

The Relationship between Production Employees' Perceptions of their Employer's Corporate Social Performance and Organizational Commitment

Abstract

Research has shown that white collar or professional employees' perceptions of their employers' Corporate Social Performance (CSP) affects employee work attitudes. However, there is a lack of research concerning the existence of such a relationship for blue-collar or production employees. This paper examines the relationship between employee perceptions of their employer's CSP and employee work attitudes in the context of blue-collar production employees. Data were collected via surveys of 135 production employees at three kitchen cabinet manufacturers in the Northeastern United States. Results suggest that like white collar employees, blue-collar employees' perceptions of their employer's CSP are positively related to their affective organizational commitment. In particular, the employee relations dimension of CSP is most strongly related to affective organizational commitment, followed by the community relations dimension. Employee perceptions of the environmental-product relations dimension of CSP do not significantly influence employees' affective organizational commitment. These results imply that companies should communicate their CSP to all employees because it may have the potential to increase their employees' organizational commitment.

Introduction

Literature revolving around Corporate Social Performance (CSP) has been accumulating for decades (Carroll, 1999; de Bakker et al., 2005). However, despite the amount of research conducted on this topic, there exists no universal consensus about the definition of CSP. In general, CSP refers to “the actions of the organization (usually a for-profit business) and the consequences of those actions on the broader society in which the organization is embedded” (Mahon, 2002: 427). It is important to note that although the terms are often used interchangeably, early theorists made a distinction between Corporate Social Responsibility (CSR) and CSP, such that CSR refers to a company’s obligation to be responsible whereas CSP refers to the actions a company takes in order to fulfill its societal obligation (i.e., its responsiveness) (Carroll, 1979). This paper focuses on CSP as opposed to CSR because it focuses on actions as opposed to obligations. As noted by Rowley and Berman (2000), a considerable amount of CSP research has examined the potential for a company’s CSP to provide internal benefits to the company itself (Albinger and Freeman, 2000), not the least of which is enhanced financial performance (Orlitzky, Schmidt and Rynes, 2003). Furthermore, literature has shown that CSP can have a beneficial impact on companies in terms of investments (Graves and Waddock, 1994; Johnson and Greening, 1999), consumer purchasing decisions (Vandermerwe and Oliff, 1990; Brown and Dacin, 1997; Panwar et al., 2006), employer attractiveness, and employee commitment to the work organization (Turban and Greening, 1996; Greening and Turban, 2000; Backhaus et al., 2002; Peterson, 2004; Brammer et al., 2007).

Although academics have not yet agreed on a precise definition of CSP, much literature has converged on certain dimensions of CSP that are deemed important (Harrison and Freeman, 1999; Graves and Waddock, 1994; Turban and Greening, 1996; Berman et al., 1999; Johnson

and Greening, 1999; Greening and Turban, 2000; Backhaus et al., 2002; Bird et al., 2007). This convergence likely stems from the availability of third-party-source databases consisting of social performance information about companies. One of these sources is published by Kinder, Lydenberg, Domini & Co., Inc., and is commonly referred to as the KLD. The KLD is a database of information about publicly held firms' CSP. It reports third-party ratings based on strengths and weaknesses of nine to eleven dimensions of CSP, with five of those dimensions having been consistently studied in academic research (Turban and Greening, 1996; Berman et al., 1999; Johnson and Greening, 1999; Greening and Turban, 2000; Backhaus et al., 2002). The five most studied dimensions are: employee relations, the treatment of women and minorities, community relations, environmental relations and product relations.

Much of the recent research on CSP has used the KLD's social-report rating system as a basis for assessing CSP. Additionally, the primary academic focus on CSP has been on the relationship between a company's CSP and its financial performance. However, studies of this relationship have often yielded inconclusive results (Graves and Waddock, 1994; Johnson and Greening, 1999; Bird et al., 2007). Other research using the KLD's objective ratings has examined CSP relative to employer attractiveness (Turban and Greening, 1996; Albinger and Freeman, 2000; Greening and Turban, 2000; Backhaus et al., 2002). However, researchers have begun looking at first-person perceptions of CSP as opposed to third-party social ratings as it has been noted that it is perceptions, not the accuracy of those perceptions, that influence employee attitudes and behavior (Mahon, 2002; Whetten and Mackey, 2002; Peterson, 2004). Specifically, in terms of the relationship between CSP and work attitudes, it has been suggested that "although the employees' perceptions of the social performance of their work organizations may not be accurate, employees' work attitudes are determined by their perceptions, regardless of the

accuracy of the perceptions” (Peterson, 2004: 300). Thus, in order to examine a relationship between CSP and employee attitudes it is necessary to assess employee perceptions of CSP. The research that has been done to date on employee perceptions of CSP focuses mainly on white collar or professional employees and organizational commitment; there is a lack of research concerning the existence of such a relationship for blue-collar production employees.

Work attitudes such as organizational commitment are important because it has been suggested that they are related to company performance. In particular, organizational commitment has been shown to be related to turnover (Cotton and Tuttle, 1986; Meyer et al., 2002), which can be related to company performance (Koys, 2001). Further, it is possible that the inconsistent findings between objective ratings of CSP (i.e., the KLD) and companies’ financial performance may be the result of examining an incomplete relationship. In fact, it might be that CSP affects employee attitudes, which in turn impacts financial performance. This relationship could be especially profound in a manufacturing organization in which the work-related attitudes and behaviors of production employees are critical to performance.

The purpose of this paper is therefore to investigate whether the relationship between perceptions of CSP and organizational commitment exists for blue-collar workers and subsequently to explore multiple dimensions of CSP in order to examine which dimension(s) most explain its relationship to organizational commitment. The research model is presented in Figure 1.

-----Insert figure 1 about here-----

Literature Review

Corporate Social Performance

One possible theoretical explanation of the relationship between employee perceptions of CSP and work outcomes is Social Identity Theory (Turban and Greening, 1996; Greening and Turban, 2000; Peterson, 2004; Brammer et al., 2007). Social Identity Theory states that people have a self-concept that they want to enhance. In order to enhance this self-concept, people tend to classify themselves into categories on the basis of characteristics such as organizational membership. The theory posits that this classification in turn influences the individual's self-concept, or identity. This social identity, then, is an individual's self-classification into a certain category that enhances their self-concept. Hence, social identification refers to one's "perception of oneness with or belongingness to some human aggregate" (Ashforth and Mael, 1989). Subsequently, social identity theory suggests that employees' self-images are influenced by their organization (Turban and Greening, 1996; Greening and Turban, 2000; Peterson, 2004; Brammer et al., 2007). According to Brammer et al. (2007) Social Identity Theory "hypothesizes that individuals are happiest when they associate themselves with organizations that have positive reputations, because it is association with those organizations that will enhance their self-concept" (p. 1704). It is believed that the converse is also true; that work organizations with negative reputations will result in negative employee attitudes (Dutton et al., 1994; Peterson, 2004). In fact, a study by Dutton et al. (1994) demonstrated the connection between organizational reputation and employee work attitudes for workers at the Port Authority of New York and New Jersey, 3M and Exxon. In their study, Dutton et al. (1994) noted that organizational action or inaction towards social issues, such as the Port Authority's inaction with regards to the homeless situation in the New York subway rail stations, affected employee

attitudes. Other researchers have extended this conception specifically in terms of CSP. For example, Peterson (2004) and Brammer et al. (2007) have suggested that an organization's reputation is influenced by the organization's social actions, and therefore, perceptions of CSP may influence employee attitudes.

In addition to CSP affecting employee attitudes in general, it has also been shown to influence specific employee attitudes, such as organizational commitment. In fact, organizational commitment has been the most frequently studied outcome in terms of employee perceptions of CSP. Brammer et al. (2007) found that for a sample of retail banking workers, employee perceptions of their employer's CSP was related to an increase in organizational commitment. Peterson (2004) also looked at the relationship between employee perceptions of CSP and organizational commitment, but in the context of business professionals. The Peterson (2004) study found that employee perceptions of CSP were significantly related to an increase in organizational commitment, but that the relationship depended on what the author termed "socially responsible attitudes". Peterson (2004) defined socially responsible attitudes as "employees' beliefs supporting the importance of [the] social responsibility of businesses" (p. 302).

Defining Corporate Social Performance

As mentioned above, there are five dimensions of CSP that are commonly studied in academic research: 1) employee relations, 2) the treatment of women and minorities, 3) community relations, 4) environmental relations, and 5) product quality. For this study, the dimensions of employee relations and the treatment of women and minorities will be combined to form a single dimension, namely employee relations. In addition, environmental relations and product quality will be combined into another single dimension. This is supported by the work

of Johnson and Greening (1999), who used two dimensions to represent all aspects of CSP: a people dimension and a product quality dimension. The people dimension consisted of employee relations, the treatment of women and minorities, and community relations. Their rationale for the product quality dimension was that “product quality and environmentally sound manufacturing are, in effect, two attributes of producing a product” (Johnson and Greening, 1999:565). Although Johnson and Greening (1999) collapsed the measure of CSP into two dimensions, this study will separate employee relations and the treatment of women and minorities from community relations because employee relations and the treatment of women and minorities have to do with how a company interacts with its employees, while community relations has to do with how a company interacts with the community in which it resides. Thus, while the KLD provides an objective measure of company-level CSP, the current study will use the KLD as a framework in order to provide a comprehensive assessment of employee perceptions of CSP along three main dimensions: 1) employee relations, 2) community relations and 3) environmental-product relations. Therefore, the working definition of CSP in this paper is *the actions taken by a company, specifically within the dimensions of employee relations, community relations and environmental-product relations.*

Dimensions of Corporate Social Performance

Although the KLD was used as a framework providing the dimensions of CSP, it has not publicly disclosed its exact methods and measures for rating companies' CSP. Therefore, the dimensions of CSP in this study were assessed by a combination of widely used constructs and several newly-created items. These will be discussed in detail in the Methods section.

We will explore the employee relations dimension of CSP via employee perceptions of management's support for safety as well as employee perceptions of how fairly they are treated

by management. This is because safety is important for any production worker and especially important for forest products production workers as they are considered to be working in one of the most dangerous manufacturing industries (Michael and Wiedenbeck, 2004). In addition, on-the-job accidents and injuries can result in decreased employee morale, organizational commitment, job satisfaction and increased turnover (Michael, Evans, Jansen and Haight, 2005; Evans et al., 2005). According to Rinefort and Van Fleet (1998) “another way of assessing human resources in organizations is through safety indicators such as accident or work injury rates” (p. 10).

Procedural justice refers to the perceived fairness of the procedures that an organization uses to make allocation decisions such as pay or promotions (Moorman, 1991; Tepper and Taylor, 2003; Brammer et al., 2007). According to Brammer et al. (2007) procedural justice “is concerned with the processes through which firms evaluate employee performance and ensure the fair treatment of employees of different gender and race and as such is intimately concerned with socially responsible behavior in organizations” (p.1705). As such, procedural justice is related not only to employee relations, but also to the treatment of women and minorities.

In this study, the community relations dimension of CSP will be explored via employee perceptions of their company’s involvement in the community as well as employee perceptions of their company’s image. This is because social responsibility in the community refers to the extent to which the company is perceived to be a responsible member of the community in general. Since employees often reside in the community in which they work, they would likely be aware of the company’s contributions, if any, to the community. Additionally, corporate image refers to how a company is viewed externally. Thus, employee perceptions about

corporate image in the community reflect perceived corporate reputation, which has been shown to be related to employee attitudes (Dutton et al., 1994).

In this study, the environmental-product relations dimension of CSP will be explored via employee perceptions of their company's environmental policies as well as employee perceptions of their company's waste reduction. This is because corporate environmental policies reflect a company's stance towards the environment. Employee perceptions of environmental policies are important because they reflect the extent to which management has not only created a policy, but has actionably communicated the company's environmental stance to its employees. Masurel (2007), in a study of Dutch printing firms, illustrated that the most important reason for investing in pro-environmental measures was to serve their employees. Thus, whether or not such policies actually exist is not what's important – what matters is the extent to which employees perceive such policies to exist. We included waste reduction in part because it was a key component of the environmental certification program for our target industry, and also because employee perceptions of waste reduction correspond to actions the company has taken to reduce its impact on the environment.

Employee Work Attitudes: Organizational Commitment

Organizational commitment is broadly defined as one's psychological attachment to his or her employer and is generally broken down into three distinct components of commitment: affective, continuance and normative (Mowday et al., 1979; Allen and Meyer, 1990; Meyer and Allen, 1991; Meyer et al., 2002; Mohamed et al., 2006). Affective commitment is generally described as one's emotional connection to and hence identification with, and involvement in a company. Continuance commitment generally refers to one's perception of the costs (both tangible and intangible) that might be associated with leaving his or her company. Normative

commitment generally denotes one's perception of his or her obligation to remain with his or her company. Differences between the components of commitment can be seen through the following description: "Employees with strong affective commitment remain because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to do so" (Allen and Meyer, 1990: 3). Extant research's focus on affective commitment has been attributed to its strong and consistent relationship to organizational outcomes including reduced turnover (Mohamed et al., 2006). In this study, affective organizational commitment will be used to explore employee attitudes and investigate whether relationships exist between employee perceptions of CSP and organizational commitment for blue-collar workers. We will also seek to determine which dimensions of CSP most explain its relationship to organizational commitment.

Methodology

Research Setting

This research takes place within the context of the kitchen cabinet industry sector of the forest products industry, which is seeing an influx of "green" certification programs. Specifically in terms of kitchen cabinets, the Kitchen Cabinet Manufacturers' Association (KCMA) recently inaugurated an environmental certification program known as the Environmental Stewardship Program (ESP) (KCMA, 2006). This program consists of second-party product and/or product line certification and is available to all U.S. kitchen cabinet manufacturers regardless of KCMA membership. Certification is based on documentation of eighteen criteria that are assessed via five aspects including: air quality, resource management in terms of the product, resource management in terms of processes, environmental stewardship and community relations. In order to be certified, a company must achieve a certain number of

points that correspond to the five aspects mentioned above. As a result of certification, companies are given an Environmental Stewardship Program seal to display on their cabinets or their promotional literature. As of May, 2009, approximately half of KCMA member companies were (125+) had at least one product line certified by the Environmental Stewardship Program (KCMA, 2009).

It is clear that KCMA's ESP program may provide external company benefits via promoting green cabinet manufacturing and purchasing through the display of the ESP seal. However, it is possible that the ESP program may also provide internal company benefits via improving employees' perceptions of their employer's CSP, thus increasing employees' organizational commitment.

Sample and Data Collection

The sample, including three kitchen cabinet manufacturers, was selected from the Kitchen Cabinet Manufacturers Association's member list. The first company, Company A, was a small custom cabinet manufacturer with 25 production employees located in Central Pennsylvania. The second company, Company B, was another small custom cabinet manufacturer with 20 production employees located in South Eastern Pennsylvania. The third company, Company C, was a large stock cabinet manufacturer with multiple plants in various locations, however only the plant located in Northern Virginia with 206 production employees was surveyed. Only Company C was unionized.

The data used in this study were collected via standard on-site paper and pencil survey methods. The survey instrument was examined by experts in the field, and subsequently pilot tested. Surveys were administered and collected on-site during working hours. Because of the research objectives of the study, survey participants were limited to hourly production workers.

The surveys were administered in person by the research team and were given during paid work time. Management and other company officials were not present in the room while the survey was conducted. The employees were divided into manageable groups ranging from 5 to 75 employees, depending on work shifts. Participants were repeatedly assured of confidentiality both verbally and in writing on the survey instrument.

The overall usable survey response rate was 61.1 percent. Company C had the lowest response rate, which was likely due to the fact that there were many immigrant workers who did not speak fluent English. These employees either did not fill out a survey, or only answered a few questions and it was clear that there was a language barrier issue; therefore those surveys were excluded from the dataset. In terms of ESP certification, only the third plant was certified. The first plant was in the process of becoming ESP certified (and ultimately became certified), and the second plant decided not to be certified even though it already met the standards for certification.

Measures

The dimensions of CSP and corresponding constructs described in this paper were measured using multiple survey questions. A five-point Likert-type response format ranging from “strongly disagree=1” to “strongly agree=5” was used to assess each item unless otherwise noted below. Subsequently, the items for each construct were averaged to create a construct variable. Then, a dimension variable was created by averaging the constructs representing that dimension of CSP. For example, the items measuring safety were averaged together to form a construct variable representing safety and the same was done for procedural justice. Then, the safety and procedural justice construct variables were averaged together to create the employee relations dimension variable. Thus, three dimension variables were created: Employee

Relations, Community Relations and Environmental-Product Relations. This section begins by describing the measures used to assess perceptions of these dimensions of CSP and then continues to discuss outcome and control variables.

CSP Dimension #1: Perceptions of Employee Relations

This dimension was assessed using two separate constructs: safety and procedural justice. The overall coefficient alpha representing the employee relations dimension was $\alpha = .87$.

Perceptions of safety were measured by the safety climate scale developed in Zohar (1980) and revised for use in the wood products industry by Evans et al. (2005). Since Zohar's (1980) safety climate measure has three types of items (those referring to coworkers, supervisors and the overall management of the company) and this study focused on employee perceptions of organizational-level performance, only the six items pertaining to the overall management of the company were used. Subsequently, two of the items were removed, reducing the measure to four items. The first item was removed because it was the only reverse-worded item in its set and it appeared as though participants did not read close enough to distinguish the reversed wording. The second item was removed because it was not holding together well with the other items in the measure. Sample items from this measure include: "Upper management assigns a high priority to safety" and "Safety is an important concern of my company's upper management". The coefficient alpha for this four-item safety measure was $\alpha = .86$.

Perceptions of procedural justice, which refer to the perceived fairness of allocation decisions such as pay or promotions, were assessed by an adaption of Sweeney and McFarlin's (1993) procedural justice measure as reproduced in Fields (2002). The measure consisted of four items. Sample items include: "The procedures my company uses to determine pay raises are

fair” and “The procedures my company uses to evaluate performance are fair”. The coefficient alpha for this four-item procedural justice measure was $\alpha = .82$.

CSP Dimension #2: Perceptions of Community Relations

This dimension was assessed using two separate constructs: social responsibility and corporate image. The overall coefficient alpha representing the community relations dimension was $\alpha = .85$.

Perceptions of social responsibility were assessed by a single-item measure created by Brammer et al. (2007): “My company is a socially responsible member of the community”. In addition, the researchers added another item developed for this study. The additional item was created based on the Environmental Stewardship Program’s community relations guidelines. The newly created item was: “My company is involved in the community with service or charitable organizations”. The coefficient alpha for this two item measure of social responsibility was $\alpha = .71$.

Perceptions of corporate image were assessed by the measure used in Riordan et al. (1997). The original measure included six items; however, three of the items were removed. These items were removed because they referred to corporate image in general and not within the community in which the company is located. Sample items include: “Generally I think that my company has a good reputation in the community” and “Generally I think that my company is actively involved in the community”. The coefficient alpha for this three-item measure was $\alpha = .82$.

CSP Dimension #3: Perceptions of Environmental-Product Relations

This dimension was assessed using two separate constructs: environmental policies and waste reduction. The overall coefficient alpha representing the dimension of environmental-product relations was $\alpha = .90$.

Perceptions of environmental policies were measured with a modification of the measure used by Vlosky and Ozanne (1998). Our modified measure included four of the original seven items. Sample items include: “I think this company has a sufficient environmental policy” and “Employees at this company get sufficient training on how to reduce the environmental impact of our operations”. The coefficient alpha for this four-item environmental policy measure was $\alpha = .81$.

The measure used to assess perceptions of waste reduction was developed specifically for this study, with items adapted from the ESP guidelines. The newly created items included “I think this company is very good at reducing process wastes”, “I think this company has adequate programs for tracking and reducing process wastes” and “I think this company is very concerned about meeting emissions regulations”. The coefficient alpha for this newly-created three-item measure of waste reduction was $\alpha = .84$.

Outcome Variable: Affective Organizational Commitment

Affective organizational commitment was assessed using Allen and Meyer’s (1990) eight-item measure. These items were measured on a seven-point Likert-type scale ranging from “strongly disagree=1” to “strongly agree=7”. Sample items include: “This company has a great deal of personal meaning for me” and “I enjoy discussing my company with people outside it”. The coefficient alpha for this eight-item measure in this study was $\alpha = .88$.

Control Variables

Participants' gender, age and organizational tenure were controlled for in the following analyses. In addition, the company was also used as a control variable.

Analyses and Results

Prior to data analysis, the data were examined for coding/data entry errors and tests for normality were examined for each of the survey items as well as the aggregates. Tests for normality included kurtosis measures, skewness measures and visual inspection of histograms. The majority of items appeared to be within normality limitations with kurtosis measures below 1, skewness measures around zero, and normal-shaped histograms. Therefore no data transformations were made.

Table 1 presents the means, standard deviations and correlations among the dimensions of CSP (employee relations, community relations and environmental-product relations), the control variables and the dependent variable, affective organizational commitment. As can be seen in Table 1, all three dimensions of CSP are highly interrelated, however this is expected since they should be measuring the same construct, which is CSP. Additionally, although some of the correlations are high, multicollinearity does not appear to be an issue since the highest correlation is below .70, which is a common threshold for concern about multicollinearity (Tabachnick and Fidell, 1996). Additionally, all correlations between the dimensions of CSP and affective organizational commitment are in the positive direction, as expected.

-----Insert table 1 about here-----

Separate standard multiple regression analyses were used to investigate the relationships between employees' perceptions of the dimensions of CSP (employee relations, community relations and environmental-product relations) and affective organizational commitment. The

outcomes of these regression analyses are provided in Table 2. The first model included only the control variables: age, gender, organizational tenure and company. Although age and organizational tenure are usually highly interrelated, they were not too highly interrelated in this sample ($r = .482$) and so it was decided that both would be used as controls. This model was not statistically significant and accounted for little, if any, variance in affective organizational commitment (adjusted $R^2 = .000$, $p = .848$).

-----Insert table 2 about here-----

The next three models were separate analyses in which affective organizational commitment was regressed on each dimension of CSP. The first of these three models included the control variables and the employee relations dimension of CSP. This model was significant and accounted for 35.0 percent of the variance in affective organizational commitment (adjusted $R^2 = .350$, $p < .001$). The relationship between the employee relations dimension of CSP and affective organizational commitment was positive such that an increase in employee perceptions of their employer's employee relations was related to higher affective organizational commitment.

The next model included the control variables and the community relations dimension of CSP. This model was also significant and accounted for 21.5 percent of the variance in affective organizational commitment (adjusted $R^2 = .215$, $p < .001$). The relationship between the community relations dimension of CSP and affective organizational commitment was positive such that an increase in employee perceptions of their employer's community relations was related to higher levels of affective organizational commitment. The fourth model included the control variables and the environmental-product relations dimension of CSP. This model was also significant and accounted for 16.9 percent of the variance in affective organizational

commitment (adjusted $R^2 = .169$, $p < .001$). The relationship between the environmental-product relations dimension of CSP and affective organizational commitment was positive such that an increase in employees' perceptions of their employer's environmental-product relations was related to higher affective organizational commitment. Thus, these three models showed that separately each dimension of CSP was significantly related to the dependent variable, affective organizational commitment, while controlling for age, gender, organizational tenure and company.

The final model, model 5 in Table 2, included the control variables and all three of the dimensions of CSP (employee relations, community relations and environmental-product relations). This model was also significant and accounted for 39.2 percent of the variance in affective organizational commitment (adjusted $R^2 = .392$, $p < .001$). Additionally, both employee and community relations were significant within the model (Standardized $\beta_{\text{employee relations}} = .548$, $p < .001$; Standardized $\beta_{\text{community relations}} = .201$, $p = .035$), but environmental-product relations was not significantly related to affective organizational commitment when controlling for age, gender, organizational tenure, company, employee and community relations (Standardized $\beta_{\text{environmental-product relations}} = .054$, $p = .586$). That is, employees' perceptions of their employer's environmental-product relations appear unimportant in the regression equation even though they are significantly correlated with the dependent variable, organizational commitment, in the bivariate case. Additionally, the relationships between employee relations and organizational commitment and community relations and organizational commitment, are weakened when the other variables are controlled for. For example, the relationship between the employee relations dimension of CSP and organizational commitment, controlling for age, gender, organizational tenure and company is .682, but when the community relations and

environmental-product relations dimensions of CSP are added as control variables, the relationship decreases to .361. Similarly, the relationship between the community relations dimension of CSP and organizational commitment, controlling for age, gender, organizational tenure and company is .521, but when the employee relations and environmental-product relations dimensions of CSP are added as control variables, the relationship decreases to .201. This suggests that CSP dimensions of employee relations, community relations and environmental-product relations have a high degree of shared variance. That is, the unique variance accounted for by each dimension decreases as the other dimensions are added into the equation. This can be expected, however, since the three dimensions are meant to represent the same construct, CSP.

Discussion

These results show that of the variables considered in this blue-collar sample, perceptions of the employer's employee relations are the most important in terms of organizational commitment, followed by community relations. Environmental-product relations contribute to the variance explained in affective organizational commitment, but this contribution is not significant when employee and community relations are also considered. Thus, it appears that the dimensions of CSP in closest proximity to the employee matter the most in terms of affective organizational commitment. It seems logical that employees' perceptions of the employee relations dimension most affect organizational commitment because it is something that employees can observe nearly every working day. This finding is aligned with previous work indicating that perceptions of family supportiveness from the organization matter to blue-collar employees (Grandey, Cordeiro, and Michael, 2007). Additionally, many employees live

in the community within which they work, and so it is also logical that employee perceptions of their employer's involvement in the local community influences organizational commitment.

Conversely, a company's environmental-product relations may be far removed from the employee's mind as they might not realize the effect that the company's day-to-day operations have on the environment. Or, it might be that these blue-collar production workers have too many day-to-day worries to be concerned with long-term environmental issues. However, when this same sample of employees was asked "How important is it to you that the company you work for be environmentally responsible?" 43.8 percent said it was very important, with an additional 34.8 percent saying that it was somewhat important to them. Only 21.4 percent said that their employer's environmental responsibility was unimportant to them. Therefore, one of the likely explanations for the lack of a significant relationship between employee perceptions of the environmental-product relations dimension of CSP and organizational commitment is that although production employees care about their employer's impact on the environment, it is not as critical to them as more proximate issues such as employee and community relations, because it is not as relevant in their day-to-day lives.

The results of this study provide implications for manufacturing organizations and those concerned about the welfare of blue-collar employees. And in general, these results provide further evidence suggesting that treating employees well (i.e., via higher levels of corporate social responsibility) can lead to positive benefits for the employer. In this case employee perceptions of "good" treatment resulted in greater commitment to the company. Higher levels of employee affective commitment is a positive outcome for companies because it is related to employee performance (Meyer et al., 2002). Our findings also suggest that manufacturers can improve relations with employees by enhancing their perceived social performance related to

safety policies and fair decision making. Given that our findings are based on employees' perceptions of CSP dimensions, we can suggest that management will benefit by promoting its commitment to CSP to employees at all levels of the company.

In addition, the results of these analyses also suggest that organizations employing hourly workers can benefit from being involved in their local communities. Our findings reinforce previous research showing that when companies align their social involvement with their corporate strategy they reap considerable benefits (Porter and Kramer, 2006). Companies already engaged in these behaviors should be sure to communicate their community involvement to employees at all levels. The results of these analyses suggest that when employees perceive their employer is actively involved in the community they respond with greater commitment to the organization, which could in turn lead to increases in productivity.

Limitations

We would note several potential limitations to this research. First, the data were self-reported which can lead to common methods bias. Second, as with all survey research, other sources of error and potential bias exist. For example, issues such as social desirability, which is present when respondents inflate positive responses and reduce negative responses in order to give socially desirable responses, may have been present. In addition, the literacy level of participants varied and some participants may not have fully understood every part of the survey. Third, the data used in this research reflect employee perceptions which may or may not be an accurate reflection of companies' actual CSP. Fourth, since the data were taken at one point in time (i.e., they are cross-sectional) causality between the independent and dependent variables could not be assessed. Finally, care should be taken when making generalizations based on this exploratory research as it included only three companies within a much larger industry.

Conclusions

In sum, the results of this study have shown that as with white collar professional employees, blue-collar production employees' perceptions of Corporate Social Performance influence organizational commitment. In particular, the employee relations dimension of CSP most impacts employees' organizational commitment, followed by community relations. These findings are important because they can help organizational leaders understand how to reap the benefits of socially responsible actions, and could also be used to promote the benefits of CSP to leaders of manufacturing organizations who might otherwise be skeptical of blue-collar responses to CSP-related efforts.

Increased organizational commitment is a positive, desirable outcome for companies because increases in affective organizational commitment are generally related to increases in employee job performance and decreases in turnover (Meyer et al., 2002), which have the potential to increase companies' financial performance. These results of these analyses also provide evidence suggesting that blue-collar production employees are not as self-centered as they are often portrayed. This is an important finding and should be examined in more depth in future research. Further, this study contributes to Business and Society scholarship by addressing some of the previous concerns that have been put forth about the measurement of CSP, such as the use of a multidimensional measure that has the potential to be comparable across studies (Rowley and Berman, 2000).

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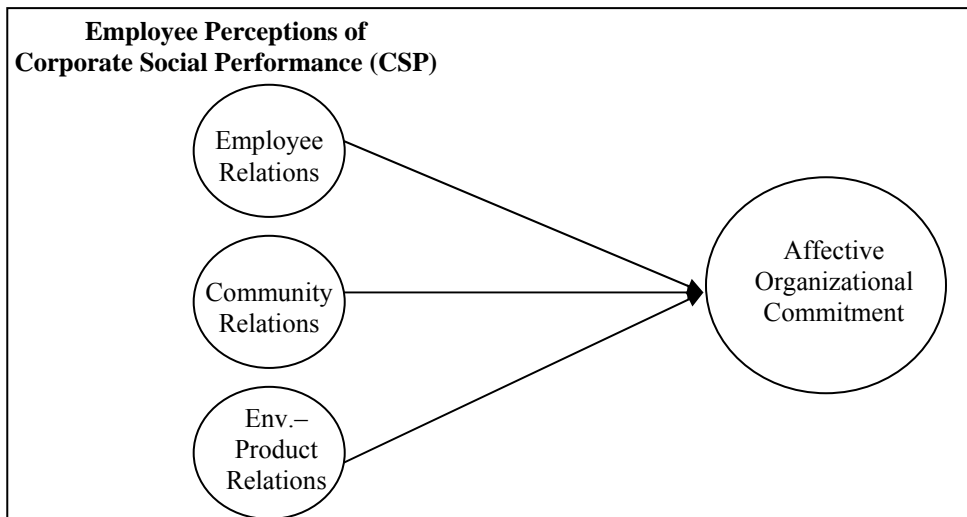


Figure 1: The effect of employee perceptions of CSP, as defined by the dimensions of employee, community and environmental-product relations, on employees' affective organizational commitment.

Table 1: Correlations, means and standard deviations of the dimensions of corporate social performance (n = 123).

Correlations	Mean	SD	1	2	3	4	5	6	7
<i>Independent Variables:</i>									
1. Employee Relations	3.17 ^a (5)	0.70	--						
2. Community Relations	3.44 (5)	0.62	.533***	--					
3. Env-Product Relations	2.99 (5)	0.76	.661***	.531***	--				
<i>Outcome and Control Variables:</i>									
4. Affective Org. Commitment	3.95 (7)	1.20	.587***	.459***	.430***	--			
5. Age	45.63	11.20	-.110	.018	-.075	-.116	--		
6. Gender (0=male, 1=female)	0.42 ^b	--	-.244**	-.135	-.195	-.023*	.156	--	
7. Organizational Tenure	13.83	10.37	-.192*	.056	-.137	-.045	.482***	.133	--
8. Company	--	--	--	--	--	--	--	--	--

* p < .05 (2-tailed)

** p < .01 level (2-tailed)

*** p < .001 level (2-tailed)

^a Aggregate means (scale type) where applicable. The constructs were coded in a way that 1 reflects a low level and the high end of the scale (5 or 7) reflects a high level of the specific variable

^b The mean represents females, such that females consisted of 42 percent of the sample

Table 2: Affective organizational commitment regressed on the dimensions of corporate social performance.

Variables	<u>Model 1:</u> Controls Only		<u>Model 2:</u> Controls and Employee Relations		<u>Model 3:</u> Controls and Community Relations		<u>Model 4:</u> Controls and Environmental- Product Relations		<u>Model 5:</u> Controls and Employee, Community and Env-Product Relations	
	Std. Beta Coeff.	Part Corr.	Std. Beta Coeff.	Part Corr.	Std. Beta Coeff.	Part Corr.	Std. Beta Coeff.	Part Corr.	Std. Beta Coeff.	Part Corr.
	<i>Control Variables</i>									
Age	-.097	-.082	-.156	-.132	-.120	-.101	-.144	-.122	-.169*	-.143*
Gender (0=M, 1=F)	.041	.036	.068	.059	.053	.046	.035	.030	.055	.047
Org. Tenure	.024	.020	.119	.101	-.050	-.043	.052	.045	.070	.058
Company (DC1)	.080	.069	-.187*	-.150*	.042	.036	-.056	-.047	-.170	-.134
Company (DC2)	.046	.040	-.111	-.096	-.143	-.119	-.107	-.090	-.175*	-.144*
<i>Independent Variables</i>										
Employee Relations	--	--	.682***	.604***	--	--	--	--	.548***	.361***
Community Relations	--	--	--	--	.521***	.487***	--	--	.201*	.151*
Env-Product Relations	--	--	--	--	--	--	.475***	.437***	.054	.039
Constant	4.296		.934		1.158		2.374		.215	
Multiple R	.129		.618***		.504***		.458***		.658***	
R-square	.017		.382***		.254***		.209***		.432***	
Adjusted R-Square	.000		.350***		.215***		.169***		.392***	
F	.400		12.053***		6.627***		5.121***		10.852***	
df	123		123		123		122		122	
n	124		124		124		123		123	

* p < .05 (2-tailed)

** p < .01 level (2-tailed)

*** p < .001 level (2-tailed)