The Moderating Role of Job Satisfaction Facets on Customer-Facing Employees’ Reactions to Corporate Social Responsibility: Preliminary Results from India and the Netherlands

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ABSTRACT

This study develops a framework which predicts the idiosyncratic impact of CSR associations on customer-facing employees’ behavioral outcomes using job satisfaction facets and cultural factors as moderating variables. Results identify a compensatory effect between CSR associations and satisfaction with the job itself, and a non-compensatory effect between CSR association and satisfaction with pay. Cultural factors and/or macroeconomic measures are likely to moderate the contingent effects of CSR associations on customer-facing employees’ behavioral outcomes.

KEYWORDS

Corporate Social Responsibility, Customer-Facing Employees, Job Satisfaction, Cross-Cultural, Interactive Effects, Netherlands, India
1. Introduction

Corporate Social Responsibility (CSR) is a topic of intense debate in today’s business agenda (Luo & Bhattacharya, 2006). On the one hand, Corporate Social Responsibility (CSR) is gaining momentum among companies as evidenced in the number of CSR initiatives that global corporations are undertaking (Franklin, 2008). CSR can be described as a mechanism corporations use in order to gain social legitimacy for their operations. Existing research on the impacts of CSR indicates an emerging positive effect on corporate financial performance and the market value of the company (Luo & Bhattacharya, 2006; Orlitzky, Schmidt, & Rynes, 2003). On the other hand, along with the rise of CSR initiatives, there have been a growing number of scornful voices (Devinney, 2009; Entine, 2003; Reich, 2008; Vogel, 2005). In the same vein, Margolis, Elfbein, & Walsh (2007), employing a meta-analysis of 167 studies investigating the CSR-corporate financial performance link report mixed results. Given this debate, and in light of the current world economic crisis, managers and academics strive to generate measurable empirical evidence in order to examine whether CSR pays-off: Is CSR beneficial for the firm? Is the impact of CSR on positive firm outcomes unconditional?

Currently, there is extensive evidence examining the effects of CSR on consumer behavioral reactions (e.g., Barone, Miyazaki, & Taylor, 2000; e.g., Barone, Norman, & Miyazaki, 2007; Sen & Bhattacharya, 2001a). However, systematic research regarding CSR effects on other stakeholder groups, like employees, is in a nascent stage (Sen, Bhattacharya, & Korschun, 2006). This is problematic in light of the findings of some studies suggesting that CSR initiatives may have important effects on employees (Berger, Cunningham, & Drumwright, 2006; Drumwright, 1996). In the
same vein, Franklin (2008), suggests that CSR may be a tool that companies use to compete for talent.

One prominent stakeholder group that has received limited research attention in the CSR literature is a firm’s sales force (Larson, Flaherty, Zablax, Brown, & Wiener, 2008). The sales force represents a major investment for most business-to-business firms, since it plays an important role in developing and maintaining a competitive advantage and relational partnerships with business customers (Palmatier, Scheer, & Steenkamp, 2007; Vorhies & Morgan, 2005).

Against this background, this article aims at providing some preliminary empirical evidence regarding the moderated beneficial effects of CSR, relating it to salespeoples’ behavioral intentions toward their employing firms. More specifically, this study has two objectives: (1) to examine whether CSR is likely to bring about positive outcomes for the firm, in the context of an important non-customer stakeholder group, (2) to investigate the role of important job satisfaction facets in conditioning these effects. Regarding the latter, business managers need to know whether there are variables likely to temper, make unimportant, or increase the importance of salespeoples’ CSR perceptions on important behavioral intentions.

Currently, CSR research is somewhat silent regarding the boundary conditions that likely govern the CSR-outcomes link and this is especially the case for non-customer stakeholder groups (Berens, van Riel, & van Rekom, 2007; Luo & Bhattacharya, 2006). To further illuminate this research gap, the study posits satisfaction with payment and satisfaction with the job itself, as important job satisfaction facets capable of moderating the CSR-behavioral outcomes link in the context of an important internal stakeholder group. We choose these two variables due their
prominence in the job satisfaction and motivation literature (Brown & Peterson, 1993; Churchill, Ford, & Walker, 1974). With the selection of these two variables we model and compare the moderating role of an extrinsic reward factor (i.e., pay) as well as the moderating role of an intrinsic reward factor (i.e., the challenging nature of the work itself) (Walker, Churchill, & Ford, 1977).

Finally, the study advances theory in one more important way: we examine how salespeople across different cultural settings approach and react to CSR. Specifically, we test our predictions in two different cultural contexts, using salesperson data from the Netherlands and India. In that way we administer a comparative CSR study, positing different cultural conditions held in each country, as factors moderating the moderating role of important job satisfaction facets on the CSR-outcomes linkage (i.e., we predict and empirically test a three-way interaction). Williams and Aguillera (2008), stress the importance of conducting comparative CSR research, especially in different national contexts, further noting that actor-centered cross-national CSR studies are currently rare (e.g., Maignan & Ferrell, 2001).

The plan of the paper is as follows. We begin by providing a brief literature review of the CSR literature. Next, we develop research hypotheses especially focusing on the interactive effects between CSR and job satisfaction facets. We then describe our research design and provide empirical results. We conclude by providing implications for theory and managerial practice.

2. Conceptual Background & Hypotheses Development

2.1. Corporate Social Responsibility
CSR refers to “context-specific organizational actions and policies that take into account stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance” (Aguilera, Rupp, Williams, & Ganapathi, 2007; D. E. Rupp, Williams, & Aguilera, in press). More and more companies consider CSR to be an important strategic objective (Wagner & Hanna, 1983) and seem to spend billions on social responsibility projects (Luo & Bhattacharya, 2006). For example, according to the Economist, by 2011, the percentage of executives giving high priority to CSR is expected to be 70% (Franklin, 2008). In the same vein, research in the area of CSR has increased substantially in the last few years (Smith, 2008). On the other hand, CSR is considered a topic of hot debate in today’s agenda (Luo & Bhattacharya, 2006; D. E. Rupp, Williams, & Aguilera, in press). CSR proponents view CSR as a mechanism that corporations should use in order to gain social legitimacy for their operations, further advocating its positive effects on corporate performance (Godfrey, 2005; Luo & Bhattacharya, 2006). For example, a meta-analysis by Orlitzky, Schmidt, & Rynes (2003), considered 52 studies and concluded that a positive relationship between CSR and corporate performance exists. However, their findings also suggested that this positive relationship is not unconditional. In a more recent meta-analysis of 167 studies Margolis, Elfenbein, & Walsh (2007) showed that the effect of CSR on corporate performance is positive, yet small. These authors conclude that firms should be involved in CSR, and that a continued search a business case for CSR is warranted. In the same vein, (Connelly, Ketchen, & Slater, in press), suggest that scholars should move the discussion from “whether” CSR is profitable to “when” it is profitable. On the other hand, opponents of CSR suggest that the promise of CSR can deflect public attention from the need for stricter laws and regulations (Reich, 2008).
According to the Friedmanesque view of CSR, shareholders entrust managers with their money solely to maximize a company’s market value, not so that managers can use the returns in order to satisfy their urge to make the world a better place (Entine, 2003; Husted & Salazar, 2006; Vogel, 2005).

Recently, CSR researchers besides examining the CSR-financial performance linkage have started examining the CSR phenomenon using the lens of stakeholder theory (Bosse, Phillips, & Harrison, 2009; Freeman, 1994). So far, the CSR literature has mainly focused on one stakeholder group, namely consumers (Barone, Norman, & Miyazaki, 2007; Becker-Olsen, Cudmore, & Hill, 2006; Berens, van Riel, & van Rekom, 2007; Du, Bhattacharya, & Sen, 2007). However, researchers (Berger, Cunningham, & Drumwright, 2006; Bhattacharya, Korschun, & Sen, 2009; Sen, Bhattacharya, & Korschun, 2006) as well as practitioners (Franklin, 2008) have stressed the need for actor-centered CSR research examining the CSR-induced reactions of non-customer stakeholder groups as well. One prominent stakeholder group that has received limited research attention in a CSR context is a firm’s employees. However, a growing stream of relevant research is slowly building up. For example, the study of Brammer, Millington, & Rayton (2007), empirically examines the relationship between organizational commitment and employee perceptions of external corporate social responsibility. Their results indicate that the contribution of CSR to organizational commitment is at least as great as job satisfaction. In another study, Larson et al. (2008) find a positive relationship between construed consumer attitude towards CSR on salespersons’ selling confidence in a direct selling context. Valentine and Fleischman (2008) empirically demonstrate the positive effect of CSR
associations on job satisfaction. Similarly, Turker (2009), building on social identity theory and a sample of 269 business professionals finds positive effects of CSR on organizational commitment. In a more recent study Kim, Lee, Lee, & Kim (in press), empirically demonstrate that firm’s CSR initiatives increase employee–company identification. Finally, Vlachos, Panagopoulos, & Theotokis (in press), in a personal selling context empirically demonstrate the importance that CSR-induced attributions have on organizational trust and behavioral outcomes. The research studies just described focus their examinations on whether CSR initiatives are likely to generate positive employee reactions and consequently much desired employee-related outcomes (e.g., identification, commitment, turnover intentions etc.). Although these studies provide a great deal of useful insights regarding “whether” CSR is likely to generate payoffs, they do not provide answers regarding “when” CSR initiatives are more likely to pay-off. Our study makes a contribution to this research gap. Additionally, the plethora of this growing base of employee-relevant CSR studies, seem to focus on- or indiscriminately examine- non-customer facing employee groups. We broaden the analysis and focus on boundary-spanning employees namely the members of a firm’s sale force. The importance of the sales force in increasing corporate performance has been highlighted in many recent studies. According to Wieseke, Ahearne, Lam, & Dick (2009) the sales force is the first representation of the company and therefore is central to the firm’s success. Vorhies and Morgan (2005) showed that selling capabilities have the largest impact on firm performance among all other marketing-mix – related capabilities. Additionally, Palmatier, Scheer, and Steenkamp (2007) have provided evidence that customers are more loyal to salespeople rather than to firms, whereas Albers,
Mantrala, & Sridhar (2008) provided meta-analytic evidence that personal selling
elasticity is larger than the advertising elasticity across markets.

To sum up, researchers call for more studies examining the strategic implications of
CSR across multiple stakeholder groups (Bhattacharya, Korschun, & Sen, 2009;
McWilliams, Siegel, & Wright, 2006; Sen, Bhattacharya, & Korschun, 2006), relevant
contingency effects (Connelly, Ketchen, & Slater, in press; Luo & Bhattacharya, 2006;
C. A. Williams & Aguilera, 2008), and routes through which CSR translates into firm
performance (Margolis, Elfenbein, & Walsh, 2007). Against this background, we take
an actor-centered approach to the study of CSR (C. A. Williams & Aguilera, 2008) and
develop a framework (see figure 1) examining a) whether CSR-induced perceptions
of customer-facing firm employees influence important behavioral outcomes, and
importantly, b) whether job satisfaction and cultural orientations provide boundary
conditions on the effectiveness of CSR initiatives. To the best of our knowledge, this
is the first study examining the CSR-corporate abilities (i.e., economic-oriented
aspects of a firm’s offerings) trade-off in an employee context and particularly in the
context of the firm’s sales force (see for example Berens, van Riel, & van Rekom,
2007).

In what follows, we develop research statements especially focusing on the
interactive effects of important job satisfaction facets with CSR-induced associations
on salespersons’ behavioral intentions. We further develop hypotheses examining
whether cultural orientations are likely to moderate the CSR-job satisfaction
interactive effects.
2.2. CSR Associations and Job Outcomes

Mainly building on social identity theory (e.g., Collier & Esteban, 2007) and needs models (e.g., the multiple needs model of organizational justice) (e.g., D. E. Rupp, Ganapathi, Aguilera, & Williams, 2006), previous studies find that positive CSR beliefs influence important consumer-related as well as employee-related outcomes. According to these studies favorable CSR associations are likely to result in a positive corporate character (e.g., Luo & Bhattacharya, 2006), consumer-company identification (e.g., Sen & Bhattacharya, 2001b), greater purchase likelihood, long-term loyalty and advocacy behaviors (e.g., Du, Bhattacharya, & Sen, 2007), employee-company identification (Kim, Lee, Lee, & Kim, in press), employee commitment (e.g., Brammer, Millington, & Rayton, 2007), and salespersons’ performance (e.g., Larson, Flaherty, Zablax, Brown, & Wiener, 2008). Building on these studies the next hypothesis is proposed:

*Hypothesis 1: Salespersons’ CSR associations have a positive effect on a) turnover intentions, and b) positive recommendations*

While CSR is gaining momentum among companies, many researchers suggest that these moral-related initiatives are likely to backfire, given that they are likely to generate public cynicism and suspicion (Porter & Lawler, 1968). Following the writings of Vlachos, Theotokis, & Panagopoulos (in press) we control for the effect of CSR-induced suspiciousness on CSR associations using a variable that captures
salespersons’ perceptions about the motives of firms involved in CSR initiatives (see Figure 2).

2.3. Job Satisfaction and Job Outcomes

Job satisfaction is defined as a positive emotional state resulting from the appraisal of one’s job (Brown & Peterson, 1993). Job satisfaction can be related to several job facets including the work itself, pay, career advancement opportunities, company policies and support, and customers (Walker, Churchill, & Ford, 1977). In this study we consider job satisfaction as being both intrinsic, derived from internally mediated rewards such as the job itself and extrinsic, resulting from externally mediated rewards such as satisfaction with pay (Porter & Lawler, 1968; Schwepker, 2001). We focus on the facets of the job itself and pay due their prominence in the job satisfaction and motivation literatures (Herzberg, 1968; Podsakoff & Williams, 1986; Sweeney, McFarlin, & Inderrieden, 1990). There is a substantial amount of empirical support for the positive effect of job satisfaction on job outcomes. For example, Churchill, Ford, & Walker (1974) suggest that dissatisfied employees tend to quit their jobs more frequently than satisfied employees. The meta-analysis of Brown & Peterson (1993) finds that salespersons’ job satisfaction strongly correlates with organizational commitment and propensity to leave. More recently, Schwepker (2001) finds a positive effect of job satisfaction on organizational commitment. In another study and in concluding their meta-analysis on the relationship between job satisfaction and performance, Judge, Thoresen, Bono, & Patton (2001) propose job satisfaction as a direct determinant of employees’ behavioral intentions. Based on these studies the following hypotheses are proposed:
Hypothesis 2: Salespersons’ satisfaction with pay has a positive effect on a) turnover intentions, and b) positive recommendations

Hypothesis 3: Salespersons’ satisfaction with the job itself has a positive effect on a) turnover intentions, and b) positive recommendations

2.4. The Moderating Role of Job Satisfaction Facets

Past studies have provided insights into the conditions under which CSR has a positive influence mainly arguing that the effect of CSR on outcomes is most probably not universal (Berens, van Riel, & van Rekom, 2007; Bhattacharya, Korschun, & Sen, 2009; Luo & Bhattacharya, 2006; Margolis, Elfenbein, & Walsh, 2007). Under this stream of research, many studies specifically focus on the moderating role of economic-related conditions (e.g., innovativeness capability, product quality, advertising, research and development). Luo and Bhattacharya (2009) point the existence of some tension between responsibility programs and economic dimensions. However, though researchers tend to disagree regarding the existence and directionality of these tensions there is emerging empirical evidence suggesting that economic-related variables moderate CSR rather than vice-versa. For example, Connelly, Ketchen, & Slater (in press) suggest that when consumers must choose between product attributes and CSR, then CSR generally loses. In another study, Berens, van Riel, & van Rekom (2007), find that when firms do well in quality perceptions, CSR does not significantly affect people’s attitudes, especially when quality perceptions are considered to be more personally relevant than CSR. Building on these results, they suggest that CSR is the moderating variable when it is more personally relevant than corporate abilities and vice-versa. In another study,
Luo & Bhattacharya (2006) showed that corporate abilities moderate the financial returns to CSR. More recently, the same authors find that for firms with higher advertising and research and development, it is more likely that superior CSR can produce further decreases in firms’ idiosyncratic risk. On the other hand, Handelman & Arnold (1999), find that CSR rather than corporate abilities is the moderating factor. In the same vein, Folkes and Kamins (1999) find that unethical actions of weaken the positive effect of product quality perceptions on consumer attitudes.

Most of the abovementioned studies, share a common ground-namely they mainly focus their investigations on one stakeholder group, that is consumers. So far and to the best of our knowledge no study has ever examined the tension between economic and social dimensions in the context of internal stakeholders and specifically customer-facing employees.

Building on the abovementioned studies, we examine in the context of customer-facing employees whether the positive effect of CSR on outcomes is universal or dependent upon extrinsic and intrinsic job satisfaction facets. Specifically our predictions are that: a) the extrinsic motivational factor of satisfaction with pay moderate the positive effect of CSR on turnover and advocacy behavioral intentions (i.e., a non-compensatory effect) and, b) the intrinsic motivational factor of satisfaction with the job itself and CSR compensate each other (i.e., a compensatory effect). We build these predictions on the writings of Berens, van Riel, & van Rekom (2007), and Vlachos, Tsamakos, Vrechopoulos, & Avramidis (2009).

With regard to satisfaction with pay, we argue that satisfaction with this job facet is more personally relevant than CSR, since the former relates primarily to the
satisfaction of lower-order needs (i.e., physiological needs) whereas the latter relates primarily to the satisfaction of higher-order needs (i.e., self-enhancement and identity-related needs) (Herzberg, 1968). This is especially true in times of economic recession and distrust (Piercy, Cravens, & Lane; Quelch & Jocz, 2009), where people will probably give more priority to satisfying needs placed lower in the needs hierarchy pyramid. In evaluating an employer, employees will most probably consider both social and economic dimensions, but arguably they will consider bad performance in payment levels, more threatening than bad performance in CSR.

Our expectations are that when firms satisfy their employees with high payment levels, the effect of CSR will be still important and positive but probably somewhat lessened. Conversely, we predict that if employing firms perform poorly in satisfaction with pay, then the determinancy of CSR on job outcomes will be weakened, or even null. Not satisfying employees through pay, a more personally relevant variable, likely makes employees care less about performance in CSR:

*Hypothesis 4:* Satisfaction with pay moderates the positive effect of CSR on a) turnover intentions, and b) positive recommendations. The relationships will be positive for high satisfaction with payment, but weakened or even null for low satisfaction with payment

With regard to satisfaction with the job itself and CSR, our predictions are that they compensate each other. Though satisfaction with the job itself is a personal issue-directly impacting oneself- whereas CSR is less personal in that it has to do with helping others and indirectly oneself, both set of factors relate to the unique human characteristic-namely the ability to achieve, to experience psychological growth and
enrich oneself. Satisfaction with the job itself involves challenging job tasks, learning, responsibility, achievement and recognition (Herzberg, 1968), whereas CSR involves morality and giving to others—namely mood-altering states and actions that likely bring about true happiness and enrich oneself (Harbaugh, Mayr, & Burghart, 2007; Liu & Aaker, 2008).

Our expectations are that when employees are satisfied with the job itself, the effect of CSR on outcomes while still important and positive, will probably be tempered. On the other hand, when firms perform poorly in providing employees with satisfaction with the job itself the determinancy of CSR on job outcomes will be strengthened.

Hypothesis 5: The weaker a firm’s performance on satisfaction with the job itself, the stronger the relationship between CSR and a) turnover intentions, and b) positive recommendations. The stronger a firm’s performance on satisfaction with the job itself, the weaker the determinancy of CSR on job outcomes.

2.5. The Moderating Role of Cultural Factors

Studies examining stakeholder-centered cross-national CSR comparisons are currently relatively rare (C. A. Williams & Aguilera, 2008). Currently, most of these actor-centered studies focus on consumers’ attitudes towards CSR and reveal significant differences across borders. Maignan & Ferrell (2001), report significant differences between the US and two European nations (France and Germany) with regard to how consumers evaluate corporate responsibilities both toward society in general (economic, legal, ethical, and philanthropic duties) and organizational stakeholders (responsibilities towards employees, customers, community, and
shareholders). In a more recent study, Williams & Zinkin (2006) explore the relationship between attitudes to CSR and the five cultural dimensions identified by Hofstede (2001) using a sample of nearly 90,000 consumers drawn from 28 countries. They show that the propensity of consumers to punish firms for performing poorly in CSR varies in ways that appear to relate closely to the cultural dimensions identified by Hofstede. All in all, our predictions are that national culture influences individuals’ CSR-related attitudes and behaviors. This expectation is also consistent with studies conducted in the cross-national ethics. For example, Christie, Kwon, Stoeberl, & Baumhart (2003) using Hofstede’s cultural typology find a strong relationship between the dimensions of individualism and power distance on business managers’ ethical attitudes. Building on these studies, we test the interactive effects of job satisfaction facets on CSR across two countries: the Netherlands and India. We empirically test whether different cross-national cultural profiles can alter predictions formulated in Hypotheses 4 & 5-namely that satisfaction with payment and CSR do not compensate each other, and that satisfaction with the job itself and CSR compensate each other.

In this study, we use the individualism-collectivism dimension in order to develop formal predictions about cross-national differences in how CSR associations interact with firms’ employee-related corporate abilities. There are many reasons for this selection. First, of the five dimensions the individualism and collectivism dimension is arguably the one that is more closely related to our goals. Individualism values self-reliance and self-interest, whereas communitarianism/collectivism emphasizes the needs of the community and the benefits of consensus (Lodge, 1990).
Conceptually, CSR is primarily a “communitarian” construct, indirectly impacting the individual, whereas job satisfaction is arguably an “individualistic” construct, directly impacting the individual. Second, compared to the other four dimensions, the issue addressed by the individual-collectivism dimension is an extremely fundamental one, regarding all societies in the world. It should be noted, that this specific dimension has generated more research than any other dimension in the cross-cultural differences literature (Hampden-Turner & Trompenaars, 1997; Lodge, 1990).

According to cross-cultural psychology researchers, the individualism-collectivism dimension is one of the most prominent, useful and heavily researched constructs in cultural social psychology, and perhaps the most important dimension of cultural differences in social behavior (Christie, Kwon, Stoebel, & Baumhart, 2003; Triandis, 1988; Vandello & Cohen, 1999). More recently, Schimmack, Oishi, & Diener (2005), report empirical results rendering the individualism-collectivism construct as a valid and reliable cultural dimension, capable of explaining cultural differences.

According to the Hofstede cultural values framework (Hofstede, 2001), India compared to the Netherlands is a country whose national culture profile is characterized by high collectivism. India has individuality as the second lowest Hofstede dimension at 48. These rankings are indicative of a society where the emphasis is on belonging and decision-making is based on what is best for the group.

On the other hand, individualism is the Netherlands’ highest Hofstede dimension at 80, the fourth highest worldwide individuality ranking. These rankings are indicative of a population that holds relatively more loose bonds with others where everyone is expected to look after him/herself and his/her immediate family (Hofstede, 2001).
An “I” rather than a “We” mentality is prevalent and decision-making is based on individual needs.

Research in cross-cultural social psychology provides interesting insights comparing Indian populations with Western societies ranking high on individuality-and especially the United States. For example, Miller, Bersoff, and Harwood (1990), compare perceptions of social responsibilities in India and in the United States finding that Indians regard responsiveness to the needs of others as an objective moral obligation to a far greater extent than do Americans - the most individualistic society in the Hofstede research tradition, with individualism as its highest dimension as well (Hofstede, 2001). In the same vein, Miller (1994), finds that Indian populations are characterized by a duty-based interpersonal moral code, whereas Americans are characterized by an individually oriented interpersonal moral code.

To summarize, whereas in individualistic cultures people are inner-directed, believing in self-reliance and seeking to satisfy self-interest, in collectivistic cultures people are outer-directed and are more concerned with what society thinks about their behaviors (G. A. Williams & Zinkin, 2006). Building on these cultural differences our predictions are that customer-facing employees in the Netherlands-compared to customer-facing employees in India-will consider CSR as more decisive in their overall evaluations of a firm’s job offerings.

At this point it should be noted that besides cultural factors, a complementary theoretical approach for examining possible cross-national differences in how CSR associations interact with firms’ employee-related corporate abilities and especially the satisfaction with pay factor, likely involves macroeconomic measures as well. In
this respect, the Human Development Index (HDI) (Klugman, Rodríguez, & Kennedy, 2009) can be used in our study in order to classify the two participating countries, based on a broader definition of what constitutes well-being. The HDI for India—a medium human development country—is 0.612, which gives the country a rank of 134th out of 182 countries. On the other hand, the score for the Netherlands—a very high human development country—is 0.964, which gives the country a rank of 6th out of 182 countries. These rankings probably render CSR initiatives as more important in India rather than in the Netherlands. This means that in India employees will arguably consider CSR and satisfaction with pay as stand-alone job-related offerings rather than as job-related characteristics that interact with each other to influence job outcomes, something more likely to take place in the Netherlands. However, a different prediction is also tenable. It may be that due to the low ranking of India in the Human Development Index, the factor of satisfaction with pay will be considered as being more (i.e., more personally relevant) than CSR initiatives, rendering satisfaction with pay as a positive moderator of the effect of CSR initiatives on job outcomes (i.e., when satisfaction with pay is high, CSR is important, but when satisfaction with pay is low, then the effect of CSR on job outcomes is either weakened or null). However, given that the Indians, a) regard responsiveness to the needs of others as a moral obligation to a far greater extent than do populations high in individualism (J. G. Miller, Bersoff, & Harwood, 1990), and b) follow a duty-based interpersonal moral code (Joan G. Miller, 1994) it is likely that hypothesis 6, put forth earlier is more likely to stand. This prediction can also be supported by the cross-cultural consumer study of Montgomery & Stone (2009). Their empirical results indicate the existence of differences between cultures with respect to a facet
of CSR namely environmental responsibility. More specifically their findings indicate that cultures with the lowest levels of economic development scored higher on factors related to individual ecological concern than the individuals from more economically advanced nations.

To sum up, we consider all these positions as tentative that will be empirically explored with the data at hand. We encourage researchers to further theorize these linkages and test those using cross-cultural data. Building on the abovementioned discussion we propose:

**Hypothesis 6:** The CSR-satisfaction with pay non-compensatory interactive effect on a) turnover intentions, and b) positive recommendations-formulated in hypothesis 4-will be stronger in the Netherlands compared to India. Satisfaction with pay will moderate the effect of CSR on job outcomes in the Netherlands, but this effect will be weakened or null in India.

**Hypothesis 7:** The CSR-satisfaction with the job itself compensatory interactive effect on a) turnover intentions, and b) positive recommendations-formulated in hypothesis 5-will be lessened India compared to the Netherlands. Satisfaction with the job itself and CSR will compensate each other in India, but this compensation effect will be weakened or null in the Netherlands.

Figure 2 depicts the proposed research model. It should be noted that in this model, besides testing for the proposed interactive effects, we were sensitive in also testing correspondent quadratic effects as well. According to Lubinski & Humphreys (1990) as well as Agustin & Singh (2005), misleading interactive effects may be obtained
when quadratics and multicollinearity are present but the quadratic terms are not modeled.

<Insert Figure 2 about Here>

3. Research Methods

3.1. Research Setting & Data Collection

The data for this study were collected from customer-facing employees-namely sales representatives, employed by two major companies in the Netherlands and India. These two companies operate in different industries. The company located in the Netherlands operates in the consumer packaged goods industry and is a large, global Fortune 500 company. The Indian company operates in the media and entertainment industry, and is a popular English-language newspaper1. A partnership was established with the two companies’ top management that allowed us to conduct a web-based survey among members of the sales organization in the companies’ headquarters. A link of the questionnaire was posted on the companies’ internal portal. A message from the commercial director of the two companies invited salespeople to participate in a university research study. We received 63 usable responses from a total of 300 salespeople (21% response rate) in the Netherlands and 48 usable responses from a total of 200 salespeople (24% response rate) in India. Given the sensitivity of the issue under investigation as well as the fact that no incentive was given, the response rate is reasonable and compares well with similar studies (e.g., Larson, Flaherty, Zablax, Brown, & Wiener, 2008). The Netherlands sample can be described as follows: female (58.0%), most were

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1 We do not disclose the name of the two companies for reasons of maintaining confidentiality
between 25 and 44 years old (74.2%), 21% were in the 45–55 age group, 2.0% were between 18 and 24 years old, and approximately 2.0% were more than 55 years old. With respect to job tenure, 3.0% of the sample had been with the company for less than one year, 28.0% of the sample had been with the company for five years or less, and 69.0% had been with the sales organization for at least six years. Similarly the Indian sample can be described as follows: male (85%), most were between 25 and 44 years old (81%), 15% were in the 45-55 age group and 4% were between 18 and 24 years old. With respect to job tenure, 6% of the Indian sample had been with the company for less than one year, 32% of the sample had been with the company for six years or less, and 62% had been with the sales organization for at least seven years.

To examine non-response bias sample representativeness we discussed the respondents' demographic profile with the two companies’ senior management. This procedure revealed that respondents are representative of the firm’s sales force in all respects (i.e., age, gender, and tenure) and thus non-response bias in terms of these factors is likely not a problem in the study.

3.2. Measures

Measures were adapted from the existing literature and from discussions with top management (see Appendices A & B). All constructs were operationalized using multiple-item scales and employing a seven-point Likert-type response format. Positive word-of-mouth and loyalty intentions measures were adapted from Zeithaml, Berry, & Parasuraman (1996). CSR associations measures were drawn from (Sen, Bhattacharya, & Korschun (2006), whereas measures for satisfaction with pay,
and satisfaction with the job itself were drawn from Churchill, Ford, & Walker (1974).

In order to respond to CSR-induced associations, sample respondents were exposed to a text describing in detail CSR initiatives of the two companies (see Appendices A & B).

3.3. Analytical Strategy

We used the analytical method of Partial Least Squares (PLS) — a component-based SEM approach — to estimate the parameters of the model. We did so in order to strike a balance between a complex model including five higher-order effects (see Fig. 2) and sample size limitations, usually confronted in studies using as respondents business-to-business customer-facing employees. The use of PLS is considered appropriate in situations of low theoretical information (Fornell & Bookstein, 1982) as is the case in this study. Our study is one of the first that examines complex interactive effects between CSR associations, satisfaction elements, and cultural factors in the employee domain. For the analyses we employed the warpPLS 1.0 software. We have selected WarpPLS 1.0 in order to identify and transform (or “warp”) existent U-curve relationship patterns before the corresponding path coefficients between each pair of constructs are calculated. Arguably, many relationships between variables studied in the natural and behavioral sciences seem to be nonlinear, following a U-curve pattern (Arthur, 1999; Bak, 1996; Richter, 1986). For example, Oliva, Oliver, & MacMillan (1992) indicate that the relationship between satisfaction and behavior is intrinsically non-linear with multiple thresholds. In another context, Lichtenstein & Mendenhall (2002) note that non-linearities are
inherent in modern career behavior, and Larkin & Leider (2010) point out the use of non-linear incentive systems in sales organizations. Gilberto, Funtowicz, O'Connor, & Ravetz (2001) call for changes in scientific methods, in order to take into account the non-linear behavior of social systems, and Svyantek & Brown (2000), argue in favor of a non-linear, complex-systems study of organizational behavior. However, though reality seems to arguably non-linear and complex, the majority of statistical estimation methods used in social sciences assume relationships to be linear in the estimation of path coefficients. This is something that significantly distort results, especially in multivariate analyses, increasing the likelihood of type I and II errors (Kock, 2010).

Interaction effects were modeled using the orthogonalizing approach (Little, Bovaird, & Widaman, 2006). Employing a Monte Carlo experiment, Chin and Henseler (2010, p. 82) find that for estimating interactive effects “......the use of the orthogonalizing approach is recommendable under most circumstances”. Jackknifing resampling was used to estimate the standard errors of the estimates. We have selected jackknifing over the bootstrapping method, since the use of bootstrapping with small sample sizes (i.e., lower than 100) has been discouraged (Nevitt & Hancock, 2001)

4. Results

4.1. Measurement Model Results

A confirmatory factor analysis using AMOS 7.0 tested the measurement properties of constructs employed in the Netherlands dataset. The model had an acceptable
fit, establishing unidimensionality ($\chi^2 (39) = 46.3$, $p=.20$, SRMR=.047, CFI=.98, RMSEA=.055). Table 1 illustrates intercorrelations, reliability, convergent and discriminant validity for the Netherlands data. All measures conform to widely accepted validity standards (Fornell & Larcker, 1981).

<Insert Table 1 about Here>

The same procedure was employed in the India data set. The model had an acceptable fit, establishing unidimensionality ($\chi^2 (39) = 60.4$, $p=.02$, SRMR=.065, CFI=.94, RMSEA=.11$). Table 2 illustrates intercorrelations, reliability, convergent and discriminant validity for the Indian dataset. All measures conform to widely accepted validity standards (Fornell & Larcker, 1981).

<Insert Table 2 about Here>

In order to empirically examine cross-cultural differences using covariance structures one should first test for measurement invariance—namely test whether measures used are comparable across groups. Tests of measurement equivalence are an important prerequisite to cross-group comparisons (Vandenberg & Lance, 2000). The most widely used criterion for examining measurement invariance is the $\chi^2$ difference test (Chen, Sousa, & West, 2005). In order to test for measurement invariance one should test first for the invariance of all factor loadings (Byrne, 2004). This level of invariance suffices in order for one to test path coefficients between groups (as is the case in this study) (Chen, Sousa, & West, 2005). In testing for this

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With regard to the large RMSEA value, it should be noted that this index is probably less preferable to report when the sample size is small, as it tends to over-reject the population model (Boomsma, 2000; Hu & Bentler, 1999). In such cases, the SRMR and Bollen’s IFI index should be used (Bollen, 1990). For the Indian data set, SRMR equals .064 and Bollen’s IFI equals .94.
level of factorial invariance, all of the factor loadings were constrained to be equal across groups. The chi-square difference test was not significant \[ \chi^2 (\Delta df = 6) = 5.71, p=.45 \]. These results indicated that the factor loadings were invariant across the Netherlands and the Indian samples, something that legitimizes us to compare path coefficients between the two countries.

4.2. Hypotheses Testing Results

The variance of latent variables explained and the significance of path coefficients are used to assess our model's performance. This is because the PLS methodology does not provide a summary statistic for measuring the overall fit of a model (Tenenhaus, Vinzi, Chatelin, & Lauro, 2005). Tables 3a & 3b report beta coefficients and p-values along with \( R^2 \) for each endogenous variable (in the Netherlands and in India correspondingly). Additionally, to determine the degree of multicollinearity, we computed the variance inflation factor (VIF) for each independent variable. Although no formal, theory-based cut-off value for VIF exists, several authors suggest that a VIF value exceeding 10 indicates severe multicollinearity (Neter, Wasserman, & Kutner, 1990) whereas some others view values greater than 2.5 as a cause for concern (Parasuraman, Zeithaml, & Malhotra, 2005). In any case, the mean VIF value across the four independent variables in the Netherlands and in India is 2.1 and 1.2 respectively, which implies that multicollinearity is not a serious concern in this study.

Overall, in the linear-model specification, our predictors provide good explanation for the focal constructs in both samples. Specifically, the variance explained in
turnover intentions and positive recommendations is .58 and .27 in the Netherlands, and .43 and .58 in India. As predicted CSR associations have a strong and positive influence on both turnover intentions (b=.39, p=.001 in the Netherlands and, b=.36, p=.05 in India) and positive recommendations (b=.49, p=.001 in the Netherlands and, b=.26, p=.001 in India), lending support to H1. Interestingly we do not find satisfaction with pay to significantly influence both behavioral constructs in the Netherlands (b=.14, p=.46 for turnover intentions and, b=-.20, p=.14 for recommendation intentions). In the Indian sample satisfaction with pay does not influence turnover intentions as well (b=.15, p=.11), but it seems to influence positive recommendations (b=.32, p=.001). Therefore we find only marginal support for H2. Further, satisfaction with the job itself as predicted positively influences both behavioral constructs in the Indian sample (b=.40, p=.001 for turnover intentions and, b=.51, p=.001 for positive recommendations). In the Netherlands we find support only for the positive influence of satisfaction with the job itself on turnover intentions (b=.52, p=.001). All in all, these results provide partial support for H3. Finally the effect of CSR attributions on CSR associations is strong and negative as predicted in the Netherlands sample (b=-.51, p=.001), but not significant in the Indian sample (b=-.16, p=.23)

<Insert Table 3a about Here>

<Insert Table 3b about Here>

The main goal of this study is to examine whether the effect of CSR associations in the context of customer facing employees is contingent upon other important variables. We now move on to present these results, namely results for the non-linear model specification. Analyses indicate that in the Netherlands sample, as
predicted satisfaction with pay moderates the effect of CSR associations on turnover intentions (b=.05, p=.01) but not positive recommendations (b=-.01, p=.30). These results provide partial support for H4. In the Indian sample, we find no significant moderation effect of satisfaction with pay on turnover intentions (b=.28, p=.18) and positive recommendations (b=.10, p=.23). These results provide partial support for H6. Specifically, it seems that in the Indian cultural context as predicted, CSR associations and satisfaction with pay are standalone business offerings (i.e., the non-compensatory moderating effect found in the Netherlands is null in India). H5 predicted a compensatory effect between customer facing employees’ CSR associations and satisfaction with the job itself. We find partial support for this hypothesized effect. Specifically, in the Netherlands sample we find a compensatory effect on turnover intentions (b=-.20, p=.07) but not on positive recommendations (b=-.17, p=.12). In the Indian sample we find similar results, namely a compensatory moderating effect on turnover intentions (b=-.06, p=.03) but not on recommendations (b=.21, p=.12). Moreover, as predicted in H7 the compensatory effect between CSR associations and satisfaction with the job itself is significantly attenuated (b=-.20, p=.07 vs. b=-.06, p=.03/a 70% decrease in the strength of the coefficient). This finding suggests that in the Indian cultural context though bad performance in CSR associations can be compensated with more satisfaction with the job itself, this compensation strategy will be less effective at least when compared to the Netherlands cultural context (i.e., CSR is a more decisive factor in the collectivistic Indian culture).

We separately presented results for the linear and non-linear models in order to examine for practical significance-namely $R^2$ increases between these two models,
since a significant $R^2$ increase in the dependent variables indicate the possible existence of interaction effects, even in the absence of statistical significance in the relevant interaction effect coefficients (Ping, 2004).

Specifically in the Netherlands sample, the addition of the non-linear terms in the main effects model is empirically meaningful, since their addition increased $R^2$ for turnover intentions by 4% and for recommendations 3.6%. In the same vein, in the Indian sample the addition of the non-linear terms in the main effects model is empirically meaningful, since their addition increased $R^2$ for turnover intentions by 12.1% and for recommendations 6.6%.

At this point it should be noted that the quadratic effects included for analytical reasons in our analyses provide some interesting results. This is especially the case for the Indian sample since we find no significant quadratics in the Netherlands sample. Specifically, in the Indian sample we find a positive asymmetry of satisfaction with the job itself on turnover intentions ($b=.41, p=.01$) and a negative asymmetry of satisfaction with the job itself on recommendation intentions ($b=-.42, p=.04$). Therefore when it comes to turnover intentions satisfaction with the job itself is a motivating factor (i.e., an increase is more consequential than a decrease), and when it comes to recommendation intentions satisfaction with the job itself is a hygiene factor (i.e., a decrease is more consequential than an increase). Additionally, analyses indicate a negative quadratic effect of CSR associations on turnover intentions ($b=-.04, p=.001$) (i.e., a hygiene factor), and a linear effect on recommendations ($b=.10, p=.26$). Finally, we find a significant negative quadratic effect of satisfaction with pay on recommendation intentions ($b=-.11, p=.07$), and a linear effect on turnover intentions ($b=-.29, p=.33$). Though these results are
interesting, they are only empirical conjectures that require further theoretical development and empirical justification. We call for more research on these higher-order effects.

5. Discussion & Implications

Is the positive effect of CSR unconditional in the context of an important internal constituency-namely customer-facing employees? Do internal stakeholders’ reactions to CSR differ between national cultures? Currently, there is no systematic CSR research, trying to illuminate these research questions (C. A. Williams & Aguilera, 2008). Specifically, the boundary conditions that likely govern the CSR-outcomes link have received scant conceptual and empirical attention (Berens, van Riel, & van Rekom, 2007; Luo & Bhattacharya, 2006). Especially in the context of customer facing employees (i.e., an important internal stakeholder group), there is still limited understanding of whether and how job-related and culture-related contingency conditions change the way CSR relates to positive outcomes. Against this background, using data from two different national cultures we administer an actor-centered, comparative research, providing empirical evidence on job satisfaction and cultural contingencies that likely render the business case for CSR not universal. In this respect, the study is in line with the research calls of Margolis, Elfenbein, & Walsh (2007), and Barnett (2007), who call for more research on the idiosyncratic linkage between CSR and firm outcomes.

5.1. Implications for Theory
Within its validity boundaries the study expands on the contingency paradigm and posits job satisfaction facets as moderators in the CSR-outcomes linkage. The study finds that these moderating factors likely interact with cultural factors adding more complexity to investigations involving the conditional business case of CSR. The study extends the research stream on employees’ reactions to CSR in several ways. First, though many studies have advocated the positive effects of CSR on employees’ attitudinal and behavioral reactions (e.g., Collier & Esteban, 2007; Turban & Greening, 1997), our study is arguably one of the first providing empirical evidence that these effects are not universal. On the contrary, our results provide some preliminary insights that important job-related satisfaction facets, likely temper or strengthen the positive effects of CSR on employee outcomes. Specifically we find a non-compensatory effect between CSR and satisfaction with pay, and a compensatory effect between CSR and satisfaction with the job itself.

Second, we examine these contingencies in light of one more important contingency-namely national culture. Using this comparative, employee-centered approach we provide some preliminary results suggesting that cultural factors may alter the strength or even the direction of the job-related contingency effects. Our empirical evidence indicates that in India-namely a collectivistic society, compared to the Netherlands-namely an individualistic society, CSR is likely a more decisive factor when employees evaluate their employers’ job offerings.

Third, this study contributes to the literature by examining the influence of CSR actions on customer-facing employees, an internal stakeholder group that plays a important role in developing and maintaining relational bonds with customers
Currently there is only limited research investigating whether CSR has a positive or negative effect on customer-facing employees. The results of this study indicate that, customer-facing employees positively view CSR, but this positive effect depends on other critical job related, as well as cultural factors.

Finally, the results of the study indicate that effects found tend to differentiate between different types of behavioral outcomes. Specifically, results indicate that in the context of customer-facing employees, turnover and recommendation intentions are likely to differ with regard to their linkage with the interactive effect of CSR associations with job satisfaction facets. These two constructs relate to different managerial goals: turnover intentions pertain to employee retention, whereas recommendation intentions relate to attracting talented employees. This is consistent with Bolton et al. (2004) who in a customer behavior context, note that the direction and size of the effects of a marketing instrument are likely to differ for different behaviors. In this study significant interactive effects found relate only to employee retention rather than employee attraction.

5.2. Implications for Practice

Altogether the results of the study present some potential implications for managerial practice. First, our study highlights that favorable CSR associations are likely to have an impact on important customer-facing employees’ behavioral outcomes, such as intention to promote the company by spreading positive word-of-mouth as well as intention to remain with the organization. Thus, managers should recognize that CSR associations relate to important employee behavioral outcomes
and start longitudinally monitoring and enhancing these associations using appropriately motivated CSR initiatives.

Second, moderated effects results indicate that managers should recognize that customer-facing employee’s reactions to CSR initiatives may differ among firms that either do better or worse in important job satisfaction facets. These previously unexplored contingency effects indicate that firms with a high level of satisfaction with pay are in a more advantageous position when they invest in CSR initiatives. Conversely put, spending money on CSR initiatives when customer-facing employees are not satisfied with their compensation is probably a not wise investment, at least when it comes to increasing retention rates. On the other hand, since customer-facing employees are likely to trade-off CSR with satisfaction with the job itself, managers can compensate employees’ poor satisfaction with the job itself with favorable CSR associations. Alternatively put, spending on CSR initiatives is probably a wise strategic choice especially for firms that do not perform well on satisfaction with the job itself.

Third, given the role of national culture in influencing some of our findings, managers of global organizations may be misguided in their CSR investments if they consider the countries in which they are operating as homogeneous. To illustrate, in India, managers of customer-facing employees should consider CSR associations and satisfaction with pay, as stand-alone job offerings that present universal impact on turnover intentions. However, the same managers compared to managers responsible for the Netherlands, should also recognize that though there is still a trade-off between CSR and satisfaction with the job itself, this trade-off is not of a
great effect. This indicates that they should be more cautious when they try to compensate bad performance in CSR associations with satisfaction with the job itself and vice-versa.

Finally, managers of customer-facing employees should recognize that when concerned about recruiting talented and skillful customer-facing employees, positive CSR associations and job satisfaction facets are stand-alone instruments with a universal positive impact. This is not the case when management is concerned with reducing turnover rated of customer-facing employees.

6. Limitations & Further Research

Our results are tempered by certain limitations, which provide opportunities for further research. First, past studies have found that direct supervisors (e.g., sales managers) have an important effect on customer-facing employees’ behaviors (Wieseke, Ahearne, Lam, & Dick, 2009). In our study, we did not investigate relevant cascading effects using a multi-level research design. For example, the non-compensatory effect between CSR associations and satisfaction with pay found in the Netherlands sample may depend on the size and the direction of the respective interactive effect at the direct supervisor level.

A second limitation relates to the generalizibility of the results. Data were collected in close cooperation with two companies, operating in the consumer packaged goods and the publishing industry respectively. Although our results are likely to be more relevant to companies operating in these two industries, future researchers
should further examine our findings in different industries, and especially those characterized by bad reputation (Yoon, Gurhan-Canli, & Schwarz, 2006).

Another limitation of the study relates to the examination of cultural factors. More specifically, we did not measure respondents’ personal cultural orientations, rather, using Hofstede’s cultural framework we considered countries as cultural proxies. This is likely problematic and suffers from what has been termed “ecological fallacy”, since all the citizens of a country may not share similar cultural characteristics (Bond, 2002; Sharma, in press).

Response-bias is also a potential limitation of the study. Though, through the use of the Zoomerang web tool we assured respondents that the data will be analyzed by external researchers and that their anonymity will be strictly protected, there remains the possibility that some employees provided responses that would make them look good to company's management.

Future researchers should add more moderators in our research model. Specifically, more job satisfaction facets should be included (e.g., satisfaction with career advancement opportunities, company policies and support etc.), as well as more cultural factors. Regarding the latter, our theoretical focus was on individualistic and collectivist societies. Future researchers should examine our findings using the perspective of more cultural factors (i.e., power distance, uncertainty avoidance etc.).

Finally, though we did not hypothesize the existence of positive or negative asymmetries in this study, especially in the Indian sample, such findings occurred.
Examining the potentially moderated positive or negative asymmetry of CSR associations on behavioral outcomes is an important research question since it can provide insights into saturations effects-namely how much CSR is enough is the context of internal stakeholders.

7. Acknowledgements

The authors thank an anonymous Fortune 500 company and an anonymous media & entertainment company for generously providing access to its sales organization.
Please read the following text carefully.

In order to improve the nutrition and health of poor school-aged children, [Company Name] has formed a partnership with the UN World Food Programme (WFP). WFP is the United Nations frontline agency in the fight against global hunger. [Company Name] supports the WFP in strengthening their school feeding programme in Colombia, Indonesia, Ghana and Kenya, sharing its nutrition, R&D, marketing and communication expertise. Together with WFP, [Company Name] develops nutrition and hygiene educational campaigns and carries out a nutritional review of the school programme’s food basket. [Company Name]’s brands, [Brand A] and [Brand B], raise awareness of child hunger with their consumers, thus raising funds for WFP’s school feeding programme. [Company Name] engages its employees in a global event [Event Name], and local fundraising activities. [Company Name] employees are seconded to WFP to share their expertise and in a similar manner [Company Name] offers student internships at WFP country offices.

Please provide answers to the following questions taking into account the text you’ve just read

<table>
<thead>
<tr>
<th>Item</th>
<th>Loading</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CSR Attributions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ATTR1</td>
<td>.88</td>
<td>[Company Name] is taking advantage of the non-profit organization to help its own business.</td>
</tr>
<tr>
<td>ATTR2</td>
<td>.67</td>
<td>[Company Name] wants it as a tax write-off.</td>
</tr>
<tr>
<td><strong>CSR Associations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CSR1</td>
<td>.92</td>
<td>[Company Name] is a socially responsible company</td>
</tr>
<tr>
<td>CSR2</td>
<td>.90</td>
<td>[Company Name] is a driving force behind social projects</td>
</tr>
<tr>
<td><strong>Positive Recommendations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>REC1</td>
<td>.92</td>
<td>Say positive things about [Company Name] to other people.</td>
</tr>
<tr>
<td>REC2</td>
<td>.84</td>
<td>Recommend [Company Name] to someone who seeks my career advice.</td>
</tr>
<tr>
<td><strong>Turnover Intentions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TURN1</td>
<td>.87</td>
<td>Consider [Company Name] as my first employer of choice, if I had to choose again.</td>
</tr>
<tr>
<td>TURN2</td>
<td>.85</td>
<td>Continue working for [Company Name]</td>
</tr>
<tr>
<td><strong>Satisfaction with the Job Itself</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SATJOB1</td>
<td>.91</td>
<td>My work gives me a sense of accomplishment</td>
</tr>
<tr>
<td>SATJOB2</td>
<td>.83</td>
<td>I’m really doing something worthwhile in my job</td>
</tr>
<tr>
<td><strong>Satisfaction with Pay</strong></td>
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</tr>
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<td>SATPAY1</td>
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<td>My pay is low in comparison with what others get for similar work in other companies (rc)</td>
</tr>
<tr>
<td>SATPAY2</td>
<td>.95</td>
<td>In my opinion the pay here is lower than in other companies(rc)</td>
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*Note: All constructs were measured with a 7-point scale, anchored from “1 = Strongly Disagree” to “7 = Strongly Agree”.

(rc)=reversely coded
APPENDIX B

Measurement Items and Factor Loadings (India)

<table>
<thead>
<tr>
<th>Item</th>
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<th>Description</th>
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<td></td>
<td>Please read the following text carefully.</td>
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<tr>
<td></td>
<td></td>
<td>[Name of the Campaign] was launched in 2008 by [Company Name] as an all India social initiative. The concept is to bring in children who are in need of education and people who are willing to contribute their time to teach the children. To operationalize the concept and set of activities, NGOs are invited to participate and facilitate the execution. This year’s campaign has been introduced with modifications that have brought in more focus, reduced lag time and effective utilization of all resources. The month-long drive invites applications exclusively online via the Volunteer Application Form. Each participant needs to register with an individual username and password. Post registration, they have to select their preferred teaching location basis which the applicant can choose their induction centre, day and time. The induction sessions are used for interaction with the NGO and to map individual preferences with NGO needs. This campaign is supported by the reach of [Company Name]. This campaign generates lot of interest among employees, readers, advertisers and business partners and they volunteer to be part of this campaign. Please provide answers to the following questions taking into account the text you’ve just read</td>
</tr>
<tr>
<td>ATTR1</td>
<td>.76</td>
<td>[Company Name] is taking advantage of the non-profit organization to help its own business.</td>
</tr>
<tr>
<td>ATTR2</td>
<td>.80</td>
<td>[Company Name] wants it as a tax write-off.</td>
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<tr>
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<td>[Company Name] is a driving force behind social projects</td>
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<td>.96</td>
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</tr>
</tbody>
</table>

Note: All constructs were measured with a 7-point scale, anchored from “1 = Strongly Disagree” to “7 = Strongly Agree”. (rc)=reversely coded
Figure 1. Conceptual Framework of the Study
Figure 2. Empirical Research Model
Table 1  
*Intercorrelations, reliability, and validity in the Netherlands dataset*

<table>
<thead>
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<th></th>
<th>CR</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<th>6</th>
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<tr>
<td>1. CSR Attributions</td>
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<td>2. CSR Associations</td>
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<td>3. Positive Recommendations</td>
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<td>-.46*</td>
<td>.52*</td>
<td>.89</td>
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<td>4. Turnover Intentions</td>
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<td></td>
<td>-.26**</td>
<td>.64*</td>
<td>.74*</td>
<td>.87</td>
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<tr>
<td>5. Satisfaction with the Job Itself</td>
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<td>.12</td>
<td>.28**</td>
<td>.26**</td>
<td>.73*</td>
<td>.87</td>
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<tr>
<td>6. Satisfaction with Payment</td>
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<td>.08</td>
<td>.11</td>
<td>-.12</td>
<td>.08</td>
<td>.04</td>
<td>.85</td>
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</tbody>
</table>

Notes
(1) Elements along-the-diagonal represent square root average variance extracted (AVE) estimates.
(2) Elements below-the-diagonal represent Pearson's bivariate intercorrelations; *correlations significant at the .05 level, ** correlations significant at the .10 level
(3) CR=Fornell and Larcker’s (1981) composite reliability estimates.
Table 2  
*Intercorrelations, reliability, and validity in the Indian dataset*

<table>
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<tr>
<th></th>
<th>CR</th>
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<td>.78</td>
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<td></td>
</tr>
<tr>
<td>2. CSR Associations</td>
<td>.81</td>
<td>-.19</td>
<td>.83</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3. Positive Recommendations</td>
<td>.89</td>
<td>-.40*</td>
<td>.59*</td>
<td>.89</td>
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<td></td>
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<tr>
<td>4. Turnover Intentions</td>
<td>.90</td>
<td>-.06</td>
<td>.52*</td>
<td>.81*</td>
<td>.91</td>
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<td>5. Satisfaction with the Job Itself</td>
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<td>.48*</td>
<td>.73*</td>
<td>.69*</td>
<td>.77</td>
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<td>6. Satisfaction with Payment</td>
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<td>.07</td>
<td>.42*</td>
<td>.12</td>
<td>.03</td>
<td>.92</td>
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</table>

Notes:  
(1) Elements along-the-diagonal represent square root average variance extracted (AVE) estimates.  
(2) Elements below-the-diagonal represent Pearson's bivariate intercorrelations; *correlations significant at the .05 level  
(3) CR=Fornell and Larcker's composite reliability estimates.
### Table 3a

**Results of Hypotheses Testing: The Netherlands Sample**

<table>
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<th>Linear Model</th>
<th></th>
<th>Non-Linear Model</th>
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<td>Positive Recommendations</td>
<td>CSR</td>
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<td>.26</td>
<td>.58</td>
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**Notes**

i. Highlighted cells indicate statistically significant effects at least at the .10 level
ii. Non-linear direct effect path coefficients should be interpreted only in light of the interaction effects
<table>
<thead>
<tr>
<th></th>
<th>Linear Model</th>
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<th>Positive Recommendations</th>
<th>Non-Linear Model</th>
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<th>Positive Recommendations</th>
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<td>CSR Associations</td>
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<tr>
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<tr>
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<td>.43</td>
<td>.58</td>
<td>.03</td>
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Notes:
1. Highlighted cells indicate statistically significant effects at least at the .10 level
2. Non-linear direct effect path coefficients should be interpreted only in light of the interaction effects.
8. References


Piercy, N. F., Cravens, D. W., & Lane, N. Marketing out of the recession: recovery is coming, but things will never be the same again. *Marketing Review, 10*(1), 3-23.


