

Employees want genuine corporate social responsibility, not greenwashing

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Employees want their companies to be genuine in their embrace of corporate social responsibility, and have no appetite for self-serving efforts. Credit: Unsplash

Described as the "moral face of globalization," corporate social responsibility (CSR) initiatives focused on solving societal and environmental concerns are increasingly expected by society, especially younger generations.

Millennials are particularly principled, with some studies suggesting they



care more about purpose than a paycheck when it comes to work. A report by Hewitt and Associates found that "corporate social responsibility can improve (the) ... bottom line, in part by giving ... the most engaged employees a reason to stay and work harder."

That means organizations have an additional reason to engage in CSR—it has a positive impact on their own employees.

In fact, companies that engage in CSR report positive consequences on important outcomes such as the <u>appeal of the organization to job applicants</u>, <u>employee commitment to the organization</u>, <u>job satisfaction</u> and <u>job performance</u>.

Don't fake it

But companies should take notice of additional emerging research —<u>employees don't respond well</u> if they believe their organization is using CSR to give a false impression of virtue.

Organizations therefore must be careful to engage in CSR for the right reasons. Employees make judgments about why their organizations engage in CSR, and they distinguish between authentic efforts and what's known as greenwashing—CSR that is more focused on appearances than true commitment to a cause.

These judgments are so powerful that they affect employees' characterizations of the organization as a whole.

Specifically, when employees judge their organizations' engagement in CSR as authentic, they tend to describe it as a "giver." Employees see these organizations as being driven by values such as helpfulness and compassion.



In contrast, when CSR is judged as inauthentic and self-serving, employees tend to characterize the organization as a "taker." Employees of these organizations are more likely to see them as being driven by a focus on dominance and doing better than competitors. Employees trust organizations that engage in genuine CSR but distrust those that engage in greenwashing.



Credit: Andrea Piacquadio from Pexels

Bottom line advantage

Research I conducted with organizational behaviorist Sigalit Ronen of



California State University, <u>sustainability researcher Carol-Ann Tetrault Sirsly</u> of Carleton University and <u>workplace psychologist Silvia Bonaccio</u> of the University of Ottawa sought to delve deeper into these findings to understand the impact of CSR on employees.

Specifically, we focused on important employee attitudes and performance at work, and sought to understand the underlying mechanism leading to employees' positive reactions to CSR judged as authentic only. We also looked at whether the importance employees attach to CSR explains these findings (spoiler alert: it doesn't, really). We instead found that employees' judgments of the motives underlying CSR initiatives explain important workplace outcomes.

We found that how employees feel about their companies' CSR initiatives has an influence on important workplace attitudes, including trust in top management, pride in the organization, job satisfaction and the meaning they ascribe to their work in a positive way.

Their perceptions were also related to job performance, including whether employees focused on doing well on tasks, going out of their way to help others or not engaging in behaviors that were counterproductive and detrimental to the organization. This behavior was only present when CSR initiatives were judged as genuine.

We found that when employees view their organizations as engaging in CSR for genuine reasons, they feel that they work in a place that is compatible with their values and shares their goals. We call this type of compatibility person-organization fit.

Employees care about authenticity

Organizations should pay attention to our results.



In fact, we found positive outcomes resulted from genuine CSR and negative outcomes stemmed from greenwashing, regardless of whether employees personally cared about CSR.

We expected employees who find organizational engagement in CSR to be important would react positively and strongly when judging their organization as genuine in their efforts, and negatively when not. But we were surprised to find similar results when employees did not attach high importance to CSR.

Even if employees don't care about a particular cause to begin with, they will react to the reason they believe their organization is choosing to engage in that cause. After all, "people care less about what others do than about why they do it "—and employees, apparently, have little appetite for inauthenticity.

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