

New study reveals corporate social responsibility can lead to better customer service

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Daniel Korschun, Ph.D., is an assistant professor of marketing at Drexel University's LeBow College of Business. Credit: Drexel University, LeBow College of Business

Currently accepted wisdom in the corporate world is that in order to motivate frontline employees who serve customers, corporations need to increase their salary, make them feel more positive about the company,



or give them more explicit instructions on how to interact with customers. A new study led by Drexel University's Daniel Korschun, PhD, an assistant professor at the LeBow College of Business, examines how frontline employees respond to corporate social responsibility (CSR) activities such as charitable giving, environmental programs and ethical practices. The study was published in the May issue of the *Journal of Marketing*.

While such activities have become mainstream, this is the first study to trace the effects of CSR all the way from perceptions of the CSR activities to actual job performance. More than 200 employees at a major financial services company were surveyed for the study.

"What we found is that CSR motivates employees in an entirely different way," said Korschun. "Because CSR communicates the values of the company, it can become a window into the values of the customer."

More specifically, if an employee believes that customers share their excitement about the company's CSR activities, it can break the ice and make conversations easier with those customers.

"Employees become more confident that they know what customers want," said Korschun. "And they become more motivated to serve those customers because they see that they care about the same sorts of things."

The research suggests that while traditional means of improving performance can be effective, CSR represents an entirely new way to motivate the frontline workforce.

"This is an exciting finding for executives because we not only show that CSR can lead to better job performance, but we also document the entire



thought process of employees. Now executives can create CSR initiatives that maximize these benefits in <u>job performance</u>," said Korschun.

Provided by Drexel University

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