

Tékhne





ARTICLE

Tell me your socially responsible practices, I will tell you how attractive for recruitment you are! The impact of perceived CSR on organizational attractiveness



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Abstract This experimental study seeks to extend the current knowledge about the impact of corporate social responsibility on organizational attractiveness by analyzing the mediating role of corporate image. To the best of our knowledge, no study has empirically tested this. Participants (n = 195) randomly received an individual survey containing a description of a company as fulfilling (high engagement condition) or not fulfilling (low engagement condition) a set of socially responsible practices, followed by questions about the study variables. Structural equation modeling analyses revealed that the proposed model has a strong fit to the data, evidencing that the perceived level of engagement in socially responsible practices contributes to triggering the process that leads individuals to evaluate an organization as a good place to work. Corporate social responsibility can thus be a source of competitive advantage regarding the recruitment of new employees. Accordingly, information related to corporate social performance should be considered by recruiters.

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1. Introduction

Human resources are the most distinctive and valuable asset of any organization (Cappeli & Crocker-Hefter, 1996) as they provide companies the necessary knowledge, skills and

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competences to successfully pursue organizational goals. Following this line of reasoning, several researchers have classified human resources as a valuable capital of any organization, and thus called them human capital (e.g. Cascio & Bondreau, 2011; Hatch & Dyer, 2004). One of the current key issues in human resource management is effectiveness in the way how an organization is able to attract qualified and adjusted profiles of newcomers. As such, the pressure for effectiveness in attracting new employees is substantially high, as this is a critical matter for organizational competitiveness. This is why several practitioners usually state that "applicant attraction to organizations is business". Recruitment involves a sequence of stages whose primary purposes are to identify and to attract applicants with a profile adjusted to the organizations' requirements (Barber, 1998). Given its relevance to organizational success, applicant attraction issues have gained renewed importance since the beginning of this century, pressuring practitioners to be able to cope with the employment markets with high effectiveness levels, as well as researchers to investigate about ways to enhance organizational attraction efficiency. As such, several researchers and practitioners commonly refer to the employment market as a place where organizations can struggle between themselves for the most interesting employees, in a way that has lead to use the expression "war for talent" (Bhattacharya, Sen & Korschun, 2008; Michaels, Handfield-Jones, & Axelrod, 2001). The organizational attraction issues have been noticed by researchers since at least three decades, whom have recently regained focus, calling for the relevance of developing new research over the subject (e.g. Gomes & Neves, 2011; Van Hooft, Born, Taris, & Van der Flier, 2006). Consequently, the importance of organizational attraction to recruitment effectiveness has stimulated the development of an interesting and still growing body of research focused on the comprehension of applicant attraction to organizations (Erhart & Ziegert, 2005). One major finding refers to the relevance of organizational attractiveness for attraction effectiveness.

Organizational attractiveness relates to the degree to which a prospective applicant perceives an organization as a good place to work and the positive desirability of developing a work relationship with it (Aiman-Smith, Bauer & Cable, 2001; Rynes, 1991). It relates to the affective evaluation of an organization made by prospective applicants, which is usually considered as an important output of the attraction stage of recruitment as it is related with important applicants' evaluations of the organization and also with applicants' behaviors. Over the years, several researchers have certified for the relevance of attractiveness, elaborating that attractiveness is positively and significantly associated with the assessment of companies' image, reputation or employer brand (e.g. Gomes & Neves, 2010; Greening & Turban, 2000; Lievens & Highhouse, 2003; Lievens, Van Hoye & Schreurs, 2005), as well as applicants' intention to apply to a vacancy or pursuing a job in an organization (e.g. Chapman, Uggerslev, Carrol, Piasentin, & Jones, 2005; Gomes & Neves, 2011; Porter, Cordon & Barber, 2004; Roberson, Collins, & Oreg, 2005).

Variables such as job characteristics and organizational attributes (Gomes & Neves, 2010) or the source, amount and type of information used in recruitment advertising (Reeve,

Highhouse & Brooks, 2006) have been established as good predictors of organizational attractiveness. Some studies suggest that corporate social responsibility (CSR) can be also an important predictor of organizational attractiveness. CSR refers to the degree to which organizations embrace social and environmental considerations alongside economic ones in their business operations and relationship with stakeholders (Aguinis, 2011; Duarte, Mouro & Neves, 2010; European Commission, 2001, 2011; Neves & Bento, 2005), and consequently develop principles, policies and practices that appear to further some social good (McWilliams & Siegels, 2001; Wood, 1991). Being a multidimensional construct, CSR comprises the implementation of a broad range of practices, such as reducing environmental impact, investing in people management and development, community support, or ensuring firm economic sustainability (Carroll & Shabana, 2010; Dahlsrud, 2008; Duarte, 2014; Neves & Bento, 2005). Previous studies found that prospective applicants consider CSR important to the overall assessment of companies as future places to work (Backhaus, Stone & Heiner, 2002) and are more attracted to companies that are considered to be more socially responsible than to companies that are perceived as less responsible (Albinger & Freeman, 2000; Alniacik, Alniacik & Genc, 2011; Bauer & Aiman-Smith, 1996; Evans & Davis, 2011; Greening & Turban, 2000; Lin, Tsai, Joe & Chiu, 2012; Lis, 2012; Smith, Wokutch, Harrigton & Dennis, 2004; Turban & Greening, 1997). This does not imply that CSR is the main predictor of prospective applicants' options. Other organizational or job-related characteristics might be more relevant or critical to job decisions as discussed by Auger, Devinney, Dowling, Eckert and Lin (2013). Nevertheless, existing studies suggest that CSR makes a significant contribution to understanding and predicting a company's ability to attract prospective applicants. Based on this evidence, we propose that:

Hypothesis 1. The level of engagement in CSR practices affects organizational attractiveness. The level of organizational attractiveness will be higher when perceived corporate engagement is high.

CSR has also been frequently related to increased corporate image, that is, to people's overall impressions of an organization (Fombrun, 1996; Fombrun & Van Riel, 1997; Lievens, 2006; Kim, Lee, Lee & Kim, 2010; Riordan, Gatewood & Bill, 1997). For instance, Brammer and Millington (2005) found that companies which make higher levels of philanthropic donations have better reputations. The development of a positive image in the eyes of stakeholders has been cited as one of the benefits of corporate investment in CSR (European Commission, 2001; Kotler & Lee, 2005). Corporate image, for its part, has been positively associated to different stakeholders' decisions about their relationship with an organization (Alsop, 2004), including organizational commitment, job satisfaction and intention to quit (Duarte & Neves, 2012; Lee, Lee & Lum, 2008; Riordan et al., 1997), and organizational attractiveness (Greening & Turban, 2000; Lievens et al., 2005). These findings suggest that corporate image may be a potential mediating mechanism of the relationship between perceived CSR and organizational attractiveness. Consequently, the engagement in CSR practices might promote a more positive

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