On the Positives of Peripheral Corporate Social Responsibility

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Although we support the primary embedded–peripheral categorization proposed by the focal article authors, (Aguinis & Glavas, 2013), in this commentary, we explore the implications of privileging embedded over peripheral corporate social responsibility (CSR) and identify benefits of the latter that we believe have been overlooked or underplayed. The benefits of peripheral CSR that we outline

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below can, in fact, contribute substantially to overall CSR efforts over and above those of embedded CSR.

Implications of Privileging Embedded CSR

First, we agree that there are substantial benefits associated with embedding CSR in organizations; however, not all organizations have the resources or capacity to undertake the kinds of programs in place at GE, IBM, and Intel that were showcased in Aguinis and Glavas. In addition, we see advantages in positioning peripheral and embedded CSR as *both – and* possibilities rather than *either – or* propositions, as the term ''versus'' in the title suggests. Finally, the distinction between embedded and peripheral CSR seems to rest, in part, on the idea that one (embedded) is more genuine and transparent than the other (peripheral), and that consumers ''will punish companies for peripheral CSR,'' (Aguinis & Glavas, p. 324). However, well-designed peripheral CSR programs can *also* be executed in a genuine and transparent way, and can add significant and unique value to companies over and above that added by embedded CSR. Below we provide examples of three areas in which believe this to be the case: enhancing corporate image and reputation, increasing positive employee outcomes through corporate volunteering, and providing opportunities for meaningfulness and more proximal motivational outcomes.

Benefits of Peripheral CSR

Corporate image and reputation. Aguinis and Glavas clearly lay out the importance of embedded CSR in enhancing corporate image and reputation. Yet, particular image and reputational advantages can accrue from peripheral CSR as well, for a couple of reasons. First, peripheral CSR can actually be *more* transparent than embedded CSR, in some cases. That is, embedded CSR is, by design, organization specific; thus, it requires knowledge of the organization's

strategy and daily practices. As a result, it may be difficult for outsiders forming image perceptions of the company in which CSR is embedded to see and appreciate these CSR efforts. For example, some human resource practices in which CSR is embedded (e.g., performance management and compensation systems) are typically not visible to the larger public, limiting the potential image and reputational bang from the embedded CSR buck. On the other hand, peripheral CSR efforts are easier to communicate and more visible to the public as they do not require tacit knowledge specific to the organization. For example, corporate volunteering at a Habitat for Humanity build or donating philanthropically to a community cause are public events in which outcomes can be clearly seen by potential customers and employees. Therefore, these peripheral CSR activities are more likely to engender goodwill and a positive organizational image than, say, increasing the number of transistors on a computer chip or creating more energy-efficient computer servers, as the peripheral CSR activities are visible and easily understood.

Second, peripheral CSR can be used by organizations of all types and sizes, allowing these organizations to impact current and potential stakeholders' views of organizational image and reputation. The embedded CSR practices of GE, IBM, and Intel are all built around highly advanced forms of technology, which are not available to most organizations, especially small businesses. If an image of good corporate citizenship were based solely on an organization's ability to create innovative but costly technology, small businesses would be excluded from the positive CSR-related reputational effects. Peripheral CSR allows organizations of any size, including those outside of the technology arena, to make contributions to communities that are noticeable by employees as well as outsiders.

Finally, because peripheral CSR practices are visible to the public and accessible to more companies, the chances of greenwashing can actually be decreased.

Embedded CSR that is tied to a company's human resource practices or described in complex technical jargon may be understood internally but not externally, and there is no guarantee of positive image or reputational effects. Conversely, the two peripheral CSR practices mentioned in the article—corporate volunteering and philanthropy—are relatively straightforward, public acts for which the company would likely be rewarded rather than punished, as they are often in response to community needs and create positive feelings in those who observe and benefit from them (Marquis, Glynn, & Davis, 2007). Admittedly, greenwashing has a negative effect on both employees and consumers; however, neither greenwashing nor authenticity is limited to one form of CSR. Rather, greenwashing and disingenuous practices can be undertaken by any company engaging in CSR—embedded or peripheral—by manipulating or obfuscating messages to the public.

Corporate volunteering and individual choice. As noted, one of the major forms of peripheral CSR is corporate volunteering in which organizations formally support and subsidize employee efforts to perform services for the community while on company time (Boccalandro, 2009). What is relatively unique to corporate volunteering is that it focuses on employees' responses to CSR and how they choose to donate their *own* time, efforts, and skills (Wood, 2007). Embedded forms of CSR may involve employees directly, but those efforts are often mandated by the *organization* and considered part of the employee's overall job performance. Conversely, corporate volunteering is selected by the *employee* who chooses whether and how to be involved (Grant, 2012). Further, while companies embedding CSR may strive for values congruence between the employee and the organization, this is true only when the employee indeed shares the organization's values and CSR targets, and not all may. By allowing employees to choose the type of corporate volunteering,

they may indeed live out more fully their whole selves and experience an improved self-concept as there is volition in choosing their involvement.

The peripheral act of giving employees more autonomy over their CSR efforts may allow them to realize more fully psychological outcomes associated with job autonomy, such as job satisfaction, life satisfaction, family satisfaction, and positive spillover (Thompson & Prottas, 2006). By participating in corporate volunteering that allows free-choice opportunities, employees can have even greater commitment to and identification with the organizations that provide these opportunities (Bartel, 2001), making peripheral CSR considerably more than ''merely window dressing.''

Meaningfulness and proximal motivational outcomes. In addition to the benefits noted above, peripheral CSR also can create avenues for employees to engage in discretionary behaviors and activities as sources for self-fulfillment. As Grant (2012) has suggested, when certain aspects of an employee's job design are not fulfilling, whether task, social, or knowledge characteristics, employees may seek out opportunities to compensate for the deficiency in fulfillment and reestablish meaning (Heine, Proulx, & Vohs, 2006). Employees may discover the meaningfulness and fulfillment absent from their jobs by participating in volunteering projects. While embedded CSR does provide avenues for employees to contribute to CSR efforts, there is no guarantee that employees will find fulfillment or meaningfulness within those contributions. As noted by Aguinis and Glavas, meaningfulness is subjective, and what one employee finds rewarding another may not. Thus, peripheral CSR may provide a useful alternative source of fulfillment or meaningfulness beyond that offered by embedded CSR efforts.

Also, peripheral CSR may offer opportunities for more proximal motivational outcomes as employees engaging in volunteering or philanthropic projects can be involved in a more hands-on way. Consider,

for example, IBM's Smarter Planet Program with a goal to impact world hunger through the reduction of food waste. Employees who help design the information system that makes this strategic goal possible might have different reactions in terms of how meaningful they find the endeavor. An information technologist in the company may find this CSR contribution rewarding, whereas another employee working on the same project, but in a less direct way, may not. For the latter employee, the CSR outcome may be too distal to allow him or her to experience instrumentality between his or her actions and the outcome, lessening the motivational impact. Thus, an issue with embedded CSR is that in some cases there is not a direct link or point of contact between the employees putting forth the CSR effort and the given beneficiary. An employee may find a peripheral form of CSR more gratifying due to an opportunity to have actual contact and interaction with the beneficiaries, for example, serving soup to a homeless person at a shelter.

This proximal contact is important because it enables employees to become more aware of the effects that their actions have on the intended beneficiaries (Hackman, Oldham, Janson, & Purdy, 1975), especially when working on significant, high-impact tasks (Rosen, Mickler, & Collins, 1987). Organizations should value direct interaction with beneficiaries because proximal motivational outcomes have been found to have a greater impact than distal ones (Kaifeng, Lepak, Jia, & Baer, 2012), and employees who are able to recognize the impact of their efforts on beneficiaries tend to display greater motivation and performance (Grant, 2007). Research has also suggested "the experience of helping others may play an important buffering role in protecting against negative affective experiences," (Grant & Sonnentag, 2010, p. 18). Therefore, the hands-on experiences associated with peripheral CSR not only motivate but also can serve as interventions to prevent consequences of negative affective experiences, such as burnout (Grant & Sonnentag, 2010).

Overall, peripheral CSR may, in fact, compensate for deficiencies associated with embedded CSR by providing meaningful hands-on experiences, particularly in organizations in which embedded CSR is prohibitively expensive. Peripheral CSR allows those organizations to compensate in cases in which embedded CSR may not be possible, providing employees and the organization an opportunity to reap the multiple benefits of engaging in CSR.

Conclusion

In this commentary, we have advocated for recognizing the positive effects of peripheral CSR on organizations and employees. Peripheral CSR can positively impact the organization—through enhancement of corporate reputation—as well as individual employees—through provision of autonomy and more proximal motivational outcomes. Thus, we believe it is important to not throw out the proverbial baby with the bath water. Well-designed peripheral CSR efforts that are genuine and transparent are an important and, in some cases, more accessible component of CSR and should be viewed as more than merely *de facto* greenwashing or as a less desirable alternative to embedded CSR.

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