INTEGRATING NORMATIVE, DESCRIPTIVE, AND INSTRUMENTAL APPROACHES TO CORPORATE SOCIAL RESPONSIBILITY: THE CRITICAL ROLE OF ATTRIBUTIONS

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INTRODUCTION

With the recent popularity of the sociocognitive approach in management research, scholars are just beginning to recognize that evaluators’ perceptions of firms’ practices might be foundational for how they subsequently engage with firms, ultimately affecting the value that firms are able to generate from CSR. Indeed, at the core of CSR phenomena is the simplistic assumption that stakeholders will fall prey to the correspondence bias (Gilbert & Malone, 1995) and thus reward “good firms” – those that are doing “good things” (Brown & Dacin, 1997; Sen & Bhattacharya, 2001).

Building on this research, we propose a process model to examine the mechanisms through which evaluators’ social judgments of CSP might affect changes in the firm’s outcomes. We draw on the social cognition principles of attribution theory because they are foundational to understanding individual judgments of motives and morality, which inform behavior (Shaver, 1985). In short, our main argument is that these individual-level attributions of firms’ motives and morality regarding CSR (normative CSR) mediates firms’ CSP (descriptive CSR) and its impact on strategic outcomes (instrumental CSR).

Thus, where previous research has focused on single approaches to CSR – whether stakeholder, issue management, ethics, or the instrumental view, this paper answers a pressing call for an integrative process model showing the connection between the normative, descriptive, and strategic aspects of CSR (Fukukawa, Balmer, & Gray, 2007). We also complement the sociocognitive lens with a process approach to reflect the ongoing nature of evaluators’ perceptions and the flux that defines both individual perceptions and organizational behavior. This enables us to account for the dynamic nature of the process that occurs between business and society ongoingly. This approach is particularly relevant to the study of CSR as it is increasingly being construed as a discursive process intensely negotiated between managers and society (Skilton & Purdy, 2017).

By examining together the individual, firm, and societal factors that contribute to the impact of CSP on firm outcomes, we take seriously the admonition to bridge levels of analysis and cross disciplinary silos to better understand CSR phenomena in terms of both antecedents and outcomes (Aguinis & Glavas, 2012). Our process model relaxes these causal assumptions and allows social evaluations and CSP to be dynamically related such that attributions for CSP both shape and are formed by individuals’ perceptions of a firm’s social behavior in an ongoing process.
NORMATIVE, DESCRIPTIVE, AND INSTRUMENTAL APPROACHES TO CSR

The normative aspect of CSR is concerned with the nature of the relationship between the business organization and its existence in society. Acknowledging the interdependence of the business and society relationship, CSR is ethically grounded in the broad altruistic notion that firms should avoid harm to others and attempt to accomplish some good toward others (Windsor, 2013). In this paper, we assume that a firm’s ethical position will affect its CSP (Carroll, 2016) and thus imply that there is a strong connection between the normative and descriptive approaches to CSR from the firm’s perspective. In other words, what managers believe about their firm’s ethical responsibility in society forms the basis for the firm’s CSR policies and the various practices and programs that will be supported or turned down in addition to the process and inclusiveness through which these decisions will be made. Ultimately, it is of interest to both scholars and practitioners to understand the contingencies under which CSP adds value to financial performance (FP) (Becker-Olsen et al., 2006; Brammer & Pavelin, 2006; Chand & Fraser, 2006; Fombrun, 2005; Galbreath & Shum, 2012; Godfrey et al., 2009; Johnson & Greening, 1999; McWilliams & Siegel, 2000; Sen & Bhattacharya, 2001; Surroca, Tribo, & Waddock, 2010; Wang et al., 2015).

Still, the occasionally inconsistent findings of empirical studies testify to the need to better understand the mechanisms that underpin CSR’s generation of returns for the firm (Aguinis & Glavas, 2012; Barnett, 2007) and the multilevel influences that mediate firms’ ability to translate CSP into FP (Aguilera et al., 2007). This paper focuses on developing a process model that explains the dynamic relationship between firms’ descriptive CSR, stakeholders’ attributions for CSR and inferences regarding normative motives, and the strategic outcomes of CSR.

A PROCESS MODEL CENTERED ON INDIVIDUAL ATTRIBUTIONS FOR CSP

A good place to start in connecting normative, descriptive, and instrumental CSR is to understand the fundamental logic of CSR. As explained above, by doing good things, firms expect to be perceived as being good, which in turn is expected to appeal to stakeholders and thus grant firms access to resources and support necessary to survive and thrive. This logic rests on the correspondence bias (Gilbert & Malone, 1995), a principle arising from attribution theory (for further reading see Jones, Kanouse, Kelley, Nisbett, Valins, & Weiner, 1972; Malle, 2004; and Shaver, 1975, 1985), which underpins assumptions that individuals will perceive firms’ CSR efforts as good deeds, and that they will proceed to 1) make positive inferences about the firm’s character and 2) act on these judgments by providing resources and support that contribute to the firm’s success. Thus, where CSR research generally focuses on the firm’s perspective (Aguinis & Glavas, 2012), we take the perspective of the stakeholder who perceives, interprets, and acts on an interpretation of firm behavior. As such, we envision CSR as a discursive process between the firm and its constituents (Scherer & Palazzo, 2007; Skilton & Purdy, 2017), where corporate values, policies, and practices are constantly redefined (Vilanova, Lozano, & Arenas, 2009). We expand on this idea by analyzing the broad steps that form the ongoing business-society interaction through CSR.

We note that a rich stream of literature already exists with respect to social perceptions of firm behavior; key concepts include evaluations of the firm’s legitimacy (Dowling & Pfeffer,
1975; Scott, 1995; Suchman, 1995; Tost, 2011), reputation (Fombrun & Shanley, 1990; Mahon & Wartick, 2003; Rindova, Williamson, Petkova, & Sever, 2005), and status (Pearce, 2011; Piazza & Castellucci, 2014; Sauder, Lynn, & Podolny, 2012; Washington & Zajac, 2005). Although there are some overlaps between these constructs, they operate at various levels of analysis, at times as individual perceptions, and at times at the societal level, as intersubjectively agreed-upon social (dis)approval of an organization (Bundy & Pfarrer, 2015; Deephouse & Suchman, 2008). That is, judgments of organizations are collectively held yet originate from individuals – the only entities able to perceive and analyze or feel.

We build on this literature to develop the dynamic mechanism through which these perceptions form and the way in which they affect individuals’ interpretations of CSP. To do so, we construct a four-step process model that depicts how descriptive and normative CSR each lead to interrelated perceptions of the firm, which in turn both directly affect stakeholders’ behavior toward the firm (instrumental CSR) and indirectly do so through sentiments of trust/suspicion.

**DISCUSSION AND CONTRIBUTIONS**

To date, most of CSR research has either adopted an ethical approach by engaging in the debate surrounding why firms have responsibilities to society or an empirical approach testing the ways in which CSR can benefit firms from a strategic standpoint. Another stream approaches the business-society relationship through stakeholder interactions and attempts to delineate the ways in which firms form and maintain relations with their constituents. Against this background, this paper seeks to answer a pressing call in CSR research to advance theory by connecting normative, descriptive, and instrumental approaches to CSR.

In doing so, we consider how individual attributions for CSR interact with perceptions of the firm’s reputation to affect strategic outcomes, notably FP. In reality, CSP exists at the firm level and is perceived by individuals, whose attributions become intersubjectively agreed-upon and shape perceptions of a firm’s reputation at the societal level. Yet, FP is driven by individual action (whether through increased sales or shareholder support, for example). Accordingly, developing an integrative framework for understanding this interactive social judgment process is important for understanding CSP appears to be useful for researchers in the field.

Specifically, we consider that the fit between attributions for CSP and firm reputation can trigger trust/suspicion, which has been shown to play an important role in explaining CSR effectiveness. We propose that favorable attributions for CSP can either reaffirm a firm’s positive reputation or repair a firm’s negative reputation. We suggest that unfavorable attributions for CSP reduce or reinforce a firm’s positive or negative reputation, respectively. In this analysis, we purposely attempt to conceptualize these mechanisms at a high level so as to include more stakeholders than consumers – those who are typically the subject of marketing researchers, where most attributions for CSP studies are conducted. Rather, we seek to highlight the broad processes through which a firm’s normative stance toward CSR becomes enacted in stakeholder relationships (descriptive CSR), and how these actions are perceived and interpreted by stakeholders as they interact with the firm.

Consideration for attributions is just beginning to take hold in CSR research despite the critical role that perceptions play in understanding CSP effectiveness. This nascent research has to date tended to focus on attributions for misconduct (negative CSP) (e.g. Barnett, 2014; Bundy & Pfarrer, 2015; Godfrey, 2005; Lange & Washburn, 2012) and the effect of attributions for
CSR and consumer intentions (e.g. Ellen et al., 2006; Vlachos et al., 2009; Yoon et al., 2006). As a result, we still know relatively little about how stakeholders other than consumers perceive positive CSP and whether and how their attributions affect behavior toward the firm. This gap, in turn, contributes to the ‘CSR blackbox’ since we lack a clear understanding of how the various stakeholders respond to CSP under various conditions, that affect revenues, costs, and profitability – variables which are too often subsumed in an overall FP measure. Our contribution to this literature is to highlight the importance of the degree of congruence between a firm’s existing reputation and its CSP.

REFERENCES AVAILABLE FROM THE AUTHORS