Title: Consideration of Corporate Social Orientation in Managing Sport Organisations' Internal Stakeholders

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Abstract (WIP): Increasing pressure from the public has raised the expectations on corporations to be better citizens of their communities and society as a whole (Bennet 2002; Carroll 1999; Epstein 1989; Van Marrewijk 2003; Wood 1991). As a result, corporations have engaged in corporate social responsibility efforts with most of the subsequent research focused on its impact on consumer response (e.g., attitudes, behaviours, etc.) (Bhattacharya & Sen 2001, 2004; Porter & Kramer 2002). Similarly, research interest on corporate social responsibility in the sport industry has risen, yet no research studies have explored the influence and perceptions about corporate social responsibility of important internal constituents (employees and volunteers) of sport organisations. Particular interest would be in uncovering what employees and volunteers specifically believe are important among CSR elements (ethical, discretionary, legal, economic) and what impact a sense of ‘shared CSR values’ with the respective sport organisation would have on employee and volunteer response. Will understanding how shared social values influence organisational commitment provide insight on recruitment, retention and/or development strategies of employees and volunteers? Further, assessing any difference in sensemaking between these two groups would be of additional value to this line of enquiry, as the perceptions of the organisation are understood as “tantamount to reality, since organisations are social constructions made up of and acting in accordance with shared perceptions,” (Brickson 2007, p. 865) particularly those of employees and volunteers of sport organisations.

With increasing academic and industry interest of corporate social responsibility in sport and to address the obvious gap on CSR and employees and volunteers in the literature, the present study will explore how CSR impacts internal constituents (employees and volunteers) of sport organisations. Specifically, the main purpose of the present study is to assess the level of perceived shared values as they related to CSR (measured as corporate social orientation) between employees- organisation and volunteers- organisation. Further, the influence of the level of perceived shared corporate social orientation (CSO) on organisational identification will be evaluated in the context of a proposed model, which includes the relationship of perceived shared corporate social orientation> organisational identification> attitudinal and behavioural outcomes (i.e., commitment, satisfaction, and organisational behaviour). Using a sample of employees and volunteers of a sport organisation, the respondents will be asked to complete an online survey composed of demographic items, the corporate social orientation scale, and items that measure organisational identification, value commitment, job/volunteer satisfaction, and organisational citizenship behaviours. Discussion of how other stakeholder (e.g., sponsors, consumers, etc.) perceptions on CSR potentially impacts the model and outcomes (e.g., corporate reputation, consumer behaviour) will be addressed. Analyses and results will support discussion and conclusions made to provide evidence for practitioner and researcher implications.

Keywords: corporate social orientation, value congruence, sport organisations

Introduction

Sport businesses increasingly face pressure to meet social expectations to act as “citizens” of their community (Matten, Crane, & Chapple 2003; Wood & Logsdon 2002). Thus increased involvement and attention has been directed towards understanding the specific demands related to corporate social responsibility of their various stakeholders with concern extended to a range of interests with distinct management implications (e.g., with employees, volunteers, customers, local communities, etc.) (Donaldson & Preston 1995; Freeman 1984; Jawahar & MacLaughlin 2001). It has been noted that sport business is seen to be in a unique position to impact society (Smith & Westerbeek 2007), as clearly remarked by National Basketball Association (NBA) Commissioner David Stern, “All corporations have a social responsibility to contribute to the health, welfare
and advancement of communities in which they operate, but professional sports leagues carry a special obligation [which] empowers them to affect change” (Wilner 2008, p. 21). Attention has emphasized corporate accountability and has increased societal expectations for sport organisations to be economically, socially, and environmentally responsible in their business conduct (Babiak, Bradish, Johnson, Kent, & Wolfe 2007; Babiak & Wolfe 2006) with concerns related to a wide spectrum of issues related to violations of human rights, labour laws, environmental considerations (e.g., manufacturing industry), and confusion related to stadium financing and economic impact among many other issues, all noted to influence the perceptions of a sport organisation’s image (Anonymous 2003; Bennet 2002; Hums, Barr, & Guillion 1999; McMurty 2002). In response to these concerns, sporting individuals and organisations have engaged in corporate social responsible activities (e.g., National Football League-United Way; National Basketball Association- NBA CARES; Major League Baseball- Baseball Tomorrow Fund) to do ‘good’ in their communities in hopes of garnering positive public perception and satisfying social demands (Wilner 2008).

While much research has centred on consumer reactions to corporate social responsibility engagement and the impact on consumer attitudes and behaviors related to organisational reputation (Bhattacharya & Sen 2001, 2004; Porter & Kramer 2002), there is very little understanding of how it is perceived by and affects employees and especially volunteers. More specifically, little has uncovered the attitudes of employees, volunteers and sport organisations towards what is important socially (e.g., economic, discretionary, legal, ethical). Organisations should be interested in their relationships with employees and volunteers as they have been noted to be especially important to the success of sport organisations for various reasons (e.g., economic, knowledge resource, etc.) (e.g., Chelladurai 2001; Green & Chalip 1998; Kim, Chelladurai, & Trail 2007; Verdeyen, Put, & Buggenhout 2004). In fact, it has been found that attracting and retaining quality employees are necessary for acquiring competitive edge, enhancing firm performance and achieving organisational success in the ever changing and competitive business environment (e.g., Greening & Turban 2000; Reichheld 1996; Teece 1998; Turban & Greening 1997). Further, it was noted that committed employees are key success drivers as they influence productivity and other performance outcomes (e.g., financial performance) (Bridges & Harrison 2003; Pfeffer 1998). Similarly, volunteers have emerged as filling a critical component of sport service delivery (Fairley, Kellett, & Green 2007; Green & Chalip 1998) and are recognized to play valuable roles in the overall success of various major sporting events (Riemer, Thomas, & Visio 2007; Williams, Dossa, & Tompkins 1995). Increasing attention has been given to volunteers as they provide a fiscal advantage to many sport organisations, as clearly illustrated in the economic value of sport volunteers exceeding $50 billion (USD) (Chelladurai 2006).

**Corporate Social Orientation and Internal Stakeholder Management**

As mentioned, it is vital that organisations understand the impact of employee and volunteer perceptions. This has become of greater importance as some have found that the familiarity and image of an organisation impacts the attraction to and retention of individuals with the organisation (e.g., Cable & Judge 1996; Cable & Parsons 2001; Chatman 1991; Coldwell, Billsberry, van Meurs, & Marsh 2008; Sheridan 1992). Specifically, it has been found that job seekers’ perceptions on the organisational culture and its match with their personality and values influence their attraction to and retention with that organisation (Judge & Cable 1997). Specific to the impact of perceived involvement with CSR activities, Coldwell et al. (2008) explored the potential influence of ethical value congruence of employers and developed a set of propositions which included one that proposed that “fits between individual ethical orientations and corporate ethical reputations generate positive attitudes and behaviours among potential recruits,” (p. 620) and similarly of existing employees. Likewise, Backhaus et al. (2002) found that corporate social performance played a role in employer attractiveness to job seekers.

Corporations are engaged in many socially responsible activities, which can be classified into the four dimensions, found in Carroll’s (1979) CSR framework. Carroll’s (1979) CSR framework is illustrated as a four-level pyramid structure, which includes the economic, legal, ethical and discretionary elements of corporate social responsibility. Specifically, the lower half of the pyramid is composed of economic and legal responsibilities, which are noted to contribute to the viability and profitability of an organisation to avoid facing dire consequences such as insolvency (Carroll 1991). The ethical and discretionary responsibilities make up the top half, where ethical responsibilities involve the duty to act in a manner that is consistent with societal expectation, while discretionary activities go ‘above and beyond’ that expectation (Bartol, Tien, Matthews, & Martin 2005). To measure what an individual or organisation believes as important, these dimensions can be assessed through corporate social orientation (CSO), which is defined as “the relative importance of the four dimensions of CSR” (Smith et al. 2001, p. 277) and is used to measure attitudes toward corporate social responsibility. Specifically, it assesses what individuals or organisations deem as valued and important, as attitudes are founded on values (Agle & Caldwell 1999; Rokeach 1973). Values have been
defined by many (e.g., Enz 1988; Hofstede 1980; Kluckhohn 1951; Rokeach 1973) in differing ways (e.g., enduring beliefs, life directions; broad tendency, etc.) with the underlying elements that define values as “(a) concepts or beliefs, (b) about desirable end states or behaviors, (c) that transcend specific situations, (d) guide selection or evaluation of behaviour and events, and (e) are ordered by relative importance” (Schwartz & Bilsky 1987, p. 551). It is evident that values, that which is desired and ordered by relative importance, are reflected in the attitudes toward corporate social responsibility as measured in corporate social orientation (Aupperle 1984; Agle & Caldwell 1988).

Considering their ability to impact society, organisations need to be wary of how their perceived image based in part on their corporate social responsibility (CSR) activities and perceived corporate social orientation influences relationships with all valuable constituents. Equally important to employee management, it is critical to understand how values impact volunteer management, as it has been noted that there are trends of increasing sport participation and in decreasing numbers of volunteers (Cuskelly 2004). While most research has focused on perceptions and match of employees to organisations, the use of fit in volunteer retention in sport had only been recently addressed in Kim, Chelladurai and Trail (2007) whereby retention was stated to be achieved through “empowering their volunteers through fit of the volunteer to the task, organisation, and appropriate managerial treatment” (p. 151). With the growing acknowledgement that there is an increasing professionalization of volunteers whereby the lines between commercialism and voluntarism are becoming ‘blurred’ (e.g., Enjolras 2001; Seippel 2002), it is proposed that like employees, fit with the organisation would be similarly important in their retention (Wymer & Starnes 2001).

To address the scant literature on employee and volunteer perceptions of corporate social responsibility and sport organisations, it is the aim of this study to fill this research gap by exploring the impact of sport organisation’s perceived social values as they relate to CSR, measured as corporate social orientation (CSO), on employee and volunteer relationships. It is proposed that perceived congruence of corporate social orientation between employees and volunteers with the respective sport organisation will enhance organisational identification, defined as “the degree to which a member defines himself or herself by the same attributes that he or she believes define the organisation” (Dutton, Dukerich, & Harquail 1994, p. 39), which best represents the present exploration of shared corporate social orientation values in employee and volunteer relationships with the sport organisation.

**Purpose Statement**

The primary purpose of the present study is to explore the influence of perceived shared corporate social orientation between employees/volunteers-organisation on organisational identification. A secondary purpose is to demonstrate the impact of employee and volunteer identification on commitment, satisfaction and organisational citizenship behaviour. It is proposed that when the (internal) constituent and the organisation share the same core values pertaining to corporate social responsibility (otherwise known as corporate social orientation), organisational identification will increase and will impact specific positive organisational outcomes. The value of the present study is reflected in Foreman and Whetten’s (2002) statement that “identity congruence has a significant effect on member’s relationships with their organisations” (p. 631). The findings of the present study endeavours to shed light on any existing gap in understanding the impact of perceived corporate social orientation, perceived corporate social orientation congruence, and identification of employees and volunteers with the organisation. Other stakeholders (e.g., sponsors, consumers, etc.) will be considered in the discussion of the conceptual model.

**Research Questions**

The present study will focus on the perspectives of an organisation’s employees and volunteers and how the perception of shared values relating to corporate social responsibility (CSR) may influence organisational identification and ultimately attitudinal and behavioural outcomes. The main focus of this dissertation is to assess the perception of shared values relating to CSR between a sport organisation and its employees and volunteers. Therefore, the broad research questions that will be explored in this dissertation are as follows:

1. **RQ1a:** What specific perceived corporate social orientation values (ethical, philanthropic, legal, and economic) are shared between employees and the respective sport organisation.
2. **RQ1b:** What specific perceived corporate social orientation values (ethical, philanthropic, legal, and economic) are shared between volunteers and the respective sport organisation?
3. **RQ2a:** Does the perceived congruence between an employee’s corporate social orientation and his/her perception of an organisation’s CSO impact his/her level of identification with a sport
4. RQ2b: Does the perceived congruence between a volunteer’s corporate social orientation and his/her perception of an organisation’s CSO impact his/her level of identification with a sport organisation?

5. RQ3a: Does organisational identification have an impact on the commitment, job satisfaction, and/or organisational citizenship behaviors of employees?

6. RQ3b: Does organisational identification have an impact on the commitment, volunteer satisfaction, and/or organisational citizenship behaviors of volunteers?

Conceptual Framework
As noted, the present study is interested in investigating employee and volunteer attitudes toward a sport organisation’s corporate social responsibilities, perceptions of the congruence between employee and volunteer corporate social orientation with the perceived sport organisation’s corporate social orientation, and level of organisational identification and related outcomes. Identity theory supports the idea that these groups will undergo a process of establishing what is considered uniquely valued within the group, which can be extended to the identification of the relevant and salient CSR issues deemed to be important to employees and volunteers. As noted earlier, CSR can be categorized into four dimensions (ethical, legal, economic, discretionary) (Carroll 1979), and attitudes toward what is important or valued among these dimensions have been measured as corporate social orientation (CSO). Researchers have explored the impact of various characteristics on the corporate orientation of individuals (e.g., race, gender, position) (Coffey & Wang 1998; Edmondson & Carroll 1999; Ibrahim & Angleidis 1995; Vitell & Hidalgo 2006) to “explore how people’s stakeholder role and demographic characteristics affect their value-derived expectations regarding an organisation’s CSP” (Smith, Wokutch, Harrington, & Dennis 2001, p. 276). This is reflected in the modified versions of Smith et al.’s conceptual (2001) model, where hypothesized predictors and outcomes are depicted for employees and volunteers. The relationships between demographic context (e.g., gender, tenure) and its impact on perceived shared corporate social values (between employees-organisation and volunteers-organisation), identification and its related outcomes will be addressed in the present study. Furthermore and as discussed, employee and volunteer perception of corporate social orientation congruence with the respective organisation will have an effect on organisational identification and its impact on value commitment and various outcomes. Value commitment will be explored to represent this part of the relationship as it has been strongly linked to these specific outcomes (e.g., Morris & Sherman 1981; Wittig-Berman & Lang 1990). To address the unique relationship sport organisation’s tournament volunteers have, the tournament will represent the ‘organisation’ in the model.

Methodology
This study will employ a non-experimental design using an established construct to measure corporate social orientation (Aupperle 1984) in a cross-sectional approach. Specifically, stakeholder groups (e.g., employees, volunteers) of various sport organisations will be surveyed using an online survey. The online survey will be composed of demographic questions, an abbreviated version of Aupperle’s (1984) measure of corporate social orientation, and measures of organisational identification, commitment, job/volunteer satisfaction, and organisational citizenship behaviours. Descriptive statistics, correlations, multivariate analysis of variance, and structural equation modelling will be employed to analyse the relationships and to test 18 hypotheses.

Results, Discussion and Conclusion
As this presentation is a Work-in-Progress, the focus will be on the conceptual background with limited discussion on results and discussion.

References


