One Bad Apple: Introducing the Study of iSR-CSR Dissatisfaction Relationship to Moral Disengagement

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Accessibility
One Bad Apple: Introducing the Study of
iSR-CSR Dissatisfaction Relationship to Moral Disengagement

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A Thesis in the Field of Sustainability
for the Degree of Master of Liberal Arts in Extension Studies

Harvard University
November 2019
Abstract

As the saying goes, “one bad apple can spoil the whole barrel.” Building on the seminal report, “Why employees do bad things: Moral disengagement and unethical organizational behavior” (Moore et al., 2012), I present evidence that corporations should seek to understand and satisfy the social responsibility commitments of their employees. Introducing iSR-CSR Satisfaction into the field of Sustainability, this thesis is a study of employee satisfaction with their employers’ corporate social responsibility (CSR) focus, related to their individual social responsibility (iSR) commitments.

Four types of iSR were established, drawing from prior research and authoritative sources. I then created an online survey, using validated questions for employee attitudes and moral disengagement. After fielding the 40-item survey to a broad range of professionals, the final number of complete responses was 273.

My research addressed two related questions. The first question was intended to contribute to trimming future surveys, asking respondents with which iSR types they have the highest level of dissatisfaction in their employer’s focus. The second question asked if this study’s sample showed a correlation of both iSR Satisfaction and perceived corporate social responsibility (PCSR) to job satisfaction and organizational commitment; the former correlation was found in a prior study (Glavas, 2014).

To answer the first question, a simple comparison was used to identify the types of iSR with the highest dissatisfaction response (Figure 4). The results indicated that iSR1 and iSR4 were candidates for future survey trimming, with only 11% and 15%
reporting dissatisfaction. The remaining iSR2, focused on healthcare, education and job opportunities, had 30% dissatisfaction reported; iSR3, focused on the 17 United Nations Sustainable Development Goals (UN SDGs), had 23% dissatisfaction reported.

The second question was answered by using Minitab® statistical software, to confirm that this sample produced results similar to the 2014 PCSR Report, with positive correlation coefficient results of 0.543 and 0.574 for PCSR to Job Satisfaction and Organizational Commitment, respectively. Further, iSR2 and iSR3 had statistically significant correlations with job satisfaction of 0.592 and 0.495, and with organizational commitment of 0.573 and 0.583, respectively.

I hypothesized that iSR-CSR Dissatisfaction would have a negative correlation to the propensity to morally disengage. In other words, the more dissatisfied someone is with their employer’s focus on the social responsibility subjects that are important to them, the higher the likelihood that they will be able to do bad things and live with themselves. iSR2 had a stronger negative correlation to moral engagement, with a Pearson Correlation of -0.207 and iSR3 has a correlation of -0.163.

Corporations seeking to understand these dynamics can also help employees assess and galvanize their personal values. As one respondent for this survey commented, the questions “made me consider priorities.” Focusing solely on the responsibility to shareholders, regulators and customers, a corporation can overlook what matters most to internal stakeholders, the company’s workforce. Unethical behavior was also explored through three case studies (Enron, Volkswagen and Takata), revealing that a few apples can cause the barrel to ignite. The consequences of moral disengagement can be tragic, a matter of life and death.
(Brookshaw, circa 1939–1946)
Author’s Biographical Sketch

Co-founder of the non-profit Sherpa Institute, Andrea Hoffmeier Wilson is an educator and co-author of “A Six Sigma Approach to Sustainability: Continual Improvement for Social Responsibility”. Published by CRC Press Taylor Francis Group, her book introduced the methodology for continual improvement for social responsibility: CISR (sounds like scissor), used in organizations of all sizes and types around the world.

She is also editor for the United Nations Sustainable Development Goals Corporate Guidebook Series, directing the global efforts of over 100 researchers and writers. The 17-volume series is in production for publication by CRC Press, to engage the private sector in the UN SDGs and the United Nation’s 2030 Agenda.

A Six Sigma Black Belt and TRIZ (theory of inventive problem solving) expert, Andrea has over three decades of experience in marketing, product development, innovation, training and organizational excellence. She has worked in factories on four continents, overseeing design, development, production, quality, and process improvement in a broad range of products.

Raised on sustainably operated cattle ranches in the state of Missouri, Andrea developed a deep appreciation for sustainable systems and the law of the harvest from an early age. She earned her BA from Clemson University in Language and International Trade and completed her master’s degree in Sustainability with this thesis.
Dedication

I dedicate this thesis to all educators of girls and young women past, present and future. This represents a small installment on the debt of gratitude to these pioneering risk-takers, change-makers and cultivators of social justice, especially Madeleine Sophie Barat, founder of the Society of the Sacred Heart. Sophie Barat was a leader in the movement to reestablish society devastated by the oppression and atrocities during the French Revolution, punctuated by the Reign of Terror. She viewed education of young women as critical to the restoration and recreation of a brutally war-torn society.

The Sisters of the Sacred Heart bravely brought education for young women to America during a time when girls typically had little schooling. Despite risks to personal safety, Rose Philippine Duchesne led this charge in breaking gender barriers in the nascent United States, creating the conditions for serious scholarship, for both the poor and privileged. Admittedly, I did not appreciate their legacy and gift throughout my elementary, middle and high school education. I finally understand that the ideals of Sophie Barat and Philippine Duchesne are needed in today’s world, now more than ever.

"Let us leave acts, not words. Nobody will have time to read us" (RSCJ1).

-Madeleine Sophie Barat (1779–1865)

“Strength of character is certainly needed to face life in the world and to stand by right principles, especially in the age in which we live” (RSCJ2).

-Rose Philippine Duchesne (1769-1852)
Acknowledgements

I am blessed to have countless people to acknowledge, too many to list them all. Mathilda and Manfred endured late nights and weekends with my laptop glowing, during their elementary and middle school years. As they travers high school, and continue on to college, I am proud of the scholars they have become.

Rob Wilson has been my stalwart supporter, throughout my courses and thesis. He, and an amazing team, have kept the UN SDG and Sherpa Institute plates spinning, with special acknowledgement to Carla Holder. I also appreciate Holly Duckworth’s encouragement to pursue this line of research. Many thanks to Billy Ingram, for sharing the ideals of the late Ray Anderson. Deli Zayas was a key collaborator, through analytic conundrums, and Shirley Folmar provided Minitab®. I appreciate those who took my survey and provided feedback, and the many researchers cited in these pages.

Matt Hoffmeier has buoyed my spirits for a lifetime and others have provided encouragement, especially Dean and Thomas Wilson, as well as Debbie and Pastor Herbert Brown. Tutelage and support at Harvard defy the length of this page.

And finally, I acknowledge Bob Hoffmeier, my North Star, for leaving me with tenacity, curiosity, faith and humor. It is because of his guidance and example, that I respect the “Law of the Harvest”. Hopefully, this apple did not fall too far from the tree.
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Definition of Terms

CSR: Corporate Social Responsibility

GMOs: Genetically Modified Organisms


ISO 26000 Subjects of Social Responsibility: Organizational Governance,
                Human Rights, Labor Practices, Environment, Fair Operating Practices,
                Consumer Issues, Community Involvement and Development

iSR: Individual Social Responsibility

Materiality: The determination of what is most relevant to the organization, based on who
or what can impact the organization; conversely, who or what can be impacted by
              corporate activities

Moral Disengagement: State of mind that is a predictor of unethical behavior

Moral Disengagement: Moral Justification, Euphemistic Labeling,
               Advantageous Comparison, Displacement and Diffusion of Responsibility,
               Distortion of Consequences, Dehumanization, Attribution of Blame

PCSR: Perceived Corporate Social Responsibility

PE Fit: Person-Environment Fit

POFS: Person-Organization Fit Scale

SDG: Sustainable Development Goal

SR: Social Responsibility

UN SDGs: United Nations Sustainable Development Goals
Chapter I
Introduction

Mention the name “Enron,” and the last idea typically conjured is corporate social responsibility (CSR), “a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders” (UNIDO, 2019). Enron now serves as an example of “bad apples, bad cases, and bad barrels” (Kish-Gephart, Harrison & Trevino, 2010): individuals (bad apples) made unethical decisions, the intensity of the moral issue (bad case) was ignored, and the organizational environment (bad barrel) was corrupt. However, there was a time when this now disgraced, and ultimately defunct, company was a media darling and the apple of investors’ eyes. The business world and general public once viewed Enron as “successful, driven, focused, philanthropic and environmentally responsible” (Sims & Brinkmann, 2003). Somehow unethical behavior became pervasive throughout Enron, while the company built a convincing façade of Corporate Social Responsibility (CSR). Enron even won awards for its supposed virtue, while its executives reinforced “a culture that was morally flexible, opening the door to ethics degeneration, lying, cheating, and stealing” (Sims & Brinkmann, 2003, p. 5). In this environment, where leadership promoted corruption, it is not difficult to understand why employees behaved irresponsibly. As Hegarty and Sims explain, “If unethical decision making is rewarded, then higher incidence of unethical behavior is likely to occur” (1978, p. 456). CSR Strategy is too often established by the requirements of customers, regulators, and the
competitive landscape. However, there might be unintended negative consequences if corporate leaders do not consider the CSR values and priorities of the organization’s employees.

Research Significance and Objectives

In this study, I present a definition of Individual Social Responsibility (iSR) that assumes the “personal brand”, associated with personal choices. In other words, iSR implies that we are discussing something beyond general social responsibility; we are focusing on the unique SR thumbprint of an individual. Taking the first small step in what is expected to be an ongoing area of research, my study aimed to begin the process of trimming iSR factors and examining correlations between iSR-CSR Dissatisfaction and moral disengagement. Preventing iSR-CSR Dissatisfaction is a goal of this study. As a novel area of exploration, this represents the first study into iSR-CSR Satisfaction.

This thesis explores theories of unethical decision making that have been studied for over four decades, with theories about “bad apples” as the focus. This study of iSR Satisfaction sought to understand how a disconnect between CSR and individual employee SR commitments might relate to moral disengagement. iSR-CSR Dissatisfaction could be a harbinger of unethical behavior. In this thesis, I explored potential correlations between employee’s satisfaction with their employer’s CSR focus, related to their individual social responsibility (iSR) commitments, and moral engagement, job satisfaction and organizational commitment. My expectation was to find evidence that corporations should set a goal of increasing satisfaction of focus on predominant workforce iSR in order to promote ethical behavior in their workforce.
I particularly focused on understanding why employees might become misaligned with CSR, which has the potential to result in unethical behaviors. Focusing CSR on predominant workforce iSR is a novel concept that I present in this study. The goal was to increase the level of satisfaction amongst employees with the organization’s CSR focus. Achieving the goal of iSR-CSR Satisfaction is not a simple journey. With pressure from customers, shareholders, regulators and the competitive landscape, CSR is already complicated. Focusing solely on the responsibility of the corporation to shareholders, regulators and customers can result in overlooking what matters most to internal stakeholders, the company’s workforce.

My thesis begins the study of potential relationships between dissatisfaction of an employee with his or her employer’s iSR focus and the propensity of the employee to morally disengage. Understanding the propensity to morally disengage is a critical component of my study, because the goal is to discover conditions related to CSR that might be leading to unethical behavior in the workplace, then to prevent those conditions from proliferating. If there is any correlation between iSR-CSR Dissatisfaction and moral disengagement, this is worthy of continued academic and corporate study. Impacts of employee actions can range from minor financial disturbance, such as padding expense reports or kickbacks, to immeasurable damage to a company, from falsification of documents and test results.

Symbolic versus authentic CSR will be discussed in detail later. The former is likely to result in iSR-CSR Dissatisfaction, which I hypothesize to have a correlation to moral disengagement. The latter can lead to unethical behavior, with results as dire as the downfall of Enron, or as common as good employees leaving for greener pastures. As
we will see, smart employers “support and celebrate the iSR expressions of employees” (Dove, 2018). My thesis also presents the possibility that focusing on iSR-CSR Satisfaction might pave a path to a more authentic CSR Strategy.

My thesis is just the first step in what promises to be an extensive journey into the study of how iSR-CSR Satisfaction could be correlated to ethical behavior. By understanding if dissatisfaction with the employer’s focus on iSR might be correlated to moral disengagement, it was my hope to reveal a further upstream predictor of unethical behavior.

The objectives of this research were to:

- Answer to what degree iSR Dissatisfaction is related to moral disengagement for this sample and inform the direction of future studies in this research.
- Initiate the creation of a valid method for companies interested in employee engagement and compliance with policies to measure iSR Satisfaction of their workforce.
- Provide insights to trim the survey, in the interest of parsimony, for future studies.
- Begin to establish a framework for understanding specific aspects of iSR Satisfaction, providing employers with suggestions on:
  - how to better educate employees about CSR commitments, and the employee’s role in achieving goals.
  - language for discussing levels of satisfaction and dissatisfaction, rather than merely numeric ratings.
  - expand what is considered “material” and include most commonly reported employee iSR in the company’s CSR efforts.
Background

Literature supports this as an important area of study because, “as a result of unethical or illegal decisions of one or more managers, an organization could be faced with lawsuits that possibly hold severe financial consequences and/or could badly tarnish its public image” (Trevino, 1986, p. 615). However, “bad barrels” cannot be ignored, the view “supported by survey research” that “something in the environment poisons otherwise good apples” (Trevino & Youngblood, 1990, p. 378). It seems that the toxic combination of “bad apples, cases and barrels” can lead to the demise of an organization, as in the case of Enron.

Corruption at Enron is believed to have spread systemically from senior leadership throughout the organization, with executives having promoted a focus on profitability at any cost. Again, as explained by Hegarty and Sims, “When the emphasis is on the bottom line, it is not surprising that actions are taken in accordance with the rationalization assertion that the ends justify the means” (1978, p. 456). Enron serves as the ultimate example that “an emphasis on short-term profitability which leads to unethical actions can have substantial long-term negative effects, to the point of threatening the corporation’s very existence” (Bommer, Gratto, Gravender & Tuttle 1987, p. 271). While Enron is now recognized as “the ultimate contradiction between words and deeds, between a deceiving glossy facade and a rotten structure behind” (Sims & Brinkmann, 2003, p. 243), other examples of incongruence between employee actions and the public image of CSR are more difficult to understand. Two such case studies from the automotive industry, illustrate results from costly to tragic.
In May 2013, Volkswagen’s CEO, Martin Winterkorn, was pictured proudly on the cover of Forbes Magazine’s Global 2000 special edition, emblazoned with “These Businesses Own the World.” The inset reads, “Watch Out GM and Toyota – VW Will Soon be the Largest Car Company on the Planet.” Inside, the article “How Volkswagen Will Rule the World” chronicled the auto conglomerate’s rise above the competition, led by the detail-obsessed Winterkorn. The VW CEO proclaimed, “By 2018 Volkswagen will be the world's most profitable, fascinating and sustainable automobile manufacturer” (Muller, 2013). In 2013, it seemed that this goal would be achieved.

Just two years later, illegal engine control software was discovered, designed to produce false emissions readings in VW engine tests. Headlines like Automotive News’s “VW Has Lost a Lot More Than Money” (Snyder, 2016) have now become more common. The Volkswagen diesel emissions cheating scandal rocked the entire automotive industry. The disconnects between publicly promoted CSR at VW and the actions of engineers and executives alike resulted in reputation damage, environmental impacts and enormous financial losses.

Even as this thesis was being finalized, consequences continued to emerge, with ongoing reports of former VW executives facing criminal charges. An April 15 headline read, “German prosecutors charge former Volkswagen CEO Martin Winterkorn with fraud” (NBC News, 2019). When a bad apple is the CEO, the spread of unethical behavior can proliferate unchecked. Hegarty and Sims found that “when a presidential philosophy supporting ethical decision making is present, ethical decision behavior will be higher” (1979, p. 332). Consequences of incongruence between employee actions and CSR can be extreme, from corporate
extinction, as in the case of Enron, to billions of dollars in losses and criminal charges against individuals, as in the case of Volkswagen.

The second automotive case study is the Takata airbag tragedy. Since this is the most extreme example of unethical behavior presented, I will take a moment to put a human face on the tragedy, with a paraphrased excerpt from the 2016 Bloomberg Business cover story: “Sixty Million Car Bombs: Inside Takata’s Air Bag Crisis” (Barfield, Trudell, Cronin Fisk, & Plungis, 2016).

Carlos Solis was pulling into his cousin’s apartment complex when he had a minor fender-bender. While there was little damage, the airbags deployed. His cousin beside him was uninjured, as was the dog in the back seat. But Solis didn’t move. A hockey puck sized metal projectile had sliced into his neck, and lodged in his spine, fracturing his windpipe and severing his carotid artery. Paramedics could not stop the bleeding and he died at the scene. Solis was 35 and the father of two teenagers (Barfield et al., 2016).

Foundational Research on CSR and iSR

With a face now connected to tragic results of unethical behavior, it is clearly important to understand its predictors, such as the amoral actions and hidden agendas of Machiavellianism (Trevino et al., 2010) locus of control (LC) and the six stages of cognitive moral development (CMD), identified by Kohlberg in the late 1960’s (Trevino, 1986; Trevino & Youngblood, 1990) as well as moral disengagement (Moore, Detert, Trevino, Baker, & Mayer, 2012).
Moral Disengagement

Moral disengagement was originally presented by Bandura as eight “mechanisms through which internal control is selectively activated or disengaged from conduct” (1986, p. 376). He further describes these mechanisms as “self-disinhibitory devices” (1986, p. 385). The descriptions of moral disengagement have become more relatable, as more researchers have studied the mechanisms. The meta-research review by Newman, Le, North-Samardzic and Cohen (2019), spanning over three decades, describes moral disengagement as “as a set of cognitive mechanisms that allow an individual to disassociate with his/her internal moral standards and behave unethically without feeling distress” (2019, p.1). Diminished personal distress, which occurs gradually, will be discussed later.

Corporate executives, board members, managers, strategists, social scientists and many others need to better understand what might predict or cause behavior in opposition to stated corporate values. Stereotypes of “bad apples” are not helpful, and an understanding that decent people can morally disengage is also important. Bandura (1986) cautioned against the assumption that moral disengagement mechanisms are activated typically in extraordinary conditions, such as military violence. He explains that “such mechanisms operate in everyday situations in which decent people routinely perform activities having injurious human effects to further their own interests or for profit” (Bandura, 1986, p. 385).

In their study of moral disengagement at work, Newman, Le, North-Samardzic and Cohen (2019) highlighted over a dozen corporate scandals, from Salomon Brothers and Sears in the 1990s to Enron WorldCom in the early 2000s and more recently, Merck,
Johnson & Johnson, Toyota and JP Morgan. The moral disengagement mechanisms used can be the same for minor to major infractions.

Two bodies of research lay the foundation of this topic. First, Glavas and Kelley (2014) explored the positive impacts of CSR. Their review found that positive perceptions of employers’ contribution to the well-being of various stakeholders have a direct correlation to job satisfaction and positive attitudes related to organizational support. Employers need to understand both these positive connections as well as potential dissatisfaction to get the most out of their workforce and mitigate risks of unethical behavior.

Surprisingly, the findings of Glavas and Kelly (2014) related to job satisfaction are relevant when considering unethical behavior, because “job satisfaction may be related to unethical choices” (Trevino et al., 2010, p.4). “Dissatisfied individuals can seek to balance perceived imbalances” to “include unethical actions to “even the score” (e.g. stealing company property)” (Trevino et al., 2010, p.4).

These unethical behaviors are preceded by cognitive mechanisms, such as displacement and diffusion of responsibility, including recent literature focused on impacts in the workplace (Newman, Le, North-Samardzic & Cohen, 2019). Bonner, Greenbaum and Mayer (2014) specifically studied the organizational effects of morally disengaged leaders, noting that “given the significance of (a) promoting ethical leadership and (b) maintaining high employee organizational citizenship behaviors and job performance, it is important to understand predictors and moderators of such behaviors”.

Second, Moore et al. (2012) provided the foundation for studying the potential correlation between low iSR-CSR Satisfaction and unethical behavior. Specifically, their
research demonstrated how moral disengagement predicts unethical behavior, in addition to presenting “a valid new measure for assessing the propensity to morally disengage . . . to better understand and reduce unethical behavior” (Moore, at al., 2012, p. 41).

Moore et al.’s (2012) also aimed to develop a “a parsimonious, adult-oriented, valid, and reliable measure of an individual’s propensity to morally disengage” (p. 1). In the interest of parsimony, that team strove to develop the simplest measurement model possible, trimming seventy-four items to down to just eight cognitive mechanisms of moral disengagement:

- **Moral Justification:** Reframing of inappropriate or harmful behavior as being in the service of the “greater good.” In other words, the ends justify the means. Final instrument item: It is okay to spread rumors to defend those you care about” (p. 47).

- **Euphemistic Labeling:** Commonly referred to as “whitewashing,” this occurs when people sanitize their description of egregious behavior or nefarious actors. An example would be labeling co-workers colluding to cover up quality problems in manufacturing, such as the Takata engineers, as “team players.” Final instrument item: “Taking something without the owner’s permission is okay as long as you’re borrowing it” (p. 47).

- **Advantageous Comparison:** Contrasting the behavior in question with a much more egregious act, to diminish the seriousness of the former. For example, diminishing concerns about personal use of company supplies by comparing to others taking kick-backs from suppliers.
Final instrument item: “Considering the ways people grossly misrepresent themselves, it’s hardly a sin to inflate your own credentials a bit” (p. 47).

- Displacement of Responsibility: Also referred to as destructive obedience, this mechanism obscures moral obligations by placing responsibility on authority figures. The commonly heard phrase, “I’m just doing what I was told,” is a hallmark of this mechanism.

Final instrument item: “People shouldn’t be held accountable for doing questionable things when they were just doing what an authority figure told them to do” (p. 47).

- Diffusion of Responsibility: Working in a similar fashion as the previous mechanism, this differs in that responsibility is shifted to a larger group or company policy. An example would be the United Airlines employees and law enforcement officers dragging the physician off the airplane because they were following policy (University of Texas).

Final instrument item: “People can’t be blamed for doing things that are technically wrong when all their friends are doing it, too” (p. 47).

- Distortion of Consequences: Minimizing the perceived impact of the action, so that the behavior is not viewed as disgraceful or is perceived as a victimless crime. An item that was trimmed from the final instrument states: “Walking away from a store with some extra change doesn’t cause any harm.”

Final instrument item: “Taking personal credit for ideas that were not your own is no big deal” (p. 48).
• Dehumanization: This mechanism characterizes those impacted by one’s actions as being unworthy of considerate, fair or just treatment. An example of this would be treating undocumented workers unjustly by characterizing them as criminals. Final instrument item: “Some people have to be treated roughly because they lack feelings that can be hurt” (p. 48).

• Attribution of Blame: By shifting responsibility to the victim or group impacted by actions, the perpetrator rationalizes the actions. Those impacted are viewed as deserving of the poor treatment. The statement, “They got what was coming to them,” is a hallmark of this mechanism. Final instrument item: “People who get mistreated have usually done something to bring it on themselves” (p. 48).

iSR-CSR Dissatisfaction and Moral Disengagement

Satisfaction with the employer’s focus on the employee’s iSR defines iSR-CSR Satisfaction, and conversely, dissatisfaction with the employer’s focus on the employee’s iSR defines iSR-CSR Dissatisfaction. Employers seeking to attract and retain employees would benefit from seeking to avoid iSR-CSR Dissatisfaction. As explained by Rupp, Ganapathi, Aguilera and Williams, “employees may react negatively when perceiving a corporate injustice because the action implies a misalignment with their values and threatens their psychological needs” (2006, p. 538). Colvin and Boswell further explained that “employees are attracted to an organization and motivated to contribute to its success when there is congruence between their personal values and those of the organization” (2007, p. 21). While researchers have discussed the important of congruence between
employee and employer values, literature review did not yield prior studies examining iSR-CSR Dissatisfaction and moral disengagement.

Moore’s team (2012) ultimately published the results of five studies, and they suggest that companies “consider a variety of measures designed to reduce the likelihood that morally disengaged reasoning goes unchecked” (p. 41). They provide several suggestions to increase accountability.

CSR Clarification and iSR Definition

This has the potential to reduce unethical behavior. Conversely, iSR-CSR Satisfaction has the potential to encourage ethical behavior, as well as have positive impacts on an organization. As a concept that has the potential to mitigate risks and bring benefits, it is worth clearly defining. We will begin with CSR.

CSR, corporate social responsibility, is a recognized term. In the context of a particular company, CSR refers to the specific social responsibility subjects and sustainability goals to which that organization has committed resources. That organization’s CSR commitments and progress are then reported to its stakeholders. CSR is unique from one organization to the next.

It is expected that one industry will have different priorities from the next, and that each organization within an industry might focus on specific sustainability issues apart from the competition. Calvert, the research organization that compiles Barron’s annual of 100 Most Sustainable Companies, lists eights factors based on what is most important in an industry. For example, “Emissions are less critical for a bank’s score than they are for a trucking company’s” (Norton, 2019). Context of an organization’s
industry is just one factor that drives CSR. This relates to the concept of materiality and the need to focus resources, which will be discussed later.

Other factors influencing CSR focus can include the maturity and depth of CSR in the company’s operations. Mature CSR considers the needs of diverse stakeholders and is deeply woven into the fabric of the organization’s culture. This type of CSR is seen in organizations with senior leaders who have a passion for sustainability.

Consider the case of the late Ray Anderson, founder of carpet manufacturer Interface. Anderson often spoke of his “epiphany” in 1994. After reading The Ecology of Commerce by Hawken (1993), Ray Anderson “realized that his business actions were harming the world his grandchildren would inherit” (Gies, 2011). In the quarter century since Anderson’s epiphany, the CSR focus of Interface has broadened and matured.

While the earliest CSR focus at Interface was environmentally-focused, its corporate values have evolved to include people-focused statements, such as, “We’re more than a carpet company. Much more. Interface is its people – authentic people who bring their whole, undivided selves to work and to the world” (Interface, 2019).

Anderson (2009) chronicled how Interface became more profitable not just while, but as a result of, doing good. He explains that pursuing sustainability made Interface more competitive and increased innovation in ways he had not imagined possible. Authentic CSR reflects an organization’s unique position in its industry, in the communities in which it operates, and in the global marketplace. Meaningful CSR should be examined and evolve as conditions change. The same can be said for each individual employee. Just as CSR refers to the unique and evolving commitments within
an organization, iSR refers to an individual’s personal, ever-maturing social responsibility commitments.

Compared to CSR, the term iSR has not yet made its way broadly into business lexicon. iSR is used, but rarely, and without an agreed upon meaning. Two definitions of iSR, which can be contrasted and compared, can be found in the literature. The professional organization Procurement and Supply Australasia ([PASA], 2017) has presented Individual Social Responsibility as “the degree to which people minimize their negative impact on others; the positive benefits people bring to the community and to society in general; the positive steps people make to minimize their environmental impact.” The PASA definition of iSR does not focus on what the individual has either consciously or innately focused on as their personal SR commitments. While PASA is essentially describing socially responsible behavior and its benefits, iSR is defined in this thesis as the specific social responsibility issues that matter most to the individual.

The non-profit organization Volunteer Canada (2017) asserts, “Each individual’s unique set of motivations and the behaviour driven by these motivations forms their own personal brand of ISR.” Incidentally, Volunteer Canada and PASA both use a capital “I” for iSR. Elizabeth Dove (2018), Director of Corporate Citizenship at Volunteer Canada, describes iSR as being “an integral part of peoples’ daily lives encompassing a broad range of activities beyond volunteering, including their environmental footprint, purchasing decisions, choice of employer, charitable donations, and vacation choices.” Dove’s description is aligned with the iSR definition presented in this thesis.
Elevating iSR

A correlation with moral engagement would elevate the importance of iSR, since moral disengagement was found by Moore et al. (2012) to be a predictor for unethical behavior. iSR also points to the importance of understanding individual employees at all levels, since unethical behavior can happen from the front lines to the C-suite. The latter is especially important; corporate leaders who condone, rather than prevent, bad behavior pose the highest risk to the organization. As explained by Bonner, Greenbaum and Mayer, “Leaders within organizations have considerable leverage to influence their followers’ perceptions of ethical standards and subsequent behaviors” (2014, p. 731).

Since there are far fewer in leadership roles compared to the entire workforce, and “leader moral disengagement, in particular, may play an important role in influencing followers” (Bonner, Greenbaum and Mayer 2014, p. 731), there might not need to be a statistically significant sample of bad apples to rot an organization.

iSR speaks to the power of one individual to improve or damage an organization, through their unique SR thumbprint. While there is an exhaustive body of research in studying what motivates individuals, no previous studies have focused on iSR and moral disengagement.

Corporations make substantial investments into trying to understand the composition of their workforce. We have discussed the risk of one bad apple spoiling the whole bunch. Examples of this include Bernie Madoff, who concocted an infamous Ponzi scheme, and Enron’s disgraced former CEO, Ken Lay (Newman, Le, North-Samardzic & Cohen, 2019).
Volunteer Canada (2017) has suggested that a familiarization with iSR “can help organizations better understand the diverse and interdependent motivations driving engagement habits.” Elizabeth Dove (2018) further asserts, “To recruit and retain talent, companies and other organizations must become as flexible and creative as community organizations to motivate, support and celebrate the iSR expressions of employees.” The key point is that companies that ignore iSR are at risk of losing the well-documented war for talent (HR Policy Foundation, 2015).

If we assume that Dove’s assertion about “the iSR expressions of employees” is correct, it would be wise for employers to develop an awareness of what is most important to their employees. iSR expressions are no longer occurring outside of the workplace, sequestered to houses of worship, civic organizations and charitable activities. Organizations seeking to be employers of choice should recognize this reality.

The Challenge to Develop Employee-Inclusive CSR

“Our people are our greatest asset.” This trite, tired and overused corporate proclamation too often has little supporting action. Since the 1980’s corporate strategists have been heavily influenced by Michael Porter’s rules of competition. “According to this model, the most important factor when determining an organizations profitability is ultimately how much value a firm is able to create for their customers and how much of this value will be captured by rivals” (Stevens, ND). Considering Porter’s rules of competition, efforts to understand what aspects of CSR employees value is likely to take a back seat to customers, and keeping up with the competition’s CSR strategy.
CSR has become an increasingly important and complex component in the competitive battle to differentiate from other companies. Regulatory requirements present yet a third area of focus that is likely to compete with a company’s efforts to understand what matters to its employees. While it might seem that responding to regulators, the competition and customers would cast a wide enough net to satisfy employees, there are hundreds of factors to consider in creating a unique and authentic CSR identity. With so many factors in CSR, there is a risk of neglecting employees’ concerns, while addressing the standard strategic stakeholders.

These hundreds of CSR factors come from various frameworks. Take, for example, the International Standard for Social Responsibility, published in 2010 by the International Organization for Standardization (ISO). With seven principles, seven SR Subjects, nearly 40 SR Issues and hundreds of suggested actions (ISO 26000, 2010), this standard can help an organization to develop greater self-awareness and define its values. Another resource is the United Nations Development Goals (UN SDGs), with 17 Goals and 169 Targets (United Nations, 2015b).

ISO 26000 and the UN SDGs are just two examples of CSR ingredients available today. Others include reporting frameworks, regulatory and customer requirements, and a myriad of industry-specific certifications. With so many resources, organizational leaders can be challenged to develop a focused approach to CSR, increasing the likelihood that employee interests might be overlooked or oversimplified. The challenge to develop employee-inclusive CSR is understandable, considering the growing complexity of what it means to be socially responsible.
Savvy leaders take an approach of focusing on aspects of sustainability that are most relevant and impactful, or material, to their organization. Materiality is foundational to reporting through the Global Reporting Initiative (GRI, 2016), with thousands of organizations reporting from over 90 countries. Not only is identifying what is material important to reporting, “it touches on the company’s overall strategy, risk management, relationships, communications and even the design of products and services with sustainability impacts in mind” (GRI, 2016, p. 9). When a materiality analysis is conducted, CSR issues are evaluated and prioritized. This is a process that takes an investment of time and should be periodically revisited.

Take, for example, integration of the UN SDGs into the CSR Strategy; a materiality analysis would focus the organization from all 17 SDGs to the select goals and targets that are relevant to its stakeholders and operations. In this selection process the voice of employees should be considered, as key stakeholders.

Corporate Priorities and iSR Dissatisfaction

Imagine, for example, that an auditor visits a factory, meeting with top management to discuss their environmental commitments. The management team proudly discusses energy efficiency, waste reduction, and compliance with new government emissions control requirements. They point to the related UN SDG on which this facility is focused, SDG12: sustainable consumption and production patterns. While walking the factory floor, the auditor asks workers what issues they care about most. Employees repeatedly voice concern for their own health, due to indoor air quality in the factory. The new smoke stack scrubbers are viewed as a joke, because air pollution
continues to be generated by the company’s suppliers. Most importantly, workers are worried about water quality at home and throughout the community.

The auditor notes that SDG3—ensure healthy lives and promote well-being for all at all ages—is an iSR topic that is shared by many employees. SDG3 is also notably absent from the company’s SDG focus. There is clearly incongruence between the iSR of the general workforce and this production facility’s CSR. Seeking to understand the disconnect, the auditor then brings up the concerns for health and well-being with management. The reaction is embarrassed silence. How could there be such a disconnect between what is proudly presented in impressive PowerPoint slides and top iSR for employees? What are the impacts of this disconnect on employee attitudes?

Recent CSR History

While some might believe that CSR is a passing trend, a brief survey of its history shows that it is a stable, enduring business construct. I provide a brief overview of the development of international standards for CSR and also demonstrate the danger of “symbolic CSR” by revisiting the case studies of Enron, VW and Takata.

CSR has become a widely used term, not only in the sustainability field but also in popular media; there is hardly the need these days to spell out “corporate social responsibility.” As previously discussed, CSR is unique to every organization. While there was a long period of debate and conflicting views about what constitutes social responsibility, organizations around the world have had guidance on the meaning of SR since the aforementioned 2010 publication of ISO 26000. This International Guidance on
Social Responsibility was crafted over five years by the largest global working group assembled in the history of the International Organization for Standardization (ISO).

There are seven SR Subjects in ISO 26000: Organizational Governance, Human Rights, Labor Practices, the Environment, Fair Operating Practices, Consumer Issues, and Community Involvement and Development. This has provided clarity and common language, but the shortcoming of ISO 26000 is that it was published as guidance only, as opposed to other familiar standards published with certification, such as ISO 9000 International Quality Standard. The result has been interpretation and confusion about how to operationalize ISO 26000.

While there has been some confusion about implementing ISO 26000, the purpose of Social Responsibility is spelled out: to contribute to Sustainable Development (ISO, 2010, p. 1). In recent years, there has been progress in identifying what are the most pressing Sustainable Development Goals globally. The United Nations published the eight Millennium Development Goals (MDGs) in 2000, with targets set for 2015. The MDGs addressed poverty, primary education, gender equality, child mortality, maternal health, various diseases, the environment and global partnerships (United Nations, 2015, pp. 4-9). In 2015, the United Nations (2015b) published its 2030 Agenda, more than doubling the issues to be addressed from the MDGs, and increasing relevance to corporations, with 17 Sustainable Development Goals (SDGs).

Endorsed by all Member States, the 17 SDGs have 169 total related Targets. In developing the 2030 Agenda, the UN conducted a survey with nearly 10 million global citizens providing input on what matters most to them personally. The most important issue was quality education (United Nations, 2015b). It is notable that the SDGs expand
the MDGs focus on primary education to “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all” (SDG4, 2019). This is just one example of how the SDGs are more relevant to the corporate world.

When the 2030 Agenda was first published, there was concern that “an agenda focused on 17 Goals can be too general” (Selin, 2015). Substantial efforts by the United Nations to engage the private sector in incorporating the SDGs into their operations have been underway since 2018.

There are now thousands of companies reporting their communication of progress (CoP) on how they are incorporating UN SDGs into their strategies (UN Global Compact, 2019). By focusing on specific UN SDGs, companies are able to overcome the risk of the 2030 Agenda being “too general.” Once a strategy is set to focus on specific goals, there can be further refinement in focusing on select targets within those selected SDGs. Resources for companies continue to grow, such as the excellent publication by the UN and the Global Reporting Initiative, Integrating the SDGs into Corporate Reporting: A Practical Guide (GRI-UN, 2018). Despite the growing resources, the risk remains that an employer could focus on SDGs that matter very little to employees.

If employers focus on SDGs that have little importance to their people, they risk creating dissatisfaction, which could lead to moral disengagement. Authentic CSR reflects what matters to employees, in addition to responding to customer needs, regulatory requirements and the competitive landscape. As public awareness of sustainability grows through campaigns such as the United Nations promotion of the SDGs, employees at all levels become more aware of what authentic CSR looks like.
Symbolic CSR

The imperative for meaningful, workforce-aligned CSR is becoming more important. Donia, Ronen, Tetrault Sirsly and Bonaccio (2017) highlight four studies that explore person-organization fit related to CSR. In addition to discussion about these prior studies, Donia et al. hypothesized that “(a) Substantive CSR will be positively associated with, and (b) symbolic CSR will be negatively associated with, perceived person-organization fit” (2017, p. 509). Their results will be discussed later.

Substantive CSR has positive results within the workforce. However, despite the growing resources, frameworks and guidance to keep CSR efforts authentic, CSR too often remains an image rather than a reality, or what is popularly termed “greenwashing”. A small selection of recent examples include LEI Electronics debunked claim of carbon neutral batteries, AJM Packaging’s FTC fine for unfounded recyclability claims of paper plates, Kauai Coffee’s “100% compostable” coffee pods that can biodegrade in industrial facilities, but not in a backyard compost pile, and last but not least, Reynolds American promotion of “eco-friendly cigarettes” (TruthinAdvertising.org, 2019).

Reporting and corporate marketing have been dominated by “symbolic CSR,” which can include philanthropy. Peloza and Shang (2011), of The Conference Board described philanthropy as “the dominant category of CSR activities” and encouraged businesses to “prioritize product-related CSR activities over philanthropy…” The most glaring example of philanthropic symbolic CSR was the millions of dollars in charitable giving by the Enron Foundation along with the company’s CEO (Cohen, 2002). Not surprisingly, Enron charitable contributions came under scrutiny, revealing that non-profit organizations with Enron executives serving as board members were favored for
funding. Enron is arguably one of the most extreme examples of both symbolic and inauthentic CSR.

Another example of philanthropy that has been viewed as symbolic CSR was the early 2000’s Product Red initiative by a number of companies, to raise funding to fight the spread of AIDS in Africa. With an estimated collective marketing spend as much as $100 million by Gap, Apple and Motorola, the $18 million raised for the cause was questionable. Prominent figures pointed out that these companies could have simply written checks, with more impact (Donia et al, 2017, pp. 506, 508).

Charitable giving is one of the areas where many companies can fall into the trap of “symbolic CSR.” There are countless other ways that the private sector can contribute to making the world a better place, beyond writing checks to charities. The risk that corporate leaders need to understand is that their employees are likely the most detached from corporate check writing than any other possible type of CSR efforts. By surveying employees to understand what charities are most important to them personally, reflecting an aspect of their iSR, companies can avoid the risk of corporate giving unintentionally alienating their workforce.

Companies too often lack “substantive activities that are connected to the mission of the organization and implemented internally throughout the organization” (Glavas & Kelley, 2014, p166). When activities implemented internally are in direct contradiction to an organization’s stated mission that is communicated consistently to the workforce, there is a disconnect between employees and their employer. Somewhere in the middle of the spectrum of negative impacts, between the extinction of Enron and employee attrition in general, is the Volkswagen emissions scandal. While VW did not have a
published mission statement at the time of the scandal, their stated goal was “to offer attractive, safe and environmentally sound vehicles which can compete in an increasingly tough market and set world standards in their respective class” (Jurevicius, 2013).

In direct contraction to their employer’s goal, it appeared that a small group of engineers and other employees at VW conspired to cheat the system by rigging the performance of cars during emissions testing. It has come to light that there was complicity at the executive level. The cars were rigged to purposely operate at a level during testing that would result in lower emissions. The interrelated moral disengagement mechanisms in play might have included Euphemistic Labeling, with the nefarious actors being called “team players.” Advantageous Comparison might have been present, if these “team players” considered the resulting emissions from cars to be minor when compared to industrial emissions. It has since become clear that senior executives were aware of this unethical scheme, so Displacement of Responsibility might have come into the moral disengagement equation. Perhaps those “team players” pointed to authority figures who either explicitly or tacitly condoned the emissions cheating scheme.

“Clean diesel” is an example of “symbolic CSR” that has had far-reaching impacts. Many stakeholders have been impacted by the environmental damage caused by these rigged vehicles. The negative impacts are immense, with emissions up to 40 times the legal limit for 11 million Volkswagen vehicles worldwide; the damage to the brand’s reputation is immeasurable. BBC News explained, “It seems particularly egregious that VW is guilty of faking its green credentials, given that the company has been vaunting itself as environmentally conscious, and marketing its cars as ‘clean diesel’”
(McGuinness, 2015). What the BBC News has missed in this condemnation is that people—individual human beings—within the organization faked the green credentials, and we now know that people at the top were party to the subsequent coverup. No matter the level at which the cheating and coverup took place, from engineers to senior executives, the actions were taken by individuals who were misaligned with their employer’s stated goal.

Studying these behaviors is challenging, because just a few people might be involved in scandalous activities. Small populations are often overlooked and viewed as statistically insignificant.

There was incongruence between certain Volkswagen employees’ actions and the automaker’s CSR commitments. Decisions were made at the individual level, within small teams, and at the departmental level that caused this scandal. The fact that actions were then condoned, covered up, or encouraged at the highest level emphasizes that organizational leaders are not immune to losing their moral bearings.

As BBC points out, the CSR commitments and projected image were not upheld. However, the news agency discounts individual accountability. Assumedly, those who were involved in the VW scandal are not fundamentally evil people, focused on plotting dastardly deeds. More likely, these are outwardly respectable professionals who rationalized conducting or concealing the scheme. There was possible incongruence between iSR and CSR, from the engineer level to the CEO. Statistical analysis might reveal very little if those with moral disengagement attributes are very few. However, it is understanding those few that is critically important, especially if they are organizational leaders.
The other automotive industry example with more extreme outcomes, is the Takata air bag tragedy. As of 2016, Takata had lost $180 million in the recall of 70 million vehicles as a result of decision-making from engineers to executives that caused deaths and injuries (Soble, 2016). Chris Solis, introduced earlier, was the sixth person in the U.S. killed by an exploding Takata airbag (Barfield et al., 2016).

Understanding the image of CSR at Takata prior to the airbag tragedy is a challenge; I was able to locate an archive of the company website. The scene of Chris Solis senselessly dying from an airbag projectile slicing through his neck stands in stark contrast to the company’s statement: “Since Takata’s founding, our dream has been the day when the number of victims of traffic accidents is reduced to zero” (Takata, 2010).

The website section “Contributing to Community & Society” states, “Takata is actively involved in many kinds of activities that contribute to the community and society to help achieve this goal [of zero traffic accident victims]” (Takata, 2010). The activities described include implementing driver education program for young people, using a driving simulator, supporting Mothers Against Drunk Driving (MADD) and supporting the Children’s Hospital of Philadelphia (CHOP). The youth driving program received an award from the State of Michigan and has been adopted by the Detroit Science Center. A 2007 press release headline reads: “MADD and Takata Launch Tie One On For Safety Holiday Red Ribbon Campaign in Minnesota to Save Lives” (MADD).

Takata describes collaborating with CHOP “to develop effective treatments for children who suffer from brain-trauma and other injuries from traffic accidents” (Takata, 2010). In 2010, the children’s hospital also issued the press release “CHOP Researchers Working on More Lifelike Child Crash Dummies” (CHOP). The release from the
children’s hospital described the research collaboration with three universities, Ford Motor Company and Takata, who “worked with CHOP researchers to develop an accurate abdominal insert for a child-sized dummy” (CHOP, 2010).

The CSR image of Takata up until 2010 was that of a responsible, ethical company, collaborating with other organizations on good works. However, their image could be assessed as “symbolic CSR,” given that the defective airbags were in production at this time. How did everything go so wrong? How could life-saving devices result in minor accidents turning deadly?

It helps to understand the inherent risks and engineering precision required to produce airbags. These devices do not actually use “air” to inflate; the deployment is a controlled explosion. When the explosion is not controlled, airbags, the very devices intended to save lives, become deadly projectile-launching components. Faulty airbags were installed in a broad range of auto brands.

The device failure has been linked largely to the decision to use a cheaper explosive, and the risks were known inside Takata. In a 1997 meeting, a propellant engineer warned, “If we go forward with this, somebody will be killed” (Berfield et al., 2016). The engineer described conversations in which he was told to essentially ignore the risk. The approval of authority figures for the risky design was provided as sufficient reason to go forward. This is an example of displacement of responsibility, one of the eight types of moral disengagement. There were likely other types of moral disengagement at play, including diffusion of responsibility and dehumanization. Notably, the propellant engineer left Takata in 1999 (Berfield et al., 2016).
Another Quality Manager reported being pressured by an executive to manipulate test data. Moral disengagement at Takata might not have been deeply rooted; with leadership overlooking, condoning or encouraging unethical behavior, it takes only a handful of professionals in critical positions to behave unethically, resulting in severe failures. As explained by Bonner et al, “the conduct of the Board of Directors, CEO and other senior management can signal subordinate managers as to which behaviors are acceptable” (1987, p. 8). Research has shown that “if unethical decision making is rewarded, then a higher incidence of unethical behavior is likely to occur” (Hegarty & Sims, 1978, p. 456). The key point is that people are susceptible to influence from authority figures. As noted by Hegarty and Sims, “When the emphasis is on the bottom line, it is not surprising that actions are taken in accordance with…the ends justify the means” (p. 456). Pressure or rewards from leadership to carry out unethical acts can increase the risk of tragic results to a near certainty.

Understanding the factors that led to unethical behavior would have been useful for any morally stalwart corporate leaders that might have been working at VW or Takata. Organizational leaders should be motivated to understand and actively seek out moral disengagement. Fortunately, there is a widely accepted instrument available. The 8-Item Scale developed by Moore et al., “captures an individual’s propensity to morally disengage” and is the “most widely used and validated scale in literature” (Newman et al., 2019, p.25). As previously discussed, unethical behavior need not be systemic to have severe consequences. Individuals and isolated teams can bankrupt a company or cause deadly products to be released.
The Bright Side: Industry Reforms

On the bright side, the VW and Takata scandals have contributed to sweeping reforms in the automotive industry. The International Automotive Task Force (IATF) published a revised quality management system standard, IATF 16949:2016, which notably includes an entire section focused on Corporate Responsibility: “The organization is required to define and implement corporate responsibility policies, including at a minimum an anti-bribery policy, an employee code of conduct, and an ethics escalation policy” (Biswa, 2017). The latter stipulation is known as the “whistleblower clause.”

Every major auto manufacturer now requires their suppliers to be certified in IATF 16949. The year 2018 witnessed a flurry of activity across the globe to complete the audit. This has resulted in new service providers to fulfill the requirements of ethics escalation. A requirement of the whistleblower clause is that certifying companies must provide a safe, anonymous, and well-communicated method for escalating ethics concerns. Jan Stappers (2017), legal counsel for the whistleblowing service WhistleB, explains, “This new requirement shows the aim to prevent potential misconduct in the first place, before it may escalate into actual wrongdoing”. IATF 16949 is an example of how management systems and certifications can help to mitigate moral disengagement. The future looks brighter for the automotive industry, and other industrial sectors are likely to adopt similar requirements to encourage ethical behavior.
Authentic CSR: Challenges

Continuing this view of the bright side, examples can easily be found of positive employee attitudes and actions across many industries. Skim a handful of corporate Sustainability or Annual Reports, such as Ben & Jerry’s (2017), Lego (2018) and Levi Strauss (2017) and one finds heartwarming stories of volunteer activities and practical results of CSR, including employee retention. It is not simply that companies that make ice cream, toys and blue jeans are inherently good corporate citizens. These organizations work hard to earn reputations as being environmentally and socially responsible, from ethical treatment of animals, to assistance for kids from war-torn countries, carbon footprint reduction and a commitment to protecting water supplies. Pictures in these reports depict glowing employee engagement in CSR, with happy cows, playful children, groups of workers joyfully participating in charity events and a wide range of impactful community involvement. They also feature real-world images and data from their production and supply chain, including lifecycle analyses, which can inform other companies, including competitors. This type of transparency, that can benefit an entire industrial sector and industries beyond a company’s area of business, makes for a valuable Sustainability Report.

However, Sustainability Reports are too often parading symbolic CSR and typically have an inherent bias toward “good news,” since they are internally produced. The main intention of these reports is to provide a generally positive view of the company. Symbolic CSR, discussed previously, is easy to trot out for show, with no organizational commitment; there are typically no goals associated with writing checks. A 2017 study, which I will be describing in more detail later, explored symbolic CSR.
Items in that survey included the employer wanting “to avoid criticism from the media…” (Donia, Tetrault Sirsly, & Ronen, 2017, p. 111).

Authentic CSR differs from its symbolic cousin in that all stakeholders are involved, including employees, and relevant challenges are being addressed. Authentic CSR is not an easy journey and understanding what it means within an organization means investing in what matters most to employees. The alternative is to engage in CSR with no employee input and proceed down a path that likely leads to dissatisfaction.

Prior Research on iSR

Moore et al. (2012) described trimming 74 items to a “significantly more parsimonious” (p. 13) eight item version of the moral engagement measure. These were moral justification, euphemistic labelling, advantageous comparison, displacement and diffusion of responsibility, distortion of consequences, dehumanization and attribution of blame. This eight-item instrument developed by Moore et al. has been the “most widely and validated scale” of its type and “most researchers adopting this scale have argued it captures an individual’s propensity to morally disengage” (Newman et al., 2019, p. 25).

The PCSR team chronicled the trimming of their original instrument from 45 to eight items (Glavas & Kelley, 2014, p. 188). Four final items were used for environmental responsibility and four items for social responsibility. The PCSR team invited ongoing research: “As is the case with any new scale, future research is needed to further validate the PCSR scale” (Glavas & Kelley, 2014, p. 187). The sub-measures of PCSR were the environment, with four items measured, and four separate social issues, with just one item each. An interesting finding was the link found between PCSR related
to the employer’s contribution to the well-being of various stakeholders and employee attitudes. The PCSR Study asked respondents if contributing to the well-being of employees, customers, suppliers and the community were high priorities for their organization. The study found a correlation between this social measure of PCSR and two aspects of employee attitudes. Both job satisfaction and organizational commitment were correlated to high “Social PCSR.” However, no direct link was found between Environmental PCSR and employee attitudes (Glavas & Kelley, 2014).

The lack of connection between Environmental PCSR and employee attitudes is consistent with prior writings, given that “action on climate action” was the least important sustainability issue in the UN MY World study (United Nations, 2013). In the MY World survey, which remains open, respondents are asked to choose the six issues that are most important to them and their family (United Nations, 2015a).

The PCSR research was especially important because the researchers clarified a common misconception, “finding that work meaningfulness is derived from how the organization treats others and not from how the organization treats the employee” (Glavas & Kelley, 2014, pp. 185). Glavas and Kelly also made a significant contribution, having created “a reliable and valid scale that focuses on employee perceptions of CSR” (2014, p. 21). The PCSR Research shows “how individuals can find work meaningful when they work for organizations that they believe have a social purpose” (Glavas & Kelley, 2014, p.185). The other variables in this study were from previously published academic research, including job satisfaction (Cammann, 1983) and organizational commitment (Allen, N.J. 1990). The former characteristic is relevant to ethical decision-making, as explained previously. Trevino et al.’s hypothesis that “job satisfaction is
negatively related to unethical choices” (2010, p. 4) was supported. “Higher job satisfaction was related to a lower likelihood of unethical choices” (p. 12).

By gaining a better understanding of how people find their work to be meaningful and, conversely, what causes them to become disengaged, organizations can take actions to mitigate unethical behavior. While most research is nascent in this field, there is research from decades past that is worth reviewing.

Over forty years ago, Hegarty and Sims conducted laboratory experiments to understand determinants of unethical decision behavior (1978, 1979). Graduate business students were engaged in a simulated decision-making exercise of whether or not to pay kickbacks. As discussed previously, presidential philosophy was found to influence ethical decision making in the simulations; “when subjects were given a letter from the corporate president supporting ethical behavior, their ethical behavior was higher…” (1979, p.331). Additionally, Hegarty and Sims found “that a clear organizational policy had a deterring influence on unethical behavior” (1979, p. 337). Some might argue that this goes without saying, but organizational policies are not always clear.

While a doctoral student over thirty years ago, Linda Trevino proposed “an interactionist model of ethical decision making in organizations” (Trevino, 1986, p. 601). That is to say, “ethical decision making in an organization is explained by the interaction of individual and situational components” (p. 602). Her later interest in “bad apples and bad barrels” can be seen in this early work.

Trevino presented Kohlberg’s “Six Stages of Moral Development” (p. 605), which are divided into three levels: preconventional (from obedience stage to getting a fair deal), conventional (from conformity stage to fulfilling duties), and post-
conventional (from social contract stage to universal ethical principles). She explained that “Kohlberg places most adults in stages three and four”, the conventional (middle) level, and that “less than 20 percent of American adults reach the principled level of development” (p. 606). While this might sound bleak, the good news is that it is possible to elevate adults to the post-conventional level, through cognitive moral development training.

The following year, Bommer, Gratto, Gravender and Tuttle (1987) proposed an even more complex behavioral model of ethical/unethical decision making. The factors affecting ethical and unethical behavior that they include in the model and discuss in detail are “a decision-maker’s social, government and legal, work, professional and personal environments” (p. 265). Individual attributes are also discussed in detail, with a return to discussion of Kohlberg’s influence (p. 273). They provide valuable insights about the importance of leadership and the risk that “authority figures can influence others to behave unethically” (p. 272), which has been discussed previously in the cases of Enron and VW. The research team concludes that this preliminary model can “provide valuable assistance in the understanding, development and evaluation of intervention and awareness programs in industry” (p. 277). A valuable component of this research includes characteristics of effective communications, which will be discussed later.

In 1990, Trevino and Youngblood published “Bad Apples in Bad Barrels: A Causal Analysis of Ethical Decision-Making Behavior”. As explained previously, “the “bad apples argument attributes unethical behavior in the organization to a few unsavory individuals”, while in “bad barrels” theory, “something in the organizational environment poisons otherwise good apples” (p. 378). Interestingly, Trevino and Youngblood found
that “mild punishment did not seem to influence observers’ behavior at all, and thus more severe discipline may need to be considered” (p. 384). Their findings also include rewards having an impact on ethical decision making, particularly because they were noticed and remembered.

Over twenty years ago, an age of seeking to understand “purpose orientation,” or how people relate to their work, was heralded with a seminal article published by Wrzesniewski et al. (1997). This research team, drawn from four colleges and universities, was the first to explicitly study purpose orientation to understand how people viewed their work (Wrzesniewski et al., 1997). Respondents in the “Calling” category “ranked work satisfaction significantly higher . . . than did Job and Career respondents” (Wrzesniewski et al., 1997, p. 29). Job and Career respondents had little difference in satisfaction (Wrzesniewski et al., 1997).

Nearly ten years later, Rupp, Ganapathi, Aguilera and Williams presented a theoretical model “whereby employees’ perceptions of CSR impact their subsequent emotions, attitudes and behaviors” (2006, p. 537). They pointed out that CSR does not “happen to employees”, rather there are employees who “commit acts of social (ir)responsibility, whereas employers are insider witnesses to such acts.” Further, they explained, “employees may react negatively when perceiving corporate injustice because the action implies a misalignment with their values and threatens their psychological needs” (p. 538).

Another point that Rupp et al. make is that “any CSR effort is likely to foster certain relationships between the organization (and) its employees….while the quality of
those relationships may depend on how well employees understand and agree with the rationale behind their organization’s CSR-related decisions” (p. 541).

Just over ten years ago, Tyler, Dienhart and Thomas developed an instrument that dwarfs others, with 36 items. The central theme of that study was about trust and how an organization can be more trustworthy. Their research provided insights into employees’ perceptions of overall company fairness and the company’s procedural justice, which is comprised of four factors in the workplace: “decision-making fairness at the organizational level, interpersonal fairness at the organizational level, decision-making fairness at the workgroup level, and interpersonal fairness at the workgroup level” (Tyler et al, 2008, p. 37). The authors report how a perception of company fairness results in workers being more likely to voluntarily comply with their employer’s policies, which is “significantly more effective in eliciting rule compliance than an approach based on risk of punishment” (Tyler et al, 2008, p. 34).

Another study published two years later revealed that CSR is equally important across pre-Millennial generations (Stawiski, 2010). This was an important finding, given that popular media outlets more recently posit that Millennials care more about CSR than their older counterparts (Peters, 2019; Izzo, 2018; Peretz, 2017). The 2010 study found that “CSR is equally—and positively—related to commitment for Gen Xers and both Early and Late Boomers” (Stawiski, 2010, p.4).

The aforementioned United Nations MY World results from a poll (2015a) covered a broad range of generations, with nearly 10 million global citizens having indicated what sustainability issues were most important to them personally. The objective of the survey was “to capture people’s voices, priorities and views, so world
leaders can be informed as they begin the process of defining the next set of global goals to end poverty” (United Nations, 2013). The next set of global goals was being defined at that time by the United Nations for the 2030 Agenda. The MY World Survey helped inform the United Nations Sustainable Development Goals (UN SDGs), published in 2015 (United Nations, 2015b). The top three priorities across all age groups were: 1) a good education, 2) better healthcare, and 3) better job opportunities.

More recently, a team built on Glavas & Kelly’s PCSR work, developing a measure of employee attributions of the company’s CSR as being substantive or symbolic (Donia et al., 2016). Items on the survey included choices that are considered substantive CSR, such as the employer “wants to help solve problems in the community,” or “feels it is important to help those in need.” Substantive CSR choices also included the choice that the respondent’s employer engages in CSR “because it has a genuine interest in the welfare of external individuals affected by its practice.” This is notable, since “external individuals affected” include stakeholders beyond customers, shareholders and suppliers. External stakeholders who are affected by an organization include the community in which it operates, in which its suppliers operate, and where the end product meets its end of life. If an organization has a “genuine interest” in the welfare of these stakeholders, then its CSR would indeed be substantive.

That study described Symbolic CSR, on the other hand, with items such as the employer wanting “to avoid looking bad in front of others” or “to look better than its competitors.” The shallowness of symbolic CSR is described in the survey choice that the employer seeks to “avoid criticism from the media and/or external actors it does business/interacts with” (Donia et al., 2016).
Another study expanded on the 2014 PCSR research report, focusing on frontline, non-managerial employees and the impact of transformational leadership (Allen, Attoh, & Gong, 2017), “which is rooted in transcending personal for the greater good and raising followers to a stronger moral state” (p. 598). In their study, there were 218 responses, from staff-level employees, accessed through social media. Respondents giving “their leaders higher ratings for transformational leadership have higher PCSR” (p. 595). This demonstrates that it is important for organizational leaders to understand their role in employees perceiving the organization as being socially responsible. PCSR was also found to have a correlation to organizational commitment, providing further validation of the Glavas & Kelly 2014 PCSR research.

No other studies have examined the effects of satisfaction on the part of employees with their employer’s focus on their iSR on moral engagement. Literature was reviewed on Person-Organization Fit (a dimension of “Person-Environment Fit”), defined as “compatibility between people and the organizations in which they work” (Kristof, 1996, p. 1). One paper that presented methods for determining Person-Organization Fit and existing instruments for Person-Organization Fit Scale (POFS) derived 62 items from several previous studies, but parsimony was not an outcome (Chuang, Shen, & Judge, 2016).

Person-organization fit has an important place in research of CSR and employee behavior. As explained by Colvin & Boswell, “person-organization (P-O) fit is concerned with aligning employee (or job applicant) personalities, values, needs, or skills, with the organization’s culture, opportunities, or requirements” (2007, p. 5). They further note that literature suggests “employees are attracted to an organization and motivated to
contribute to its success when there is congruence between their personal values and those of the organization” (p. 21).

Donia et al. suggested that “CSR attributions influence employee’s attitudinal and performance outcomes is through person-organization fit” (2017, p. 507). They explained further that CSR matters because “job seekers and incumbents alike are drawn to, and driven to remain in, organizations whose values are compatible with theirs…” (2017, p. 508). Their research revealed that “when CSR is perceived as important, substantive CSR is positively related to, and symbolic CSR is negatively related to, perception of fit with the organization” (2017, p. 503).

Most recently, a comprehensive and valuable meta-research review of moral disengagement at work was published by Newman, Le, North-Samardzic and Cohen (2019). This review and research agenda highlighted dozens of corporate scandals involving moral disengagement, citing the studies in which they were mentioned. Newman et al. chronical the development of several scales, culminating in Moore et al’s aforementioned 8-item scale, which they described as “the most widely used and validated scale in the literature” (p. 25). They also discussed the potential for distinguishing between different mechanisms of moral disengagement in future research, “it is important for future research to explore the interrelationship between the eight mechanisms…to examine whether different profiles of moral disengagement exist” (p. 30). As explained by Newman et al, “When undertaking research on moral disengagement, prior research has generally treated moral disengagement as a higher-order factor comprising eight different cognitive mechanisms, and not examined each of these cognitive factors separately” (p. 30).
Research Questions, Hypotheses and Specific Aims

My research addressed two related questions:

Question 1: Which iSR types have the highest propensity for respondents reporting any level of dissatisfaction with their employer’s focus? This question was intended to contribute to trimming efforts for future surveys (see Figure 1).

Figure 1. Opportunity for trimming of iSR types with the highest propensity for dissatisfaction.

This first research question is directed towards the goal of a parsimonious approach to the analysis and the ultimate goal of the simplest measurement model. It is expected that at least one of the four types of iSR can be trimmed for future surveys. Only iSR types with high propensity for dissatisfaction should be used in the iSR Satisfaction Scale, in the interest of parsimony.

Question 2: Does iSR-CSR have a correlation to job satisfaction and organizational commitment? The aforementioned PCSR Study by Glavas & Kelly
(2014) found a correlation between PCSR and job satisfaction and organizational commitment.

The purpose of this second research question was to understand if this sample is producing results similar to those published in the 2014 PCSR Research Paper, a positive correlation to job satisfaction and organizational commitment. It is expected that the results will be similar; if so, this finding alone would have made the survey efforts worthwhile, because iSR-CSR Satisfaction would then have the potential to encourage discretionary effort, increase employee retention and position a company to become an employer of choice.

The primary hypothesis I examined was: iSR-CSR Dissatisfaction has a negative correlation to moral disengagement (psychometric scales are reversed).

Specific Aims

To conduct this research, I completed the following steps:

1. Designed the survey based on prior research and developed the instrument section for a new iSR-CSR Satisfaction and ranking method.
3. Fielded survey over an approximate one-month period through ~25,000 LinkedIn contacts, with several email requests and multiple social media posts.
4. Built scales and conducted appropriate statistical analyses.
Chapter II
Methods

I begin with a discussion of survey development. Determination of iSR categories are then described, explaining why diversifying the areas of inquiry for iSR was important. Finally, I describe the process of collecting the survey data.

Survey Development

I selected Survey Monkey to develop the instrument, based on usability. The informed consent section was substantial, resulting from the Harvard Internal Review Board (IRB) process. Respondents were provided a description of the research and were assured that their responses were anonymous. All tracking mechanisms were disabled, and the survey was accessed only through a web link, rather than a link within email. Only respondents responding affirmatively to the informed consent proceeded.

Validated questions from prior research constituted the majority of the survey, along with certified demographic questions from the Survey Monkey library. While the POFS was not used in the survey, person-organization fit has an important place in research of CSR and employee behavior. POFS is complex and trimming the 62-item instrument was beyond the scope of my thesis.

The items from prior research were: Purpose Orientation—Job, Career, Calling (Wrzesniewski et al., 1997); PCSR—Social Responsibility component (Glavas & Kelley, 2014); Employee Attitudes—Job Satisfaction (Cammann, 1983) and Organizational
Commitment (Allen, N.J. 1990); and the eight mechanisms for Moral Disengagement (Moore et al., 2012).

Just as the PCSR and Moral Disengagement Reports chronicle a systematic approach to trimming and validating instruments, my thesis was partly focused on developing a parsimonious instrument for future studies. It is worth mentioning that the survey section for Moral Disengagement had the heading “Employee Attitudes” to obscure the nature of the questions. Also notable is that, as the first study of its kind, determining iSR and developing an iSR Rating method will undergo further validation in the future.

The insights that CSR is equally important across generations (Stawiski, 2010) allowed me to focus my research questions on iSR-CSR Satisfaction, instead of seeking to understand generational differences. This was notable, since I anticipated that my respondents (being my professional contacts) would be comprised of very few Millenials.

Determining iSR Categories

Originally, I had intended to use only the ISO 26000 Subjects of Social Responsibility to determine iSR. However, my research into creating measures that would lead to valid conclusions about iSR pointed me to the inclusion of multiple measure options in this first survey. By diversifying the areas of inquiry for iSR, I was afforded more data points to work towards the goal of trimming the instrument for future studies. Four categories of iSR were created, drawing from prior research and authoritative sources. After presenting multiple iSR options to respondents and analyzing the results, further validation could be undertaken.
iSR1: 2014 PCSR Research—Individuals’ Stakeholder Priorities

iSR1 was created by using the four social responsibility components of the 2014 PCSR Research (Glavas & Kelley). As in the PCSR research, respondents indicated to what degree they felt their employer contributed to the well-being of various stakeholders on a 7-point Likert scale. iSR was then determined by having respondents select which single stakeholder group—Employees, Customers, Suppliers or Community—matters most to them personally. In this case, iSR is expressed as who is most important, rather than what is most important. My rationale in using the PCSR items for a potential category of iSR was twofold. Firstly, these items were already included in the survey to compare my results to the 2014 research. Secondly, these stakeholder-oriented questions have face value, since Respect for Stakeholders is an ISO 26000 Principle of Social Responsibility (ISO). Therefore, these items have both the credibility of being drawn from prior research and of being aspects of the International Standard for Social Responsibility.

iSR2: Education, Healthcare and Job Opportunities

iSR2 offered respondents the smallest number of choices: the top three items from the United Nations “World We Want” survey (2013). The question was worded in the same way as the UN survey, which has garnered responses from nearly 10 million citizens across the globe. Respondents were simply asked, “Which of the following is most important to you and your family?” The top three responses were: a good education, better healthcare, and better job opportunities. These are three broadly accepted aspects of social responsibility, cross-cutting in ISO 26000 Subjects and Issues.
as well as the United Nations Sustainable Development Goals (UN SDGs). A good education relates directly to SDG4, better healthcare relates directly to SDG3, and better job opportunities relates directly to SDG8.

iSR3: Individual’s Most Important Goal from 17 UN SDGs

iSR3 was created from the 17 UN SDGs, representing the longest single section of the survey. Respondents selected the single most important UN SDG to them personally. Presented in Table 10, this was the most challenging iSR category, because the UN SDGs are complex, with 169 total targets and 5–19 targets associated with each goal. Many of the SDGs have unexpected targets layered within them; while presenting this information might have resulted in different choices, their inclusion would have increased the length of the survey dramatically. In the interest of parsimony, I decided to simply present the full title for each of the 17 UN SDGs, rather than describing any of the targets. Suggestions for addressing the targets are discussed later. Respondents selected the single SDG that is most important to them personally, determining iSR3. They were then asked how satisfied they are, on a 7-point Likert Scale, with their employer’s focus on their selected SDG.

iSR4: Individual’s Most Important SR Subject from Seven in ISO 26000

iSR4 was determined by presenting the ISO 26000 SR Subjects. Respondents selected one of seven choices: Organizational Governance, Human Rights, Fair Labor Practices, Environment, Fair Operating Practices, Consumer Issues, Community Involvement and Development. As in the case of the UN SDGs, these SR Subjects have
more detail than seen on the surface. There are over 40 Issues and Principles to consider, across the SR Subjects. In contrast to the presentation of the 17 UN SDGs, I did provide a brief, abbreviated description of what the SR Subject means and what is included in the ISO 26000 SR Subjects Principles and Issues. For example, the first description reads: “Organizational Governance (includes transparency, accountability, how decisions are made and how the company is operated).” iSR-CSR Satisfaction was determined by the response of how satisfied the respondents are, on a 7-point Likert Scale, with their employer’s focus on the SR Subject selected.

Moral Disengagement Scale

Research into how the scale for multiple Likert scale items of the eight cognitive mechanisms, to force into one factor was conducted. Both the summative and mean calculation are discussed in the literature (Sullivan & Artino, 2013). After conducting the initial analysis, I ran the calculations with the summative score, producing similar results and raised the same questions. There still seemed to be a problem, when I considered the individual responses; individuals who had expressed agreement with not a single moral disengagement mechanism were grouped with those who did agree with one or more of the mechanisms. I finally accepted the method and validity of Schwab (1980),

Data Collection

Over an approximate one-month period (which month?, 2019), I distributed the survey via an email list of approximately 25,000 contacts, as well as through LinkedIn postings, with an approximate 1% response rate. Several email invitations to participate
were sent and multiple social media posts were made. The only incentive that I offered was access to the final report, as well as a personal appeal to contribute to my thesis efforts.

Providing the incentive of access to the final report was a small challenge, due to the Harvard IRB requirement to keep responses anonymous. Since a report request link at survey conclusion would have resulted in a trackable link, respondents were given an email and request code for the subject line—Harvard2019. It should be noted that there was a risk of identity being discoverable, even with this circuitous approach to requesting the report. If a respondent were to make the request immediately after completing the survey, the timing of the survey could be aligned with the email. This is something to consider when deploying within an organization. This risk would be accounted for, since the report would not need to be requested when deployed in a company.

Estimates from the email click ratio to those continuing on after informed consent indicate that there was about a 50% abandonment rate. While reminders of anonymity were provided throughout the survey, abandonment at sections with sensitive questions was notable. Incomplete surveys were discarded periodically within the Survey Monkey application. The 15-minute time required was also a likely barrier to completion.

After removing incomplete responses, the final number of respondents was 273. iSR2 had an error in piping, which was corrected in the early stages of fielding the survey. Six early respondents had entry errors, which were identified and corrected to reflect their satisfaction in accordance with their choice for most important iSR2: education, healthcare, or job opportunities.
Chapter III

Results

Insights were gained for potentially trimming the iSR categories for future research, for a more parsimonious surveys going forward. There are opportunities for further analysis of this sample, beyond this study’s questions and hypothesis, which will be discussed later.

Research Question 1

A simple comparison in Microsoft Excel was used to identify the types of iSR with the highest dissatisfaction response rate. Respondents selecting “somewhat dissatisfied” to “very satisfied” were included in the comparison; the objective was simply to capture all respondents with any level of dissatisfaction. (Figure 4).

![Figure 2. Percentage of iSR types with any level of dissatisfaction, for potential trimming from inclusion in future surveys.](image)

iSR1 and iSR4 might be considered for trimming from future surveys, with only 11% and 15% of the respondents reporting any level of dissatisfaction. Notably, the number of choices does not appear to influence the propensity to report dissatisfaction, since both the iSR with the lowest number of choices (iSR2 with three choices) and highest number of choices (iSR3 with 17 choices) had substantially more dissatisfaction.

Going forward, terminology could be simplified to “iSR-CSR.”, rather than “iSR-CSR Satisfaction”.

It is also worth noting that eliminating iSR4 (ISO 26000) in the future makes sense from a corporate strategy standpoint, in that all the seven SR Principles and Subjects should be integrated into an organization’s operations. The reason for this is that the International Standard for Social Responsibility presents a holistic approach to the organizational structure and behaviors that are needed to pursue sustainable development goals. This framework is not intended to be “cherry picked.” It is in the balanced and integrated implementation of ISO 26000 that organizations can achieve a culture of continual improvement for social responsibility. However, the UN SDGs are expected to be prioritized, with focus applied to selected goals.

Research Question 2

For the purpose of correlation analysis, the factors are identified as: 1) PCSR, Job Satisfaction, and Organizational Commitment; and 2) iSR2, iSR3, iSR4, Job Satisfaction, and Organizational Commitment.
Using Minitab® statistical software confirmed that this sample produced results similar to the 2014 PCSR Report, with positive correlation coefficient results of 0.543 and 0.574 for PCSR (iSR1) to Job Satisfaction and Organizational Commitment, respectively. Table 1 illustrates that iSR items all have positive Pearson correlation coefficients for Job Satisfaction and Organizational Commitment.

The Likert scores for iSRs 2, 3 and 4 have statistically significant Pearson correlations of 0.592, 0.495 and 0.460, respectively, to job satisfaction, and 0.573, 0.583 and 0.488, respectively, to organizational commitment.

Hypothesis Test

I had hypothesized that iSR-CSR Dissatisfaction would have a negative correlation to the propensity to morally disengage. In support of this hypothesis, iSR2 has the strongest negative correlation to moral engagement, with a Pearson correlation of -0.207 (p <0.01). While iSR3 has a weaker Pearson correlation of -0.163, it was also statistically significant (p<.05). iSR4 was found to not be statistically correlated with moral engagement (Table 1).
Table 1. Correlations among iSR, Moral Engagement, Job Satisfaction and Organizational Commitment.

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<th>Sat_Emp_iSR3</th>
<th>Sat_Emp_iSR4</th>
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**Correlation significant at the 0.01 level (1-tailed).**
Chapter IV
Discussion

The results from Question 1 provided the first potential for trimming future survey instruments, with evidence that iSR2 (better education, healthcare and job opportunities), as well as iSR3 (the individuals’ choices for their top UN SDG), have the higher occurrence of iSR-CSR Dissatisfaction. PCSR and ISO 26000 SR Subjects could be trimmed from future surveys. The latter was an important insight, given that “cherry picking” the seven Subjects of SR by organizations is not advisable; ISO 26000 should be used as guidance in a holistic manner.

Question 2 results indicate that iSR-CSR Satisfaction is a useful measure, building on the Social PCSR Scale. The relationship of iSR-CSR Satisfaction to job satisfaction and organizational commitment is an important finding, because it provides a level of utility not afforded by the PCSR Scale. By surveying iSR-CSR Satisfaction, employers can learn what matters most to their employees, and how the organization is performing in those areas that employees care about. Suggestions about what to do with these data have been discussed previously, including the incorporation of key iSR issues into CSR Strategy, and communicating clearly about the reasons for existing CSR focus areas.

Research Limitations

The respondents were recruited from my professional network, and the sample’s characteristics should be considered. For example, in my sample only 3% of my
respondents were in entry-level positions. This sample also has a notably large percentage of individuals with a “Calling” purpose orientation. In previous research, “nearly equal numbers of respondents viewed work as a Job, Career, or Calling” (Wrzesniewski et al., 1997, p. 27). Just over half of my respondents view their work as a calling and the responses were low for those who view their work as a job (Figure 5). Future studies should aim to reach respondents in a broader range of positions, career levels, and purpose orientations.

Figure 3. Survey respondents viewing purpose as Job, Career or Calling.

Moral Disengagement Scale Limitations

Use of the moral disengagement scale limits our understanding of how the cognitive mechanisms might be combined or used separately by individuals. As Newman et al. (2019) explain, “prior research has generally treated moral disengagement as a higher-order factor comprising eight different cognitive mechanisms, and not examined each of these cognitive factors separately” (2019, p.30). They further express that “…failure of researchers to focus on the relative importance of different cognitive mechanisms is surprising, given that Bandura acknowledged that individuals who
morally disengage might not necessarily use all mechanisms together” (p. 30). Newman et al. point out a possibility that occurred to me as I was conducting my analysis, that “some individuals may be more likely to morally disengage by not taking responsibility for immoral conduct or blaming other, including the victim, whereas others may be more likely to justify why the immoral conduct is acceptable” (p. 30). This was something that struck me as being an opportunity for future research, which I will discuss further.

Other researchers have illuminated many of the complexities in conducting surveys with a Likert scale, such as two people who differ “in their interpretations of the points on a scale . . . may give different responses even though they may have identical underlying attitudes” (Krosnick & Presser, 2010, p.269). The neutral score (4) might have been an issue in the Moral Engagement Scale, since that choice does not indicate disengagement, yet can bring the total score down. Krosnick and Presser (2010) explain another issue with neutral options, in that “offering a midpoint on a scale . . . encouraging satisficing to people low in…motivation” and therefore, a less mindful response (p. 271).

The specific issue that continued vexing me is that of respondents who agreed with one or more moral disengagement mechanisms are characterized as being the same, according to the scale, with those who agreed with not one single moral disengagement mechanism. These respondents were simply answering with a mix of neutral (4), along with mild disagreement (5-6). They did not have any answers with one, two or three, and are therefore not prone to moral disengagement. But their overall rating came down to fit into that group. Extensions of this research should explore methods to account for individual more engagement characteristics, in collaboration with experts in the field.
Organizational Applications

This respondent pool was largely comprised of highly educated middle managers to senior executives, so iSR-CSR Satisfaction of entry level and front-line employees remains unknown. Again, only 3% of respondents were Entry-Level. In future deployments within organizations, the survey could be distributed to the entire workforce. The requirement in most organizations to consume the minimum amount of time possible for hourly workers is a key driver of the focus on developing a parsimonious instrument for future use. Distribution within organizations would need to be conducted with continued care for the respondents, with risk of harm being mitigated through anonymous, third party collection.

Strategy Development and Leadership

The correlation between iSR Satisfaction and job satisfaction, organizational commitment and moral engagement, does not imply that organizations should discard their existing CSR Strategy. They should instead consider expanding the CSR efforts to include some, if not all, of the top iSR in their workforce. They can then augment their existing CSR efforts with initiatives that matter to their workforce.

Ferreting out dissatisfaction and increasing iSR-CSR Satisfaction demonstrates true leadership and is related to sound strategy development. To illustrate one of the reasons for this, I will paraphrase the well-known “jungle clearing” example provided by Stephen Covey (1989) in his best-selling The 7 Habits of Highly Effective People. Imagine a crew of workers chopping a path through the jungle. Managers are busy sharpening machetes, setting work schedules and implementing jungle clearing efficiency
programs. The leader, instead, climbs the tallest tree, looks out over all of this activity and hollers, “Wrong jungle!” Choosing the right jungle can be much more important than making swift progress; this is a key component of strong strategy development and deployment. How does this relate to iSR-CSR Satisfaction?

Consider an organization that has decided to forge a socially responsible path using the UN SDGs as its guide. We have already discussed that savvy leaders focus on select SDGs, rather than attempting to impact all 17 goals; they choose the jungle through which they will cut their path. How can organizational leaders be assured that their workers are chopping their way through the right jungle? An excellent place to start is to engage with those workers, as well as their machete-sharpening managers, to understand what aspects of social responsibility are most important to them personally. An employer should engage its workforce to understand its employees, rather than assuming the results would be the same as this limited sample.

A powerful and enduring CSR Strategy includes what’s important to internal stakeholders, not just customers, shareholders, regulators and certifying entities. Smart leaders also understand that focusing solely on the CSR Strategy of competitors leaves blind spots for the issues that matter to their employees.

Another interesting point is that anyone can climb the tree to find the right “Sustainability Jungle” for their organization. Front-line workers can have tree-top view insights. What’s to stop a front-line worker or middle-manager from starting internal dialogue about what matters most to their coworkers? These insights can then be passed up to senior management. If insights are not being passed upward, then it is the
responsibility of organizational leaders to start and encourage the dialogue. It is through this two-way communication that authentic CSR Strategy can be developed.

Training & Education

Based on this research, preventing good apples from getting spoiled, salvaging bad apples, and preserving an organization from the risk of becoming a bad barrel is possible. Trevino explained that “based on prior research, it is expected that managers’ reasoning about work-related ethical dilemmas is primarily at the conventional level.” (1986, p. 608). This is due to the majority of the adult population operating in the aforementioned conventional, middle stages 3 and 4 in cognitive moral development (CMD). The post-conventional principled stages of five and six are needed, especially amongst organizational leaders, so that they uphold “rights regardless of majority opinion” and “act in accordance with principles” (1986, p. 605).

Trevino suggests that Universities should be educating future leaders with moral judgment development. I agree, and also suggest that elevating those in leadership positions from the conventional to principled reasoning should be a focus of corporate trainers. As discussed previously, cognitive moral development training has been proven effective in moving adults into the principled reasoning stages. “Movement can be promoted by engaging participants in challenging moral decision making, particularly by exposing them to forms of reasoning one stage higher…” (1986, p. 607). In 1990, Trevino and Youngblood explained that “although CMD level is considered a relatively stable individual characteristic, it can be increased through training” (p. 384).
Trevino (1986) later explains that research shows it is possible to intervene with training to salvage bad apples. The Kish-Gephart et al. (2010) research team conclude their article with, “organizations should be able to create and maintain a portfolio of selection, training, and management practices that resist ethical spoilage” (p. 23). Describing these efforts as a portfolio is important for organizations to understand that there is no silver bullet and one aspect of unethical behavior. Returning to Trevino’s 1986 article, “both educational institutions and organizations have important roles to play in providing opportunities for growth and an environment conducive to ethical behavior” (p. 615).

Communicating CSR Expectations and Strategy

Future research could help corporate leaders make informed decisions about what aspects of the strategy need to be better communicated to their workforce. Communications can then be improved throughout the organization as to the reasons for the existing CSR commitments and how those are integral to the company’s strategy. In short, employees need to feel that they have been heard and to understand “what’s in it for them.”

This is not a new concept. Forty years ago, Hegarty and Sims suggested that the most useful finding in their study was “that a clear organizational policy had a deterring influence on unethical behavior” (1979, p. 337). Simply put, employees need to clearly understand what is expected and what is unacceptable. While this might seem simplistic, the previously chronicled scandals are evidence that grey areas are prevalent in organizations. They also explain clear communication lessens “the need to engage in
heavy after-the-fact control activities” (p. 337). Communicating expectations is important; explaining rationale is also critical to positive employee relationships.

Rupp et al. (2006, p. 541) explained, “the quality of those relationships may depend on how well employees…understand and agree with the rationale behind their organization’s CSR-related activities”. My thesis has presented the argument that organizations should seek to understand iSR within their workforce and increase focus, where appropriate. This fortification of CSR strategy could improve the quality of employee-employer relationships, as evidenced by the correlation between iSR-CSR Satisfaction and Job Satisfaction, as well as Organizational Commitment.

Conclusions

It is important to build on this thesis research in collaboration with other experts, focusing on those who have published novel approaches, and have the same interest in understanding where, and with whom, the greatest risks to organizations exist. I agree with Newman et al.’s (2019) assertion that “it is important for future research to explore the interrelationship between the eight mechanisms…to examine whether different profiles of moral disengagement exist” (p. 30). They further advocate for ongoing efforts, suggesting that “such an approach will be of use to managers in determining where to focus their efforts to reduce moral disengagement in their organizations” (p. 30).

The iSR Satisfaction scale needs further research and validation with broader, more diverse samples, to provide a reliable, repeatable tool for companies to understand current state and track improvements, or worsening satisfaction. In the future, parsimonious surveys deployed within organizations are expected to inform senior
management about what SR Issues matter most to their workforce and provide guidance for aspects of the existing CSR Strategy that warrant more investment in employee communications.

This research was intended to take the guesswork out of understanding what is important to employees and offer language for describing levels of satisfaction. Peer-to-peer mentoring could be crafted from the survey findings, along with improved internal corporate communications. These results, along with other insights, would provide a tangible way for organizations to deliver on the proclamation, ‘people are our most important asset’.

Future results are likely to be different from one industry to the next and from one organization to another, within the same industry. Through future deployment of the refined survey in multiple organizations, these differences can be examined and appreciated. The expectation is that iSR is not a “one-size-fits-all” area of study.

Organizational leaders are expected to take notice of the findings and have a strong desire to gain insights into their own workforce satisfaction with the company’s SR Strategy. Blind spots should be revealed, not only in specific organizations, but within industries overall, and dialogue can be facilitated within industry professional organizations and advocacy groups. iSR Satisfaction is expected to be an area of study that has enduring impacts.

There will be questions for further exploration. For example, amongst the 17 UN SDGs, are there specific Goals that have a significantly greater propensity for being selected as important to individuals, but not important to employers, and vice versa? In the example described earlier, the factory with new smokestack scrubbers, water and
indoor air quality would be related to SDG3. Is it possible that many employers are overlooking concerns, such as good health and well-being, that are important to employees? There are likely to be certain SDGs that are more significantly associated with dissatisfaction. Additionally, since the PCSR Research found a relationship between job satisfaction and the perception that employers contribute to the well-being of employees, customers, suppliers and the community, this raises the question as to whether any one of those stakeholder groups is more important to employees.

Future iterations of this research will also account language, education level, cultural nuances, and awareness of SR issues. Cultural nuances could limit the meaningfulness of responses; some communities or companies might have a culture that creates a strong bias in favor of, or against, certain SR issues. In other words, ‘group think’ could overshadow the expression or formation of iSR—an individual’s personal SR commitments. This small study has prepared me to expect to encounter the unexpected, such as the results from Hypothesis 2.

Another example is learning that there are individuals who are vehemently opposed to the United Nations. The single most morally disengaged respondent, a scientist with a mid-sized company commented, “The UN is a racist organization. Wish my organization would be independent of them!” A Quality Manager with a large manufacturer simply stated, “I do not support the UN Agenda.” Another respondent explains in more detail, “I do not believe the UN has any right to interfere with the internal operations of a nation that complies with basic human rights”, while another respondent provides a counter-argument with, “The UN does not condemn actions of nations such as China therefore they have no right to impose any action on any other
nation.” Lastly, the most vehement comment was, “The corrupt UN seeks to undermine interests of the US, therefore, these "goals" about every single one of these "goals" seeks to create a NWO, rather than actually carry out what the "goal" states.” While these represent less than two percent of the respondents, this theme is worth exploring further for two reasons.

First, this sample is most likely comprised of people who are in favor of the UN, given that they are within my professional circle. I am interested to find if future studies reveal a higher level of anti-UN sentiment. Secondly, these comments were completely unsolicited. I am curious what the findings would be if there were explicit questions about the respondents’ opinion of the United Nations and other CSR-related organizations.

Going forward, the most critical consideration in conducting the research within organizations is that respondents could make selections based on what they perceive as being socially acceptable, despite being assured that responses are anonymous, and others might attempt to “game” the survey. There is always the possibility that respondents might not answer completely honestly. The variable with the highest risk for inaccurate selections is moral engagement, in addition to the aforementioned issue with discerning the nature of a respondent’s moral disengagement characteristics.

Future surveys should take into account the power of open-text responses, and encourage the sharing of these opinions. Comments must be considered in the analysis. The quantitative data must be analyzed with the understanding that these are complex issues, and respondents are not all cut from the same cloth. With an appreciation that iSR stands for the individual’s unique social responsibility thumbprint, this research is
expected to illuminate decisions for CSR professionals and provide breakthrough contributions to the sustainability field.

This is the beginning of ongoing research that will have enduring impacts for industries, companies, employees, and all of the connected stakeholders, from families to communities. Blind spots should be revealed not only in specific organizations but also within industries overall, and dialogue can be facilitated within industry professional organizations and advocacy groups.

It is expected that some industries are riper for iSR-CSR Dissatisfaction than others. For example, workers in the food industry might be personally concerned about genetically modified organisms (GMOs), and their employers might share that concern. However, if there are workers in the automotive industry who are also concerned about GMOs, they might find iSR-CSR Dissatisfaction with their employers. Those employees might also recognize that the automotive industry has little impact on GMOs. Automakers are more likely concerned about reducing waste, improving energy efficiency, and supply chain issues directly related to manufacturing vehicles. GMOs simply are not likely to be considered material to most automakers. While this iSR-CSR Dissatisfaction over GMOs might not impact employee attitudes for autoworkers, dissatisfaction over another SR Subject, such as lack of investment in the community and food security in disadvantaged neighborhoods, might be significantly correlated to moral disengagement. After the instrument from this study is further refined, industry-focused research can be conducted.

Specific iSR issues might also have a stronger correlation to employees viewing their work as a “Calling” than others, an aspect of purpose orientation to be discussed in
more detail later. For example, SDG3, focused on health and well-being, might be especially important to employees but overlooked by employers. If there is strong iSR-CSR Satisfaction related to SDG3, an employee might be more prone to report that he “feels good about his work because he loves it, and because he thinks it makes the world a better place…” (Wrzesniewski, McCauley, Rozin, & Schwartz, 1997, pp. 24). The “Calling” purpose orientation has been associated with employees putting more discretionary effort into their work, as well as employee retention. This is an area of research that might be worth exploring in future studies.

As previously discussed, the iSR-CSR Satisfaction Rating is intended to be expressed with words, rather than numerical designation. Employees with an iSR-CSR Satisfaction Rating of three are “somewhat dissatisfied,” rather than referred to as “threes.” A low iSR-CSR Satisfaction Rating is intended to be an opportunity for organizational improvements, rather than weeding out “bad employees.” The implication is also that the organization is equally responsible for the low satisfaction and has a responsibility to find solutions. An employee with an iSR-CSR Satisfaction Rating of four is “neutral,” and a respondent who has an iSR-CSR Satisfaction Rating of seven is “highly satisfied.” This approach avoids dehumanizing numeric labels and is intended to prompt discussion about the organization’s role in improving satisfaction.

Corporate Communications and Human Resources Managers will likely find it useful to have some guideposts for developing campaigns that speak to the key areas of risk in their organizations. For example, beyond developing a compelling campaign to mitigate the risk of employees doing the wrong thing because an authority figure told them to - to speak up if they see something that is wrong – the organization could focus
on increasing iSR-CSR Satisfaction. While employees need to understand “what’s in it for them” for stepping up and to feel that it is safe to do so, we now have evidence that increasing iSR-CSR Satisfaction can increase moral engagement. If the insights expected from this ongoing research had been available to, and acted on, by Volkswagen and Takata, the outcomes for those companies today might be very different.

Because of the gradual nature of moral disengagement, organizational leaders might not be aware of a slowly rotting culture. As Bandura explained, “After their discomfort of self-reproof have been diminished through repeated performances, the level of reprehensibility progressively increases until acts originally regarded as abhorrent can be performed without much distress” (1986, p. 385). In other words, the apple and barrel do not rot rapidly, so the change might be imperceptible. Monitoring iSR-CSR Satisfaction through periodic surveys might help preserve good apples from this slow spoilage. This is important research to continue. In fact, it just might be a matter of life and death.
Appendix

Survey Contents

Item 1 - Informed consent

Item 2 – Purpose orientation (Table 2)

Table 2. Measurement instrument: purpose orientation (Wrzesniewski et al., 1997).

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
</table>
| 2    | 1. “Job”    | Mr. A works primarily to earn enough money to support his life outside of his job. If he were financially secure, he would no longer continue with his current line of work, but would really rather do something else instead. Mr. A’s job is basically a necessity of life, a lot like breathing or sleeping. He often wishes the time would pass more quickly at work. He greatly anticipates weekends and vacations. If Mr. A lived his life over again, he probably would not go into the same line of work. He would not encourage his friends and children to enter his line of work. Mr. A is very eager to retire.  
Mr. B basically enjoys his work, but does not expect to be in his current job five years from now. Instead, he plans to move on to a better, higher level job. He has several goals for his future pertaining to the positions he would eventually like to hold. Sometimes his work seems a waste of time, but he knows that he must do sufficiently well in his current position in order to move on. Mr. B can’t wait to get a promotion. For him, a promotion means recognition of his good work, and is a sign of his success in competition with his coworkers.  
Mr. C’s work is one of the most important parts of his life. He is very pleased that he is in this line of work. Because what he does for a living is a vital part of who he is, it is one of the first things he tells people about himself. He tends to take his work home with him and on vacations, too. The majority of his friends are from his place of employment, and he belongs to several organizations and clubs relating to his work. Mr. C feels good about his work because he loves it, and because he thinks it makes the world a better place. He would encourage his friends and children to enter his line of work. Mr. C would be pretty upset if he were forced to stop working, and he is not particularly looking forward to retirement. | Choose which sounds most like you.  
Note: Prior study offers alternate verbiage, to be evaluated for changes to questions as listed. |
Items 3, 4 – Current job level and length of time in position

Items 5-9 – iSR 1: Stakeholder priority from PCSR and satisfaction (Table 3)

Table 3. PCSR (Glavas & Kelley, 2014), iSR 1 and satisfaction.

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>PCSR Employees</td>
<td>Contributing to the well-being of employees is a high priority at my organization</td>
<td>7-point Likert</td>
</tr>
<tr>
<td>6.</td>
<td>PCSR Customers</td>
<td>Contributing to the well-being of customers is a high priority at my organization</td>
<td>Strongly Agree to Strongly Disagree</td>
</tr>
<tr>
<td>7.</td>
<td>PCSR Suppliers</td>
<td>Contributing to the well-being of suppliers is a high priority at my organization</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>PCSR Community</td>
<td>Contributing to the well-being of the community is a high priority at my organization</td>
<td></td>
</tr>
</tbody>
</table>

**iSR 1 Determination**

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.</td>
<td>iSR 1 Stakeholder Priority</td>
<td>Which one matters most to you personally?</td>
<td>Choose One</td>
</tr>
</tbody>
</table>

iSR-CSR Satisfaction 1: determined by Likert scale in item 5,6,7 or 8 choice of item 9 - selected PCSR Priority

Items 10-17 Moral engagement (Table 4)

Table 4. Eight items of measurement instrument: moral engagement (Moore et al., 2012).

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Moral Justification</td>
<td>It is okay to spread rumors to defend those you care about</td>
<td>7-point Likert</td>
</tr>
<tr>
<td>11.</td>
<td>Euphemistic Labelling</td>
<td>Taking something without the owner’s permission is okay as long as you’re just borrowing it</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Advantageous Comparison</td>
<td>Considering the ways people grossly misrepresent themselves, it’s hardly a sin to inflate your own credentials a bit</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Displacement of Responsibility</td>
<td>People shouldn’t be held accountable for doing questionable things when they were just doing what an authority figure told them to do</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Diffusion of Responsibility</td>
<td>People can’t be blamed for doing things that are technically wrong when all their friends are doing it too</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Distortion of Consequences</td>
<td>Taking personal credit for ideas that were not your own is no big deal</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Dehumanization</td>
<td>Some people have to be treated roughly because they lack feelings that can be hurt</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Attribution of Blame</td>
<td>People who get mistreated have usually done something to bring it on themselves</td>
<td></td>
</tr>
</tbody>
</table>

Items 18-20 – Principle industry, size of organization and job function (drop down selection and menu)
Items 21-31 Job Satisfaction and Organizational Commitment (Table 5)


<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.</td>
<td>Job Satisfaction</td>
<td>All in all, I am satisfied with my job</td>
<td>7-point Likert</td>
</tr>
<tr>
<td>22.</td>
<td></td>
<td>In general, I don’t like my job (R)</td>
<td></td>
</tr>
<tr>
<td>23.</td>
<td></td>
<td>In general, I like working here</td>
<td></td>
</tr>
<tr>
<td>24.</td>
<td></td>
<td>I would be very happy to spend the rest of my career with this organization</td>
<td></td>
</tr>
<tr>
<td>25.</td>
<td></td>
<td>I enjoy discussing my organization with people outside it</td>
<td></td>
</tr>
<tr>
<td>26.</td>
<td></td>
<td>I really feel as if this organization’s problems are my own</td>
<td></td>
</tr>
<tr>
<td>27.</td>
<td>Organizational Commitment</td>
<td>I think I could easily become as attached to another organization as I am to this one (R)</td>
<td></td>
</tr>
<tr>
<td>28.</td>
<td></td>
<td>I do not feel “part of the family” at my organization (R)</td>
<td></td>
</tr>
<tr>
<td>29.</td>
<td></td>
<td>I do not feel “emotionally attached” to this organization (R)</td>
<td></td>
</tr>
<tr>
<td>30.</td>
<td></td>
<td>This organization has a great deal of personal meaning for me</td>
<td></td>
</tr>
<tr>
<td>31.</td>
<td></td>
<td>I do not feel a strong sense of belonging to my organization (R)</td>
<td></td>
</tr>
</tbody>
</table>

Items 32-34 – iSR 2 and satisfaction

Table 6. Determination of iSR 2: choose education, healthcare or job opportunities.

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>32.</td>
<td>iSR 2</td>
<td>Which of the following is most important to you personally?</td>
<td>Select single most important of three</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A good education</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Better healthcare</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Better job opportunities</td>
<td></td>
</tr>
<tr>
<td>33.</td>
<td>iSR 2 satisfaction</td>
<td>How satisfied are you with your employer’s focus on (top choice from Item 32 above) for you and your colleagues?</td>
<td>7-point Likert</td>
</tr>
<tr>
<td>34.</td>
<td>Optional</td>
<td>Do you have any comments that you would like to share?</td>
<td>Open field</td>
</tr>
</tbody>
</table>

Items 35-37 – iSR 3 and satisfaction (Table 7)
Table 7. Determination of iSR 3: choose one of 17 UN SDGs.

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>35.</td>
<td>iSR 3</td>
<td>The United Nations has established 17 Sustainable Development Goals (SDGs). Please select the single most important to you personally: SDG 1: End poverty in all its forms everywhere SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture SDG 3: Ensure healthy lives and promote well-being for all at all ages (including well-being at work and traffic safety) SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all SDG 5: Achieve gender equality and empower all women and girls SDG 6: Ensure availability and sustainable management of water and sanitation for all SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation SDG 10: Reduce inequality within and among countries SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable SDG 12: Goal 12. Ensure sustainable consumption and production patterns SDG 13: Take urgent action to combat climate change and its impacts SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels SDG 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</td>
<td>Select single most important of 17</td>
</tr>
<tr>
<td>36.</td>
<td>iSR 3 satisfaction</td>
<td>How satisfied are you with your employer’s focus on (top choice from Item 32)?</td>
<td>7-point Likert</td>
</tr>
<tr>
<td>37.</td>
<td>Optional</td>
<td>Do you have any comments that you would like to share?</td>
<td>Open field</td>
</tr>
</tbody>
</table>
Items 38-40 – iSR 4 and satisfaction (Table 8)

Table 8. Determination of iSR 4: choose one of ISO 26000 seven subjects.

<table>
<thead>
<tr>
<th>Item</th>
<th>Sub-measure</th>
<th>Item</th>
<th>Scale</th>
</tr>
</thead>
</table>
| 38.  | iSR 4       | ISO, the International Organization for Standards established Seven Subjects of Social Responsibility in ISO 26000, published in 2010. Please select the single most important to you personally:  
  • Organizational Governance (includes transparency, accountability, how decisions are made and how the company is operated)  
  • Human Rights (includes protection for vulnerable groups of people)  
  • Labor Practices (includes health and safety; providing safety equipment and training; fair and just conditions)  
  • The Environment (includes prevention of pollution; reducing emissions of pollutants and using sustainable, renewable resources)  
  • Fair Operating Practices (includes not asking for or accept bribes; treating suppliers and customers fairly)  
  • Consumer Issues (includes protect consumers’ health and safety; reducing waste by minimizing packing material and offer recycling or disposal services)  
  • Community Involvement and Development (includes actions that benefit communities, such as job creation, skill development, infrastructure and well-being; this is not philanthropy) | Select single most important of 7 Subjects |
| 39.  | iSR 4 satisfaction | How satisfied are you with your employer’s focus on (top choice from Item 38)? | 7-point Likert |
| 40.  | Optional     | Do you have any comments that you would like to share? | Open field |

Items 41-43 – Optional: Country of residence, education level, additional comments
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