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Corporate Social Responsibility and the Benefits of Employee Trust: A Cross-Disciplinary Perspective

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Abstract Research on corporate social responsibility (CSR) has tended to focus on external stakeholders and outcomes, revealing little about internal effects that might also help explain CSR-firm performance linkages and the impact that corporate marketing strategies can have on internal stakeholders such as employees. The two studies ($N = 1{,}116$ and $N = 2{,}422$) presented in this article draw on theory from both corporate marketing and organizational behavior (OB) disciplines to test the general proposition that employee trust partially mediates the relationship between CSR and employee attitudinal and behavioral outcomes. Both studies provide evidence in support of these general relationships. Theoretical and practical implications of these findings are discussed in the context of CSR and corporate marketing research.

Keywords Corporate marketing · Corporate social responsibility · Employee attitudes · Employee trust · Ethical corporate marketing · Organizational behavior

> What factors will drive future growth? CEOs say that investments in CSR, brand and reputation will count more than they have in the past, and will help to win the hearts and minds of customers *and* employees.
> —2008 New York Stock Exchange (NYSE) CEO Report, emphasis added

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Introduction

Corporate social responsibility (CSR) has been a subject of great interest for over 20 years among scholars from multiple management disciplines including, among others, marketing and organizational behavior (OB) (Aguilera et al. 2007; Balmer 1998; Sen and Bhattacharya 2001; Zenisek 1979). The now sizeable body of knowledge on CSR has been reviewed previously (Lee 2008; Matten and Moon 2008; Sparkes and Cowton 2004) and a special issue of *The Journal of Business Ethics* devoted to CSR and its link with corporate marketing and business ethics is an indication of substantial progress (see Fukukawa et al. 2007). One stream of this research has focused on understanding why companies engage in CSR initiatives (Aguilera et al. 2007; Campbell 2007; Fukukawa et al. 2007). Corporate marketing scholars have examined the proposition that CSR initiatives help firms develop positive ethical identities and/or relationships with key stakeholders of the firm such as customers and investors (Balmer et al.

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2007; Castaldo et al. 2009; Fukukawa et al. 2007). These research developments are in line with evidence that more and more consumers are demanding CSR from the organizations they patronize. Recent marketing research has shown that consumers have increasingly high legal, ethical, and philanthropic expectations of the organizations with which they do business (Cone/Roper Millennial 2006; Golob et al. 2008; Xiaoli and Kwangjun 2007).

Despite the considerable progress made in CSR research, however, this growing and multidisciplinary body of literature is limited in at least two important respects. First, the precise nature of the relationship between CSR and firm performance is still not fully understood. Some studies suggest that being socially responsible does increase a firm's performance (Cochran and Wood 1984; Fombrun and Shanley 1990), yet other studies suggest that it does not (Margolis and Walsh 2003; Waddock and Graves 1997). This inconsistency in findings has elicited calls for the identification of *mediating mechanisms* to clarify the relationship between CSR and performance (Berrone et al. 2007; Peloza and Papania 2008; Perrini and Castaldo 2008; Pivato et al. 2008). Pivato et al. (2008, p. 3) argued that "intermediate variables pertaining to stakeholder attitudes toward a company, are more likely to demonstrate the desired connection [between financial and] social performance."

Second, research on CSR has yet to examine the role of internal stakeholders in understanding the relationship between CSR and organizationally relevant outcomes (Morsing and Schultz 2006; Pivato et al. 2008; Riordan et al. 1997). Consistent with the quote from the NYSE CEO report, the importance of internal stakeholder trust is highlighted in corporate marketing and identity literatures, which suggest that stakeholder perceptions and attitudes about an organization's ethics play an important role in shaping their behavior with regard to, and their relationships with, management (Balmer and Greyser 2002). In addition, the importance of employee level sentiment toward management has been robustly supported by research in OB, which has directly linked employee trust to performance and performance-oriented behaviors (Colquitt et al. 2007).

Unfortunately, however, very little empirical research has directly examined CSR from an internal or employee perspective, either in terms of how employees perceive the social performance of their employer or how CSR perceptions impact their day-to-day attitudes and behaviors (Aguilera et al. 2007). In fact, to date, with the exception of theoretical and case-based research (Collier and Esteban 2007; Rodrigo and Arenas 2008; Royle 2005), empirical research on employee level CSR perceptions has been limited to understanding how social responsibility factors into general satisfaction (Gavin and Maynard 1975; Valentine and Fleischman 2008) and job applicant perceptions of companies in the recruitment process (Gatewood et al. 1993; Turban and Greening 1997).

To address this gap, our purpose is to advance CSR research by integrating marketing and OB theories and to test, in two studies, how employee perceptions of CSR impact turnover intentions and organizational citizenship behavior (see Fig. 1). We also examine the proposition recently advanced in both OB and marketing literatures that employee opinions (not just external stakeholder attitudes) about the company's social responsibility play a key role in shaping their *trust* in the organization, which in turn influences their attitudes and behavior (Fukukawa et al. 2007; Perrini and Castaldo 2008; Rupp et al. 2006). In study 1, we examine turnover intention as an attitudinal outcome variable. Study 2 replicates these findings and extends them by examining organizational citizenship behavior (OCB) as an additional behavioral outcome variable (see Fig. 1).

CSR and CSR Perceptions

CSR has been defined as the voluntary activities or policies that organizations engage in for the purpose of causing positive social change and environmental sustainability (Aguilera et al. 2007). Examples of CSR initiatives include (but are not limited to) donations to charities, community

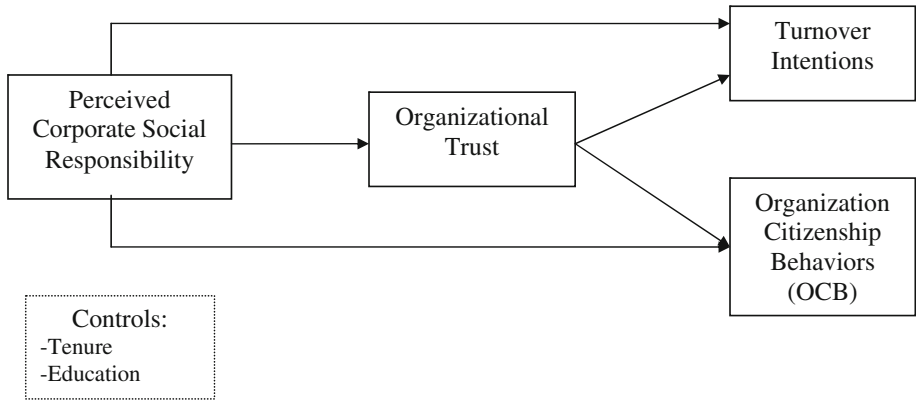

Fig. 1 Summary of study 1 and study 2 predictions. *Note*: OCB was only tested in study 2

outreach programs, efforts to improve employee diversity, and reducing environmental impact (Albinger and Freeman 2000). In recent years, CSR initiatives have become increasingly common as organizations compete for customers and meet the growing and dynamic expectations of their stakeholders (Matten and Moon 2008). As CSR activity increasingly becomes a priority worldwide, research in multiple areas of management has begun to more closely examine its impact on various organizational stakeholders (Balmer 1998). This research has, among other things, examined how CSR activity helps organizations develop positive ethical identities/images (Dutton and Dukerich 1991) in the minds of, and strong exchange relationships with, key stakeholders (Balmer et al. 2007; Castaldo et al. 2009; Fukukawa et al. 2007).

An important aspect of this research in both OB and marketing literatures concerns the perceptions of these stakeholders. Recent work within both fields suggests that, for purposes of determining CSR's impact on stakeholders, stakeholder perceptions about CSR may be more important than the CSR activities themselves since these perceptions are what constitute the reality upon which stakeholders base their decisions, opinions, and attitudes. Corporate marketing theorists have suggested that stakeholder perceptions are important because they guide behavior and effective CSR must therefore specifically target stakeholder perceptions since these perceptions guide stakeholders toward or away from productive relationships with management (see Balmer et al. 2007; Riordan et al. 1997). Similarly, OB theory on planned individual behavior suggests that employee perceptions about events or activities, even more than the events themselves, are what permit the prediction of subsequent employee attitudes and behaviors (Ajzen 1991; Fishbein and Ajzen 1975). Thus, we focus on individual-level perceptions about CSR activity, and examine their linkages to individual-level attitudes and behaviors.

Outcomes of Employee CSR Perceptions

The idea that CSR activity directly influences consumer (external stakeholder) attitudes and behavior is well established in marketing research. Numerous studies have linked CSR with cognitive, emotional, and behavioral consumer reactions (Becker-Olsen et al. 2006), and typically, this research demonstrates that attitudes and behaviors follow perceptions or cognitions. For example, consumer attitudes about organizations depend in part on those organizations' actual and advertised CSR activity (Brown and Dacin 1997; Nan and Heo 2007). Marketing research has also shown that consumers are more inclined to patronize organizations they believe donate to social causes (Murray and Vogel 1997; Nan and Heo 2007; Sen and Bhattacharya 2001) or comply with social and ethical programs and requirements (Castaldo et al. 2009; Marin et al. 2009).

OB theorists have also recently proposed that CSR perceptions influence employee (internal stakeholder) attitudes and behaviors and that employees gauge their responses to CSR initiatives based on an underlying ethical imperative of "normative treatment" (Folger et al. 2005). This imperative is based on theories of "deontic justice," which propose that people innately possess moral duties to treat others fairly and that when people see others violate these duties by treating others unfairly, they will react, at least to a degree, as if they were the ones being treated unfairly (Cropanzano et al. 2001). Supporting this view, OB research has demonstrated that employees not only react to how they are treated by their organization (Colquitt et al. 2001), but also to how others, besides themselves and *outside* the organization, are treated (Cropanzano et al. 2001).

Recently, OB theorists have extended deontic justice or normative treatment theory to the context of CSR. Specifically, theorists have suggested that if an employee perceives that his or her organization behaves in an obviously socially irresponsible way (e.g., has damaged the environment, has victimized a protected group, or has taken advantage of the general public); he or she will be likely to exhibit negative work attitudes and behavior. Conversely, if an employee perceives that his or her organization behaves in a highly socially responsible manner—even toward those outside and apart from the organization, he or she will likely have positive attitudes about the company and work more productively on its behalf (Rupp et al. 2006). In two studies, we test this theory by specifically examining the impact that employee CSR perceptions have on their turnover intentions and organizational citizenship behavior (OCB).

In OB, turnover intention is a measure of the psychological intention to quit that employees may develop as a result of discontent with their organization and/or potentially better opportunities with other organizations; these intentions constitute one determinant of actual turnover (Allen et al. 2005; Fishbein and Ajzen 1975). Since employee turnover can cost organizations between 50 and 200% of the leaving employee's annual compensation, turnover intentions are of great concern to management (Dunford et al. 2008). In line with the imperative of 'normative treatment' and theories of deontic justice applied to the context of CSR perceptions (Rupp et al. 2006) as discussed above, we suggest that when employees, like other stakeholders, regard their organizations as responsible, compassionate, and benevolent citizens of their community (a goal of CSR activity), they will be more likely to be content with their employment relationships with such

organizations and less likely to desire employment relationships elsewhere. Specifically, we hypothesize that:

Hypothesis 1a Employee CSR perceptions are negatively related to employee turnover intentions.

In OB literature, organizational citizenship behavior (OCB) constitutes discretionary or extra-role employee behavior that promotes an organization's overall welfare (Podsakoff et al. 2000; Van Dyne et al. 1994). OCB is considered a form of job performance, though separate from the in-role task performance that employees are outwardly rewarded for. Given its discretionary nature, employees typically engage in OCB when they want to "give back" to their organization for its benevolence toward them or in exchange for the organization's commitment to or positive relationship with them (Organ 1988). In line with normative treatment imperative and supporting deontic justice theory (Rupp et al. 2006), we reason that when employees perceive that their organization is being socially responsible (i.e., toward people outside the organization), they will likely develop an increased motivation to "give back" to their organization (see also Blau 1964; Organ 1988), as manifest through increased OCB. Thus:

Hypothesis 1b Employee CSR perceptions are positively related to employee organizational citizenship behavior.

The Mediating Role of Trust

Trust in OB and Marketing

Scholars in OB and marketing have suggested that the examination of mediating mechanisms linking immediate outcomes of CSR-related activity (i.e., CSR perceptions and ethical identity—see Berrone et al. 2007) with more distal outcomes (i.e., attitudes and behaviors) might indeed be the key for research aimed at understanding the true organizational impact of such activity (Balmer et al. 2007; Berrone et al. 2007; Dirks and Ferrin 2002; Pivato et al. 2008). And, emerging theory in both OB and marketing has specifically suggested that such research on potential mediating mechanisms begin by examining the trust that exists between an employee and his or her organization or organizational leaders.

Although a variety of definitions for trust exist, one of the most influential definitions of trust defines it as a "willingness to be vulnerable to others whose behavior one cannot control" (Zand 1972, p. 231). Retaining this classic definition, contemporary trust theory has elucidated the various determinants of trust, including the trustor's perceptions of the trustees' character (i.e., integrity, benevolence, and ability—see Mayer et al. 1995; Morgan and Hunt 1994). In line with this influential model of trust, research in both marketing and OB suggests that stakeholders decide to trust organizations (i.e., to become vulnerable to them) based upon their assessment of those organizations' ethics and values (i.e., character—see Dirks and Ferrin 2002; Mayer et al. 1995; Morgan and Hunt 1994; Sirdeshmukh et al. 2002).

Similarly, trust is regarded as the primary indicator of strong management—stakeholder exchange relationships (Blau 1964; Buchan et al. 2002; Fang et al. 2008). For example, the theory of relationship marketing suggests that trust is a key mediator between a host of organizational antecedents (e.g., communication and shared values) and organization-consumer/buyer outcomes (e.g., cooperation, conflict, uncertainty, and acquiescence). In the words of Morgan and Hunt (1994, p. 22) trust is: "central to successful relationship marketing [because it] encourage[s] marketers to work at preserving relationship investments by cooperating with exchange partners" (see also: Fang et al. 2008; Mouzas et al. 2007). In support of relationship marketing theory, Mouzas and colleagues recently suggested that "trust is perceived in the marketing literature as a significant, if not pivotal, aspect of business relationships" (Mouzas et al. 2007, p. 1016). Relationship marketing theory has been well-supported in the marketing empirical literature and trust has been empirically demonstrated to be an important mediator between corporate activities and consumer/buyer loyalty—including brand loyalty (Ball 2004; Chaudhuri and Holbrook 2001; Doney and Cannon 1997).

Whereas trust research in marketing has typically focused on relationships with external stakeholders, trust has been studied in OB as a mediator between mostly internal organizational antecedents like leadership style and personality (Dirks and Ferrin 2002) and important consequences such as performance, turnover, and organizational commitment (Dirks and Ferrin 2002; Colquitt et al. 2007). In OB, employee trust has explicitly been labeled a "core" basis for effective leadership and central to subordinate perceptions of effective leadership (Dirks 2000; Dirks and Ferrin 2002). Indeed, employee trust has repeatedly been shown to be positively related to employee organizational citizenship behavior (i.e., OCB—Dirks and Ferrin 2001 and Organ and Ryan 1995) and negatively related to turnover intentions (Hemdi et al. 2006; Tzafrir and More 2006).

CSR and Employee Trust

Recently, both corporate marketing and OB theorists have proposed that trust might also be a primary mechanism through which CSR activity influences employee attitudes and behaviors. OB theorists have suggested that employer

CSR activity sends important signals to employees about company ethics and values (what amounts to the company's "character"), and the extent to which it can be trusted (Rupp et al. 2006). Ethical corporate marketing theorists have suggested that a relationship or trust-based perspective might help to inform emerging theory given management's need to tailor CSR strategy to the dynamic and varied ethics-related expectations of stakeholders (Balmer et al. 2007; Garbarino and Johnson 1999). Balmer et al. (2007, p. 10) proposed that organizations engaging in CSR activities act as "trustees" for the interests of all stakeholders, including employees, since these stakeholders pay close attention to the ethics-related actions of their organization (Balmer et al. 2007; Dirks and Ferrin 2001). In support of this view, Pivato et al. (2008, p. 3) also recently proposed that trust is the "first result of a firm's CSR activities" or the immediate or most proximate outcome of CSR activity (with attitude, behaviors, and financial performance being more distal CSR outcomes).

In summary, OB and corporate marketing theory suggest that trust is an immediate outcome of organizational CSR perceptions that may shape employee attitudes and behaviors. Based on previous evidence that trust is a key mediator of other antecedent-employee level outcome relationships (Colquitt et al. 2007; Dirks and Ferrin 2002) we propose that trust will mediate the relationships between CSR and turnover intentions as well as CSR and organizational citizenship behavior. Recalling the theoretical justification provided for our first set of hypotheses (1a and 1b above), however, we hypothesize that trust will partially mediate the relationship with CSR and outcomes, since CSR will likely directly impact these outcomes as well (see Fig. 1 for a depiction of our model). Specifically, we hypothesize that:

Hypothesis 2a Perceptions of organizational trust partially mediate the relationship between employee CSR perceptions and employee turnover intentions.

Hypothesis 2b Perceptions of organizational trust partially mediate the relationship between employee CSR perceptions and employee organizational citizenship behavior.

Study 1: Overview

The primary purpose of study 1 was to examine the role of organizational trust in mediating the relationship between perceived CSR and turnover intention as an *attitudinal* outcome. Accordingly, we tested hypotheses 1a and 2a in study 1.

Method

Sample and Procedure

The healthcare industry is an excellent area in which to study perceptions of social responsibility because US healthcare organizations are under growing public scrutiny to demonstrate high levels of quality, abide by strict ethical standards, and be community leaders in service and compassion (Hibbart et al. 2003). Indeed, many healthcare organizations struggle to meet growing expectations of being "their brother's keeper" in the local community (PricewaterhouseCoopers Health Research Institute 2005). Consequently, healthcare organizations are concerned with social responsibility (Darr 1997) and are devoting more resources to socially responsible initiatives. For example, charity care represented the largest portion of hospitals' uncollectible revenue in 2007 (Healthcare Registration 2007). Healthcare organizations have also given back in other ways, by creating foundations to fund community development projects and green policies toward healthcare (www.gghc.org).

Sample Characteristics

Our sample for study 1 came from a healthcare organization comprised of multiple facilities based in the midwestern US with 1,839 employees. In this study, we examined turnover intentions as a direct outcome of trust and as an indirect outcome of employee CSR perceptions (hypotheses 1a and 2a). Employee personnel records were obtained from the Human Resources department, which provided email addresses, and employee identification numbers. We guaranteed participants that their responses would be kept strictly confidential.

The survey was administered online over a 2-week period in late 2006, and all employees were solicited for participation. One week before the survey link was sent out, a pre-notice (Dillman 2000) email was sent to all employees of the firm. This email came from the CEO and briefly described the upcoming study, encouraged employees to participate, and assured them that the data would go directly to the researchers and that the healthcare organization would not have access to individual responses. A week later, the email containing a link to the online survey was sent to all employees. Three additional email reminders were sent over the subsequent 2 weeks to employees who had not yet completed the survey. Upon completion, participants automatically became eligible to win a variety of prizes through a random drawing.

We obtained responses from a total of 1,234 employees, resulting in a response rate of 67.1%. All respondents were assigned "user ID" numbers that served as identifiers.

After removing cases with incomplete data, the final sample consisted of 1,116 employees. On average, respondents were 42 years-old and had 9 years experience in the organization (13.9% of the respondents were managers or coordinators). Approximately, 82% of the respondents were female and 91% were Caucasian. In terms of education, 15% of our participants had a high school diploma or less, 42.3% had some college without a 4-year degree, 34.5% had obtained a 4-year-college degree, and 14.3% had graduate work in progress or had received a master's, professional, or doctoral degree.

Measures

Perceived Corporate Social Responsibility

We measured employee perceptions of CSR using Albinger and Freeman's (2000) scale. We used this self-report measure rather than an external (or objective) rating of CSR because we wanted to directly capture employees' *perceptions* of how strongly they viewed their employer on this variable. Participants rated their organization's performance (1 = very poor, 5 = very good) on the following four social responsibility dimensions: (1) community outreach and charitable giving, (2) diversity, including representation of women and minorities, as well as family benefits and programs, (3) workplace and employee issues (e.g., employee relations), and (4) the natural environment. (Note: see Tables 1 and 2 for all measure reliabilities and AVE's).

Organizational Trust

We measured organizational trust with items adapted from Zand (1972). Using a 10-point Likert scale, with 1 indicating "not at all", and 10 indicating "completely,"

Table 1 Study 1: means, standard deviations, and inter-correlations for study variables

Variable	*M*	SD	1	2	3	4	5	6
1. Education	4.88	1.96	–					
2. Organizational tenure	9.33	9.27	−0.03	–				
3. Perceived CSR	3.77	0.65	−0.01	−0.10**	*0.82*			
4. Organizational trust	6.75	1.97	−0.01**	0.12**	0.47**	*0.80*		
5. Turnover intentions	2.67	1.67	0.01	−0.13**	−0.28**	−0.28**	*0.90*	

$N = 1{,}116$ with listwise deletion of missing data. Scale reliabilities appear along the diagonal in italics

* $p < 0.05$ (two-tailed)

** $p < 0.01$ (two-tailed)

Table 2 Measurement model: average variance extracted (AVE) and factor loadings

Latent construct	Study 1 AVE	Study 2 AVE	Study 1 reliability	Study 2 reliability	Items	Study 1 ($N = 1{,}116$) loadings	Study 2 ($N = 2{,}422$) loadings
Perceived CSR	0.53	0.67	0.82	0.89	CSR1	0.64	0.78
					CSR2	0.74	0.84
					CSR3	0.80	0.85
					CSR4	0.72	0.82
Organizational trust	0.61	0.68	0.80	0.89	Trust1	0.94	0.95
					Trust2	0.77	0.80
					Trust3	0.61	0.71
Turnover intentions	0.78	0.75	0.90	0.89	TI1	0.91	0.89
					TI2	0.75	0.72
					TI3	0.97	0.98
Citizenship behaviors	N/A	0.53	N/A	0.81	OCB1	N/A	0.62
					OCB2	N/A	0.63
					OCB3	N/A	0.86
					OCB4	N/A	0.78

Note: OCB was not measured in study 1

$N = 1{,}116$ (Study 1), 2,422 (Study 2)

respondents specified the extent to which they trust the following people: the CEO, the vice president who ultimately supervises their work unit, and their department director. In order to get a balanced measure of employees' trust in their organization's overall top management, these 3 items were considered as indicators of an overall score for organizational trust. The referent for the measure was the organization's top management (Dirks and Ferrin 2001, 2002). We focused on top-level managers as targets of organizational trust perceptions because prior research suggests that managerial character and actions largely determine perceptions of the company's trustworthiness (Dirks and Ferrin 2001).

Turnover Intentions

We measured turnover intentions using Rosse and Hulin's (1985) scale. The scale includes one question and two statements "How likely is it that you will actively look for a new job in the next year?" (1 = not at all likely; 7 = extremely likely), "I often think about quitting," and "I will probably look for a new job in the next year" (1 = strongly disagree; 7 = strongly agree). Responses to these 3 items reflected a higher-order construct of turnover intentions, with a higher overall score suggesting greater turnover intentions.

Control Variables

We controlled for two variables in all analyses: employee organizational tenure and education. Data for each of these control variables were drawn from the personnel files (all regression estimates—including those for control variables are listed in Table 5). We controlled for organizational tenure because it may be related to both perceptions of CSR and trust of organizational leaders, and thus could represent a potential confounding variable. That is, longer tenured employees may be more aware of the implementation of socially responsible programs (possibly due to greater familiarity with the company). In addition, longer tenured employees may have long standing personal trust issues (positive or negative) with top management that could affect their responses to the trust items.

We controlled for education because more educated employees may be more aware of the organization's social responsibility initiatives. Although this variable was technically a categorical variable, we followed the recommendation of Kline 2005 (see also Bentler and Chou 1987; Green et al. 1997), by operationalizing it as a continuous variable for our analyses. Previous research suggests that categorical variables can be operationalized as continuous variables in structural equation modeling (hereafter "SEM") as long as 1) severe skewness and kurtosis are not present and 2) as long as there are more than 3 categories that are indeed arguably representative of an underlying continuous scale (Kline 2005; Bentler and Chou 1987; Green et al. 1997). Our measure of education met both of these criteria- the education variable was well within acceptable skewness and kurtosis ranges (Hair et al. 1998) and was comprised of 9 successive categories, each step on the scale roughly approximating 1 year of formal education, i.e., 1 = less than high school; 2 = high school graduate; 3 = some college; 4 = 2 year degree; 5 = 3 year degree; 6 = bachelor's degree; 7 = graduate degree in progress; 8 = master's degree; 9 = PhD/MD/JD.

Study 1: Results

Descriptive Statistics

The descriptive statistics and correlations among study variables for study 1 are shown in Table 1 with the alpha-coefficients for reliability shown on the diagonals of these tables (see AVEs, along with reliabilities, in Table 2). Table 1 correlations indicate that the perceptions employees had regarding the social responsibility of their corporation were negatively related to turnover intentions, providing preliminary support for Hypothesis 1a.

Hypotheses Tests

The nature of the models and large sample sizes in both study 1 and 2 suggested that we use SEM to test our hypotheses (see Hancock and Freeman 2001; Kline 2005). We used AMOS software and to conduct our analyses. We examined model fit using the following indices (in both studies): CMIN (or chi-squared), CMIN/df (CMIN divided by degrees of freedom), RMSEA (root mean square error of approximation), RFI (relative fit index), CFI (comparative fit index), NFI (normed fit index), and TLI (Tucker-Lewis index). In making fit determinations, we used generally accepted thresholds (see Hair et al. 1998; Kline 2005), which suggest that reasonably fitting models are typically characterized by CMIN/df as high as 5, RMSEA values as high as 0.08, and RFI, CFI, NFI, and TLI values of 0.90 or higher.

We note that we found CMIN/df values that were higher than the typically considered acceptable maximum of 5 (Hair et al. 1998; Kline 2005). However, the CMIN/df index is highly sensitive to sample size and can therefore lead to erroneous rejection of well-fitting models with large samples (Bagozzi 2004; Kline 2005; Hair et al. 1998) if other fit indices are not consulted. Thus, in our evaluation[1]

[1] To further examine model fit we followed the logic of Bollen (1989); all of our SEM analyses were re-run on random sub-samples

Table 3 Confirmatory factor analyses (CFA's) for measurement models

	CMIN	df	CMIN/df	RMSEA	RFI	CFI	NFI	TLI
Study 1								
One-factor model	3327.17	35	95.06	0.29	0.29	0.45	0.45	0.29
Two-factor model	1127.29	34	33.16	0.17	0.75	0.82	0.81	0.76
Three-factor model	317.82	32	9.93	0.09	0.93	0.95	0.95	0.93
Study 2								
One-factor model	11476.63	78	147.14	0.25	0.32	0.42	0.42	0.33
Two-factor model	8487.24	76	111.67	0.21	0.41	0.57	0.57	0.45
Three-factor model	3576.09	74	48.33	0.14	0.78	0.82	0.82	0.78
Four-factor model	1092.69	71	15.39	0.08	0.93	0.95	0.95	0.93

$N = 1{,}116$ (Study 1), 2,422 (Study 2)

$\Delta\chi^2$ for each step (for both studies) was significant ($p \leq 0.001$)

Table 4 Standardized regression estimates for baseline, fully, and partially mediated models

Independent variable	Dependent variable	Baseline	Fully mediated	Partially mediated
Study 1 controls				
Education	Trust	N/A	−0.02	−0.02
Education	Turnover	0.02	0.01	0.02
Tenure	Trust	N/A	−0.06	−0.06
Tenure	Turnover	−0.20**	−0.19**	−0.21**
Study 1 variables				
CSR	Trust	N/A	0.52**	0.51**
CSR	Turnover	−0.33**	N/A	−0.26**
Trust	Turnover	N/A	−0.30**	−0.16**
Study 2 controls				
Education	Trust	N/A	0.00	0.00
Education	OCB	0.23**	0.24**	0.23**
Education	Turnover	0.02	0.01	0.02
Tenure	Trust	N/A	0.02	0.02
Tenure	OCB	0.18**	0.19**	0.18**
Tenure	Turnover	−12**	−0.12**	−0.17**
Study 2 variables				
CSR	Trust	N/A	0.55**	0.53**
CSR	OCB	0.30**	N/A	0.19**
CSR	Turnover	−0.34**	N/A	−0.19**
Trust	Turnover	N/A	−0.39**	−0.27**
Trust	OCB	N/A	0.32**	0.20**

Note: OCB was not measured in study 1

$N = 1{,}116$ (Study 1), 2,422 (Study 2)

** $p < 0.01$ (two-tailed)

of the fit of measurement and structural models in both study 1 and study 2, we focused on fit indices that are less sensitive to sample size (Hair et al. 1998; Kline 2005).

Measurement Model

All study 1 factor loadings and average variance extracted (AVE) values for latent construct variables (i.e., CSR, employee trust, and turnover intentions) were above recommended cut-off levels (i.e., AVE above 0.50; see Hair et al. 1998; Kline 2005) providing initial evidence of valid measurement models (see Table 2). The AVE value for each variable was greater than the square of the correlation between each variable and all other variables in its respective measurement model, providing additional evidence of validity (Fornell and Larcker 1981). Further establishing measurement validity, we compared a 3-factor model with 2 and 1-factor models—(see Table 3). Significant $\Delta\chi^2$ (chi-square difference tests at $p \leq 0.001$) for the changes between each of these models, along with the fact that the 3-factor model clearly fit the data best, provided additional evidence of construct and measurement validity (see Table 4); Bollen 1989; Byrne 2005; Kline 2005).

Footnote 1 continued
($N = 500$ and $N = 200$) taken from both studies' datasets. We observed CMIN/df's below 5 for all re-analyses, along with good fit for all other fit indices for all models tested in both studies, suggesting that high original CMIN values were indeed artifacts of large sample sizes and not indications of poor model fit.

Table 5 Fit indices for baseline, fully mediated, and partially mediated models

	CMIN	df	CMIN/df	RMSEA	RFI	CFI	NFI	TLI	$\Delta\chi^2$
Study 1									
Baseline model	309.8	23	13.47	0.11	0.89	0.94	0.93	0.90	
Fully mediated model	452.1	47	9.62	0.09	0.90	0.93	0.93	0.91	
Partially mediated model	409.1	46	8.89	0.08	0.91	0.94	0.93	0.92	43.0**
Study 2									
Baseline model	986.4	58	17.01	0.08	0.91	0.94	0.94	0.92	
Fully mediated model	1321.9	94	14.06	0.07	0.92	0.94	0.93	0.92	
Partially mediated model	1212.6	92	13.18	0.07	0.92	0.94	0.94	0.93	109.3**

$N = 1{,}116$ (Study 1), 2,422 (Study 2)

** $\Delta\chi^2$ from fully mediated to partially mediated model: $p \leq 0.001$

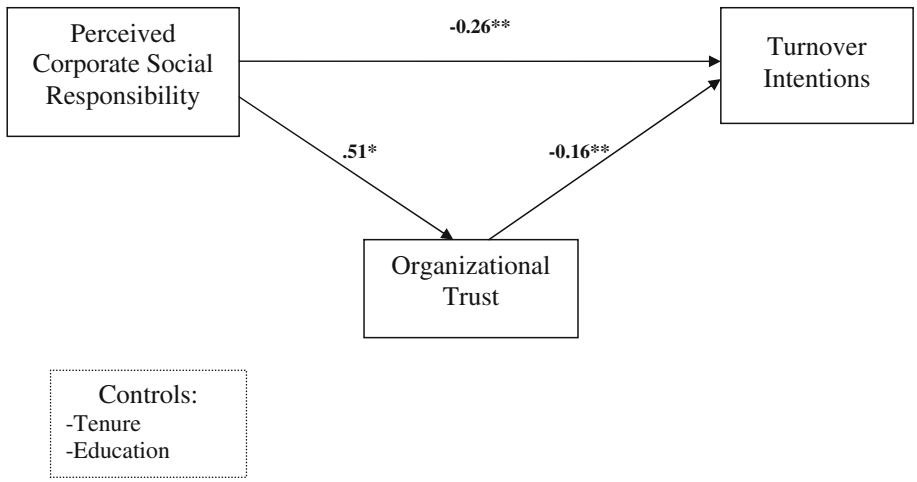

Fig. 2 Partially mediated model—study 1. $N = 1{,}116$. $^{**}p \leq 0.001$ (two-tailed)

Hypothesized Model

To test our hypothesized structural model we followed Baron and Kenny's (1986) general procedure for mediation testing. To accomplish this, in all, we compared three models. We compared the *baseline* model (i.e., the direct effect of CSR perceptions on turnover intentions) with a *full* mediation model (i.e., a model with only an indirect effect of CSR on turnover intentions through trust) and a *partial* mediation model (i.e., a model with both direct and indirect effects).

We first examined the baseline model, and, providing initial support for hypothesis 1a, the (standardized) regression estimate for turnover was significant (−0.33; $p \leq 0.01$) and in the expected direction (see Table 4), although the baseline model fit the data somewhat poorly (see Table 5): RMSEA = 0.11; RFI = 0.89; CFI = 0.94; NFI = 0.93; and TLI = 0.90.

We then examined the fit indices for the fully and partially mediated models. The fully mediated structural model demonstrated a better fit to the data than the baseline model (see Table 5), and standardized regression coefficients were significant and in the expected direction. However, the RMSEA fit index was slightly above accepted thresholds RMSEA = 0.09; RFI = 0.90; CFI = 0.93; NFI = 0.93; and TLI = 0.91.

Finally, we examined the hypothesized partially mediated structural model in SEM (see Fig. 2) and compared it to our findings for the fully mediated model. Providing additional support for hypotheses 1a, in the partially mediated structural model, standardized regression coefficients were significant and in the expected direction (see Table 4). And, providing initial support for hypothesis 2a, results of SEM analyses (see Table 5) offered evidence of a better fit with the data from the partially mediated model than for either the fully mediated model or the baseline model—suggesting partial trust mediation as the best-fitting alternative (RMSEA = 0.08; RFI = 0.91; CFI = 0.94; NFI = 0.93; and TLI = 0.92).

Seeking additional support for hypothesis 2a (partial trust mediation), we performed (1) a Sobel test (Sobel 1982) confirmed by bootstrap analyses[2] using 5,000

[2] "Bootstrap analyses" (Efron and Tibshirani 1993) in this context constituted direct measures of the indirect effect of corporate social responsibility on turnover and citizenship behaviors through the mediator (trust), after controlling for education and tenure. Unlike the Sobel test, this method, requiring an SPSS macro, does not assume mathematical distributions and is now considered to be a legitimate follow-up for, if not a replacement of, the Sobel test (Sobel 1982) because of its increased power and ease of use (see MacKinnon et al. 2002; Preacher and Hayes 2008). As part of the boostrapping process, 5,000 resamples from the original datasets set were used to re-estimate the partially mediated model. We observed results that

Table 6 Study 2: means, standard deviations, and inter-correlations for study variables

Variable	*M*	SD	1	2	3	4	5	6
1. Education	4.48	1.76	–					
2. Organizational tenure	3.63	2.70	−0.02	–				
3. Perceived CSR	3.99	0.71	0.06**	0.05*	*0.89*			
4. Organizational trust	7.22	2.02	0.04	0.02	0.50**	*0.89*		
5. Turnover intentions	2.41	1.59	0.00	−0.08**	−0.34**	−0.40**	*0.89*	
6. Org. citizenship behavior (OCB)	5.20	1.17	0.23**	0.17**	0.28**	0.30**	0.21**	*0.81*

$N = 2{,}422$ with listwise deletion of missing data. Scale reliabilities appear along the diagonal in italics

* $p < 0.05$ (two-tailed)

** $p < 0.01$ (two-tailed)

resamples (Efron and Tibshirani 1993; Preacher and Hayes 2008), and (2) a chi-square difference ($\Delta\chi^2$) test comparing the fit of the partially mediated model with the fully mediated model. The Sobel test for the relationship between CSR perceptions, trust, and turnover intentions was significant (-4.0, $p < 0.000$) and bootstrapping confidence intervals did not include zero, supporting the Sobel test outcome. In addition, chi-square difference tests ($\Delta\chi^2$) (Kline 2005) showed (see Table 6) that the partially mediated model fit the data significantly better than the fully mediated model ($\Delta\chi2 = 43.0$, $p < 0.001$, $N = 1{,}116$).

In sum, study 1 results provided evidence in support of partial trust mediation. That is, study 1 results supported both indirect (via trust partial mediation—see hypothesis 2a) and direct outcomes (on turnover intentions—see hypothesis 1a) of CSR perceptions.

Study 2: Overview

The purpose of study 2 was twofold; first, to replicate the findings of study 1 indicating that organizational trust partially mediated the relationship between perceived CSR and turnover intentions. The second purpose of study 2 was to extend these findings by examining organizational citizenship behavior (OCB) as a *behavioral* outcome of CSR. As with study 1, these variables were examined in a model where CSR is the independent variable and trust is the hypothesized (partially) mediating variable (see Fig. 1).

Footnote 2 continued
confirmed partial mediation and supported outcomes of Sobel tests and chi-square difference tests.

Method

Participants and Procedure

Sample Characteristics

In study 2, survey data were gathered from a separate, large healthcare organization (4,978 employees) which included several different healthcare facilities and hospitals in 12 cities in the southern U.S. located about 2,000 km from the location of study 1.

In this study, we examined both turnover intentions and OCB as direct outcomes of trust and as indirect outcomes of employee CSR perceptions, allowing us to test all four study hypotheses (hypotheses 1a, 1b, 2a, and 2b). Employee personnel records were obtained from the Human Resources department, which provided email addresses, and employee identification (ID) numbers. Once again, we guaranteed participants strict confidentiality. The administration of the surveys for study 2 occurred in the same way they did for study 1: a similar "pre-notice" (Dillman 2000) was provided to all employees by the CEO. Four (3 for study 1) additional email reminders were sent over the subsequent 2 weeks to employees who had not yet completed the survey. This survey process was similar to that of the first study in that the organization offered a variety of rewards to participating employees and departments.

Differing from that of study 1, however, two separate surveys were used to collect data for study 2. In a confidential manner, "User ID" numbers were linked with respondent names and used to identify respondents and to merge these surveys' data. The initial survey, which included measures for all variables except OCB, was administered online over a 2-week period in the summer of 2007; all employees were solicited for participation. OCB data was obtained through a second survey, administered approximately 1 year later (this was the soonest possible

time for additional data collection—see discussion in limitations section below). For the initial survey (all variables except OCB), we obtained responses from a total of 3,757 employees, resulting in a response rate of 75.5%. For the second, OCB survey, a total of 3,143 employees responded for a response rate of 63.1%. After removing cases with incomplete data the final sample consisted of 2,422 employees.

On average, participants in study 2 were 41 years-old with a mean organizational tenure of 8.3 years (9.2% of the respondents were managers or coordinators). Approximately, 83% of the respondents were female and 79% were Caucasian. In terms of education, 11.6% had a high school diploma or less, 57.1% had some college without a 4-year degree, 20.4% had obtained a 4-year-college degree, and 9.4% had graduate work in progress or had received a master's, professional, or doctoral degree.

Measures

Measures for perceived CSR, organizational trust, turnover intentions, and control variables were identical to the measures used in study 1. And, once again, all alpha reliabilities and AVEs for these measures were good (see Table 2).

Organizational Citizenship Behavior (OCB)

We measured OCB using the Podsakoff et al. (1990) civic virtue scale. This measure focuses on behavior, indicating an employee responsibly participates in the life of the organization (Podsakoff et al. 1997) and is highly correlated with other dimensions of OCB (Robinson and Morrison 1995). Items include: "I keep abreast of changes in the organization," "I attend meetings that are not mandatory but are considered important," "I attend functions that are not required but help the company image," and "I read and keep up with organization announcements, memos and so on."

Study 2: Results

Descriptive Statistics

The descriptive statistics and correlations among study variables for study 2 are shown in Table 6 with the alpha-coefficients for reliability shown on the diagonals of these tables (see AVEs, along with reliabilities, in Table 2). Table 6 correlations indicate that the perceptions employees had regarding the social responsibility of their corporation were positively related to employee OCB and negatively related to turnover intentions in study 2, confirming study 1 results' support for hypothesis 1a and providing preliminary support for hypothesis 1b.

Hypotheses Tests

SEM (AMOS software) was also used to test study 2, which included a test of hypotheses 1a, 1b, 2a, and 2b. As with study 1, we examined the fit of our hypothesized model using CMIN, CMIN/df, RMSEA, RFI, CFI, NFI, and TLI, and, in making fit determinations, we used the same, generally accepted thresholds used in marketing and OB research (Hair et al. 1998; Kline 2005) that were used in study 1 (reasonably fitting models are characterized by RMSEA values as high as 0.08, and RFI, CFI, NFI, and TLI values over 0.90).

Measurement Model

All study 2 factor loadings and average variance extracted (AVE) values for latent construct variables (i.e., CSR, employee trust, turnover intentions, and organizational citizenship behaviors) were above recommended cut-off levels providing initial evidence of valid measurement models (see Table 2; Hair et al. 1998; Kline 2005). The AVE value for each variable was greater than the square of the correlation between each variable and all other variables in its respective measurement model, providing additional evidence of validity (Fornell and Larcker 1981). Further establishing measurement validity, we compared a 4-factor SEM measurement model with a 3-factor model, a 2-factor model, and a 1-factor model (grouping independent variables together and dependent variables together successively to form decreasing numbers of factors). Significant $\Delta\chi^2$ (chi-square difference tests at $p \leq 0.001$) for the changes between each of these models, along with the fact that the 4-factor model clearly fit the data best, provided additional evidence of construct and measurement validity for study 2 (see Table 3; Bollen 1989; Byrne 2005; Kline 2005).

Hypothesized Model

To test our hypothesized structural model (including both turnover intention and OCB as outcomes variables—see Fig. 3), we again followed Baron and Kenny's (1986) general procedure for mediation testing by comparing three models (all with both outcome variables included): a *baseline* model (i.e., the direct effect of CSR perceptions on outcome variables), a *full* mediation model (i.e., a model with only an indirect effect of CSR on organizational citizenship behavior and turnover intentions through trust), and a *partial* mediation model (i.e., a model with

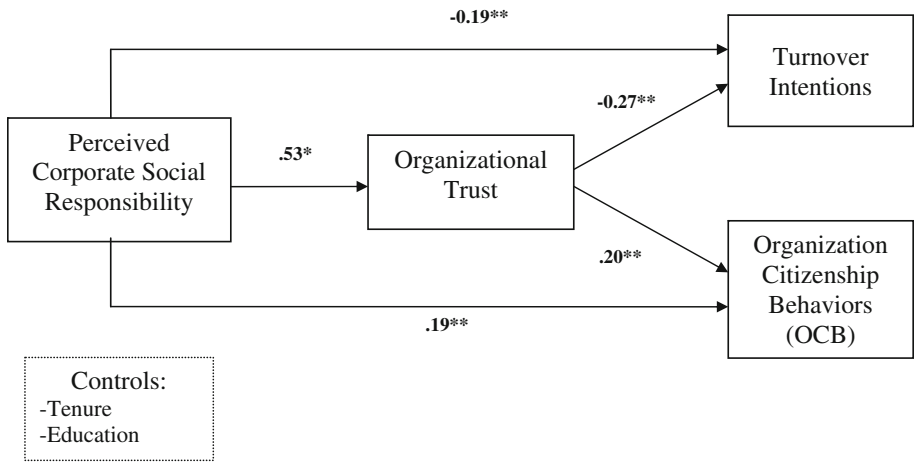

Fig. 3 Partially mediated model—study 2. $N = 2{,}422$. $^{**}p \leq 0.001$ (two-tailed). $\Delta\chi^2$ from fully mediated model (study 2): 109.3, df = 2, $p \leq 0.001$

both direct and indirect effects). In all three models, both outcome variables were tested simultaneously.

We first examined the baseline model, and, confirming study 1 support for hypothesis 1a and providing initial support for hypothesis 1b (standardized) regression estimates were significant ($p \leq 0.01$) and in the direction expected -0.34 for turnover and 0.30 for citizenship behaviors (see Table 4). The baseline model fit the data reasonably well (see Table 5): RMSEA = 0.08; RFI = 0.91; CFI = 0.94; NFI = 0.94; and TLI = 0.92.

In the fully mediated structural model, all standardized regression coefficients were again significant and in the expected direction (see Table 4). We examined the fit of the fully mediated model, and the results demonstrated an acceptable fit with the data—and a significantly better fit than with the baseline model—once again in support of the general idea of trust mediation (see Table 5): RMSEA = 0.07; RFI = 0.92; CFI = 0.94; NFI = 0.93; and TLI = 0.92.

Finally, we examined the hypothesized partially mediated structural model (see Fig. 3) in SEM and compared it to our findings for the fully mediated model. Providing yet additional support for hypotheses 1a and 1b, in the partially mediated structural model, all standardized regression coefficients were significant and in the expected direction (see Tables 4 and 5).Confirming study 1 support for hypothesis 2a and providing initial support for hypothesis 2b, results of SEM analyses (see Table 5) offered evidence of a better fit with the data for a partially mediated model than for either a fully mediated model or the baseline model—once again suggesting partial trust mediation as the best-fitting alternative (RMSEA = 0.07; RFI = 0.92; CFI = 0.94; NFI = 0.94; and TLI = 0.93).

Seeking to confirm study 1 support for hypotheses 2a and to provide support for hypothesis 2b (partial trust mediation), we performed 1) Sobel tests (Sobel 1982) using bootstrapping resampling procedures to confirm results (Efron and Tibshirani 1993; Preacher and Hayes 2008), and 2) a $\Delta\chi^2$ test comparing the fit of the partially mediated model with a fully mediated model. The Sobel tests for both outcome variables were significant (-10.0, $p < 0.000$ for turnover and 7.3, $p < 0.000$ for OCB) and these results were confirmed with bootstrap resampling procedures (see footnote 2). In addition, chi-square difference tests ($\Delta\chi^2$) (Kline 2005) showed that the partially mediated model fit the data significantly better than did the fully mediated model ($\Delta\chi^2 = 109.3$, $p < 0.001$, $N = 2{,}422$—see Table 5).

General Discussion

The results of both studies suggest that employees respond meaningfully to their perceptions of the CSR activities of their employers. Specifically, employees who perceived their employer to be more socially responsible were less likely to consider leaving the company (based on findings of both studies) and more likely to engage in OCB (based on findings from study 2). Moreover, the results of both studies highlight the role of organizational trust in understanding attitudinal and behavioral reactions to CSR. Indeed, relationships between CSR and turnover intentions and OCB were partially mediated by employee trust in their organizations. Together, these results lead to important theoretical and practical implications for both corporate marketing and OB disciplines.

Theoretical Contributions

The integration of marketing and OB was useful in this research for predicting that, like external stakeholders, internal stakeholders would react meaningfully to CSR perceptions. From a corporate marketing perspective, this study provides empirical evidence in support of a

relationship or *trust-based* focus for emerging ethical corporate marketing theory—at least with regard to internal or organizational relationships (see Balmer et al. 2007, p. 10). In addition to demonstrating that CSR initiatives directly impact individual employee outcomes that favor the organization, this study suggests that employees, when perceiving that their organizations are socially responsible, develop trust in their organizations (Mayer et al. 1995), and subsequently, these employees adopt attitudes and engage in behavior that serve to improve their organizations' overall performance. Further, in support of Rupp et al.'s (2006) normative treatment application of deontic justice theory to the context of CSR, these results suggest that while different kinds of relationships may exist among a host of very different and dynamic stakeholders (see future research directions below), there are likely some basic values and principles with regard to CSR that large numbers of stakeholders share—at least within the population that this study generalizes to (arguably, employees of large US healthcare organizations).

From an OB perspective, these results demonstrate the potential value of examining CSR-firm performance linkages by investigating employee level attitudes and behavior as mediating mechanisms of this linkage. Specifically, this study provides substantial initial evidence in support of recent theorizing by Rupp et al. (2006) by demonstrating that the link between CSR performance and financial performance may indeed operate, at least partially and perhaps most proximally through the development of employee trust in the organization.

The integration of marketing and OB perspectives was theoretically fruitful in this study since both OB and marketing theory predict that internal stakeholders would, like external stakeholders, react meaningfully to their CSR perceptions. The field of marketing has traditionally focused on management's relationship with external stakeholders, viewing corporate marketing from the consumer or customer's perspective, while the discipline of OB has traditionally considered things from the perspective of internal stakeholders—and especially from the perspective of *employees* (Balmer 1998; Balmer et al. 2007; Colquitt et al. 2009; Morgan and Hunt 1994). These different perspectives, if integrated, are capable of creating a more complete picture of the corporate marketing process. Specifically, in this study, theoretical integration allowed for the clear identification of *trust* as mediating mechanism of the CSR-stakeholder outcome linkage. Since emerging theory in corporate marketing extends to both internal and external stakeholders and increasingly focuses on management's relationships with these stakeholders (Balmer et al. 2007; Morgan and Hunt 1994), a cross-disciplinary perspective may aid the development of new theoretical models that encompass management relationships with both internal and external stakeholders.

Practical Implications

These results suggest to managers and executives that CSR activity can indeed constitute effective strategy, not just as a tool for enacting shared stakeholder values and strengthening relationships with external stakeholders like consumers, but as a tool capable of winning the "hearts and minds" of *employees* as well. This study echoes the sentiments of the CEOs quoted at the beginning of this paper by empirically demonstrating that positive attitudinal and behavioral reactions can stem from favorable employee perceptions of CSR. In short, our results suggest that because CSR is indeed important to employees, it should also be important to *employers*—especially given management's need to form flexible and responsive relationships with these key stakeholders (Balmer et al. 2007).

Furthermore, if organizations engage in CSR initiatives, they should not limit the communication of such efforts to customers and other external stakeholders. Organizations concerned with developing responsive, flexible, and connected relationships with key stakeholders (Balmer et al. 2007) should actively market their CSR initiatives to their own employees. Organizations may be especially effective in fostering positive CSR perceptions among employees by involving them directly in the planning and execution of CSR initiatives as this may minimize the perception that CSR initiatives are disingenuous (Snider et al. 2003), enhancing trust and further developing a relationship between employee and employer.

Limitations and Future Research Directions

This study provides solid evidence in support of our hypotheses, yet there are a number of limitations that provide boundary conditions for the interpretation and generalization of our results, and give rise to a number of interesting directions for future research—including and especially *cross-disciplinary* research that further integrates and/or utilizes theory from both corporate marketing and OB.

Limitations

First, although both studies were characterized by relatively large samples, both studies were limited to a somewhat small set of outcome variables. Future research could investigate the relationships between employee CSR perceptions and additional individual-level outcomes that reflect both employer and employee interests, including:

actual turnover, task performance, absenteeism, and donations to charity. Future research should also explore both how and why CSR practices predict firm performance by investigating the potential role of organizational trust and employee commitment variables as mediating mechanisms.

Second, all of the variables measured in our study were drawn from a single source, raising the potential problem of common method bias. We took three steps to minimize this problem. First, we went to great effort to ensure that employee responses were confidential, thus minimizing the likelihood that employee responses were driven by social desirability concerns (Podsakoff et al. 2003). Second, we used clear survey instructions and well-established scales to reduce item ambiguity (Tourangeau et al. 2000). Finally, we spaced survey items measuring independent and dependent variables far apart on the survey to reduce the probability that participants purposely matched their responses; additionally, in study 2, we collected OCB on a separately administered survey (Parkhe 1993). Similarly, reverse causality could be an alternative explanation for our results. It is possible that employees with positive attitudes may have higher CSR. Thus, future studies should use longitudinal designs to better address such a possibility.

Third, this research may have limited generalizability because of the nature of the samples used (large US healthcare organizations). To expand the generalizability of our results, future research might systematically examine different types of employees (i.e., individual differences) as well as employees in different industries and cultures, and who are more or less committed to their work (Bunderson and Thompson 2009; Rodrigo and Arenas 2008).

Finally, OCB was measured 1 year following the measurement of other measures in study 2's sample, thus an extraneous factor might have influenced this measure. However, a review of the organizational history of study 2's sample during this time period indicated no major intervening occurrences that might have influenced employee responses to these items. Although prior CSR studies have used research designs with even larger gaps (Niehm et al. 2008), collecting OCB at a later date than turnover intention in study 2 may have in fact made the likelihood of common method bias less likely.

Future Research Directions

As mentioned previously, the impact of CSR on internal stakeholders is necessarily a concern of both corporate marketing scholars and OB scholars (Balmer 1998). Therefore, marketing and OB scholars should continue to elucidate the nomological network involving CSR, ethical corporate marketing, and stakeholder relationship development processes, by utilizing and integrating theory from both disciplines. Not only has corporate marketing theory historically consisted of cross-disciplinary perspectives (Balmer 1998), both fields offer insight for understanding how CSR and corporate marketing phenomena impact individuals, groups, and processes within organizations. For example, since some employees are more valuable to organizations than others (Albinger and Freeman 2000), future research should examine how employees respond differently to CSR activity. Employees with certain values, personalities, and individual differences might make them more attune to corporate ethical initiatives, or more likely to trust in CSR-engaging organizations than others. Moreover, aside from organizational trust, future research should examine other potential mediating mechanisms (i.e., attitudes, perceptions, image, identity, etc.) suggested by the integration of OB and marketing disciplines. And, given the existing theory, as discussed above, which suggests that trust is an *immediate* outcome (or proximal mediator) of CSR activity, future research might also include examinations of multiple mediators simultaneously.

Finally, given the importance of research on the influence of CSR initiatives on internal stakeholders (e.g., employees) to the growing field of corporate marketing (Balmer 1998; Balmer et al. 2007; Fukukawa et al. 2007), future research should explore employee reactions to CSR and related organizational activities. For example, since employees tend to associate their organization with the current leaders of that organization (Dirks and Ferrin 2002), research should consider the relationship between ethical leadership (Brown et al. 2005) and CSR perceptions, and/or the relationship between CSR perceptions and social exchange outcomes (Bernerth et al. 2007; Gerstner and Day 1997; Shore et al. 2006).

Conclusion

In two studies of healthcare employees we found that employee CSR perceptions were related to decreased turnover intentions (in studies 1 and 2) and increased OCB (in study 2). Moreover, these relationships were partially mediated by the trust employees have in their organization. Within the field of OB, these findings support advancements in the trust and CSR literatures by suggesting that employer (CSR) policies send powerful signals to employees, who react meaningfully to how their employer treats those outside the organization (Rupp et al. 2006). Within the field of corporate marketing, these results suggest that a continued focus on trust-based relationships with stakeholders is an important part of emerging theoretical models. Supporting the idea that trust mediates the relationship between CSR perceptions

and employee attitudinal/behavioral outcomes, these results also provide scholars with initial insight into understanding how corporate social performance may be associated with financial performance.

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