cascading effects. It thus highlights the important role of middle-managers as "linking pins" in the CSR strategy implementation process. Further, Study 3 shows that employee in-role CSR-specific performance relates positively with employee in-role job performance, thus substantiating the importance of managing CSR judgments.

**Keywords:** corporate social responsibility, cascading effects, employees, leadership style, middle managers,

**This is an earlier draft of the article; its definite version is accepted for publication in the Journal of Organization Behavior.**

<http://onlinelibrary.wiley.com/journal/10.1002/%28ISSN%291099-1379>

As concerns continue to rise about the impact of organizations on the well-being of society, fair distribution of wealth, and preservation of natural resources, organizational actions and policies that take into account stakeholders' expectations about the need for companies to behave more responsibly are increasingly common. Not surprisingly, companies are now considering Corporate Social Responsibility (CSR) an important topic in their agendas and are increasing their investments in such programs (Du, Bhattacharya, & Sen, 2013). As a result of these corporate realities, CSR is now viewed as an important organizational phenomenon that warrants further research (Robertson & Barling, 2013).

The heightened interest in CSR has propelled a stream of studies focusing on the macro (i.e., organizational or institutional) level (Aguinis & Glavas, 2012). Although these studies offer insights about how CSR policies contribute to business outcomes, little is known about CSR from the perspective of individual organizational members (Aguilera, Rupp, Williams, & Ganapathi, 2007). In fact, only 4% of the CSR studies published in major management and psychology journals have focused on the individual level (Aguinis & Glavas, 2012). These studies have contributed to the emergent *psychology of CSR* research stream by examining how (potential) employees perceive and subsequently react to CSR. Empirical findings indicate that employees' CSR perceptions influence organizational attractiveness, organizational commitment, intentions to stay, and organizational citizenship behaviors (Rupp, Shao, Thornton, & Skarlicki, 2013).

Whereas these studies provide insights regarding CSR effects at the individual-level, very little research examines *how* organizational insiders' form judgments about CSR actions,

and how these judgments influence employee work attitudes and behaviors (Robertson & Barling, 2013; Rupp et al., 2013). Specifically, there are three notable gaps in the literature.

First, and perhaps more importantly, much of the extant literature is dominated by the need-satisfaction paradigm, thus taking a dispositional approach to explaining CSR influences (e.g., Bauman & Skitka, 2012; Du et al., 2013; Rupp, Williams, & Aguilera, 2011) and examining employee appraisals of and responses to CSR programs in a vacuum (for exceptions to this, see Rupp et al., 2011; Robertson & Barling, 2013). However, there is evidence that employees' judgments and behaviors can also be shaped by their manager's attitudinal and behavioral reactions (e.g., Goldman, 2001). This social information processing (SIP) mechanism of influence across hierarchical levels has been described as the 'trickle-down effect' and suggests that subordinates view their superiors as important social referents and tend to form judgments and exhibit behaviors that emulate those of their superiors (e.g., Mayer et al., 2009; Salancik & Pfeffer, 1978). Here we draw on the SIP approach and expect middle managers' CSR judgments and CSR-specific performance to cascade downward and influence the judgments and performance of their subordinates. Moreover, we examine the boundary conditions that may frame these cascading effects. Given theoretical and managerial interest in understanding the processes of effectively communicating CSR internally (Du, Bhattacharya, & Sen 2010), our study makes an important contribution in that it highlights the role of middle managers as communication vehicles for spreading the CSR message to employees.

Second, it is well established that employees' attitudes and behaviors have far reaching consequences for overall organizational success (e.g., Bauman & Skitka, 2012). Organizational actors play a key role in the success of CSR because they are "*...those who actually strategize, make decisions, and execute CSR programs*" (Aguinis & Glavas, 2012, p. 953). In fact, employees' judgments of CSR may be more important than objective CSR ratings (Rupp, Shao, Thornton, & Skarlicki, 2013) thus rendering them important during the implementation of CSR initiatives (Basu & Palazzo, 2008). Unfortunately, strikingly little is known about how

employees come to form judgments about CSR initiatives. To address this gap, we advance a conceptual framework that delineates how employees form CSR judgments and how these, in turn, influence their CSR-specific performance. The focus on CSR-specific performance is important given that most CSR literature has examined the effects of CSR judgments on general outcomes like citizenship behaviors (Rupp et al., 2013). Relatively little attention has been directed to CSR-specific outcomes that can help organizations to support CSR actions. At a time when many companies engage in CSR actions but “*few have figured out how best to reap the returns of such CSR engagement*” (Bhattacharya, Sen, & Korschun, 2008, p. 37), gaining insights on the drivers (e.g., CSR judgments) and consequences (e.g., in-role job performance) of employees’ CSR-specific performance has important managerial implications.

Third, recent research (Aguilera et al., 2007; Morgeson, Aguinis, Waldman, & Siegel, 2013) notes that the primary focus of individual-level CSR research has been on examining the outcomes (e.g., organizational commitment) as opposed to the antecedents of employee’s reactions to CSR (e.g., Du et al., 2013; Rupp et al., 2013). Although a focus on outcomes provides insights on whether and how CSR is likely to pay off, what it lacks is insights about *how* managers can influence employees’ CSR judgments (i.e., antecedents of CSR judgments). To address this gap, we present and test an integrated multi-level theoretical framework, examining both (cross-level) antecedents and outcomes of employee CSR judgments.

We build our conceptual framework using insights from three theoretical domains. Specifically, we draw from the organizational justice literature (Aguilera et al., 2007; Rupp, Ganapathi, Aguilera, & Williams, 2006; Rupp et al., 2011) to develop hypotheses for the baseline model of the consequences of employee CSR judgments (Figure 1, lower part). To develop predictions regarding the CSR trickle-down effects (Figure 1, top part) we build from the SIP literature (e.g., Thomas & Griffin, 1989). Finally, to examine the boundary conditions of the CSR trickle-down effects across levels (Figure 1, top left part), we use insights from

leadership theories and research on the role of middle management involvement in the strategy making process (Floyd & Wooldridge, 1992).

-----  
Insert Figure 1 Here  
-----

We utilize a constructive replication research design (Lykken, 1968) by employing a sequentially richer dataset, which strengthens both the external and internal validity of our results while enabling us to test hypotheses of increasing complexity across three studies. In Study 1, we sample a broad pool of U.S.-based organizations across industries to test our baseline model and strengthen external validity. In Study 2, we replicate the baseline model and extend it by testing trickle-down effects in three multinational manufacturing firms located in Europe. Narrowing our focus to three organizations allows us to gain additional insights by using multilevel, multisource data from both managers and their subordinates across organizational units. Finally, in Study 3, we use multilevel, multisource data from boundary-spanning personnel (i.e., salespeople), their managers, and archival data in a large U.S. organization. The aim is to further replicate the baseline model and trickle-down effects, extend them by uncovering moderating effects on the cascading influences, and shift our consideration of the criterion domain to focus on in-role CSR-specific performance and objective in-role job performance ratings; the single firm context not only allows us to employ a richer and different data set but also helps strengthen the internal validity of our results.

### **Study 1: Baseline Model**

One key feature of our conceptual framework is the baseline, individual-level model which links together CSR judgments, affective organizational commitment, CSR-specific performance, and employee in-role job performance. CSR judgments refer to “*employees’ perceptions of the firm’s external CSR [which] are a special aspect of their more general justice perceptions*” (Aguilera et al., 2007, p. 840). Notably, we operationalize CSR judgments as global, trait-like entity fairness judgments that generalize across CSR events and contexts

and develop from the aggregation of specific CSR event experiences and occasional judgments (Cropanzano, Byrne, Bobocel, & Rupp, 2001). Affective organizational commitment refers to “*an emotional attachment to, identification with, and involvement in the organization*” (Allen & Meyer, 1990, p. 1). CSR-specific performance refers to the effectiveness of an employee in performing behaviors related to the organization’s CSR programs. Building on the group engagement model of organizational justice (Tyler & Blader, 2003) and work in employee performance (Williams & Anderson, 1991), we distinguish between two classes of CSR-specific performance: extra-role and in-role. In-role CSR-specific performance refers to CSR-related behaviors which are formally prescribed, expected, and directed by rewards and sanctions, whereas extra-role CSR-specific performance refers to behaviors which originate within the individual, are not directly or explicitly recognized by the formal reward system, but support the effective functioning of CSR programs. Finally, employee in-role job performance refers to a set of overall behaviors that are tied to the technical core of a job and “*...recognized by formal reward systems and are part of the requirements as described in job descriptions*” (Williams & Anderson, 1991, p. 606).

The baseline model draws from the (third-party) organizational justice literature, which theorizes that individuals' justice judgments about organizational social actions will shape their subsequent attitudes and behaviors toward the firm. The theoretical predictions of this model can be found in the multiple needs model of organizational justice (Cropanzano et al., 2001) and applications of this to CSR (e.g., Aguilera et al., 2007). Building upon this model, Rupp et al. (2006) present a theoretical framework wherein employees’ reactions to CSR impact subsequent attitudes and behaviors via the satisfaction of instrumental, relational and deontic needs. Thus, we propose that employees’ CSR judgments relate to both employees’ affective organizational commitment and performance on CSR-specific behaviors. Further, to make our research more managerially relevant, our model examines whether CSR-specific performance and affective organizational commitment relate to employee in-role job performance.

## **Theory and Hypotheses**

The psychology of CSR literature informs us that an organization's social actions matter for its employees by providing cues that are used to judge the fairness of an organization (Rupp et al., 2011). We view CSR as multi-stakeholder, third-party justice, a heuristic employees use in order to evaluate their employer's fairness (Aguilera et al., 2007). In this third-party justice context, employees are likely to use the typology of organizational justice when judging their employers' CSR efforts (Aguilera et al., 2007). Consider, for example, a cause-related marketing initiative where donations to a charity are linked to product sales. In this context, employees are likely to judge: (a) the social concerns embedded in the organization's procedures leading to the design and implementation of the initiative (procedural CSR: e.g., were the decisions and processes related to the design and implementation of the campaign fair? ); (b) the outcomes that will result from the CSR initiative (distributive CSR justice: e.g., given the inputs and costs incurred for the organization and the charity, is the donation amount fair?); and (c) how individuals within and outside the organization are interpersonally treated during implementation of these initiatives (interactional CSR justice: e.g., did the organization treat employees of the partner charity with politeness, dignity, and respect?).

Such thoughts about organizational actions form the basis of CSR judgments. Although justice perceptions are largely self-focused (i.e., guided by employees' economic self-interest), they appear to be universal norms involving morality-driven components that likely transcend self-interest (Cropanzano et al., 2001). The organizational justice literature considers affective reactions as important outcomes of (third-party) organizational justice judgments (e.g., Cropanzano et al., 2001). For example, De Cremer and van Hiel (2006) find that how fairly another is treated positively impacts one's emotional reactions (e.g., affective commitment), whereas meta-analytical evidence shows that justice judgments directly influence affective commitment (Cohen-Charash & Spector, 2001). Accordingly, we expect favorable CSR judgments to positively influence employee affective organizational commitment. Under the

assumption that CSR is ethically imbued and thus expresses organizational values like warmth, communion, and morality (Bauman & Skitka, 2012), it follows that it will strongly adhere to values related to courtesy, consideration, fairness, and moral integrity – that is, values which contribute to the development of affective commitment (Finegan, 2000). Therefore:

*Hypothesis 1a: Employee CSR judgments positively relate to employee affective organizational commitment.*

Our expectation that CSR judgments will positively relate to extra-role CSR-specific performance derive from (a) equity theory, which indicates that when employees perceive injustice they can alter their work outcomes to restore justice; (b) social exchange theory, which views organizational justice as input of the organization to the exchange relationship; and (c) the group engagement model (Tyler & Blader, 2003), which suggests that individuals' (procedural) justice judgments of the group they belong to influence individuals' discretionary cooperative behaviors. Overall, a rich set of findings in the organizational justice literature indicates that employee evaluations of fairness influence employee behaviors (e.g., Blader & Tyler, 2009) and extra-role behaviors (Eisenberger et al., 2010). Hence:

*Hypothesis 1b: Employee CSR judgments positively relate to employee extra-role CSR-specific performance.*

We also argue that employees exhibiting higher levels of affective commitment towards the organization will be more motivated to perform extra-role CSR-specific behaviors that will support the organization's achievement of its CSR goals. Riketta's (2002) meta-analysis offers support in this regard, showing that affective commitment is strongly related to extra-role behaviors. More recently, Eisenberger et al. (2010) reported that affective organizational commitment relates to extra-role performance both in the U.S. and in Europe. Therefore:

*Hypothesis 2a: Employee affective organizational commitment positively relates to employee extra-role CSR-specific performance.*

Research examining the effects of affective commitment on in-role job performance report significant, albeit rather weak, results (Eisenberger et al., 2010; Rhoades, Eisenberger, & Armeli, 2001). Specifically, two meta-analyses report a positive correlation between affective commitment and job performance (Jaramillo, Mulki, & Marshall, 2005; Riketta, 2002). Importantly, Jaramillo et al. (2005) note that while commitment explains only 6% of the variance of job performance, other job attitudes explain no more than 4%. Overall, the rationale for linking affective commitment to overall job performance is that employees who feel attached to and identify with their organization will work harder and tend to support organizational plans and policies. In sum, although the relationship between affective commitment and job performance has been shown to be weak in past studies, the effects reported are significant with correlation estimates being close to or larger than .20, which constitutes the recommended minimum effect size representing a “practically” significant effect (Ferguson, 2009). Based on these findings and given the need for a more managerially relevant understanding of the consequences of employees’ CSR judgments, we posit:

*Hypothesis 2b: Employee affective organizational commitment positively relates to employee in-role job performance.*

Our baseline model also predicts that employee extra-role CSR-specific performance will relate positively to employee in-role job performance. Several theoretical arguments support this relationship. First, managers may view subordinates’ discretionary CSR-specific behaviors as behaviors that facilitate their own jobs which will, in turn, lead to positive reciprocation acts such as positive performance evaluations (Podsakoff, Whiting, Podsakoff, & Blume, 2009). Second, Caligiuri, Mencia, and Jiang (2013) reported that discretionary CSR behaviors, in the form of employees’ opting to participate in a corporate volunteerism initiative, are related to employees’ capability development which can be subsequently applied to regular work, and therefore lead to the enhancement of in-role job performance. Third, Piercy, Cravens, Lane, and Vorhies (2006) show that discretionary behaviors contribute to in-role performance given

that such behaviors tend to support the effective functioning of organizations. Likewise, Podsakoff et al.'s meta-analysis (2009) reports a strong correlation between extra-role behaviors and individual-level job performance ratings. Hence:

*Hypothesis 3: Employee extra-role CSR-specific performance positively relates to employee in-role job performance.*

## **Methods**

The core objective of Study 1 was to test the baseline model across different organizations and industries and thus strengthen the external validity of our findings. Because some of the constructs examined here are new to the literature (e.g., CSR-specific performance), Study 1 served a second objective – that is, allow the initial development and validation of the measures employed.

**Sample.** We collected data using Zoomerang, a leading web-based survey platform that uses a registered panel that approximates the U.S. census. Respondents were selected on the basis of their employing organization's involvement in CSR initiatives, defined as organization-initiated actions that further social good, beyond the interests of the firm and that which is required by law (McWilliams & Siegel, 2001). Initially, we sent 500 e-mail invites to a nationally representative random sample of working individuals. The final sample consisted of 260 individuals (232 were screened out since their companies were not involved in CSR and 8 partially completed the survey). The sample included both managers (39%) and employees (61%) and was balanced in terms of gender (52% were men). The majority of the respondents (45%) were in the 25-44 age group and 35% reported being in the 45+ age group. The average organizational tenure was 9.6 years, and most respondents were working in the services sector (48%). A wide variety of professions was included in the sample; 23% of respondents reported working in production and operations, 22% in customer service, 14% in sales and marketing, 7% in finance/accounting, 5% human resources, and 29% in other functions. Finally, the

majority of participants reported their organizations' involvement in employee welfare programs (57%), environmental programs (51%), and social welfare programs (47%).

**Measures.** All constructs were measured with 7-point Likert-type scales which were adapted from previous research (see Appendix). *Affective commitment* was measured using Rhoades, Eisenberger, and Armeli (2001) scale. Measures referring to *CSR judgments* and *extra-role CSR-specific performance* were developed for the purposes of the focal study based on a comprehensive review of the extant CSR literature and previous conceptualizations of in-role/extra-role behaviors (e.g., Tyler & Blader, 2003; Berens, van Riel, & van Bruggen, 2005; Wagner, Lutz, & Weitz, 2009; Williams & Anderson, 1991). Following the practice of recent research (Podsakoff, Bommer, Podsakoff, & MacKenzie, 2006) and because of constraints in questionnaire length, three items with the highest factor loadings were taken from Williams and Anderson (1991) to measure in-role job performance. We also controlled for organizational tenure and job level (managerial vs. non-managerial position), because they have been found to influence affective commitment and performance (Eisenberger, et al., 2010). In addition, following meta-analytical evidence demonstrating industry effects on employees' perceptions (e.g., Cotton & Tuttle, 1986), we used economic sector as a covariate.

**Results.** A confirmatory factor analysis (CFA) indicates that the fit of the model was acceptable:  $\chi^2_{98} = 225.95$  ( $p < .01$ ); SRMR = .05; RMSEA = .07; CFI = .96. All indicators loaded significantly on their hypothesized constructs, thus demonstrating convergent validity (Appendix). Table 1 reports that the average variance extracted (AVE) for each measure is greater than the shared variance between any pair of measures, thereby indicating discriminant validity. Composite reliabilities (CRs) exceed the commonly accepted threshold of .70.

-----  
 Insert Table 1 Here  
 -----

The overall fit of the structural model (including the three covariates) was acceptable:  $\chi^2_{135} = 287.31$  ( $p < .01$ ); SRMR = .06; RMSEA = .07; CFI = .96. Variance explained in

affective organizational commitment, extra role CSR-specific performance, and in-role job performance was .61, .44, and .18, respectively.

Results provide support for all but one of our hypotheses (Table 2). Specifically, H1a which posits that employee CSR judgments are positively related to employee affective commitment is confirmed ( $\beta = .872, p < .01$ ). Similarly, H1b and H2a are supported since both CSR judgments ( $\beta = .312, p < .01$ ) and employee affective commitment ( $\beta = .422, p < .01$ ) positively relate to extra-role CSR-specific performance. As predicted in H2b, employee affective commitment positively relates to in-role job performance ( $\beta = .285, p < .01$ ). H3 is not confirmed since extra-role CSR-specific performance does not relate to in-role job performance ( $\beta = .014, p > .05$ ).

-----  
Insert Table 2 Here  
-----

### **Study 2: Trickle-Down Effects**

Study 1 provided empirical support for our baseline model across organizational contexts, showing that positive employee CSR judgments relate to key employee attitudes and behaviors. We build upon those findings to explore a second core tenet of our framework – the trickle-down effects which describe the CSR transfer from the manager level down to the employee level (Figure 1). Aguilera et al. (2007) argued that CSR judgments are socially constructed from socially provided information (e.g., in the form of role models and verbal and non-verbal cues from social influencers) and are thus communicated throughout the entire organization. This transference logic follows work in psychology and management (e.g., Griffin, 1983; Mayer et al., 2009) and aligns with a SIP approach, which posits “...*that people adopt attitudes, behaviors and beliefs in light of social information provided by others*” (Thomas & Griffin, 1989, p. 64). Applying this perspective to how employees assess and respond to CSR suggests that objective changes and investments in CSR programs per se, in order to improve employee attitudes, may be unsuccessful if employees’ perceptions of CSR

are based on social information that remains unchanged (Thomas & Griffin, 1989). Thus, we posit that manager CSR judgments and behaviors spillover to influence employees' CSR judgments and CSR-specific behaviors.

### **Theory and Hypotheses**

To theoretically accommodate for the influence middle managers may have on subordinates while the latter develop CSR judgments and perform on CSR-specific behaviors, we draw on the SIP perspective. Specifically, employees' attitudes and behaviors are, to a large extent, the result of the processing of information from the social environment rather than of individual characteristics (Goldman, 2001). Salancik and Pfeffer (1978) note that individual behavior can best be understood by studying the "*informational and social environment within which that behavior occurs and to which it adapts*" (p. 226). In a review of the SIP literature, Zalesny and Ford (1990) report that there is evidence that social information can affect perceptions, attitudes, and behaviors. In this vein, Kraus, Ahearne, Lam, and Wieseke, (2012) note that attitudes and needs are cognitive products resulting from processing social information, further pointing out that potential social sources of information include observations, behavioral experience, and other people's comments about the job.

Building on this literature, we posit that employees' reactions to CSR can be explained through social influences. The focus of our work is on leaders, who are considered to be a major source of social influence for employees (e.g., Kraus et al., 2012). In the SIP literature, the work of Griffin (1983) was one of the first examining the effect of supervisors' informational cues on task perceptions and job satisfaction. Griffin showed that supervisors' informational cues about job tasks explain variance in affective reactions. Griffin also notes that supervisors are generally the primary providers of social information in a work environment, further indicating their unique position as parts of both the objective and the social work environment. Leaders can make comments, display facial expressions, and provide work-related cues to subordinates (Griffin, 1983). In the words of Thomas and Griffin (1989,

p. 69): *“The social information over which management has the greatest control is information provided by supervisors. Managers often overlook the influence supervisors have on their employees....A supervisor's negative attitude about the company or its management can be transmitted to employees, who in turn develop a negative attitude”*. Interestingly, the third-party organizational justice literature also points to the importance of social influence when third parties form perceptions of fairness. Specifically, Skarlicki and Kullik (2005, p. 213) note that, *“...whereas victims have firsthand experience as a basis for judgment, third parties often base their judgments on others' interpretations...thus third parties are likely to be more susceptible than victims to social influence”*.

The idea that the use of social cues (i.e., employees assessing third-party justice, in our case CSR practices) are likely to be a function of the ambiguity of the situation that is to be judged, has been also discussed in the SIP literature (e.g., Salancik & Pfeffer, 1978; Goldman, 2001). For example, Lamertz (2002) suggests that organizational justice perceptions are especially susceptible to social influence processes, due to the vagueness of organizational rules. Thus, we propose that the ambiguity of the notion of CSR make employees' perceptions of CSR prone to social influence processes. Indeed, CSR has been characterized as an elusive, malleable, and essentially contested concept (Crane et al., 2008).

Accordingly, we propose that supervisors' CSR judgments function as an antecedent of employees' CSR judgments (i.e., a trickle-down effect). However, given that the SIP perspective does not clearly articulate the processes that link social information to perceptions, attitudes, and behaviors (Zalesny & Ford, 1990), we follow Kraus et al. (2012) and incorporate the social influence literature to more clearly elaborate on the mechanisms that translate social information into changes in attitudes and behaviors. This approach is consistent with Rupp et al. (2011), who leveraged Kelman's (1958) three process model of social influence to theorize on the processes that render employee CSR judgments as socially constructed or social contagions that are communicated from one employee to another. According to Kelman, there

are three pathways through which attitudes and behaviors can be affected: compliance, identification, and internalization. First, in our supervisor-subordinate context, compliance occurs when the subordinate wants to attain a favorable reaction from the supervisor. Supervisors have positional power over subordinates and therefore the power to reward and/or punish subordinates. In our CSR context, employees are likely to adopt managers' CSR judgments and behaviors not necessarily because they genuinely care or believe in CSR but because they expect to be rewarded (or avoid punishment) for their compliance (i.e., pleasure from adopting is due to expected tangible rewards). It should be noted that this rule-based trickle-down pathway, which builds on the motive of self-interest and the emotional mechanisms of fear and threat (Rupp et al., 2011) is likely to be less effective in the context of CSR judgments that reflect values like warmth, communion, and consideration (Bauman & Skitka, 2012). The second pathway, identification, occurs when a subordinate accepts their supervisor's influence because he/she wants to establish or maintain a satisfying self-defining relationship with the supervisor (Kelman, 1958, p. 53). In our study, this mechanism implies that – though subordinates may believe in CSR – the main reason for adopting manager's judgments and/or behaviors is the establishment or maintenance of the relationship, which is important for self-definitional reasons (i.e., pleasure from adopting is due to the very act of adopting). Finally, the third pathway, internalization, occurs when subordinates strongly believe in the content of the social influence. In our study, this means that the employee finds the notion of CSR as intrinsically rewarding, and congruent with his value system (i.e., pleasure from adopting is due to content of the social influence). Hence:

*Hypothesis 4a: Manager's CSR judgments positively relate to employees' CSR judgments.*

*Hypothesis 4b: Manager's extra-role CSR-specific performance positively relates to employees' CSR judgments.*

We also anticipate that managers' performance on discretionary CSR-specific behaviors will positively relate to employees' engagement in discretionary CSR-specific

behaviors. Although clearly acknowledging that employee attitudes and behaviors are influenced by socially provided information, the SIP focuses primarily on attitudes rather than behavioral change (Zalesny & Ford, 1990). As such, we supplement our arguments with insights from social learning theory, a close conceptual neighbor of the SIP approach (Kraus et al., 2012). In particular, we expect that leaders, due to their position and because they actualize the abstract existence of organizations (Eisenberger et al., 2010), can act as powerful behavioral models for subordinates. According to Bandura (1977), behavioral modification in the work-place can be the result of two mechanisms: (a) learning through direct experience, and (b) learning through modeling whereby individuals with legitimate authority and/or salient social characteristics can play the role of behavior models since they represent important social referents for subordinates. Mayer et al., (2009), for instance, find a direct positive relationship between supervisory ethical leadership and group-level extra-role behaviors. Therefore:

*Hypothesis 4c: Manager's extra-role CSR-specific performance positively relates to employees' extra-role CSR-specific performance.*

## **Methods**

We conducted Study 2 with dual objectives. First, we aimed to replicate Study's 1 findings using a fresh sample, this time in the context of a European country. Second, and more importantly, we aimed to extend Study 1 by investigating the usefulness of an SIP approach in examining antecedents of employees' CSR judgments (Hypotheses 4a-4c).

**Sample.** Three world-leading manufacturing firms operating in Europe agreed to participate in Study 2. Senior executives contacted all employees and their respective managers to request their voluntary participation and assure confidentiality. We administered paper-and-pencil surveys during work hours, and ensured that employees completed questionnaires in a separate room than their managers. Questionnaires were distributed to 719 employees and 53 managers of different organizational units. We received 506 employee responses (70% response rate) of which 68 were discarded due to an excessive number of missing values; thus,

a sample of 438 employee responses was utilized in all subsequent analyses. Likewise, 47 managers agreed to participate, for a response rate of 89%. On average, 76% of employees in each unit responded. Evidence alleviating non-response bias concerns comes from the high response rates as well as from discussions with management revealing that the profile of the respondents is representative of companies' workforces in all respects (job experience, dyadic tenure, and organizational tenure). The mean group size was 15.09 employees; the mean employee job experience was 7.59 years; and the mean employee tenure with the organization and current supervisor were 7.94 and 4.44 years, respectively. For managers, the mean job experience was 7.95 years and the mean organizational tenure was 12.04 years. The functional areas represented were sales/marketing (38.3%), production (17%), finance (12.8%), supply chain management/logistics (12.8%), information technology (4.3%), human resources (4.3%), business development (4.3%), engineering (2.1%), R&D (2.1%), and other (2%).

**Measures.** Measures for constructs included in the baseline model were the same as those used in Study 1. In addition, we asked managers to self-report their own CSR judgments and performance on extra-role CSR-specific behaviors. We employed the established translation-back-translation procedures as well as the techniques of collaborative and iterative translation in order to ensure equivalence of meaning (Douglas & Graig, 2007). Two bilingual native speakers of the target country (one of the authors and one professional translator) jointly worked on this processes. As in Study 1, we control for organizational tenure. Consistent with prior work (Kraus et al., 2012), we further control for dyadic tenure (months in relationship with current manager). Finally, we employ company setting as a covariate given that different company characteristics can influence employees' assessments (e.g., Cotton & Tuttle, 1986).

**Results.** The CFA for the managers' sample specified a two-factor model whereas the CFA for the employees sample specified a four-factor model. Goodness-of-fit statistics for the employees' sample were as follows:  $\chi^2_{98} = 270.96$  ( $p < .01$ ); SRMR = .04; RMSEA = .06; CFI = .98. Fit indices for the managers' sample were as follows:  $\chi^2_{13} = 15.40$  ( $p = >.05$ ); SRMR =

.07; RMSEA = .06; CFI = .97. Taken together, these indices suggest an acceptable fit for both measurement models. Convergent validity comes from the fact that all indicators loaded significantly on their hypothesized latent construct (Appendix). AVE for each of the measures is greater than the shared variance between any pair of measures (Table 3), thereby satisfying the most stringent test of discriminant validity. In addition, composite reliability for each construct exceeds the threshold of .70, thereby demonstrating reliability.

-----  
Insert Table 3 Here  
-----

Because data were nested (i.e., employees were nested within organizational units), we employed hierarchical linear modeling (HLM) to test hypotheses. Level-1 variables were group-mean centered and Level-2 variables were grand-mean centered. Before estimating the hypothesized paths, we analyzed the amount of variance residing within and between units. Estimating a series of baseline (intercepts-only) models that included only the dependent variables (i.e., employee CSR judgments and extra-role CSR-specific performance) as outcomes, we found that 32% of the variance in employee CSR judgments [ $ICC(1) = .32$ ] and 37% of the variance in employee extra-role CSR-specific performance [ $ICC(1) = .37$ ] resided between employees, thus demonstrating significant variance within and between employees.

HLM analyses indicate support for most hypotheses (Table 4). Employee CSR judgments are positively related to both employee affective commitment (H1a:  $\beta_{30} = .612, p < .01$ ) and employee extra-role CSR-specific performance (H1b:  $\beta_{30} = .239, p < .05$ ). Our prediction that affective commitment will be positively associated to employee extra-role CSR-specific performance is confirmed (H2a:  $\beta_{40} = .366, p < .01$ ). Our hypothesis with regard to the relationship between affective commitment and in-role job performance was supported (H2b:  $\beta_{40} = .146, p < .01$ ), whereas our prediction that employee extra-role CSR-specific performance would positively relate to self-reported in-role job performance was not (H3:  $\beta_{30} = .035, p > .05$ ). Finally, we found support for the cascading effect of manager's CSR judgments on

employee CSR judgments (H4:  $\gamma_{03} = .281, p < .05$ ), but not for the cascading effect of manager's extra-role CSR-specific performance on employee CSR judgments (H4b:  $\gamma_{04} = .032, p > .05$ ). Finally, we failed to confirm that (H4c:  $\gamma_{03} = .190, p > .05$ ) manager's extra-role CSR-specific performance would influence employees' corresponding performance.

-----  
Insert Table 4 Here  
-----

### **Study 3: Moderating Effects**

The results of Study 2 provide added empirical support for our baseline model and for one of the hypothesized cascading effects. However, similar to Study 1, we did not find evidence for the effect of employee extra-role CSR-specific performance on in-role job performance. We further tested our cross-level hypotheses (Hypotheses 4a-4c). Overall, results offer some support for our SIP approach indicating that managers' CSR judgments can be leveraged in order to influence their subordinates CSR judgments. However, we did not find empirical support for Hypotheses 4b and 4c, as managers' extra-role CSR-specific performance did not relate significantly to employees' CSR judgments and their corresponding extra-role CSR-specific performance. Overall, a pattern common in both Study 1 and 2 involves the non-significant findings involving the construct of extra-role CSR-specific performance that seem to fail to predict employees' in-role job performance and, importantly, their CSR judgments or corresponding discretionary CSR-specific performance. Prior work offers some theoretical explanation for these non-significant trickle-down effects.

First, supervisors' impact on employees should generally be more about in-role rather than extra-role behaviors (Vandenberghe, Bentein, & Stinglhamber, 2004). Indeed, local foci (i.e., supervisors vis-à-vis companies), due to their proximity and regular interaction with the employee, are more likely to influence employees to prioritize in-role rather than extra-role performance requirements. This is probably so because supervisors have a more direct and vested interest in their subordinates performing well on their in-role, mandatory behaviors

rather than on their extra-role, discretionary behaviors. Though we recognize that extra-role performance is likely to increase employees' in-role job performance (Podsakoff et al., 2009), and, in turn, managers' performance evaluations, it is likely that supervisors will not face problems if their subordinates decide not to engage in extra-role behaviors; whereas they may if subordinates are not effectively performing their mandatory tasks. Subsequently, though managers may still exhibit discretionary behaviors, their subordinates are more likely to prioritize in-role tasks, especially if they attribute these discretionary behaviors to the managerial status of their supervisor.

Second, in Hypotheses 4a-4c – using Kelman's (1958) three-process model of social influence – we hypothesized that employees' CSR judgments and discretionary behaviors are likely to be influenced by a) the social process of compliance, through the extrinsic factors of reward and punishments; b) identification and specifically through the intrinsic motive of maintaining a self-defining relationship to the manager; and c) internalization, through the intrinsic motive of adherence to the personal value system. However, according to Tyler and Blader's (2003) group engagement model, discretionary behaviors are posited to be primarily intrinsically derived (i.e., they originate within the individual and are stronger under the influence of people's internal motivations). Based on this argument, though employees' discretionary behaviors are likely to be influenced by the (more intrinsically motivated) social processes of internalization and identification, they are less likely to be influenced by the (extrinsically) social process of compliance. As mentioned above, the compliance social influence pathway is enforced through extrinsic factors such as incentives and sanctions usually realized in an organizational context through the positional power immediate supervisors can exert on employees. In contrast, mandatory behaviors, at least when compared to discretionary behaviors, are more strongly affected by those kinds of extrinsic factors.

Based on this discussion and in keeping with our constructive replication approach, we measured in-role rather than extra-role CSR-specific performance in Study 3. To do so, we

identified a target company that evaluated its employees against in-role CSR-specific behaviors. Further, partnering with a single company allowed us to replicate and extend Study 2 in that we now operationalize employee in-role job performance using objective data from company records. Finally, Study 3 replicates and extends Study 2 in one more way. Specifically, we uncover two moderating mechanisms (i.e., managers' directive leadership behaviors and managers' involvement in the implementation of deliberate strategy) that can either enhance or attenuate the trickle-down effects. In sum, we offer seven new hypotheses in Study 3 that should be considered in tandem with the theoretical development of the hypotheses in Studies 1 and 2, which primarily build on the organizational justice literature and its application to CSR as well as on the SIP perspective.

### **Theory and Hypotheses**

#### **CSR Judgments, Affective Commitment, and In-Role CSR-specific Performance.**

We expect employee CSR judgments to positively relate to employee in-role CSR-specific performance. We view CSR as a fairness heuristic (Aguilera et al., 2007) that subsequently influences employees' in-role CSR-specific performance. The organizational justice literature provides support for the impact of (CSR) judgments primarily on discretionary (CSR) behaviors (see Hypothesis 1b). There is, however, evidence of a positive relationship between (CSR) judgments and in-role performance (e.g., Cohen-Charash & Spector, 2001). For instance, Walumba, Cropanzano, and Hartnell (2009) report a positive correlation between all four types of organizational justice perceptions and in-role performance. Hence:

*Hypothesis 5: Employee CSR judgments positively relate to employee in-role CSR-specific performance.*

We also expect affective commitment to positively relate to in-role CSR-specific performance. In particular, employees with higher levels of affective commitment are expected to be more motivated to obey the rules and cooperate with the organization in performing

mandatory, CSR-specific behaviors. Riketta (2002)'s meta-analytical results, for instance, indicate a positive, albeit weak, relationship between affective commitment and aspects of in-role performance. On the basis of this rationale and evidence, we therefore posit:

*Hypothesis 6: Employee affective organizational commitment positively relates to employee in-role CSR-specific performance.*

Further, we anticipate that in-role CSR-specific performance will influence in-role job performance. Employees' in-role CSR-specific performance consists of activities that employees must engage in and are required to use as a means to meeting their overall in-role performance goals. Piercy et al. (2006), for instance, has found a moderate relationship between in-role performance on certain behaviors and overall in-role performance. Similarly, in their recent meta-analysis, Podsakoff et al. (2009) report a moderate positive relationship between task performance and different-source job performance ratings. Thus, we posit:

*Hypothesis 7: Employee in-role CSR-specific performance positively relates to employee in-role job performance.*

In tandem with Hypotheses 4a-4c, we build on the SIP literature and social learning theory and posit managers' in-role CSR-specific performance as a cross-level antecedent of: (a) employees' CSR judgments, and (b) employees' in-role CSR-specific performance. Specifically, it is expected that through the social influence mechanisms of compliance, identification, and internalization, employees will come to accordingly change/adapt their own CSR judgments and in-role performance on CSR-specific behaviors (Rupp et al., 2011). As already discussed, in-role CSR-specific behaviors are primarily extrinsically derived through immediate supervisors' reward and punishment power. Therefore we expect:

*Hypothesis 8a: Manager's in-role CSR-specific performance positively relates to employees' CSR judgments.*

*Hypothesis 8b: Manager's in-role CSR-specific performance positively relates to employees' in-role CSR-specific performance.*

**Boundary Conditions of Trickle-down Effects.** To investigate factors that moderate the trickle-down effect of managers' CSR judgments on employees' CSR judgments, we draw from the SIP approach. Our reasoning aligns with Zalesny and Ford (1990), who report that social information effects are likely to be bounded by contingencies including individual differences and situational ambiguity. More recently, Kraus et al. (2012) propose and find empirical evidence for a multi-level contingency framework of interpersonal influence in organizational identification diffusion. Here we focus on two such contingencies: directive leadership behaviors and manager's involvement in implementing deliberate strategy. We focus on these two boundary conditions for two reasons. First, recent research calls for more studies on how leadership styles moderate the effects of CSR (Basu and Palazzo, 2008; Morgeson et al., 2013; Waldman, Siegel, & Javidan, 2006). In this respect, we focus on middle managers' directive leadership behaviors and we do so because most of the current literature on CSR and leadership behaviors has focused on values-based, relationship-oriented leadership behaviors and particularly the transformational leadership model (e.g., Robertson & Barling, 2013) (see Du, Swaen, Lindgreen, & Sen, 2013, for an exception). We extend these studies by focusing our investigations on directive leadership behaviors – namely, task-oriented behaviors. In contrast to transformational leadership, directive leadership reflects values associated with utilitarian ethics (e.g., power, sanctions, and rewards), self-interest, less initiative and extra-role behaviors (Wendt, Euwema, & Van Emmerik, 2009). These values contradict the ethics underlying CSR efforts (i.e., deontological ethics), which makes the relationship of directive leadership with CSR conceptually less intuitive and straightforward (at least when compared to transformational leadership which is associated with moral altruistic ethics) and therefore more interesting to examine empirically.

Second, most of the current literature has focused on the role of top management in the CSR strategy process (e.g., Waldman et al., 2006; Morgeson et al., 2013) thus neglecting the important role of middle management. To fill this gap, we examine managerial behaviors that

routinely and exclusively relate to middle managers' role in organizations – that is, implementing top management's deliberate (CSR) strategic plans.

**The Moderating Role of Directive Leadership Behaviors.** Directive leadership originates from House's (1996) path-goal theory of leadership, and is among the four types of leaders' behaviors articulated in the leadership model recently posited by Pearce et al. (2003). The content of directive leadership behaviors, which relies primarily on legitimate power, derives from three theoretical traditions: theory X management style, initiating-structure types of leader behavior, and task-oriented types of leader behavior from the Michigan studies (Pearce et al., 2003). According to Yun, Cox, Sims, and Salam (2007), directive leaders represent the prototypical boss who, based on their own judgment, command subordinates and expect their passive compliance. We argue that directive leadership behaviors will negatively moderate the manager's CSR judgments spillover effect on employees' own judgments.

Our expectation is consistent with evidence that directive leadership behaviors negatively impact employee attitudes and perceptions (e.g., Peterson, 1997). Indeed, there is content mismatch between directive leadership behaviors and the very nature of CSR in that directive leadership style is less likely to fit the ideological motivation and content of CSR initiatives. Specifically, the content of directive leadership behaviors contradicts the very nature of CSR – that is, morally altruistic principles and concern for the well-being of others (Waldman et al., 2006). Managers, who directly and/or indirectly try to provide cues to followers that they believe in the social responsibility programs of the organization, while at the same exhibit a leadership style that is not values-based, are likely to be viewed as non-credible or hypocritical. Additionally, favorable CSR judgments adopted by directive leaders, who usually anthropomorphize the abstract existence of the organization and represent the organization to subordinates, are likely to be viewed as non-correspondent with their leadership style. According to correspondence theory (Jones & Davis, 1965), non-correspondent beliefs are not reflective of the true feelings and dispositions of directive leaders and are likely to be

viewed negatively. Finally, followers are less likely to identify with and internalize directive leaders' beliefs since these leaders do not possess attractive values-based qualities relative to their more charismatic counterparts (Wendt et al., 2009; Waldman et al., 2006). Thus:

*Hypothesis 9: Directive leadership behaviors negatively moderate the spillover of CSR judgments from the manager to her/his subordinates. In particular, the relationship will be positive when directive leadership behaviors are low and negative when directive leadership behaviors are high.*

**The Moderating Role of Implementing Deliberate Strategy.** Middle managers play a key role in the strategy making process (see Wooldridge, Schmid, & Floyd, 2008) by acting as “linking pins,” and taking actions that have both top-down and bottom-up influences on strategy formation and implementation (Ren & Guo, 2011). Consistent with Wooldridge et al. (2008) we broadly define middle management to include boundary-spanning individuals that have access to the strategic and operational levels of the organization. Noting the strategic role of middle managers, Floyd and Wooldridge (1992) developed a typology of two upward and two downward middle management strategic functions. Particularly relevant to the downward CSR judgments' transfer process we hypothesize is the involvement in implementing deliberate strategy function, which is considered to be the traditional role of middle managers and “...springs from thinking that is consistent with existing strategy and from attempts to integrate subordinates activities around this strategy” (Wooldridge et al., 2008, p. 1203). Based on this line of literature, we anticipate middle managers' high involvement in the downward strategy implementation to strengthen the CSR judgments' trickle-down effect. Managers who exhibit such behaviors are more likely, compared to their less involved counterparts, to perform social influence practices as described in the SIP literature. Managers highly involved in the strategy implementation function are more likely to engage in direct and/or indirect forms of subordinate influence (e.g., verbal and non-verbal cues reflecting the

importance of CSR strategies etc.), thus enhancing the CSR judgments' spillover across organizational levels. Hence:

*Hypothesis 10: A manager's involvement in implementing deliberate strategy positively moderates the spillover of CSR judgments from the manager to her/his subordinates. In particular, the relationship will be strengthened when manager's involvement is high and tempered when involvement is low.*

## **Methods**

**Sample.** The data used in Study 3 come from a business-to-business sales force of a U.S.-based firm in the hospitality industry. This firm works with hospitality operators throughout the industry to provide customized solutions designed to keep their facilities fully functioning. A sales sample provides us with the ability to gather objective job performance data and specifically examine the role of the boundary spanner with respect to their CSR judgments and behaviors.

Data were collected from three separate sources: (a) written salesperson surveys, (b) written manager surveys, and (c) archival job performance data from company records. To obtain the salesperson segment of the data, 428 employees were surveyed and 324 (75.7%) usable responses were obtained. To obtain the management data, we surveyed all 80 managers and 75 (93.4%) usable responses were obtained. Finally, we matched employee and manager level data to in-role performance metrics from corporate records to create a single data source. We assessed non-response bias for latent constructs to ensure no differences between early and late respondents on construct items existed and found no concerns.

**Measures.** Measures and items are similar to those used in Studies 1 and 2 (Appendix). In addition, constructs on *implementation of deliberate strategy* and *directive leadership* were employed. Both measures were constrained to 3 items (original scales used 4 items). Specific items were selected based on a combination of highest factor loadings and manager's feedback on the relevance of the respective items for the company under investigation. Implementing

deliberate strategy was assessed at the manager level, while directive leadership was assessed at the employee level. Checks were conducted to ensure that aggregation of directive leadership to the manager's level was acceptable [ICC(1) = .34; ICC(2)=.72]. Finally, *employee in-role job performance* was assessed as a measure of percent-to-quota and CSR-specific performance was assessed as in-role behaviors. As with Study 2, organizational and dyadic tenure were included as controls.

**Results.** A CFA was conducted on the employees' four-factor model and on the managers' three-factor model. Goodness-of-fit statistics for the employees' [ $\chi^2_{72} = 253.7$  ( $p < .01$ ); SRMR = .05; RMSEA = .08; CFI = .96] and the managers' sample [ $\chi^2_{64} = 144.7$  ( $p < .01$ ); SRMR = .07; RMSEA = .08; CFI = .93] suggest an acceptable fit for both models. Convergent validity comes from the fact that all indicators loaded significantly on their hypothesized latent construct. AVE for each of the measures is greater than the shared variance between any pair of measures (Table 5) and reliabilities for each construct exceed .70.

-----  
Insert Table 5 Here  
-----

We utilized hierarchical linear modeling (HLM) because data were nested. As with Study 2, we group-mean centered Level-1 variables and grand-mean centered Level-2 variables. Interaction terms between implementing deliberate strategy and manager's CSR judgments and between directive leadership and employee CSR judgments were included in our interactive model.

Similar to Study 2, we conducted tests to clarify how much variance resides within and between units for the two major dependent variables (i.e., employee CSR judgments and employee in-role CSR-specific performance). The two null models indicated that 79% of the variance in employee CSR judgments resided within employees whereas 21% of the variance

resided between employees. Employee in-role CSR-specific performance [ICC(1)=.063] exhibited significant variance within and between employees to proceed with our analyses.

The replication and extension of Studies 1 and 2 supports all our hypotheses and provides interesting insights into the cascading effects of CSR judgments and behaviors (Table 6). First, our findings related to the baseline model show that employee CSR judgments are positively related to both employee affective commitment ( $\beta_{30} = .543, p < .01$ ) and employee in-role CSR-specific performance ( $\beta_{30} = .496, p < .01$ ); thus, H1a is further replicated and H5 is supported. The subsequent model in the series shows that employee affective commitment ( $\beta_{40} = .277, p < .01$ ) influences employee's in-role CSR-specific performance, thereby supporting H6. Finally, consistent with H2b and H7, we find that employee affective commitment ( $\beta_{40} = 3.411, p < .05$ ) and employee in-role CSR-specific performance ( $\beta_{30} = 3.486, p < .05$ ) relate significantly to employee in-role job performance.

-----  
 Insert Table 6 Here  
 -----

Next, turning our attention to the cascading effects, we find that manager's CSR judgments ( $\gamma_{01} = .198, p < .05$ ) and in-role CSR-specific performance ( $\gamma_{02} = .241, p < .05$ ) are influential in forming employee CSR judgments, thus supporting H4a and H8a, respectively. Also, manager's in-role CSR-specific performance is positively related to employee in-role CSR-specific performance ( $\gamma_{01} = .114, p < .05$ ), thereby supporting H8b. Consistent with H9 and H10, we confirm a negative moderating influence of manager's directive leadership ( $\gamma_{05} = -.275, p < .01$ ) and a positive moderating influence of manager's implementing deliberate strategy ( $\gamma_{06} = .434, p < .01$ ) on the effect of manager's CSR judgments to employee CSR judgments. We probed the nature of the two significant interactions using simple slope analyses (figures are available upon request from the authors). When managers have a non-directive leadership style, the effect of their CSR judgments on employee CSR judgments is positive as expected. However, when managers have a directive leadership style the effect of

their CSR judgments on employee CSR judgments is negative. Additionally, implementing a deliberate strategy actually enhances this cognitive cascade. Interestingly, this effect is negative when managers are not involved in implementing deliberate strategy (i.e., an increase in manager's CSR judgments reduces employee's CSR judgments).

This suggests that there are things that a manager can do, both positive and negative, to facilitate or inhibit the transfer of judgments across the organizational hierarchy.

-----  
Insert Figures 2 and 3 Here  
-----

## **Discussion**

Interest in how CSR should be implemented inside the organization continues to rise (Basu & Palazzo, 2008). Utilizing a rich set of managerial, employee, and archival data across three studies, the present study had three objectives: (a) to examine the impact of employee CSR judgments on important employee-related outcomes; (b) to investigate how CSR judgments and behaviors cascade from managers to lower organizational levels; and (c) to examine the conditions that moderate these cascading effects. Our findings align with prior work (e.g., Ren & Guo, 2011) which indicates the important role of middle managers as “linking pins” in the CSR cascading process, thus further suggesting that this process hinges on middle manager's judgments and behaviors.

### **Theoretical Implications**

Most CSR research has taken an organizational or institutional perspective, and paid less attention to the individual, micro-level of analysis (Aguinis & Glavas, 2012). Additionally, work in the area has tended to focus on the outcomes rather than antecedents of employee's reactions to CSR, primarily by taking an individual disposition or needs-based perspective (e.g., Bauman and & Skitka, 2012).

We extend this literature by suggesting that the implementation of CSR is hierarchical and, consequently, the outcome of the *processing* of information employees receive from the

organization's social environment. Specifically, we apply the SIP approach and test a multilevel framework which focuses on individuals (i.e., managers and their social influence on subordinates) and offers an explanation for how CSR judgments are formed by and communicated to individuals within organizations. This novel focus is particularly important in light of the substantive role that individuals are believed to play in the somewhat paradoxical nature of communicating CSR to external stakeholders – an issue that has recently been identified as one of the most important challenges companies face. According to a recent global survey (Reputation Institute, 2013), the top 100 CSR reputation companies spend more than \$50 million a year on CSR programs, but still they are not getting the message to stakeholders. Therefore, if CSR communication efforts suffer from the so-called “self-promoter's paradox,” an inside-out approach (i.e., first ensuring that organizational actors are committed to company's CSR initiatives before reaching external groups of stakeholders) can be a smart way to deal with this paradox (Rangan, Chase, & Karim, 2012) and thus help companies effectively deliver their CSR messages to external stakeholders.

In this vein, the current study has shown – across different samples and contexts – that when organizations manage to cultivate positive CSR judgments among managers and their subordinates, the result will be enhanced levels of emotional bonds with the organization. This finding is important because getting employees to feel a sense of belonging to the organization and identification with its goals has long been considered a top priority among organizational psychologists. Based on the organizational justice literature, our study demonstrates that affective commitment appears to be a promising construct for understanding how CSR initiatives might impact employees. In addition, our results provide some evidence that CSR judgments are positively related to the performance of both extra- and in-role CSR-specific behaviors. This novel finding suggests that by fostering positive thoughts and judgments about the organization's CSR programs, employees will tend to exhibit behaviors that are either required or fall within the domain of discretionary work activities. Whether required or

discretionary these have the common denominator of supporting the organization to achieve its CSR-specific objectives. By managing CSR judgments, therefore, organizations are increasing their chances of CSR programs being favored, supported, and championed by their employees and, consequently, being effectively implemented. Beyond increasing engagement in CSR-specific behaviors, however, it was found that positive employee CSR judgments can enhance affective commitment and thus increase in-role job performance. Presumably, when companies – through their social actions – send strong signals to employees that they genuinely care about societal and environmental well-being, employees' judgments of global fairness will increase, which will subsequently lead to increased levels of motivation and, thus, increases in employee productivity. Moreover, Study 3's results clearly show that getting employees to perform their role-prescribed behaviors that support the CSR program is related to increased levels of in-role job performance. Given that job performance ratings were captured by archival data in Study 3, it appears that employees who perform well on required activities that support the CSR initiatives of their organization are more highly involved in CSR implementation; as such, they might also be in a better position to learn about products, systems, and processes required to successfully complete their job activities and thereby achieve their job objectives.

Second, most existing literature has focused on the role of top executives in the CSR implementation process, while neglecting the role of middle management (e.g., Morgeson et al., 2013). Our results show across Studies 2 and 3 that middle managers' CSR judgments and CSR-specific behaviors trickle down to influence employees' CSR judgments and CSR-specific behaviors. In this vein, we identify a novel and important antecedent of employees' CSR judgments and behaviors, thereby shedding light to a new mechanism that organizations can use in order to favorably influence employees' CSR judgments, and through these, employees' affective commitment, CSR-specific performance, and in-role job performance. These cascading effects confirm prior findings in the literature in that middle managers'

thoughts and actions define organizational reality and have the power to modify subordinates' behaviors through a social information and vicarious learning process (Mayer et al., 2009).

Finally, our moderation analyses contribute to recent research suggesting that the so-called "good-will" refund of CSR is moderated by certain conditions (e.g., Du et al., 2010). According to this line of literature, organizations should move away from the long-fought battle regarding the universal impact of CSR toward a finer grained understanding of *when* CSR is likely to be more impactful. We extend prior work in the psychology of CSR research stream by drawing on leadership theories and research on the role of middle management involvement in the strategy making process (Floyd and Wooldridge, 1992) and uncovering that the trickle-down effect of CSR judgments depends on two key manager's behaviors: directive leadership and involvement in implementing deliberate strategy. Specifically, under conditions of low directive leadership or high deliberate strategy involvement, the cascading effects of CSR judgments from managers to their employees are stronger. Interestingly, under conditions of high directive leadership or low deliberate strategy involvement we observe a negative relationship between middle-managers' and employees' CSR judgments; these findings suggest that increases in middle-managers' CSR beliefs will reduce employees' CSR beliefs. These disordinal interaction effects (Figures 2 and 3) indicate that the direct effects in the CSR transfer process should only be interpreted in light of directive leadership or deliberate strategy involvement. Though the effect of low directive leadership on the CSR-transfer process was expected, such an effect was not hypothesized for low deliberate strategy involvement. Rather, our prediction was that under conditions of low deliberate strategy involvement the CSR transfer process would be weakened. This unexpected finding warrants more elaboration. Employees may view an increase in manager's CSR judgments as inconsistent and non-correspondent with their behaviors towards implementing and selling those judgments downward the hierarchy (i.e., low involvement in deliberate CSR strategy implementation). Therefore, employees may view these CSR judgments as hypocritical or forced by the upper

organizational echelons rather than as genuine expressions of a manager's concern for responsible behavior.

### **Managerial Implications**

Despite the attacks on CSR from both the right and left sides of the ideological spectrum, the ever increasing number of companies that engage in such social initiatives (Rangan et al., 2012) suggests that CSR is here to stay. Practitioners seem to be more interested in figuring out “how” to implement CSR activities rather than “whether” to embrace CSR or not. Therefore, the present study has several important implications for practicing managers.

First, for a successful inside-out approach to CSR implementation, our study suggests that organizations should start “selling” their CSR initiatives to middle-level managers, given the latter's important role in the CSR spillover process. If middle-managers are convinced that the organization is socially responsible, then their positive judgments are likely to spread among their employees, therefore facilitating the inside-out approach of CSR implementation. On the other hand, the role of middle-managers in the CSR-transfer process can also be seen as a double-edged sword, as middle-managers can become serious inhibitors of the process. The importance of this “roadblock” role is further elevated by recent evidence showing that middle-managers are under high pressure, particularly unhappy with their work-life balance, and worry most about their job security (CIPD, 2012a). Therefore, their critical role in the CSR spillover process requires organizations to carefully identify the determinants of middle-managers' CSR judgments. Although research on the determinants of CSR judgments at the employee level is in an embryonic stage, there is some limited evidence pointing towards two important and interrelated antecedents: (a) involving middle-managers in the CSR design process (Rangan et al. 2012); and (b) convincing middle-managers about the authenticity of the organization's involvement in CSR initiatives (Vlachos, Theotokis, & Panagopoulos, 2010).

Second, organizations should involve middle-managers in training sessions that will build an awareness of their “linking pin” role in the CSR spillover process to lower levels of

the organizational hierarchy. Based on our finding that both CSR judgments and behaviors matter for the CSR cascading effects, managers should be informed and trained on both direct and indirect ways to influence subordinates. Importantly, middle-managers should be made aware that their enhancing role in the CSR transfer process is dependent on two relevant behaviors: directive leadership behaviors and the level of their involvement in deliberate strategy implementation. Specifically, middle-managers should be informed that increased levels of directive leadership behaviors or low deliberate strategy involvement behaviors will hinder the spillover of their judgments to employees' own judgments.

Third, the results of our study are important for organizations' recruiting and promotion tactics. Particularly for companies competing through a dedicated CSR strategy – that is, when CSR is in their DNA – recruiting and promotion decisions for middle-management positions should take into account the propensity of individuals to engage in a directive leadership style or to be involved in the implementation of deliberate strategy. Arguably, organizations can select middle-managers that score low in directive leadership and high in deliberate strategy implementation as two critical starting points for the CSR diffusion process.

Finally, our study suggests that the common practice of organizations to first look at middle-managers when trying to reduce headcount may not be a good idea given their important role in the CSR diffusion process. In fact, according to CIPD (2012b), though skilled middle-managers can play a key role in sustainable organizational performance, much of this can be lost if downsizing targets the middle-management tier.

### **Limitations and Further Research**

The results of the present study are tempered with certain limitations. First, though theory guided our hypotheses, our data are cross-sectional in nature and thus preclude us from making causal inferences. Second, using perspectives from the SIP literature, we hypothesized the existence of theoretical mechanisms translating supervisors' CSR judgments into subordinates' CSR judgments (i.e., Kelman's three-process model of influence). Though doing

so is consistent with much of the current literature (e.g., Krauss et al., 2012), future research should explicitly operationalize and test these mechanisms in order to provide a more veridical picture of the transference process. Third, given the encouraging results of our study, future research needs to examine the CSR spillover process including both internal and external stakeholders. Future researchers can extend our two-level model by including, for instance, customers' CSR judgments and outcomes as a third level of analysis. Finally, more research is needed to examine additional moderators of the spillover effects. For example, one could envision that such constructs as servant leadership and/or supervisor prosocial personal identity will moderate the CSR spillover process. Likewise, one could hypothesize employees' perceptions of prosocial impact, peers' CSR judgments, and customer's evaluations to strengthen the CSR spillover process

### References

- Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). Putting the S back in corporate social responsibility: a multilevel theory of social change in organizations. *Academy of Management Review*, *32*, 836-863.
- Aguinis, H., & Glavas, A. (2012). What we know and don't know about corporate social responsibility A review and research agenda. *Journal of Management*, *38*, 932-968.
- Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance, and normative commitment to the organization. *Journal of Occupational Psychology*, *63*, 1-18.
- Bandura, Albert (1977), *Social learning theory*. Englewood Cliffs, NJ: Prentice-Hall.
- Basu, K., & Palazzo, G. (2008). Corporate social responsibility: A process model of sensemaking. *Academy of Management Review*, *33*, 122-136.
- Bauman, C. W. & Skitka, L. J. (2012). Corporate social responsibility as a source of employee satisfaction. *Research in Organizational Behavior*, *32*, 63-86.

- Berens, G., van Riel, C. B. M., & van Bruggen, G. H. (2005). Corporate associations and consumer product responses: The moderating role of corporate brand dominance. *Journal of Marketing, 69*, 35-18.
- Bhattacharya, C. B., Sen, S., & Korschun, D. (2008). Using corporate social responsibility to win the war for talent. *MIT Sloan Management Review, 49*, 37-44.
- Blader, S. L., & Tyler, T. R. (2009). Testing and extending the group engagement model: linkages between social identity, procedural justice, economic outcomes, and extra-role behavior. *Journal of Applied Psychology, 94*, 445-464.
- Caligiuri, P., Mencia, A., & Jiang, K. (2013). Win-win-win: The influence of company-sponsored volunteerism programs on employees, NGOs, and business units. *Personnel Psychology, 66*, 825-860.
- Cohen-Charash, Y., & Spector, P. E. (2001). The role of justice in organizations: A meta-analysis. *Organizational Behavior and Human Decision Processes, 86*, 278-321.
- CIPD (2012a). Employee Outlook: Winter (2011-2012). Available at: <http://www.cipd.co.uk/hr-resources/survey-reports/employee-outlook-winter-2011-12.aspx>] (Accessed May 29, 2012)
- CIPD (2012b). Employee Outlook: Winter 2011-2012. Available at: <http://www.cipd.co.uk/shapingthefuture>, (Accessed May, 29 2012).
- Cotton, J. L., & Tuttle, J. M. (1986). Employee turnover: A meta-analysis and review with implications for research. *Academy of Management Review, 11*, 55-70.
- Crane, A., McWilliams, A., Matten, D., Moon, J., & Siegel, D. S. (2008). *The Oxford handbook of corporate social responsibility*. Oxford, UK: Oxford University Press.
- Cropanzano, R., Byrne, Z. S., Bobocel, D. R., & Rupp, D. E. (2001). Moral virtues, fairness heuristics, social entities, and other denizens of organizational justice. *Journal of Vocational Behavior, 58*, 164-209.

Cremer, D. D., & Hiel, A. V. (2006). Effects of another person's fair treatment on one's own emotions and behaviors: The moderating role of how much the other cares for you.

*Organizational Behavior and Human Decision Processes*, *100*, 231-249.

Douglas, S. P., & Craig, C. S. (2007). Collaborative and iterative translation: an alternative approach to back translation. *Journal of International Marketing*, *15*, 30-43.

Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. *International Journal of*

*Management Reviews*, *12*, 8-19.

Du, S., Bhattacharya, C. B., & Sen, S. (2013). Corporate social responsibility, multi-faceted job-products, and employee outcomes. ESMT Working Paper No. 13-07.

Du, S., Swaen, V., Lindgreen, A., & Sen, S. (2013). The roles of leadership styles in corporate social responsibility. *Journal of Business Ethics*, *114*, 115-169.

Eisenberger, R., Karagonlar, G., Stinglhamber, F., Neves, P., Becker, T. E., Gonzalez-Morales, M. G., & Steiger-Mueller, M. (2010). Leader-member exchange and affective

organizational commitment: The contribution of supervisor's organizational embodiment.

*Journal of Applied Psychology*, *95*, 1085-1103.

Ferguson, C.J. (2009). An effect size primer: a guide for clinicians and researchers.

*Professional Psychology: Research and Practice*, *40*, 532-539.

Finegan, J. E. (2000). The impact of person and organizational values on organizational

commitment. *Journal of Occupational and Organizational Psychology*, *73*, 149-169.

Floyd, S.W. & Wooldridge, B. (1992). Middle management involvement in strategy and its

association with strategic type: A research note. *Strategic Management Journal*, *13*, 153-167.

Goldman, B. M. (2001). Toward an understanding of employment discrimination claiming: An integration of organizational justice and social information processing theories. *Personnel*

*Psychology*, *54*, 361-386.

- Griffin, R. W. (1983). Objective and social sources of information in task redesign: A field experiment. *Administrative Science Quarterly*, 28, 184-200.
- Herscovitch, L. & Meyer, J. (2002). Commitment to organizational change: Extension of a three-component model. *Journal of Applied Psychology*, 87, 474-487.
- House, R. J. (1996). Path-goal theory of leadership: Lessons, legacy, and a reformulated theory. *The Leadership Quarterly*, 7, 323-352.
- Jaramillo, F., Mulki, J. P., & Marshall, G. W. (2005). A meta-analysis of the relationship between organizational commitment and salesperson job performance: 25 years of research. *Journal of Business Research*, 58, 705-714.
- Jones, E. E., & Davis, K. (1965). From acts to dispositions, in L. Berkowitz (Ed), *Advances in experimental psychology*. New York: Academic.
- Kraus, F., Ahearne, M., Lam, S. K., & Wieseke, J. (2012). Toward a contingency framework of interpersonal influence in organizational identification diffusion. *Organizational Behavior & Human Decision Processes*, 118, 162-178.
- Kelman, H. C. (1958). Compliance, identification, and internalization: Three processes of attitude change. *Journal of Conflict Resolution*, 2, 51-60.
- Lamertz, K. (2002). The social construction of fairness: Social influence and sense making in organizations. *Journal of Organizational Behavior*, 23, 19-37.
- Lykken, D. E. (1968). Statistical significance in psychological research. *Psychological Bulletin*, 70, 151-159.
- Mayer, D. M., Kuenzi, M., Greenbaum, R., Bardes, M., & Salvador, R. B. (2009). How low does ethical leadership flow? Test of a trickle-down model. *Organizational Behavior and Human Decision Processes*, 108, 1-13.
- McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of Management Review*, 26, 117-127.

- Morgeson, F. P., Aguinis, H., Waldman, D. A., & Siegel, D. S. (2013). Extending corporate social responsibility research to the human resource management and organizational behavior domains: A look to the future. *Personnel Psychology, 66*, 805-824
- Morhart, F.M., Herzog, W., & Tomczak, T. (2009). Brand-specific leadership: Turning employees into brand champions. *Journal of Marketing, 73*, 122-142.
- Pearce, C. L, Sims, H. P., Jr., Cox, J. F., Ball, G., Schnell, E., Smith, K. A., Trevino, L. (2003). Transactors, transformers and beyond: A multi-method development of a theoretical typology of leadership. *Journal of Management Development, 22*, 273-307.
- Peterson, R. S. (1997). A directive leadership style in group decision making can be both virtue and vice: Evidence from elite and experimental groups. *Journal of Personality & Social Psychology, 72*, 1107-1121.
- Piercy, N. F., Cravens, D. W., Lane, N., & Vorhies, D. W. (2006). Driving organizational citizenship behaviors and salesperson in-role behavior performance: The role of management control and perceived organizational support. *Journal of the Academy of Marketing Science, 34*, 244-262.
- Podsakoff, P.M., Bommer, W.H., Podsakoff, N.P., & MacKenzie, S.B. (2006). Relationships between leader reward and punishment behavior and subordinate attitudes, perceptions, and behaviors: A meta-analytic review of existing and new research. *Organizational Behavior and Human Decision Processes, 99*, 113-142.
- Podsakoff, N. P., Whiting, S. W., & Podsakoff, P. M., & Blume, B. D., (2009). Individual- and organizational-level consequences of organizational citizenship behaviors: A meta-analysis. *Journal of Applied Psychology, 94*, 122-141.
- Rangan, K., Chase, L.A., & Karim, S. (2012). Why every company needs a CSR strategy and how to build it. Working Paper Series No. 12-088. Harvard Business School, Boston, MA.

- Rhoades, L., Eisenberger, R., & Armeli, S. (2001). Affective commitment to the organization: The contribution of perceived organizational support. *Journal of Applied Psychology, 86*, 825-836.
- Ren, C. R., & Guo, C. (2011). Middle Managers' Strategic Role in the Corporate Entrepreneurial Process: Attention-Based Effects. *Journal of Management, 37*, 1586-1610.
- Reputation Institute (2013). Global CSR RepTrak® 100. [Available at: <http://www.reputationinstitute.com/thought-leadership/csr-reptrak-100>].
- Ricketta, M. (2002). Attitudinal organizational commitment and job performance: a meta-analysis. *Journal of Organizational Behavior, 23*, 257-266.
- Robertson, J. L., & Barling, J. (2013). Greening organizations through leaders' influence on employees' pro-environmental behaviors. *Journal of Organizational Behavior, 34*, 176-94.
- Rupp, D. E., Ganapathi, J., Aguilera, R. V., & Williams, C. A. (2006). Employee reactions to corporate social responsibility: an organizational justice framework. *Journal of Organizational Behavior, 27*, 537-543.
- Rupp, D. E., Shao, R., Thornton, M. A., & Skarlicki, D. P. (2013). Applicants' and employees' reactions to corporate social responsibility: The moderating effects of First-party justice perceptions and moral identity. *Personnel Psychology, 66*, 895-933.
- Rupp, D. E., Williams, C. A., & Aguilera, R. V. (2011). *Increasing corporate social responsibility through stakeholder value internalization (and the catalyzing effect of new governance): An application of organizational justice, self-determination, and social influence theories*. Managerial Ethics. New York: Taylor and Francis.
- Salancik G.R., & Pfeffer J. (1978). A social information processing approach to job attitudes and task design. *Administrative Science Quarterly, 23*, 224-252.
- Skarlicki, D. P., & Kulik, C. T. (2005). Third-party reactions to employee (mis) treatment: A justice perspective. *Research in Organizational Behavior, 26*, 183-229.

- Teas, R. K. (1981). An empirical test of models of salespersons, job expectancy and instrumentality perceptions. *Journal of Marketing Research*, *18*, 209-226.
- Thomas, J. G., & Griffin, R. W. (1989). The power of social information in the workplace. *Organizational Dynamics*, *18*, 63-75.
- Tyler, T. R., & Blader, S. L. (2003). The group engagement model: Procedural justice, social identity, and cooperative behavior. *Personality and Social Psychology Review*, *7*, 349-61.
- Vandenberghe, C., Bentein, K., & Stinglhamber, F. (2004). Affective commitment to the organization, supervisor, and work group: Antecedents and outcomes. *Journal of Vocational Behavior*, *64*, 47-71.
- Vlachos, P. A., Theotokis, A., and Panagopoulos, N. G. (2010). Sales force reactions to corporate social responsibility: Attributions, outcomes, and the mediating role of organizational trust. *Industrial Marketing Management*, *39*, 1207-1218.
- Wagner, T., Lutz, R., & Weitz, B. (2009). Corporate hypocrisy: Overcoming the threat of inconsistent corporate social responsibility perceptions. *Journal of Marketing*, *73*, 77-91.
- Waldman, D. A., Siegel, D. S., & Javidan, M. (2006). Components of CEO transformational leadership and corporate social responsibility. *Journal of Management Studies*, *43*, 1703-1725.
- Wendt, H., Euwema, M. C., & Van Emmerik, I. J. (2009). Leadership and Team Cohesiveness across Cultures. *The Leadership Quarterly*, *20*, 358-370.
- Williams, L. J., & Anderson, S. E. (1991). Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviors. *Journal of Management*, *17*, 601-617.
- Wooldridge, B., Schmid, T., & Floyd, S. W. (2008). The middle management perspective on strategy process: Contributions, synthesis, and future research. *Journal of Management*, *34*, 1190-1221.

Yun, S., Cox, J., Sims, H.P., Jr., Salam, S. (2007). Leadership and teamwork: The effects of leadership and job satisfaction on team citizenship. *International Journal of Leadership Studies*, 2, 171-193.

Zalesny, M. D., & Ford, J. K. (1990). Extending the social information processing perspective: New links to attitudes, behaviors, and perceptions. *Organizational Behavior and Human Decision Processes*, 47, 205-246.

Table 1  
*Construct Intercorrelations<sup>1,2,3</sup>, Summary Statistics & Psychometric Properties – Study 1*

Measures	1	2	3	4	5	6	7	M <sup>4</sup>	STD <sup>4</sup>	CR <sup>4</sup>	AVE <sup>4</sup>
1. Employee Affective Organizational Commitment	1.00	.61**	.77**	.38**	.04	.14*	-.12*	4.89	1.59	.94	.73
2. Employee Extra-role CSR-specific Performance		1.00	.57**	.20**	.13*	-.11*	-.27**	3.97	1.68	.91	.78
3. Employee CSR Judgments			1.00	.47**	.06	.09	-.02	5.33	1.33	.93	.78
4. Employee In-Role Job Performance				1.00	-.10	.15**	.02	6.11	1.13	.96	.90
5. Economic Sector					1.00	.04	-.05	-	1.40	-	-
6. Company Tenure						1.00	-.09	115.56	107.52	-	-
7. Managerial vs. Non-managerial Position							1.00	-	.48	-	-

<sup>1</sup> These are the intercorrelations among the latent constructs and thus have been corrected for attenuation due to measurement error.

<sup>2</sup> \* p < .05 (two-tailed); \*\* p < .01 (two-tailed).

<sup>3</sup> Potential threat of common method variance (CMV) bias was assessed by means of a marker variable analysis. Results, which are available upon request, show that all hypothesized relationships were found to be significant (at p < .01) after we partial out any CMV effects.

<sup>4</sup> M = arithmetic mean; STD = Standard deviation; CR = composite reliability; AVE = average variance extracted.

Table 2  
*Study 1 – Baseline Model: Structural Equation Modeling Results*

Outcome	Predictors	Unstandardized Coefficient	Standard Error
Employee Affective Organizational Commitment	Employee CSR Judgments	.872**	.066
	Economic Sector	-.002	.018
	Company Tenure	.001	.001
	Managerial vs. Non-managerial Position	-.241**	.073
Employee Extra-role CSR-specific Performance	Employee CSR Judgments	.312**	.098
	Employee Affective Organizational Commitment	.422**	.089
	Economic Sector	.050*	.022
	Company Tenure	-.003**	.001
	Managerial vs. Non-managerial Position	-.540**	.111
Employee In-Role Job Performance	Employee Extra-role CSR-specific Performance	.014	.062
	Employee Affective Organizational Commitment	.285**	.071
	Economic Sector	-.042*	.020
	Company Tenure	.001	.001
	Managerial vs. Non-managerial Position	.130	.106

\* p < .05 (one-tailed); \*\* p < .01 (one-tailed).

Table 3  
*Construct Intercorrelations<sup>1,2,3</sup>, Summary Statistics & Psychometric Properties – Study 2*

Measures	1	2	3	4	5	6	7	8	9	10	M <sup>4</sup>	STD <sup>4</sup>	CR <sup>4</sup>	AVE <sup>4</sup>
<b>Employees</b>														
1. Employee Affective Organizational Commitment	1.00	.51**	.69**	.34**	.17**	.21**	-	-	-	-	5.95	1.07	.90	.60
2. Employee Extra-role CSR-specific Performance		1.00	.47**	.25**	.06	.16**	-	-	-	-	4.98	1.41	.89	.73
3. Employee CSR Judgments			1.00	.39**	.14***	.14**	-	-	-	-	6.17	0.98	.91	.72
4. Employee In-Role Job Performance				1.00	.13*	.05	-	-	-	-	6.51	0.59	.88	.71
5. Company Tenure					1.00	.44**	-	-	-	-	95.30	76.01	-	-
6. Dyadic Tenure						1.00	-	-	-	-	53.32	41.76	-	-
<b>Managers</b>														
7. Manager's Extra-role CSR-specific Performance							1.00	.61**	.33*	-.49**	5.03	1.25	.92	.78
8. Manager's CSR Judgments								1.00	.07	-.26	6.20	.67	.86	.60
9. Firm A <sub>dummy</sub>									1.00	-.77**	.51	.51	-	-
10. Firm B <sub>dummy</sub>										1.00	.36	.49	-	-

<sup>1</sup> These are the intercorrelations among the latent constructs and thus have been corrected for attenuation due to measurement error.

<sup>2</sup> \* p < .05 (two-tailed); \*\* p < .01 (two-tailed).

<sup>3</sup> Potential threat of common method variance (CMV) bias was assessed by means of a marker variable analysis. Results, which are available upon request, show that all hypothesized relationships were found to be significant (at p < .01) after we partial out any CMV effects.

<sup>4</sup> M = arithmetic mean; STD = Standard deviation; CR = composite reliability; AVE = average variance extracted.

Table 4: Study 2 – Baseline Model &amp; Trickle-down Effects: Hierarchical Linear Model Results

Outcome		Predictors	Unstandardized Coefficient	Standard Error	Deviance statistic (-2 × log-likelihood)	
Employee CSR Judgments	<i>Level-1</i>	Company Tenure ( $\gamma_{10}$ )	.003**	.001	943.21	
		Dyadic Tenure ( $\gamma_{20}$ )	.001	.001		
		Firm A dummy ( $\gamma_{01}$ )	-.486**	.185		
	<i>Level-2</i>	Firm B dummy ( $\gamma_{02}$ )	-.001	.166		
		Manager's CSR Judgments ( $\gamma_{03}$ )	.281*	.119		
		Manager's Extra-role CSR-specific Performance ( $\gamma_{04}$ )	.032	.075		
Employee Affective Organizational Commitment	<i>Level-1</i>	Company Tenure ( $\gamma_{10}$ )	.001	.001	867.07	
		Dyadic Tenure ( $\gamma_{20}$ )	.002*	.001		
		Employee CSR Judgments ( $\gamma_{30}$ )	.612**	.100		
	<i>Level-2</i>	Firm A dummy ( $\gamma_{01}$ )	-.742**	.234		
		Firm B dummy ( $\gamma_{02}$ )	-.227	.201		
Employee Extra-role CSR-specific Performance	<i>Level-1</i>	Company Tenure ( $\gamma_{10}$ )	-.001	.002	1147.47	
		Dyadic Tenure ( $\gamma_{20}$ )	.002	.002		
		Employee CSR Judgments ( $\gamma_{30}$ )	.239*	.137		
		Employee Affective Organizational Commitment ( $\gamma_{40}$ )	.366**	.103		
		Manager's Extra-role CSR-specific Performance ( $\gamma_{01}$ )	.190	.119		
	<i>Level-2</i>	Firm A dummy ( $\gamma_{02}$ )	-.924**	.259		
		Firm B dummy ( $\gamma_{03}$ )	-.260	.300		
Employee In-Role Job Performance	<i>Level-1</i>	Company Tenure ( $\gamma_{10}$ )	.001	.001	635.27	
		Dyadic Tenure ( $\gamma_{20}$ )	-.000	.001		
		Employee Extra-role CSR-specific Performance ( $\gamma_{30}$ )	.035	.028		
		Employee Affective Organizational Commitment ( $\gamma_{40}$ )	.146**	.045		
		Firm A dummy ( $\gamma_{01}$ )	-.098	.074		
	<i>Level-2</i>	Firm B dummy ( $\gamma_{02}$ )	.005	.078		

\* p &lt; .05 (one-tailed); \*\* p &lt; .01 (one-tailed).

Table 5  
*Construct Intercorrelations<sup>1,2,3</sup>, Summary Statistics & Psychometric Properties – Study 3*

Measures	1	2	3	4	5	6	7	8	9	10	M <sup>4</sup>	STD <sup>4</sup>	CR <sup>4</sup>	AVE <sup>4</sup>
<b>Employees</b>														
1. Employee Affective Organizational Commitment	1.00	.55**	.58**	.20**	-.05	.01	-	-	-	-	5.02	1.28	.93	.66
2. Employee In-role CSR-specific Performance		1.00	.66**	.21**	-.07	-.03	-	-	-	-	5.10	1.39	.93	.77
3. Employee CSR Judgments			1.00	.20**	.03	-.01	-	-	-	-	5.45	1.40	.97	.90
4. Employee In-Role Job Performance				1.00	.04	.12*	-	-	-	-	89.75	34.44	-	-
5. Company Tenure					1.00	.26	-	-	-	-	6.40	3.89	-	-
6. Dyadic Tenure						1.00	-	-	-	-	4.18	1.69	-	-
<b>Managers</b>														
7. Manager's In-role CSR-specific Performance							1.00	.56**	-.09	.11	3.63	1.05	.78	.51
8. Manager's CSR Judgments								1.00	.24*	.06	5.34	1.42	.94	.85
9. Manager's Directive Leadership <sup>5</sup>									1.00	-.00	5.21	1.15	.93	.73
10. Manager's Implementing Deliberate Strategy										1.00	5.40	1.09	.89	.90

<sup>1</sup> These are the intercorrelations among the latent constructs and thus have been corrected for attenuation due to measurement error.

<sup>2</sup> \* p < .05 (two-tailed); \*\* p < .01 (two-tailed).

<sup>3</sup> Potential threat of common method variance (CMV) bias was assessed by means of a marker variable analysis. Results, which are available upon request, show that, with a few exceptions referring to otherwise non-hypothesized relationships, all correlations among constructs hypothesized to have a significant relationship remain significant (at p < .01) after we partial out any CMV effects.

<sup>4</sup> M = arithmetic mean; STD = Standard deviation; CR = composite reliability; AVE = average variance extracted.

<sup>5</sup> Directive leadership was measured at the employee level and aggregated to the manager level.

Table 6: Study 3 – Baseline Model, Trickle-down Effects, &amp; Moderating Effects: Hierarchical Linear Model Results

Outcome	Predictors	Unstandardized Coefficient	Standard Error	Deviance statistic (-2 × log-likelihood)
Employee CSR Judgments	<i>Level-1</i>			1106.15
	Company Tenure ( $\gamma_{10}$ )	.022	.021	
	Dyadic Tenure ( $\gamma_{20}$ )	-.042	.045	
	<i>Level-2</i>			
	Manager's CSR Judgments ( $\gamma_{01}$ ) <sup>1</sup>	.198*	.088	
	Manager's In-role CSR-specific Performance ( $\gamma_{02}$ ) <sup>1</sup>	.241*	.119	
	Manager's Directive Leadership ( $\gamma_{03}$ ) <sup>1</sup>	.032	.091	
	Manager's Deliberate Strategy ( $\gamma_{04}$ ) <sup>1</sup>	-.048	.105	
	Manager's Directive Leadership x Manager's CSR Judgments ( $\gamma_{05}$ )	-.275**	.113	
Manager's Implementing Deliberate Strategy x Manager's CSR Judgments ( $\gamma_{06}$ )	.434**	.127		
Employee Affective Organizational Commitment	<i>Level-1</i>			962.38
	Company Tenure ( $\gamma_{10}$ )	-.025	.016	
	Dyadic Tenure ( $\gamma_{20}$ )	.035	.036	
	Employee CSR Judgments ( $\gamma_{30}$ )	.543**	.042	
Employee In-role CSR-specific Performance	<i>Level-1</i>			944.32
	Company Tenure ( $\gamma_{10}$ )	-.007	.015	
	Dyadic Tenure ( $\gamma_{20}$ )	-.024	.034	
	Employee CSR Judgments ( $\gamma_{30}$ )	.496**	.051	
	Employee Affective Organizational Commitment ( $\gamma_{40}$ )	.277**	.054	
	<i>Level-2</i>			
	Manager's In-role CSR-specific Performance ( $\gamma_{01}$ )	.114*	.060	
Employee In-Role Job Performance	<i>Level-1</i>			3175.94
	Company Tenure ( $\gamma_{10}$ )	.152	.497	
	Dyadic Tenure ( $\gamma_{20}$ )	2.362*	1.114	
	Employee In-role CSR-specific Performance ( $\gamma_{30}$ )	3.486*	1.599	
	Employee Affective Organizational Commitment ( $\gamma_{40}$ )	3.411*	1.738	

\* p < .05 (one-tailed); \*\* p < .01 (one-tailed).<sup>1</sup>Results from Linear Effects Model.

**APPENDIX. Measures <sup>1</sup>, Items, Sources, and CFA Loadings across Studies**

	$\lambda$ 's (standardized loadings)					
	Study 1		Study 2		Study 3	
	Employees	Managers	Employees	Managers	Employees	Managers
<b>Employee Affective Organizational Commitment</b> (Rhoades, Eisenberger, & Armeli, 2001)						
I feel a strong sense of belonging to my organization.	.90	-	.82	-	.83	-
I feel personally attached to my organization.	.91	-	.81	-	.89	-
I am proud to tell others I work at my organization.	.85	-	.82	-	.94	-
Working at my organization has a great deal of personal meaning to me.	.90	-	.76	-	.84	-
I would be happy to work at my organization until I retire.	.79	-	.74	-	.73	-
I really feel that problems faced by my organization are also my problems.	.75	-	.70	-	.64	-
<b>Extra-role CSR-specific Performance</b> (new measure based on Herscovitch & Meyer, 2002; Morhart, Herzog, & Tornczak 2009)						
I contribute many ideas for improving my organization's CSR programs	.89	-	.88	.90	-	-
I am actively involved in the implementation of my organization's CSR programs.	.91	-	.87	.95	-	-
Each time my organization introduces a new CSR program, I immediately embrace it.	.85	-	.81	.80	-	-
<b>In-Role CSR-specific Performance</b> (adapted from Williams & Anderson, 1991)						
My work behavior adheres to the standards of Company's CSR programs.	-	-	-	-	.91	.96
I perform the CSR-related tasks that are expected as part of my job.	-	-	-	-	.81	.58
I fulfill the CSR-related responsibilities specified in my job description.	-	-	-	-	.94	.59
I adequately complete my CSR-related responsibilities.	-	-	-	-	.86	.67
<b>CSR Judgments</b> (new measure based on Berens, van Riel, & van Bruggen, 2005; Wagner, Lutz, & Weitz, 2009)						
My organization is a socially responsible company.	.94	-	.86	.88	.95	.90
My organization is concerned to improve the well-being of society.	.92	-	.91	.92	.96	.88
My organization supports good causes.	.89	-	.86	.71	.93	.99
My organization behaves responsibly regarding the environment	.76	-	.76	.54	.96	.91
<b>Employee In-role Job Performance <sup>2</sup></b> (Williams & Anderson, 1991)						
I adequately complete assigned duties.	.94	-	.77	-	-	-
I fulfil responsibilities specified in job description.	.98	-	.95	-	-	-
I perform tasks that are expected of me.	.92	-	.79	-	-	-
<b>Manager's Implementing Deliberate Strategy</b> (adapted from Floyd & Wooldridge 1992)						
I translate top management initiatives and goals into action plans for individual employees.	-	-	-	-	-	.85
I translate top management initiatives and goals into action plans suitable for the territory.	-	-	-	-	-	.78
I monitor activities to support top management objectives.	-	-	-	-	-	.92
<b>Manager's Directive Leadership</b> (adapted from Teas, 1981)						
My manager decides what and how things should be done.	-	-	-	-	-	.90
My manager maintains definite standards of performance.	-	-	-	-	-	.95
My manager explains the way tasks should be carried out.	-	-	-	-	-	.99

<sup>1</sup>All constructs were measured with a 7-point Likert-type scale.<sup>2</sup>Employee in-role job performance was measured via self-reports in Studies 1 and 2, whereas in Study 3 archival data were utilized.

**Figure 1: Conceptual Framework**



