Building CSR through Organizational Acts of Compassion

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조직 내 컴페션 행동을 통한 기업의 사회적 책임

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Abstract Our study builds up a theoretical model to explain how individual compassion in organizations affects the macro concept of corporate social responsibility (CSR). A theoretical framework conceptualizes whereby individual compassions in work organizations responding to others' suffering generate positive or negative organizational identity, which impact their CSR activities. That is, we proposes that authentic compassion will develop positive organizational identity and then leads to proactive CSR, while pseudo compassion will trigger negative organizational identity and in turn results in reactive CSR. This study aims to explain the antecedents of firms' CSR in terms of individual compassion in organizations, interacted with the dynamics of organizational identity.

Key Words : Authentic compassion, Pseudo compassion, Organizational identity, Corporate social responsibility(CSR), Organizational identification

요 약 본 연구는 조직 내 개인들의 컴페션 행동들이 조직 수준의 기업의 사회적 책임(CSR)에 어떻게 영향을 미치는가에 대한 이론적 모델을 세웠다. 이론적 모델은 다른 직원의 고통에 반응하여 제공하는 직원들의 컴페션 행위가 조직의 긍정적 또는 부정적 조직 정체성을 일으키고, 더 나아가서 기업의 CSR 활동에 영향을 미칠 것으로 개념화했다. 즉, 조직 구성원들의 가슴에서 일어나는 진실한 컴페션은 긍정적 조직 정체성을 일으켜 자발적인 CSR을 하게 되고, 외부의 압력 등에 의해서 어쩔 수 없이 하게 되는 가짜 컴페션은 부정적 조직 정체성을 일으켜 소극적인 CSR을 하게 된다. 본 연구는 CSR의 선행변수로써 조직 내 개인들의 컴페션 행위와 이를 통해 발전한 조직의 정체성으로 보았다

주제어 : 진실한 컴페션, 가짜 컴페션, 조직 정체성, 기업의 사회적 책임, 조직 동일화

1. Introduction

The basic concept of CSR is based on corporate voluntary activity aimed to contribute for social welfare beyond the interests of the firm[1]. The CSR acts fulfill philanthropic love and care that provide links to our society, which consist of the four dimensions such as economic responsibilities, legal responsibilities, ethical responsibilities, and discretionary responsibilities[1, 28, 31, 32]. Thus, CSR can be considered as an organizational level of compassion that firms respond to the societal issue to achieve social/environmental changes with good will.

Kanov, et al. (2004)[2] define compassion as an interactional procedures of 1) noticing others' suffering, 2) emphasizing their pain, and 3) providing helpful actions to attenuate their pain. Compassion includes not only cognitive and emotional connection to others under

suffering, but also taking care of those others[3]. Consistent with the consequences of CSR at the organizational level (i.e., promoting public interests by encouraging society growth and development regardless of legality), compassion provides sources of cares and helps for the employees under suffering at work[3, 4]. Thus, we suggest that CSR is an organizational-level activity that can be bridged into the micro level of compassion in organizations. This paper posits that the companies are the most likely to increase their CSR acts when individuals in organizations generate compassions that truly involves noticing others' pain, feeling empathy with their pain, and acting in some way to display warmth, affection, and kindness for alleviating the pain[3].

In this article, we propose that authentic compassion that sees another's sufferings with the eyes and the heart of another is emerged if individuals sincerely notice, feel empathy for another's sufferings, and act to the sufferings in voluntarily way. In contrast, if compassion work is seen as demanding obligation, pseudo (false) compassion that lacks one or more of the critical elements of true compassion is created. Authentic compassion may create positive identity leading to proactive CSR through positive organizational identity, while pseudo compassion may generate negative identity leading to reactive CSR through negative organizational identity. We distinguish the types of CSR into proactive and reactive CSR. Proactive CSR refers to substantive action that organizations take the CSR issue seriously and spontaneously commit themselves and their significant resources with strategic, altruistic and long-term based perspective while reactive CSR refers to the rhetoric or passive of socially responsible corporate behavior with egoistic and short-term based perspective[1].

This paper aims to offer a conceptual model of how differently authentic and pseudo compassion are emerged with respond to another's sufferings, and how these two types of compassion are connected into either positive or negative organizational identity, and then influence the CSR activities. First, our study delineates a positive interactional process between authentic compassion and proactive CSR; how firms are intrinsically motivated to engage in CSR activities through positive organizational identity caused by authentic compassion. Second, this study also depicts a model of negative interactions between pseudo compassion and reactive CSR; how firms are involved in involuntary process of CSR activities in terms of negative organizational identity originated from pseudo compassion

2. Literature Review

2.1 Compassion and Identity

Individuals express their experiences and feelings in organizations through stories or narratives[5]. Compassion is also carried in a form of stories in ways that influences identities of individuals and of collectives. The stories of compassion are spread out through the organization, and shared among organization members, leading to constructing organizational identity[5]. Narratives provide a powerful window of building upon the individual's organizational identity[6]. Individual's identities are formed by mutual interactions among organizational members, which can distinguish themselves from the outside members[7]. Thus, compassion narratives are shared among members, ultimately shaping their self-identities and perceptions about their organization. The narratives of compassion, as they circulate through the organization, develop a common understandings of the value that the organization is a true care-giver. As narratives of compassion are told and retold through the organization, employees are likely to perceive their organization as care-providing system and sources of social support and healing[8]. Lilius et al. (2008)[9] have found that employees who experience compassion at work are more likely to express their emotion in a positive manner and be committed to their work.

According to positive identity claimed by Dutton et al. (2010)[10], positive identity is closely associated with compassion. Thus, the experience of compassion among members would have strong relationships with positive organizational identity leading to positive emotion on their job, increased organizational commitment and loyalty, and organizational citizenship behavior.

2.2 Linking Compassion and CSR through Organizational Identification

While CSR has gain its attention from the macro OB literature, compassion is relatively novel topic in the micro OB literature despite its long history in religion, medicine, and sociology[5]. In order to link compassion at the micro level to CSR at the macro level, it is necessary to present the organizational identification process. Organizational identification refers to the extent to which employees identify with their organization[11, 15]. Prior literatures on organizational identification have argued that organizational member's self-identity is linked to their organization through organizational identification process[11, 12]. The organizational identification binds employees with the organization in terms of both psychological and sociological tie, even when employees are dispersed. Thus, the process of organizational identification can be conceptualized as a transit process from the self-identity at the micro level to organizational identity at the macro-level.

Drawing upon social identity theory, employees are more likely to identify with their organization when they consider themselves as members of organization with a positive identity in order to maintain their prestigious images[13]. Social categorization allows the organizational members to consider their group more favorably than the out-group, and then a positive organizational identification encourages individuals to increase organization's identity enhancing behavior, such as CSR[10, 13]. Engaging in CSR acts is known to as an effective way of promoting a corporate reputation, and increasing organizational identity[14, 30].

Previous research has suggested that employees experiencing compassion at work tend to be more committed to pro-social behaviors toward others[9, 17, 20, 29]. Based upon affective event theory (AET) that regards organizational events as proximal causes of cognitive/affective reactions and behavioral changes[27], organizational events (i.e., compassionate acts among employees) affect cognitive and emotional states (i.e., organizational identity) as well as behavioral reactions of employees (i.e., pro-social behaviors such as CSR acts). When employees experience compassion at work, they perceive it as organizational event, which may lead to organizational identity and in turn engage in CSR for their organizations and society. In particular, when employees perceive their organization as a care-giver and supporter due to compassionate acts within their organization, they are intrinsically motivated to engage in voluntary programs for social changes or push their firm to engage in CSR initiative[1], which may be closely related to discretionary responsibilities of the CSR dimension. Drawing on a model incorporating social identity theory and affective events theory, we argue that compassion at work is an individual level activity that can have outcomes at the organizational level through CSR acts within organizations.

3. Conceptual Framework and Proposition Development

In this article, we suggest that authentic compassion among employees will generate positive organizational identity, which results in more rigorous and voluntary way of CSR. In contrast, organizational members experiencing pseudo compassion have negative emotions, such as fear, apprehension, a sense of isolation, loneliness, mistrust, anger or feeling of careless within an organization[9], which eventually leads to the negative organizational identity and reactive CSR. Employees' experiences about the extent

to which their organization and coworkers provide compassion and cares in an authentic manner become a central factor in affecting the development of positive or negative organizational identity, which ultimately leads to either proactive or reactive CSR. For example, Dutton and Dukerich (1991)[25] found that the Port Authority (PA)'s members who perceive their firm as distinctive in terms of being uniquely technical expertise for social service activities are likely to possess higher level of positive organizational identity and self-esteem, leading to more engagement in pro-social behaviors in order to maintain its prestige image from social audiences. However, once PA failed to provide adequate care and help programs for homeless people, it severely damaged its image, and developed negative organizational identity[25], which triggers reluctance of belonging to the organization, so that they have little engagement in pro-social behaviors.

Fig. 1. Research Model

Fig. 1 demonstrates a positive link between authentic compassion and proactive CSR through positive organizational identity. Thus, we propose that employees experiencing compassion tend to create positive organizational identities through organizational identification process. Existing research shows that compassion affects employees' attitudes and relational perceptions by shaping their sense making about their organization while they interact with one another at the workplace[9]. Employees' perceptions of the firm's values and cares about their well-being (i.e., perceived organizational support) shape the employees' subsequent identities, attitudes and behaviors toward their organization[9]. According to Lilius et al. (2008)[9], employees who experience compassion within their organization are more likely to make

commitment to their organization, perceive their organizations in positive manner, leading to positive employee outcomes.

Compassion provides a positive impact on both employees who receive it and employees who give it. The organization members' perceptions about their organization (POI) are affected by the extent to which they receive and delivery compassion[9]. For example, employees who see others receiving compassion or providing compassion tend to develop a positive emotion, which triggers an intrinsic motivation to participate in compassionate activities. Moreover, employees who delivery compassion are satisfied from their actions of helping others[9]. Recent empirical research suggests that the delivery of compassion is likely to decrease employees' work stress by engendering compassion satisfaction[16]. Thus, we suggest that compassion among employees will be positively related to positive organizational identity.

Proposition 1: Compassion among employees will be positively associated with positive organizational identity.

Experiencing compassion tends to enhance positive pro-social identity, which leads to positive impacts on corporate reputation, and on employees' desire to participate socially supportive behavior such as CSR[17]. Experiencing compassion at work heightens employees' sense of self-other similarity that connects them with their organization, work colleagues, and even ultimately to society[18]. High degree of self-other similarity and connection to others, in combination with the positive organizational identification encourage employees to care for others. Positive organizational identity drawn from compassion facilitates an organizational capability for cooperation among inside members, and even with outside social audiences by developing relational resources, and shared values[20].

Based upon social identity theory, the positive organizational identity evokes members' intrinsic

motivations for further enhancement of organizational identity or reputation[13]. Consequently, the organizational members (including CEO and top management teams) with positive organizational identity are more likely to engage in CSR spontaneously for further enhancing their organization's identity. As one of efforts to obtain the approval from the society and improve its reputation, the organization generally conducts CSR. Socially responsible firms have more positive reputations, and are viewed as more attractive to the society, thereby offering those firms with a competitive advantage[14]. As shown in Fig. 1, the organizational members with positive organizational identity are intrinsically motivated to engage in CSR activities.

Proposition 2: Positive organizational identity will be positively associated with CSR.

Fig. 2. Research Model

As shown in Fig. 2, we argue that employees who experience pseudo compassion at work are more likely to develop negative organizational identities. Since pseudo compassion forces members to put in feeling compassionate about others' sufferings and practicing compassion with a sense of obligation, this can be demanding and difficult for members who do not truly engage in feeling compassionate[5, 8]. Pseudo compassion prevents members from sincerely noticing, feeling, and acting to others' sufferings due to its nature of indifferences about others.

On the other hand, care-recipients who experience pseudo compassion may create a sense of isolation, loneliness, and mistrust within an organization since they do not feel that they are being sincerely cared and supported at work. A sense of isolation and careless treatment from their organization decreases member's organizational commitment and job satisfaction, leading

to negative perspectives to see their organization[8]. Member's experiences of pseudo compassion construct the negative organizational identity through organizational narratives that are communicated from one employee to another, and eventually spread to entire organizations. Members' perceptions about the firm's lack of care and support about their well-being create the negative identities, attitudes and behaviors toward their organization. Thus, from this perspective, we propose that employees who experience pseudo compassion at work tend to develop negative organizational identity.

Proposition 3: pseudo compassion among employees will be positively associated with negative organizational identity.

Organizational identity plays an important role in normatively regulating human behavior and organizational activity[10]. Negative organizational identity among members thus provides tremendous disadvantages over employee behavior, sense making, organizational culture, stakeholder management, corporate image and reputation. Members with negative organizational identity due to the presence of negative repercussions of compassion generally make less organizational commitment for their organization[5].

For these reasons, those with negative organizational identity may not exert considerable effort on behalf of the organization, and consequently put less effort for its proactive CSR. Rather, they tend to pursue a minimum level of CSR reactively with response to the particular demands of largely external stakeholders, such as governments, NGOs, and consumer lobby groups regarding a firm's operations. Employees with negative organizational identity generally have low level of the perception of oneness with and belongingness to the organization, so that they have little interest in enhancing corporate reputation in terms of firm's proactive CSR engagement. Rather, members with negative

organizational identity are passively engaged in CSR activities by external social pressures that continually emerge from multiple stakeholder groups. Thus, from this perspective, the organizational members with negative organizational identity are engaged in reactive CSR activities rather than proactive CSR due to involuntary motivation for CSR through external social pressure.

Proposition 4: Negative organizational identity will be positively associated with reactive CSR.

4. General Discussion

4.1 Conclusion

This study delineates a conceptual framework in which authentic or pseudo compassion arising from others' suffering at the individual level can be connected into the CSR activities at the organization level via positive or negative organizational identity. We suggest that compassion develops positive organizational identity, which leads to more acts that will enhance the organizational reputation, such as CSR. More specifically, employees experiencing compassion have positive organizational identity so that they tend to increase corporate image or reputation, and correspondingly pursue for the firm's CSR. In addition, we propose that pseudo compassion may produce negative organizational identity among the organizational members, thereby causing reactive CSR.

Our study contributes to both the compassion and the CSR literature by linking the macro concept of CSR with micro concept of compassion. CSR is generally treated as a macro-level activity that brings about macro level consequences [22], so it has gained little attention within the micro research (i.e., organizational behavior literature). Our paper suggests that compassion can positively contribute to, react indifferently to, or even interfere with an organization's CSR activities, which brings compassion into interests

of macro researchers.

In addition, organizational researchers have examined how individuals construct and maintain positive identities in a variety of ways[7, 10]. Although most studies on psychology or organizational behavior have only examined antecedents and consequences of a positive identity, there has been little conceptual or theoretical work on how a negative identity occur and how such negative processes influence organizational performance. Thus, this study attempts to explore how negative identity affects the CSR.

4.2 Implication and Limitation

Practically, this study provides novel insight for the practitioners (i.e., CEO, top management teams, employees) dealt with the CSR activities in organizations who never pay attention to compassion as a deriving force for the proactive CSR. Based upon the fact that consumers' perception of the firm's CSR motives is an important variable that determines the consequences of the CSR acts, our model identifies compassion as a predictor of the firms' CSR. Community members have hospitable awareness toward the corporations that engage in altruistic CSR elicited from authentic compassion. Thus, this study allows the practitioners to reconsider the role of compassion for maximizing the firm's CSR effects, which satisfies the motivation for social audiences and the motivation for their own company.

This study has also limitations that can be addressed by future research. Our study conceptualizes how compassion interacts with the CSR initiatives in terms of an organizational identification through qualitative research method. Due to the lack of compassion measure, few studies on compassion have adopted the quantitative methodology in examining antecedents and consequences of compassion. Having valid measures of compassion is necessary to study the impacts of compassion on other variables. Thus, future study must develop more validated measurement of compassion.

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