

EXPECTATIONS AND INTENTION TO SUPPORT SOCIALLY RESPONSIBLE BEHAVIOUR OF ORGANISATIONS

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Abstract—There is an increase globally in the organisations that are adopting corporate social responsibility philosophies. Such organisations can reap various benefits, such as increased profits, enhanced customer loyalty, and enhanced trust. This study has confirmed Carroll's 1979 definition of CSR expectations as being economical, ethical, legal and philanthropic, and it also added an environmental expectation. Findings indicated that legal, ethical and environmental issues positively predicted consumers' intention to support a socially responsible organization, and thus give guidance to organisations in terms of consumer support.

Index Terms—Corporate social responsibility, stakeholder theory, corporate marketing, intention to support

I. INTRODUCTION

There is an increase globally in organisations adopting corporate social responsibility (CSR) philosophies [1]. Such organisations can reap various benefits, such as increased profits, enhanced customer loyalty, enhanced trust, and an improvement in brand attitude [2]. For the purpose of this research, CSR can be seen as the sum of the responsibilities that meet the expectations of stakeholders or society [3], and includes the social expectations of organisations, as well as how organisations respond to the expectations of stakeholders and society [4]. Despite heightened interest and discussions around CSR, there is still a lack of literature for managers on which to base their strategies when dealing with CSR positioning, and to understand how much consumers would do, or not do, in support of socially responsible behavior; thus the impetus for this study.

II. PERSPECTIVES ON CORPORATE SOCIAL RESPONSIBILITY

A. A stakeholder perspective

Stakeholders are the groups or people that have various forms of entitlement (or concern) with organisations in their past, present and future dealings [5]. CSR defines what responsibilities organisations are expected to fulfil; while the stakeholder perspective indicates to whom the organisation is accountable, thus being concerned with how an organisation affects society [6], and therefore has a moral basis. This implies that organisations should be managed in the interests of all their constituents, as opposed to the exclusive interests of the shareholders.

B. A corporate marketing perspective

Corporate marketing is concerned with the "multiple-exchange relationships with multiple stakeholder groups and networks" [7]. The relevance of a corporate marketing perspective for this research is in the relation to CSR, where it not only takes into account present relationships, but it must also take into

account relationships from the past and the future as well [8]. Another vital aspect of corporate marketing is that it is a philosophy, rather than a function [7]. This translates into the organisation-wide philosophy of employees meeting the needs of the present and future stakeholders.

III. SUPPORT AND EXPECTATIONS OF CORPORATE SOCIAL RESPONSIBILITY

C. CSR and the intention to support

Support can manifest in different ways, for example in buying behaviour, such as reducing consumption (reduction in electricity), or purchasing behaviour (only purchasing recycled goods). Research conducted by [9] found that although the stakeholders' attitudes were not influenced, their intentions were. It is, therefore, argued that CSR strategies have a direct influence on behavioural intentions, making an understanding of what stakeholders expect from an organisation critical.

D. CSR expectations

"Expectations are beliefs regarding what is to be expected or anticipated [10]. Customers' CSR expectations impact the way they judge organisations' behaviour. Some consumers are even prepared to pressurise organisations into behaving more responsibly and can do this by boycotting an organisation or its products [3]. Many years ago reference [11] outlined four CSR expectations: economic, legal, ethical and philanthropic; and these expectations have received wide support from several researchers [11,13]. Reference [14] added a fifth environmental expectation which will also be included in this study because research by reference [17] has shown that the environmental protection dimension has an effect on consumers' intentions.

The economic expectation deals with the important issue of an organisation remaining profitable. The legal expectation involves the organisation working within legislation. The ethical expectation entails that the organisation does more than just the legal

requirements by acting morally. The philanthropic expectation involves the organisation's voluntary actions to benefit society [11], and finally, the environmental expectation relates to the organisation's responsibility to protect the environment, and to conduct business in a sustainable manner [16].

Using these dimensions, the following hypotheses were formulated:

H1a/b/c/d/e:

Economic/legal/ethical/philanthropic/environmental expectations positively predict the support for responsible behaviour.

IV. METHODOLOGY

E. Research problem and objectives

Stakeholders, such as the media and consumers, have become intolerant of organisations that do not meet their responsibilities; and this is driving the increase in expectations of CSR by the various stakeholders [15]. Given the increasing importance of CSR in today's society, understanding and managing the expectations of stakeholders are important tasks for marketing academics and practitioners alike – to understand what these CSR expectations are, and how these expectations affect the intent to support socially responsible organisations. The main objective therefore is to determine the relationship between the intent to support the responsible behaviour of organisations and the expectations of CSR behaviour (legal, ethical, philanthropic, environmental and economic).

F. Sampling, data collection and measurement

The target population for this study consisted of individuals above the age of 18 years, residing in South Africa. The sample frame for this study was the client database of Construction Computer Software (Pty) Ltd., an organisation in South Africa that specialises in costing software for the contracting and mining industries. The researchers sampled the entire database, which included 5 801 individuals. The measurement instrument included 33 items measuring consumers' CSR expectations in terms of ethical, philanthropic, legal, economic and environmental, as well as consumers' intent to support the responsible behaviour of organisations. The measurement instrument relied on a replication of the four CSR expectations, and the intent to support responsible behaviour constructs, as identified in the study of [3]. The environmental dimension was compiled by adjusting the content of the current CSR expectations to fit the environmental dimension. All the constructs were measured using a 7-point Likert response-type format, ranging from (1) very strongly disagree, to (7) very strongly agree.

V. RESULTS

G. Demographic profile of respondents

A demographic profile of the realized sample of 225

respondents is split into 68% males and 32% females. The ages of the respondents were spread out relatively evenly between four age brackets, with the highest being those between the ages of 28 to 37 (30%), followed by the ages 38-49 (25%), 50-72 (24%), and lowest between 18 to 27 years (21%).

H. Exploratory factor analysis

Since all the constructs were not derived a priori, a components analysis was executed to validate the six constructs using Principal Component Analysis (PCA) with Varimax rotation. After deleting double loadings and loadings below 0.55, a six-component solution emerged which included 23 of the original 33 items; explaining 62% of the total variance. The final rotated component matrix and the respective component loadings are presented in Table 1.

Table 1: Summary of final rotated component matrix values

Constructs	1	2	3	4	5	6
Intent to support					0.622 0.627 0.682	
Philanthropic expectations				0.720 0.751 0.575 0.671		
Ethical expectations						0.587 0.810 0.618
Legal expectations	0.734 0.772 0.746 0.688					
Economic expectations			0.779 0.720 0.704 0.753			
Environmental expectations		0.597 0.673 0.740 0.731 0.664 0.645				
Eigenvalue	6.74	3.00	2.16	1.52	1.28	1.12
% Variance explained	24.9	11.1	8	5.64	4.74	4.36
Cronbach Alpha	0.81	0.81	0.78	0.78	0.62	0.75

I. Reliability and validity

No item was allowed to cross-load, providing evidence of discriminant validity. Convergent validity was assessed by means of the correlations between the items within each construct (or component), and in this regard all items exceeded loadings of 0.50 [16]. The internal consistency and reliability of the six components (Cronbach alpha test) are presented in Table 1 showing that five of the six components have alpha values above the expected 0.7 [20]. The intent to support construct value of 0.622 did not meet the 0.7 cut-off value, but was retained for further analysis due to Cronbach alpha's sensitivity to shorter scales (less than ten items) and therefore allowable alpha values of 0.5 [17].

J. Multiple-regression analysis

Multiple-linear regression was conducted to determine which of the five independent variables (legal, environmental, economic, philanthropic, and ethical) predict a positive relationship with the intent to support socially responsible behaviour (dependent variable). The results indicate that the regression model explains 32% of the variance of corporate social

responsibility expectations towards the intent to support. The five variables that were included in this study produced a coefficient of determination R^2 of 0.320, and an adjusted R^2 of 0.304.

The results show that the components reported for all the predictor variables indicated tolerance values above 0.6, and variance-inflation factor values below 2, suggesting that multi-collinearity was not a problem.

An ANOVA test indicate that the regression model is statistically significant for the overall data ($p < 0.000$) with three of the five expectations being statistically significant predictors of consumers' intent to support socially responsible behaviour, namely: legal expectations ($p = 0.018$); environmental expectations ($p = 0.000$); and ethical expectations ($p = 0.048$). These results show support for Hypotheses 1b, 1c and 1e.

DISCUSSION AND MANAGERIAL IMPLICATIONS

First, the results show that there were indeed five identifiable expectations that consumers have in regard to the social responsibility of organisations. Next, the findings showed that the respondents had high expectations for legal, ethical and environmental CSR. As consumers are willing to support companies that display these actions, it may be inferred that adopting a CSR philosophy on the legal, ethical and environmental responsibilities would lead to enhanced profitability, and over the long term, possibly even a significant competitive advantage.

An unexpected finding was the low score and subsequent rejection of the hypothesis for the economic and philanthropic expectations. There are perhaps certain explanations for this outcome. Reference [13] explained that economic responsibility (being profitable and productive) is an obligation of an organisation. In this regard, one may argue that an economic responsibility is an expected given, and therefore, organisations meeting these expectations are merely the norm in today's society – and thus not necessarily an expectation anymore. With philanthropic responsibility, the organisation's desire to become actively involved in the general improvement of society is prominent. When it comes to philanthropic expectations, the South African culture of community and *Ubuntu* is important. *Ubuntu* is defined as, "an African value system that means humanness or being human; a worldview characterised by such values as caring, sharing, compassion, communalism, and related predispositions" [18]. It could be argued that the South African *Ubuntu* culture dictates philanthropic behaviour without compensation.

As these afore-mentioned two hypotheses were rejected, the initial approach to CSR with the five

expectations may not be fully appropriate for South African organisations as the focus should rather be on legal, ethical and environmental expectations.

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